



IMCD reports 9% EBITA growth in Q1 2015

Rotterdam, The Netherlands (29 April 2015) - IMCD N.V. ("IMCD" or "Company"), a leading distributor of speciality chemicals and food ingredients, today announces the first quarter 2015 results.

Highlights

- Gross profit growth of 8% to EUR 79.1 million (+5% on a constant currency basis)
- Operating EBITA increase of 9% to EUR 30.5 million (+5% on a constant currency basis)
- Net result EUR 21.3 million before amortisation and non-recurring items (2014: EUR 7.5 million)
- Cash EPS EUR 0.40
- Acquisition of Kushalchand (India) on 2 April 2015

Piet van der Slikke, CEO, commented: *"I am satisfied that we have been able to surpass the very strong first quarter of 2014 and that both our gross profit and EBITA further improved. Our activities in India were strengthened by the acquisition of Kushalchand in April and we have excellent opportunities to further grow in this huge market."*

Key figures

EUR million	Jan. 1 - March 31 2015	Jan. 1 - March 31 2014	change	change	fx adj. change
Revenue	355.6	345.7	9.9	3%	-1%
Gross profit	79.1	73.0	6.0	8%	5%
Gross profit in % of revenue	22.2%	21.1%	1.1%		
Operating EBITA ¹	30.5	28.0	2.4	9%	5%
Operating EBITA margin ²	8.6%	8.1%	0.5%		
Conversion margin ³	38.5%	38.4%	0.2%		
Net Result before amortisation / non recurring items	21.3	7.5	13.8	184%	165%
Free cash flow ⁴	25.9	17.6	8.3	47%	
Cash conversion margin ⁵	82.8%	61.3%	21.5%		
Earnings per share (weighted)	0.32				
Cash earnings per share (weighted) ⁶	0.40				
Number of full time employees end of period	1,536	1,473	63	4%	

¹ Result from operating activities before amortization of intangibles and non-recurring items

² Operating EBITA in percentage of Revenue

³ Operating EBITA in percentage of Gross profit

⁴ Operating EBITDA plus/less changes in working capital less capital expenditures

⁵ Free cash flow in percentage of Operating EBITDA

⁶ Earnings before amortisation net of tax





Revenue

Revenue increased from EUR 345.7 million to EUR 355.6 million, an increase of 3%. On a constant currency basis revenue decreased by 1%. Revenue was influenced by decisions to optimise the product portfolio.

Gross profit

Gross profit, a key performance indicator for IMCD, increased by 8% to EUR 79.1 million. On a constant currency basis, gross profit increased by 5%. The gross profit margin increased to 22.2% from 21.1% in the first quarter of 2014. Gross profit margins increased in Europe and Asia Pacific and were more or less stable in Other Emerging Markets.

Operating EBITA

Operating EBITA increased by 9% to EUR 30.5 million. On a constant currency basis, EBITA increased by 5%. The operating EBITA margin increased to 8.6%, compared to 8.1% in the first quarter of 2014. Operating EBITA margins were higher in Europe and Asia Pacific and declined in Other Emerging Markets.

Cash flow and capital expenditure

Free cash flow was EUR 25.9 million compared to EUR 17.6 million in the first quarter of 2014. The high cash generative nature of the business resulted in a cash conversion margin of 82.8%, driven by further EBITDA growth, combined with relatively low working capital investments in the first quarter of 2015.

The investment in working capital (sum of inventories, trade and other receivables minus trade and other payables) in the first quarter of 2015 was EUR 4.8 million compared to EUR 10.0 million in the first quarter of 2014.

Capital expenditure in the first quarter of 2015 was EUR 0.5 million compared to EUR 1.1 million in the same period of 2014.

Net debt

Net debt was EUR 244.9 million on 31 March 2015, compared to EUR 266.6 million as per 31 December 2014. The reduction in net debt is mainly a consequence of the strong cash flow generated in the first quarter of 2015. As a result, the ratio net debt to last 12 months operating EBITDA was further reduced to 2.1 at the end of this first quarter (31 December 2014: 2.4).

Developments by region

Europe

EUR million	Jan. 1 - March 31 2015	Jan. 1 - March 31 2014	change	change	fx adj. ¹ change
Revenue	248.2	250.1	-1.9	-1%	-2%
Gross profit	57.8	55.7	2.0	4%	2%
Gross profit in % of Revenue	23.3%	22.3%	1.0%		
Operating EBITA	23.5	22.4	1.1	5%	2%
Operating EBITA in % of revenue	9.5%	9.0%	0.5%		





In Europe growth was limited. Demand in key markets was not strong at the start of the year but gradually improved in the quarter. Furthermore, revenue from time to time is influenced by timing differences in order patterns. As a consequence, revenue declined slightly by 1%, and the gross profit margin increased by 1% to 23.3%, resulting in a gross profit growth of EUR 2.0 million. Operating EBITA increased by 5% to EUR 23.5 million (EUR 22.4 million in the first quarter of 2014) with an operating EBITA margin of 9.5% (9.0% in the first quarter of 2014).

Asia Pacific

EUR million	Jan. 1 - March 31 2015	Jan. 1 - March 31 2014	change	change	fx adj. change
Revenue	76.8	68.6	8.2	12%	3%
Gross profit	14.4	11.2	3.2	29%	18%
<i>Gross profit in % of Revenue</i>	<i>18.8%</i>	<i>16.3%</i>	<i>2.5%</i>		
Operating EBITA	7.4	5.3	2.1	39%	28%
<i>Operating EBITA in % of revenue</i>	<i>9.6%</i>	<i>7.7%</i>	<i>1.8%</i>		

Revenue in Asia Pacific grew by 12%, to EUR 76.8 million and by 3% on a constant currency basis. Growth was mainly organic, with a small contribution of the acquisition of Danasia in September of 2014. Gross profit increased by 29% to EUR 14.4 million with a gross profit margin of 18.8% (16.3% in the first quarter of 2014). The operating EBITA increased by 39% to EUR 7.4 million and the operating EBITA margin rose from 7.7% to 9.6%. This was mainly caused by the alignment and further optimisation of the Asian businesses and stabilised market circumstances in Australia and New Zealand.

Other Emerging Markets

EUR million	Jan. 1 - March 31 2015	Jan. 1 - March 31 2014	change	change	fx adj. change
Revenue	30.6	27.0	3.6	13%	6%
Gross profit	6.9	6.1	0.7	12%	5%
<i>Gross profit in % of Revenue</i>	<i>22.4%</i>	<i>22.6%</i>	<i>-0.2%</i>		
Operating EBITA	2.1	2.4	-0.3	-11%	-18%
<i>Operating EBITA in % of revenue</i>	<i>7.0%</i>	<i>9.0%</i>	<i>-2.0%</i>		

Other Emerging Markets representing operations in Turkey, South Africa and Brazil showed revenue growth of 13% to EUR 30.6 million (6% on a constant currency basis). Gross profit improved by 12% to EUR 6.9 million with a slightly lower gross profit margin of 22.4%. Operating EBITA declined by 11% to EUR 2.1 million (EUR 2.4 million in 2014). The operating EBITA margin declined from 9.9% in 2014 to 7.0% in 2015. This was mainly the result of less favorable market circumstances in Turkey and Brazil, negative currency rate developments and additional investments in Brazil to prepare for future growth.





Holding companies

EUR million	Jan. 1 - March 31 2015	Jan. 1 - March 31 2014	change	change	fx adj. change
Operating EBITA	-2.6	-2.1	-0.4	-19%	-14%

Holding companies relate to all non-operating companies, including the head office in Rotterdam and the regional office in Singapore. The increase in operating expenses in the first quarter of 2015 reflects the growth of IMCD and as a consequence the strengthening of the support functions both in Rotterdam and Singapore.

Outlook

IMCD operates in different, often fragmented market segments in multiple geographic regions, connecting many customers and suppliers across a very diverse product range. In general, results are impacted by macroeconomic conditions and developments in specific industries. Furthermore results can be influenced from period to period by, amongst others, the ability to maintain and expand commercial relationships, the ability to introduce new products and start new customer and supplier relations and the timing, scope and impact of acquisitions.

Based on Q1 achievements and the strong fundamentals of the business, IMCD expects continuing EBITA growth in 2015.

Financial calendar

2015

29 April 2015	Annual General Meeting Dividend announcement
4 May 2015	Ex-dividend date
5 May 2015	Record date
7 May 2015	Payment date
14 August 2015	First half year results 2015
11 November 2015	Third quarter 2015 Trading Update
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About IMCD

IMCD is a market-leader in the sales, marketing and distribution of speciality chemicals and food ingredients. Its dedicated experts provide market-focused solutions to suppliers and customers across Europe, Africa, Asia-Pacific and Brazil, offering a range of comprehensive product portfolios, including innovative formulations that embrace industry trends.

Listed at Euronext, Amsterdam (IMCD.AS), IMCD realised revenues of €1,358 million in 2014. In over 30 countries on 5 continents its dedicated team of more than 1,500 technical and commercial experts work in close partnership to tailor best in class solutions for around 28,000 customers and a diverse range of world class suppliers.

For further information, please visit www.imcdgroup.com

Disclaimer forward looking statements

This press release may contain forward looking statements. These statements are based on current expectations, estimates and projections of IMCD's management and information currently available to the company. IMCD cautions that such statements contain elements of risk and uncertainties that are difficult to predict and that could cause actual performance and position to differ materially from these statements. IMCD disclaims any obligation to update or revise any statements made in this press release to reflect subsequent events or circumstances, except as required by law.

In the annual report of IMCD N.V, the relevant risk categories and risk factors that could adversely affect the company's business and financial performance have been described. They are deemed to be incorporated in this release. The annual report is available on www.imcdgroup.com.

