

Connecting**Chemistry**



Full Year 2019 Results



March 4, 2020

Press talk on full year 2019 results

AGENDA

Full Year 2019 Results

- **Introduction – Christian Kohlpaintner, CEO**
- **Review & Financials 2019 – Georg Müller, CFO**
- **Outlook – Christian Kohlpaintner, CEO**
- **Appendix**

INTRODUCTION



Christian Kohlpaintner, CEO

- Chemist by education
- International career
- Career locations in Germany, North America, Switzerland and China
- More than 25 years of management expertise within broad range of functions
- Senior management positions at Hoechst, Celanese, Budenheim and Clariant

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REVIEW & FINANCIALS 2019
Highlights 2019

**Operating
Gross Profit**

+3.4% (fx adj.)

EUR 2,821.7m

**Operating
EBITDA**

+11.3% (fx adj.)
Supported by IFRS 16

EUR 1,001.5m

**Free cashflow
generation**

+59.4%

EUR 837.3m

EPS

EUR 3.02

Following EUR 2.98 one
year ago

**Resilient
business
model**

Strong cash flow
generation in difficult
market environment

**New approach
for Food &
Nutrition**

Business delivered above
average growth

**M&A strategy
executed**

EUR ~260m
(acquired EV in 2019)

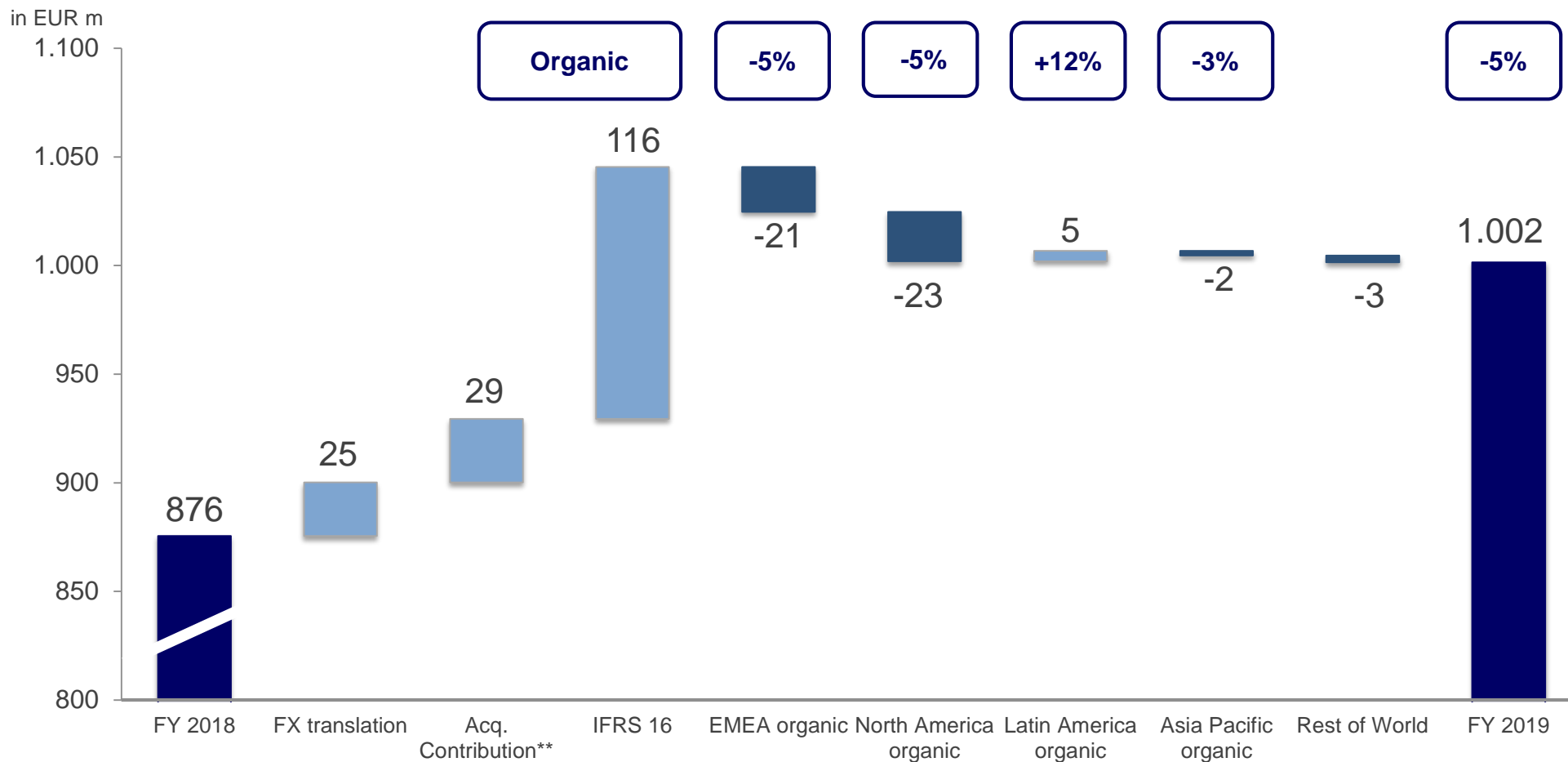
**Dividend
proposal**

EUR 1.25 DPS

9th consecutive increase

REVIEW & FINANCIALS 2019

Operating EBITDA bridge*: FY 2018 to FY 2019



* Calculations are partly based on assumptions made by management; effects based on rounded figures

** 2018 adjusted for Biosector (sale 12/2018)

REVIEW & FINANCIALS 2019

Cash flow items

in EUR m	2019	2018	Δ	Δ
Operating EBITDA	1,001.5	875.5	126.0	14.4%
CAPEX	-205.2	-172.2	-33.0	19.2%
Δ Working capital	161.7	-178.1	339.8	-190.8%
Principal and interest payments on lease liabilities ¹⁾	-120.7			
Free cash flow	837.3	525.2	312.1	59.4%

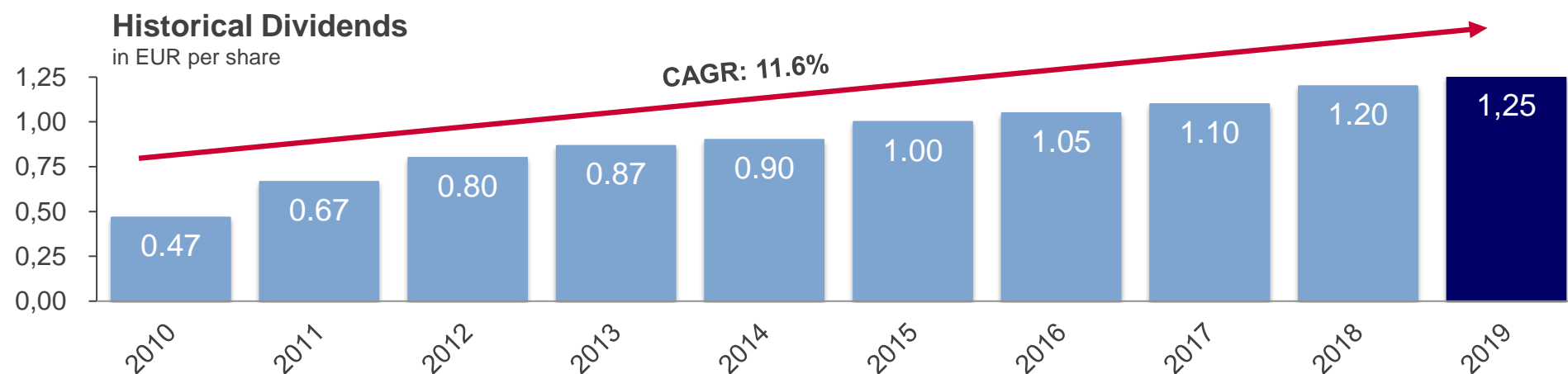
Free Cash Flow**EUR 837m****Interest and tax payments****EUR -251m****Cash out for M&A****EUR -195m****Dividend paid****EUR -185m**

1) On initial application of IFRS 16 at January 1, 2019, cash outflows for principal payments on lease liabilities and interest payments incurred in this context are deducted. In the prior-year figures, lease payments were still included in operating EBITDA through rental and lease expenses.

REVIEW & FINANCIALS 2019

Further dividend increase proposed

in EUR m	2019	2018	Δ
Profit after tax	469.2	462.3	1.5%
Less minority interest	2.5	1.4	
Profit after tax (consolidated) attributable to shareholders of Brenntag AG	466.7	460.9	1.3%
Proposed dividend payment	193.1	185.4	
Proposed dividend per share in EUR	1.25	1.20	4.2%
Payout ratio	41.4%	40.2%	



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INTRODUCTION AS NEW CEO

Active engagement with key stakeholders in first weeks as new CEO



EVALUATION OF CURRENT SITUATION

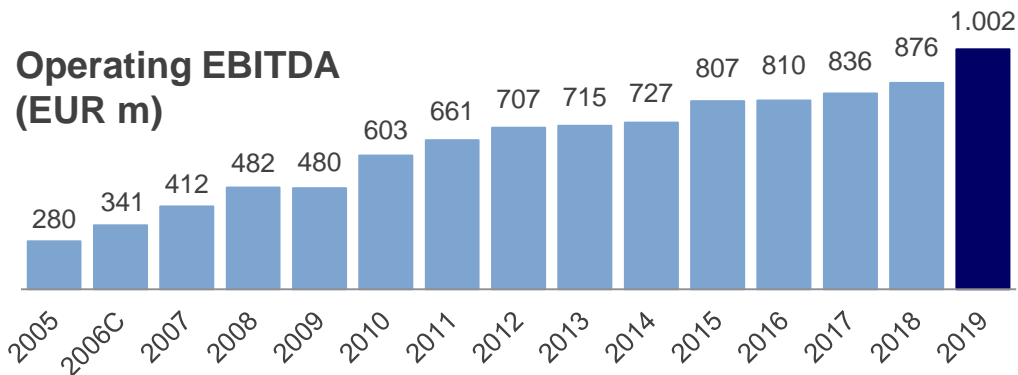
**Brenntag is a healthy and well positioned company ...
but organic growth was subdued**

- Market leading position (globally and locally) ✓
- Strong relationship with partners ✓
- High diversification / Resilience ✓
- Strong cash conversion ✓
- M&A track record supported growth ✓
- Sound financial profile ✓

Organic growth has been lagging expectation for some years more recently

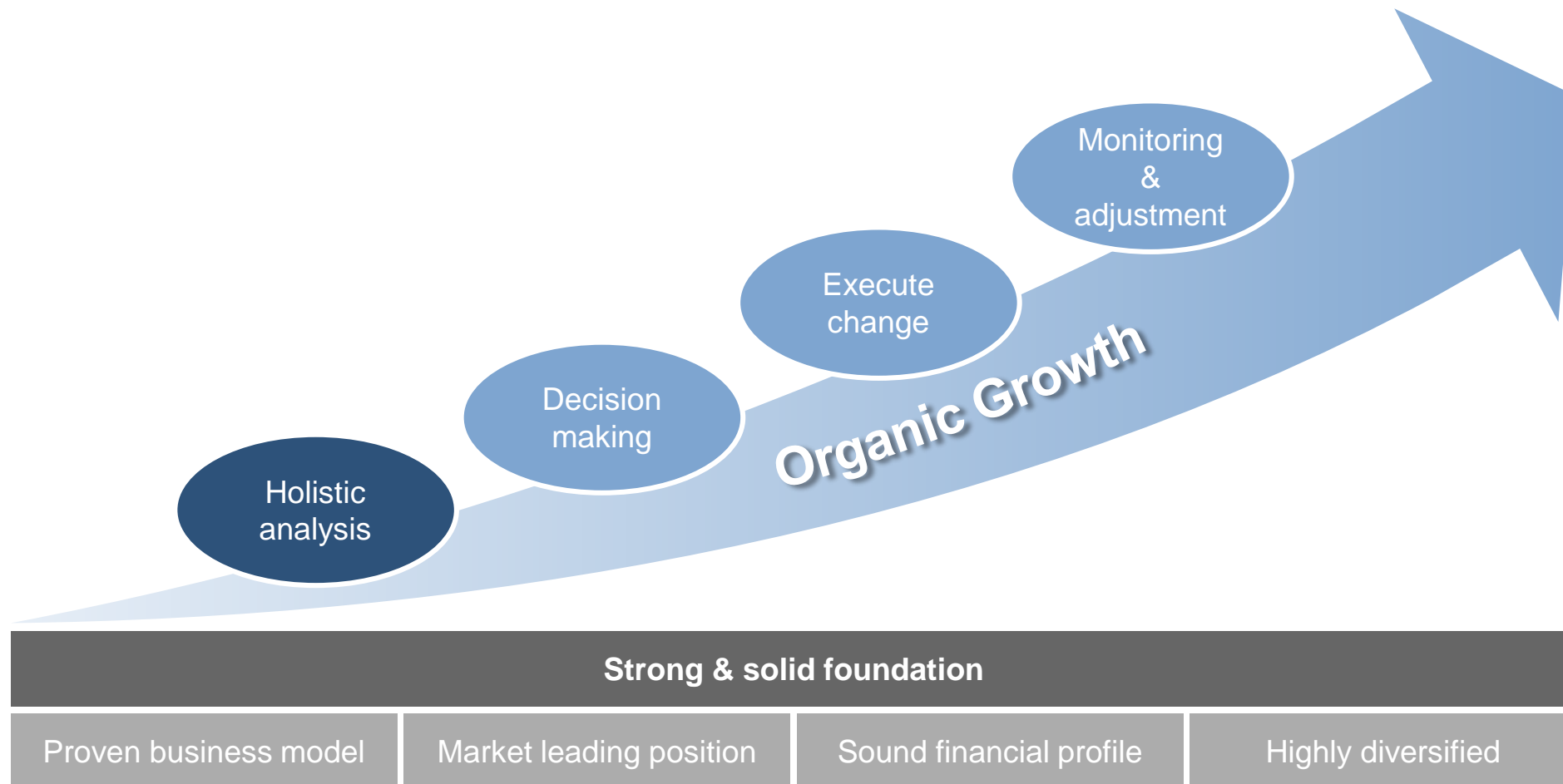
Indicative operating EBITDA (EUR m)

Expectation (indicative)



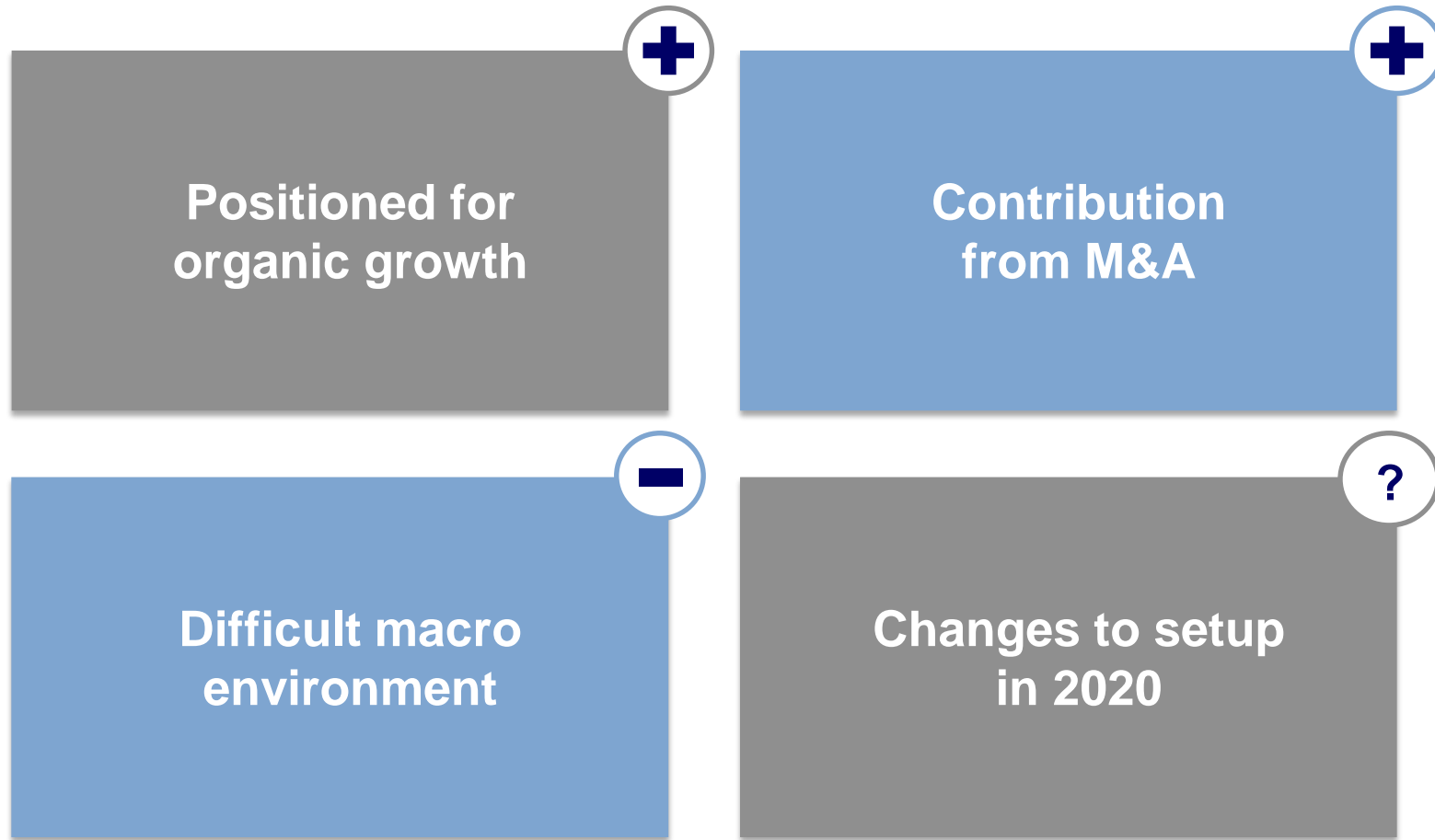
OUTLOOK

Our ambition is to bring Brenntag back to organic growth by building on our strong foundation



OUTLOOK

Outlook for 2020



THANK YOU FOR YOUR ATTENTION



Christian Kohlpaintner, CEO



Georg Müller, CFO

We are ready to answer your questions!

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REVIEW & FINANCIALS 2019

Segments FY 2019

in EUR m		EMEA	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	FY 2019	1,141.6	1,216.8	177.0	266.8	19.5	2,821.7
	FY 2018	1,141.2	1,118.3	163.1	224.2	14.1	2,660.9
	Δ	0.0%	8.8%	8.5%	19.0%	38.3%	6.0%
	Δ FX adjusted	0.1%	3.4%	6.5%	14.7%	38.3%	3.4%
Operating EBITDA	FY 2019	406.3	474.8	55.9	101.1	-36.6	1,001.5
	FY 2018	385.5	409.6	39.9	77.9	-37.4	875.5
	Δ	5.4%	15.9%	40.1%	29.8%	-2.1%	14.4%
	Δ FX adjusted	5.6%	10.1%	38.0%	24.7%	-2.1%	11.3%
	IFRS 16 effect	41.6	53.0	8.8	8.7	3.9	116.0
	Δ ex. IFRS 16*	-5.2%	-2.2%	16.3%	13.9%	8.3%	-1.6%

* Growth rates are unaudited