



CONFERENCE CALL
Half year results 2016

IMCD N.V. 23 AUGUST 2016

Disclaimer

This presentation 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 presentation to reflect subsequent events or circumstances, except as required by law.



Piet van der Slikke, CEO



- Led the formation of IMCD since 1995
- Designed and executed IMCD's strategy
- 21 years of industry experience

Hans Kooijmans, CFO



- Joined IMCD in 1996
- Co-led formation of IMCD
- 20 years of industry experience



- Company profile
- Highlights first half year 2016
- Financials first half year 2016
- Outlook
- Q&A



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

Listed at Euronext Amsterdam (IMCD.AS), IMCD realised revenues of EUR 1,530 million in 2015. In over 40 countries on 6 continents its dedicated team of more than 1,700 technical and commercial experts work in close partnership to tailor best in class solutions for around 32,000 customers and a diverse range of world class suppliers.



- Company profile
- **Highlights first half year 2016**
- Financials first half year 2016
- Outlook
- Q&A



Highlights first half year 2016

Gross profit	Gross profit growth of 20% to EUR 194.0 million (+25% on a constant currency basis)
Operating EBITA	Operating EBITA increase of 26% to EUR 78.3 million (+31% on a constant currency basis)
Net result	Net result before amortisation and non-recurring items increase of 28% to EUR 54.0 million (+31% on a constant currency basis)
Cash EPS	Cash earnings per share increased by 25% to EUR 1.01
Mutchler	Acquisition of Mutchler, completed on 1 July 2016, expanding the US operations into the pharmaceutical market



- Company profile
- Highlights first half year 2016
- Financials first half year 2016
- Outlook
- Q&A



Income statement

EUR million	Jan.1 - June 30 2016	Jan.1 - June 30 2015	change	change	fx adj. change
Revenue	884.8	728.9	155.9	21%	26%
Gross profit	194.0	161.3	32.7	20%	25%
<i>Gross profit in % of revenue</i>	21.9%	22.1%	(0.2)%		
Operating EBITDA	80.2	63.6			
<i>Operating EBITDA in % of revenue</i>	9.1%	8.7%			
Operating EBITA¹	78.3	62.1	16.2	26%	31%
<i>Operating EBITA in % of revenue</i>	8.8%	8.5%	0.3%		
<i>Conversion ratio²</i>	40.3%	38.5%	1.9%		

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

² Operating EBITA in percentage of Gross profit



Income statement (continued)

EUR million	Jan.1 - June 30 2016	Jan.1 - June 30 2015	change	change	fx adj. change
Operating EBITA	78.3	62.1	16.2	26%	31%
Net finance costs	(9.4)	(5.9)			
Income tax expenses	(14.8)	(13.9)			
Net result before amortisation/non recurring items	54.0	42.2	11.8	28%	31%
Amortisation of intangible assets	(15.6)	(11.1)			
Tax credits related to amortisation	1.8	2.4			
Non recurring items	(0.9)	(1.2)			
Result for the period	39.3	32.3	7.0	22%	25%
Earnings per share (weighted)	0.75	0.64			
Cash Earnings per share (weighted)	1.01	0.81	0.20	25%	28%

Income statement

EUR million		EMEA	Asia Pacific	Americas	Holding companies	Total
Revenue	H1 2016	552.7	159.7	172.4		884.8
	H1 2015	542.3	153.5	33.1		728.9
	Δ reported	2%	4%	421%		21%
	Δ constant currency	4%	10%	522%		26%
Gross profit	H1 2016	130.6	29.6	33.8		194.0
	H1 2015	125.5	29.2	6.6		161.3
	Δ constant currency	7%	7%	515%		25%
Gross profit in % of revenue	H1 2016	23.6%	18.5%	19.6%		21.9%
	H1 2015	23.1%	19.0%	20.0%		22.1%
	Δ margin %	0.5%	(0.5%)	(0.3%)		(0.2%)
Operating EBITA	H1 2016	54.4	13.9	16.8	(6.9)	78.3
	H1 2015	51.7	14.2	1.7	(5.5)	62.1
	Δ reported	5%	(2%)	872%	(24%)	26%
	Δ constant currency	8%	4%	1021%	(27%)	31%
Operating EBITA in % of revenue	H1 2016	9.8%	8.7%	9.7%		8.8%
	H1 2015	9.5%	9.2%	5.2%		8.5%
	Δ margin %	0.3%	(0.5%)	4.5%		0.3%



Balance Sheet

EUR million	30 June 2016	31 December 2015	change
Property, plant and equipment	20	18	2
Intangible assets	898	907	(9)
Other fin. assets/def tax assets	26	26	(0)
Working capital	243	228	15
Provisions/employee benefits	(12)	(12)	(0)
Deferred tax liabilities	(76)	(76)	0
Capital employed	1,099	1,091	8
Equity	681	654	27
<i>Equity in % of capital employed</i>	<i>62%</i>	<i>60%</i>	
Loans and borrowings minus cash	418	438	(19)
Total financing	1,099	1,091	8

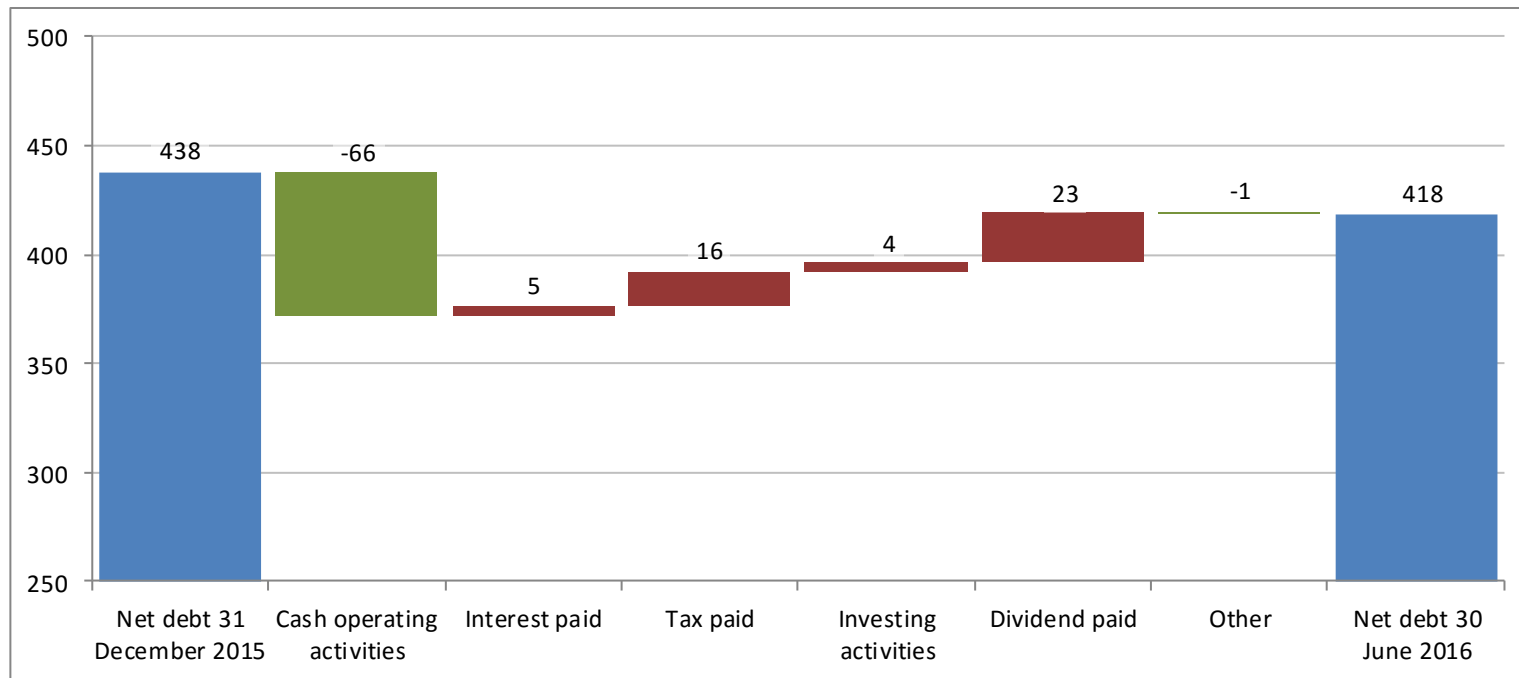


Working capital

EUR million	30 June 2016	31 December 2015	30 June 2015
Inventories	192	184	191
<i>in days of revenue</i>	39	37	44
Trade and other receivables	305	241	292
<i>in days of revenue</i>	62	49	65
Trade payables	(200)	(147)	(197)
<i>in days of revenue</i>	(41)	(30)	(46)
Other payables	(54)	(50)	(56)
<i>in days of revenue</i>	(11)	(10)	(14)
Total working capital	243	228	230
<i>in days of revenue</i>	49	46	49



Net Debt



Free cash flow

EUR million	Jan.1 - June 30 2016	Jan.1 - June 30 2015	change
Operating EBITA	78.3	62.1	16.2
Depreciation	2.0	1.6	0.4
Operating EBITDA	80.3	63.7	16.6
Share based payments	0.7	-	0.7
Capex	(3.1)	(1.3)	(1.8)
Δ Working capital ¹	(14.5)	(19.4)	4.9
Free cash flow	63.3	42.9	20.4
<i>Cash conversion ratio</i> ²	78.9%	67.4%	11.5%

¹ Inventories, Trade and other receivables and Trade and other payables

² Free cash flow in percentage of Operating EBITDA



- Company profile
- Highlights first half year 2016
- Financials first half year 2016
- Outlook
- Q&A



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.

IMCD's consistent strategy and resilient business model has led to successful expansion over the years and IMCD remains focused on achieving earnings growth by optimising its services and further strengthening its market positions. IMCD sees interesting opportunities to increase its global footprint and expand the product portfolio organically and by acquisitions.

Based on the performance in the first half of 2016 and the strong fundamentals of the business, IMCD expects EBITA growth in 2016.



- Company profile
- Highlights first half year 2016
- Financials first half year 2016
- Outlook
- Q&A

