

Press Release

Essen, March 14, 2018

Brenntag reports a broad-based growth in 2017 and increased operating EBITDA

- **Operating gross profit* rises to 2,554.1 million EUR (+5.2% as reported)**
- **Operating EBITDA** reaches 836.0 million EUR (+3.2% as reported)**
- **Free cash flow down on the high prior-year figure to 440.3 million EUR**
- **Earnings per share at 2.34 EUR; a further increase in the dividend to 1.10 EUR per share to be proposed**
- **For 2018, Brenntag forecasts growth in its key performance indicators operating gross profit and operating EBITDA**

Brenntag (WKN A1DAHH), the global market leader in chemical distribution, continued to grow in financial year 2017, achieving an increase in both of its key performance indicators operating gross profit and operating EBITDA. This sound achievement was underpinned by a broad-based positive performance: particularly the North America and Asia Pacific regions delivered impressive results, while EMEA – the largest region by operating gross profit – also showed respectable growth. The acquisitions made an encouraging contribution to earnings.

Sales amounted to 11,743.3 million EUR in financial year 2017, a year-on-year increase of 11.9% (+13.1% on a constant currency basis). Operating gross profit, an especially important metric for Brenntag, likewise rose by 5.2% (+6.5% on a constant currency basis) to 2,554.1 million EUR. Operating EBITDA reached 836.0 million EUR in the reporting period, a year-on-year increase of 3.2% (+4.5% on a constant currency basis). Earnings were therefore in the middle of the range of 820 to 850 million EUR forecast in August 2017.

The Brenntag Group's free cash flow amounted to 440.3 million EUR in financial year 2017, a decrease of 31.4% compared with the high prior-year figure (641.4 million EUR). This is due primarily to a rise in working capital as a result of a relatively strong increase in market prices for chemicals.

Attractive dividend proposed

Profit after tax came to 362.0 million EUR in financial year 2017 and was therefore in line with the prior-year figure of 361.0 million EUR. Earnings per share reached 2.34 EUR. On this basis, the Board of Management and Supervisory Board will propose a dividend of 1.10 EUR per share (2016: 1.05 EUR) at the General Shareholders' Meeting on June 20, 2018. The payout ratio is 47.1% of profit after tax attributable to Brenntag shareholders. Brenntag is therefore continuing its policy of paying shareholders a higher dividend each year.

Steven Holland, Chief Executive Officer of Brenntag AG, said, "We are satisfied with the overall Group's performance in financial year 2017 which saw a broad-based contribution from business operations in our four regions. We were pleased to see the continued recovery and growth of our North American region after a challenging period and further growth in Asia Pacific which provides long-term potential as we continue to develop our network density. The Group continued to execute its acquisition strategy in 2017 with a number of important developments to support the growth in food and life sciences and geographical expansion in Asia Pacific. We anticipate that the actions and initiatives executed in 2017 will further support the Group in 2018 and expect an overall positive business environment."

EMEA shows further growth

Brenntag EMEA (Europe, Middle East and Africa) achieved operating gross profit of 1,094.8 million EUR in financial year 2017, a year-on-year increase of 2.8% (+3.7% on a constant currency basis). Operating EBITDA was up by 0.9% to 365.6 million EUR, putting it in line with the prior-year figure (+1.6% on a constant currency basis). Following a challenging first half of the year, we saw a positive performance in the region in the second half of 2017. Going forward, we expect further impetus from the program that we have initiated to increase efficiency.

High rates of increase in North America

In the North America region, we posted a very positive performance in 2017, with earnings showing high rates of increase. We saw very encouraging organic

growth in almost all customer segments. The acquisitions also made a positive contribution to earnings. The operating gross profit generated by Brenntag North America rose by 7.7% year on year (+9.7% on a constant currency basis) to 1,073.9 million EUR. Operating EBITDA also showed a clear increase, rising by 7.8% (+9.7% on a constant currency basis) to reach 385.0 million EUR.

Slight improvement in conditions in Latin America

In a still volatile and difficult macroeconomic environment, Brenntag Latin America generated operating gross profit of 172.5 million EUR in financial year 2017, a year-on-year increase of 0.9% (+0.7% on a constant currency basis). Operating EBITDA was down by 7.6% on the prior-year figure (-8.2% on a constant currency basis) to 42.4 million EUR. Following a weak first half of 2017, our Latin American companies posted a clear improvement in earnings in the second half of the year.

Asia Pacific shows impressive results again

The Asia Pacific region delivered excellent results and high growth rates again in 2017. Operating gross profit climbed by 9.0% (+11.0% on a constant currency basis) to 198.7 million EUR. Operating EBITDA came to 73.7 million EUR, surpassing prior-year earnings by 10.5% (+12.7% on a constant currency basis). In particular, we saw a very encouraging performance and positive contributions to earnings from the acquisitions by which we have systematically expanded our presence in the Asia Pacific region.

Brenntag forecasts continued growth for 2018

Steven Holland, Chief Executive Officer of Brenntag AG, said, "During the last financial year, we saw the Group strengthen its overall performance with a number of growth and efficiency programs starting to deliver in the second half and the overall business environment continues to improve across all regions."

Brenntag expects to see growth in its key performance indicators operating gross profit and operating EBITDA in financial year 2018.

Consolidated income statement		2017	2016	Δ as reported	Δ fx adjusted
Sales	EUR m	11,743.3	10,498,4	11.9%	13.1%
Operating gross profit*	EUR m	2,554.1	2,369,3	5.2%	6.5%
Operating EBITDA**	EUR m	836.0	810.0	3.2%	4.5%
Operating EBITDA** / Operating gross profit*	%	32.7	33.4		
Profit before tax	EUR m	524.6	535.7	-2.1%	
Profit after tax	EUR m	362.0	361.0	0.3%	
<i>Attributable to Brenntag shareholders</i>		360.8	360.3	-	
Earnings per share	EUR	2.34	2.33	-	

Consolidated balance sheet		Dec 31, 2017	Dec 31, 2016
Total assets	EUR m	7,284.8	7,287.0
Equity	EUR m	2,985.7	2,959.2
Working capital	EUR m	1,510.5	1,354.6
Net financial liabilities	EUR m	1,571.9	1,681.9

Consolidated cash flow		Dec 31, 2017	Dec 31, 2016
Cash provided by operating activities	EUR m	404.5	539.9
Investments in non-current assets (Capex)	EUR m	-148.1	-141.1
Free cash flow	EUR m	440.3	641.4

EMEA		2017	2016	Δ as reported	Δ fx adjusted
Sales	EUR m	5,016.8	4,586.1	9.4%	10.1%
Operating gross profit*	EUR m	1,094.8	1,064.6	2.8%	3.7%
Operating EBITDA**	EUR m	365.6	362.3	0.9%	1.6%

North America		2017	2016	Δ as reported	Δ fx adjusted
Sales	EUR m	4,368.0	3,828.8	14.1%	16.2%
Operating gross profit*	EUR m	1,073.9	997.5	7.7%	9.7%
Operating EBITDA**	EUR m	385.0	357.3	7.8%	9.7%

Latin America		2017	2016	Δ as reported	Δ fx adjusted
Sales	EUR m	819.2	780.9	4.9%	4.5%
Operating gross profit*	EUR m	172.5	170.9	0.9%	0.7%
Operating EBITDA**	EUR m	42.4	45.9	-7.6%	-8.2%

Asia Pacific		2017	2016	Δ as reported	Δ fx adjusted
Sales	EUR m	1,170.6	1,010.7	15.8%	18.0%
Operating gross profit*	EUR m	198.7	182.3	9.0%	11.0%
Operating EBITDA**	EUR m	73.7	66.7	10.5%	12.7%

*Operating gross profit is defined as sales less cost of goods sold.

**Since the third quarter of 2017, Brenntag has presented operating EBITDA before holding charges and special items. Holding charges are certain costs charged between holding companies and operating companies. At Group level, these effects net to zero. Brenntag is also adjusting operating EBITDA for income and expenses arising from special items so as to improve comparability in presenting the performance of its business operations over multiple reporting periods and explain it more appropriately. Special items are income and expenses outside ordinary activities that have a special and material effect on the results of operations, such as restructurings.

About Brenntag:

Brenntag, the global market leader in chemical distribution, covers all major markets with its extensive product and service portfolio. Headquartered in Essen, Germany, the company operates a global network with more than 530 locations in 74 countries. In 2017, the company, which has a global workforce of more than 15,000 employees, generated sales of EUR 11.7 billion (USD 13.3 billion). Brenntag connects chemical manufacturers and chemical users. The company supports its customers and suppliers with tailor-made distribution solutions for industrial and specialty chemicals. With over 10,000 products and a world-class supplier base, Brenntag offers one-stop-shop solutions to around 185,000 customers. This includes specific application technology, an extensive technical support and value-added services such as just-in-time delivery, product mixing, formulation, repackaging, inventory management and drum return handling. Long-standing experience and local excellence in the individual countries characterize the global market leader for chemical distribution.

Press contact:

Hubertus Spethmann
Brenntag AG
Corporate Communications
Messeallee 11
45131 Essen
Germany
Telephone: +49 (201) 6496-1732
E-Mail: hubertus.spethmann@brenntag.de
<http://www.brenntag.com>

Financial media / Investor contact:

Thomas Langer, Diana Alester, René Weinberg
Brenntag AG
Corporate Finance & Investor Relations
Messeallee 11
45131 Essen
Germany
Telephone: +49 (201) 6496-1496
E-Mail: IR@brenntag.de
<http://www.brenntag.com>