Q2 2012

Experts for successful chemical distribution

Interim Report for the period from January 1 to June 30, 2012

KEY FINANCIAL FIGURES AT A GLANCE

Consolidated income statement		Q2 2012	Q2 2011
Sales	EUR m	2,490.9	2,173.4
Gross profit	EUR m	487.1	443.8
Operating EBITDA	EUR m	184.4	167.7
Operating EBITDA / Gross profit	%	37.9	37.8
EBITDA	EUR m	184.4	167.1
Profit after tax	EUR m	81.4	67.6
Earnings per share	EUR	1.57	1.28

Consolidated balance sheet		Jun. 30, 2012	Dec. 31, 2011
Total assets	EUR m	5,705.3	5,575.6
Equity	EUR m	1,846.6	1,761.3
Working capital	EUR m	1,121.8	961.1
Net financial liabilities	EUR m	1,593.8	1,493.6

Consolidated cash flow		Q2 2012	Q2 2011
Cash provided by operating activities	EUR m	37.3	29.3
Investments in non-current assets (Capex)	EUR m	17.3	16.4
Free cash flow	EUR m	101.2	67.3

Key figures Brenntag share		Jun. 30, 2012	Dec. 31, 2011
Share price	EUR	87.18	71.95
No. of shares (unweighted)		51,500,000	51,500,000
Market capitalization	EUR m	4,490	3,705
Free float	%	86.31	63.98

Master Data on the Share	
Most important stock exchange	Xetra
Indices	MDAX®, MSCI, Stoxx Europe 600
ISIN	DE000A1DAHH0
WKN	A1DAHH
Trading symbol	BNR

PROFILE OF BRENNTAG

Brenntag is the global market leader in full-line chemical distribution. Linking chemical manufacturers and chemical users, Brenntag provides business-to-business distribution solutions for industrial and specialty chemicals globally. With over 10,000 products and a world-class supplier base, Brenntag offers one-stop-shop solutions to more than 160,000 customers. The value-added services include just-in-time delivery, product mixing, formulation, repackaging, inventory management, drum return handling as well as extensive technical support. Headquartered in Mülheim an der Ruhr, Germany, the company operates a global network with more than 400 locations in about 70 countries.

ACQUISITION OF THE ISM/SALKAT GROUP IN AUSTRALIA AND NEW ZEALAND

On July 16, 2012 Brenntag acquired the entire business of the ISM/Salkat Group, one of the leading distributors of specialty chemicals in Australia and New Zealand. With this strategic acquisition, Brenntag is expanding its market position in Australia and successfully entering the New Zealand market. Brenntag is thus improving its growth opportunities in this region in the long term.

FREE FLOAT INCREASES TO 100%

On July 6, 2012, Brachem Acquisition S.C.A., Luxembourg, the previously largest shareholder of Brenntag AG, placed its remaining 6.9 million shares of Brenntag AG with institutional investors in an accelerated bookbuilding process. This was the third successful placement in 2012 and as a result the free float has increased to 100% of the share capital.

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TO OUR SHAREHOLDERS

CEO LETTER

Steven Holland, CEO

Dear Shareholders,

We have now reached half way through the current financial year and would like to present the interim report for the period ended June 2012.

For shareholders, both new and old we have often presented both the growth and resilient nature of our business model explaining how the group operates in even the most challenging economic conditions. A balance of organic growth including efficiency gains and acquisitions has placed our highly diversified group in a strong position to weather the current worldwide economic challenges, which, for some regions, became more pronounced in the course of 2012.

Clearly, the position in Europe and Asia Pacific has been a primary focus for the group over the last two quarters. In Europe, we have proactively implemented our efficiency-enhancement programme in the first quarter of this year. In Asia Pacific, we seek to reposition assets and resources in response to the economic slowdown in the region and the longer than anticipated slow recovery in the Thai market after the flooding at the end of last year.

The first positive impact of these measures can already be seen in the financial performance of the regions and we expect to see the full impact during the second half of 2012.

During such economic conditions, the contribution from acquisitions and the successful execution of the efficiency measures are important sources of growth. To this end, we are particularly pleased with the development of Multisol, our largest acquisition in 2011, which is achieving outstanding results, even in this challenging market environment.

In the second quarter 2012, the gross profit increased compared to the same period in the previous year by 9.8% (4.1% on a constant currency basis) to EUR 487.1 million. In the same period, the operating EBITDA increased to EUR 184.4 million and therefore grew by 10.0% (3.8% on a constant currency basis). This resulted in a conversion ratio of operating EBITDA to gross profit of 37.9%. All regions contributed to the Group’s growth. Furthermore, we generated a free cash flow of EUR 179.1 million in the first half year 2012. This free cash flow gives us stability and security in these macroeconomic difficult times and supports us to remain on our growth path as well as to continue our acquisition strategy.

In terms of new developments, following a minor acquisition in Italy in the first half of the year, I am delighted that we could announce two major acquisitions in July. The acquisition of the ISM/Salkat Group, one of the leading distributors of specialty chemicals in Australia and New Zealand, is of particular strategic importance for the expansion of our distribution network and development of our capabilities in the region. We also bought The Treat-Em-Rite Corporation in the USA, a chemical distributor for the oil and gas industry, which is headquartered in one of the fastest-growing shale gas regions of the USA. We remain focussed on further value accretive acquisition targets, some of which we hope to conclude during the second half of this year.

After increasing very strongly in the first quarter of 2012 and outperforming the relevant indices, the Brenntag share price was stable in the second quarter, moving largely in line with the market. In June, we paid a dividend of EUR 2.00 per share, a significant increase on 2011. Our previously largest shareholder, Brachem Acquisition S.C.A., successfully sold its remaining shares in Brenntag AG on July 6, 2012 so the free float increased to 100 %. This successful placement highlights once again Brenntag's excellent reputation among investors.

Now that we have come to the end of the second quarter, as in the past two years, we would like to take a look at our prospects for the rest of 2012. As the year progresses, we are expecting to see the full impact of the European efficiency-enhancement programme and recovery of our business in Thailand. We remain positive about our North American and Latin American regions. Assuming no significant fluctuations in the average US dollar exchange rate for the rest of the year and a stable macroeconomic situation, we are expecting operating EBITDA of EUR 705 to 735 million for 2012 as a whole and thus a further increase on the record figure of EUR 660.9 million in 2011.

Although we are confident about the future, we remain vigilant and will respond should we feel further steps are required to position the business defensibly in case the macro-economy deteriorates.

We would like to thank our stakeholders throughout the world for their continued interest and the trust they have placed in our company.

Mülheim an der Ruhr, August 7, 2012

Steven Holland
Chief Executive Officer

BRENNTAG ON THE STOCK MARKET

BRENNTAG PAYS SIGNIFICANTLY INCREASED DIVIDEND

This year's ordinary annual general shareholders' meeting of Brenntag AG was held in Düsseldorf on June 20, 2012. 67.42% of the share capital of 51,500,000 shares was represented.

At the meeting, the Board of Management reported on the company's successful 2011 financial year. Following the general discussion which the shareholders used to ask questions, the annual general shareholders' meeting voted by a very large majority to adopt the proposals made by the Board. Furthermore, the Board also presented the new Board member for the first time and outlined the changes in Board responsibilities to the shareholders.

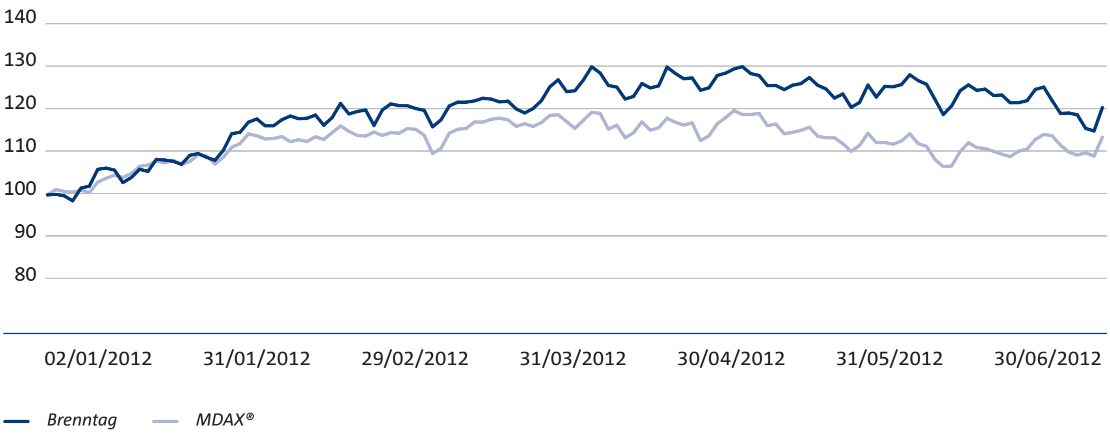
The annual general shareholders' meeting approved the distribution of a dividend of EUR 2.00 per share, which represents a significant increase compared with the previous year when EUR 1.40 per share was paid out.

DEVELOPMENT OF THE SHARE PRICE

In the second quarter of 2012, the capital markets were marked by great uncertainty, largely as a result of the continued sovereign debt crisis and the unclear situation, above all with regard to Spanish banks. Furthermore, political decisions both at European and national level had a significant impact on the development of share prices. In contrast to the first quarter, no clear trend was apparent and there were repeated major rises and falls in share prices during the period.

The Brenntag share price, adjusted for the dividend of EUR 2.00 paid at the end of June, performed largely in line with the MDAX® in the second quarter of 2012. The Brenntag share closed the second quarter at EUR 87.18. The DAX® finished the second quarter at 6,416.28 points and the MDAX® at 10,343.71 points. Compared with the 2011 closing rate, the Brenntag share managed to increase significantly by 20.41%. According to the ranking list of Deutsche Börse AG, the Brenntag share took 33rd place among all listed companies in Germany in terms of market capitalization at the end of June 2012. The average number of Brenntag shares traded each day in the second quarter of 2012 was approximately 137,000.

DEVELOPMENT OF THE BRENNTAG SHARE PRICE (INDEXED)



SHAREHOLDER STRUCTURE

Until the beginning of July 2012, the largest shareholder of Brenntag AG was Brachem Acquisition S.C.A., Luxembourg. After two successful placements in January and February 2012, Brachem Acquisition S.C.A. placed its remaining 6.9 million shares in the company with institutional investors in an accelerated bookbuilding process on July 6, 2012. The free float of the share is therefore now 100% of the share capital of 51,500,000 shares.

In accordance with Section 21, para. 1 German Securities Trading Act (WpHG), notifications have been received from the following shareholders that their percentage of the voting rights now exceeds the 3% or 5% threshold:

Shareholder	No. of Brenntag shares	Proportion in %	Date of notification
Threadneedle/Ameriprise	2,763,932	5.37	Jul. 27, 2012
BlackRock	2,678,905	5.20	Apr. 5, 2012
Sun Life/MFS	2,590,260	5.03	Jul. 3, 2012
Longview Partners	1,597,984	3.10	Jul. 11, 2012
Artisan Partners	1,575,332	3.06	Oct. 12, 2011
T. Rowe Price Group	1,546,700	3.00	Aug. 23, 2011

As of today, we have received no notification that any other shareholder has exceeded the statutory notification threshold of 3%.

Brenntag AG now has a free float of 100% of the total share capital, representing 51,500,000 shares.

Below you will find the most important information on the Brenntag share:

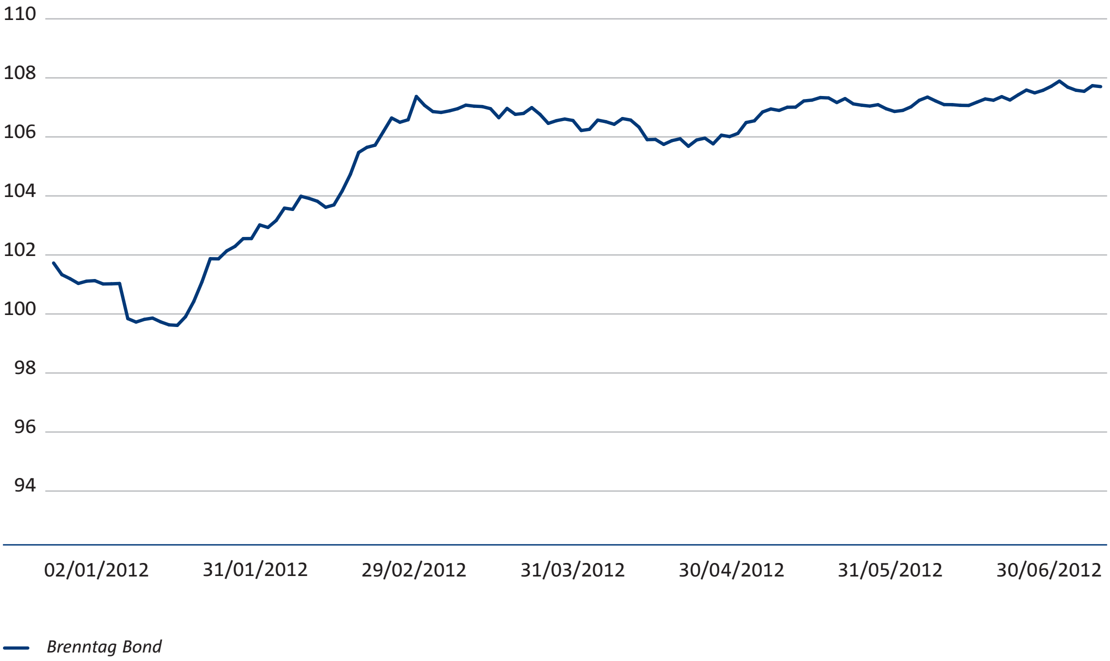
Key figures and master data on the share		IPO Mar. 2010	Dec. 31, 2011	Jun. 30, 2012
Share price	EUR	50.00	71.95	87.18
Number of shares (unweighted)		51,500,000	51,500,000	51,500,000
Market capitalization	EUR m	2,575	3,705	4,490
Free float	%	29.03	63.98	86.31
Free float market capitalization	EUR m	748	2,371	3,875

Most important stock exchange	Xetra
Indices	MDAX®, MSCI, Stoxx Europe 600
ISIN	DE000A1DAHH0
WKN	A1DAHH
Trading symbol	BNR

BOND

On July 19, 2011 Brenntag Finance B.V., Amsterdam, Netherlands, an indirectly held 100 % subsidiary of Brenntag AG, issued a corporate bond with a volume of EUR 400 million. The seven-year bond bears a coupon of 5.50 %. The issue price was at 99.321 % of the nominal value.

DEVELOPMENT OF THE PRICE OF THE BRENNTAG BOND



Below you will find the most important information on the Brenntag bond:

Key figures and master data on the bond		Jul. 19, 2011	Dec. 31, 2011	Jun. 30, 2012
Bond price	%	99.321	101.324	107.663

Issuer	Brenntag Finance B.V.
Guarantors	Brenntag AG, certain subsidiaries of Brenntag AG
Listing	Luxembourg Stock Exchange
ISIN	XS0645941419

Aggregate principal amount	EUR m	400
Denomination		1,000
Minimum transferrable amount	EUR	50,000
Coupon	%	5.50
Interest payment		July 19
Maturity		July 19, 2018

GROUP INTERIM MANAGEMENT REPORT

for the period from January 1 to June 30, 2012

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BUSINESS AND ECONOMIC ENVIRONMENT

BUSINESS ACTIVITIES AND GROUP STRUCTURE

Business Activities

Brenntag's growth opportunities along with its resilient business services model are based on complete geographic coverage, wide product portfolio and high diversity across suppliers, customers and industries.

Linking chemical manufacturers (our suppliers) and chemical users (our customers), Brenntag provides complete distribution solutions rather than just chemical products. Brenntag purchases large-scale quantities of industrial and specialty chemicals from various suppliers, enabling the company to achieve economies of scale and offer its more than 160,000 customers a full-line range of chemical products. Brenntag is the strategic partner and service provider for manufacturers of industrial and specialty chemicals at the one end and chemical users at the other end of the value chain.

Brenntag stores the products it purchases in its owned and leased distribution facilities, packs them into quantities the customers require and delivers them, typically in less-than-truckloads. Brenntag's customers are active worldwide in diverse end-market industries such as adhesives, paints, oil & gas, food, water treatment, personal care and pharmaceuticals. In order to be able to react quickly to the market and customers' and suppliers' requirements, Brenntag manages its business regionally from branches in Europe, North America, Latin America and Asia Pacific. Brenntag offers a broad range of over 10,000 products as well as extensive value-added services (such as just-in-time delivery, product mixing, blending, repackaging, inventory management, drum return handling as well as technical services and laboratory support for specialty chemicals). High diversification means that Brenntag is largely independent from the volatility of specific market segments or regions.

Brenntag is the global market leader in full-line chemical distribution. We define market leader not just by business volume but also associate it with our philosophy of continually improving the safety standards at our sites. As a responsible service provider, we are planning to make further improvements in the overall safety performance of Brenntag in 2012.

Group Structure

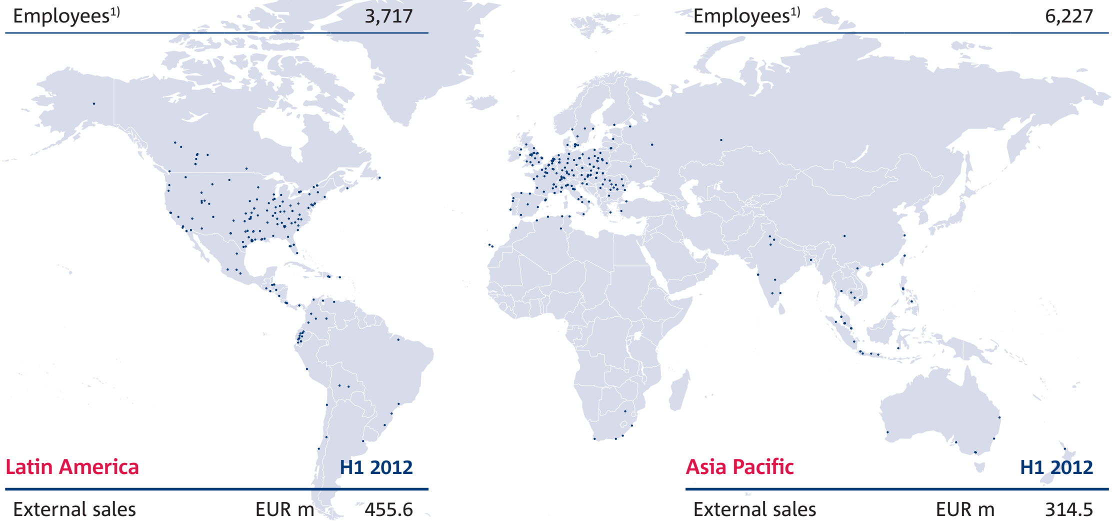
As the ultimate holding company, Brenntag AG is responsible for the strategy of the Group, risk management and central financing. Further central functions of Brenntag AG are Controlling, HSE (Health, Safety and Environment), Investor Relations, IT, Group Accounting, Mergers & Acquisitions, International Human Resources Management, Corporate Development, Corporate Communications, Legal, Corporate Internal Audit and Tax.

The consolidated financial statements include as at June 30, 2012 Brenntag AG, 26 domestic (December 31, 2011: 26) and 191 foreign (December 31, 2011: 189) fully consolidated subsidiaries and special purpose entities. Five associates (December 31, 2011: five) have been accounted for at equity.

The following graphic gives an overview of the global network of the Brenntag Group, which is managed by the regionally structured segments Europe, North America, Latin America and Asia Pacific. Furthermore, All Other Segments cover the central functions for the entire Group, the sourcing activities in China and the international business of Brenntag International Chemicals.

North America		H1 2012
External sales	EUR m	1,541.8
Operating gross profit	EUR m	365.8
Operating EBITDA	EUR m	153.9
Employees[1)]		3,717

Europe		H1 2012
External sales	EUR m	2,325.7
Operating gross profit	EUR m	475,4
Operating EBITDA	EUR m	163.4
Employees[1)]		6,227



Latin America		H1 2012
External sales	EUR m	455.6
Operating gross profit	EUR m	83.5
Operating EBITDA	EUR m	28.1
Employees[1)]		1,353

Asia Pacific		H1 2012
External sales	EUR m	314.5
Operating gross profit	EUR m	49.2
Operating EBITDA	EUR m	21.5
Employees[1)]		1,351

Figures exclude All Other Segments, which, in addition to various holding companies and our sourcing activities in China, cover the international activities of Brenntag International Chemicals.
[1)] Employees are defined as number of employees on the basis of full-time equivalents at the reporting date.

CORPORATE STRATEGY

For the future, our goal is to remain the preferred distributor for both specialty and industrial chemicals for our customers and suppliers and, at the same time, the industry leader in safety, growth and profitability. We aim to achieve this with a clear growth strategy geared to steadily expanding our leading market positions while continually improving profitability.

Organic growth and acquisitions

We strive to extend our market leadership by steadily enhancing our product and service offering capabilities in line with the requirements of the regional markets. In doing so, we benefit from leveraging our extensive global activities and key strengths. Our needs-based sales approach focuses on providing customers with total solutions along the entire value chain rather than just products.

In addition, we continue to seek acquisition opportunities that support our overall strategy. Our strategic focus is on expanding our presence in emerging markets, particularly in the Asia Pacific region, in Latin America and Eastern Europe, to capture the expected strong growth in demand for chemicals in these regions. In the established markets of Europe and North America, we continue to further develop our product and service portfolio as well as to optimize our nationwide distribution network, also through acquisitions.

Improving profitability

A further element of our strategy is to systematically increase profitability. On the basis of our entrepreneurial culture, our operational excellence and our resilient business model, we continuously strive to improve our operating gross profits, EBITDA, cash flows and return on assets. Extending the scope of our operations, both organically and through acquisitions, and achieving the resulting economies of scale are major levers for increasing our profitability and returns.

The systematic implementation of our strategy is based on global and regional initiatives. We seek to effectively leverage our capabilities through accelerated and targeted growth in the particularly attractive industries: water treatment, personal care, pharmaceuticals, food & beverages, oil & gas as well as adhesives, coatings, elastomers and sealants. We are also focusing on further expanding business with regional, pan-regional and global key accounts, sectors where our broad product offering and far-reaching geographic network provide unrivalled service capabilities. In addition, we will continue to actively realize the potential offered by the trend for chemical producers to outsource activities. Further initiatives focus on growing the customer-specific mixing and blending business by providing value-added service as well as expanding the business with AdBlue, a highly pure aqueous urea solution which reduces road traffic emissions, in Europe and North America.

Besides our growth initiatives, we continue to adopt best practice solutions throughout the Brenntag world and to improve the Group's operational efficiency by optimizing our warehouse and transport logistics and continually refining the procurement and sales processes on a local and global level.

All of our top initiatives are based on our guiding strategic principles:

- intense customer orientation
- full-line product portfolio focused on value-added services
- complete geographic coverage
- accelerated growth in target markets
- commercial and technical competence

We are committed to the principles of responsible care and responsible distribution. Safety and the protection of the environment are paramount in everything we do.

OVERALL ECONOMY

The deepening of the euro crisis in the second quarter of 2012 and the resulting uncertainty are also reflected in the estimate of the future development of the global economy. In June 2012, the global Purchasing Managers' Index fell for the first time since November 2011 below the neutral mark of 50 to 48.9, which is regarded as an indicator of an expected deterioration in the assessment of business. This assessment is, however, only partially reflected in the global development of the economy in the second quarter of 2012 as there are diverging growth patterns in the different regions. Global industrial output increased in the first two months of the second quarter of 2012 by some 4% compared with the prior-year period. This is a slowing of growth as the relevant growth ran at 4.7% in the first two months of the second quarter of 2011 compared with the same prior-year period.

In the European Economic Area, the deepening euro crisis is, however, clearly evident in the development of the economy. Industrial output fell by 2.1% in the first two months of the second quarter of 2012 compared with the prior-year period, although differences in the direction and scale of the development between different countries persist. Industrial activity decreased by an average of 2.7% in western Europe, which was largely due to the negative development in southern Europe. By contrast, industrial output in most east European countries showed slightly positive growth rates.

The data for the second quarter of 2012 indicate a sustained moderate expansion of the overall economy in the USA, which continues to be largely driven by consumer demand. Industrial output grew in the second quarter of 2012 by 4.7% compared with the prior-year period with the highest growth rate in April followed by declining growth rates in a year-on-year comparison in the following months of the second quarter of 2012. This development is also reflected in the US Purchasing Managers' Index, which fell in June 2012 below the neutral mark of 50 (49.70).

The weaker growth of the overall economy in Latin America seen in the last quarters persisted in the second quarter of 2012. This development was also reflected in industrial output which declined in the first two months of the second quarter by 1.8% compared with the prior-year period. The main reasons for this development were declining exports and weak domestic demand.

In the emerging Asian economies, growth continued but the pace slowed further in the second quarter of 2012 as a result of weaker development of the global economy. In China, overall economic growth fell in the second quarter of 2012 to 7.6%. Industrial output in China also slowed further and therefore a growth rate of 9.3% is forecast for the second quarter of 2012 compared with the prior-year period. The Thai economy continued to recover overall after contracting sharply after the flooding in 2011. However, it was still below pre-flood level. In the Asian economic region as a whole, industrial output grew by 7.4% in the first two months of the second quarter compared with the prior-year period although momentum has slowed considerably compared with the same period of 2011 as the relevant growth ran at 10.4% in the first two months of the second quarter of 2011 compared with the same prior-year period.

BUSINESS PERFORMANCE

STATEMENT BY THE BOARD OF MANAGEMENT ON BUSINESS PERFORMANCE

In comparison to the first quarter, growth of the global economy slowed in the second quarter of 2012, largely as a result of the deepening of the euro crisis. However, development of growth rates varied in the individual regions. Nevertheless, the sales and gross profit of the Brenntag Group rose again compared with the prior-year period, in particular thanks to the acquisitions executed in 2011.

Operating expenses increased due to the larger business volume. Personnel expenses and rents rose in particular as a result of the acquisitions made.

The Brenntag Group exceeded operating EBITDA compared with the prior-year period. In a difficult economic environment, we benefited from the resilience of our business model. The companies of the Multisol Group and the Zhong Yung Group acquired in 2011 also contributed to the development of operating EBITDA.

Together with the very good result of the first quarter of 2012, the Brenntag Group increased all major result figures in the first half of the year compared with the prior-year period.

Average working capital rose slightly compared with the level at the end of the first quarter of 2012. This is mainly due to higher sales. The annualized working capital turnover rate remained almost at the level of the same period of 2011.

Investment in property, plant and equipment increased slightly compared with the second quarter of 2011. However, our business model allows for investment levels to remain generally comparatively low and highly flexible.

Given the overall economic environment, our business performance and the development of the results of operations and the company's financial condition in the second quarter of 2012 were again positive.

RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

Business Performance of the Brenntag Group

in EUR m	Q2 2012	Q2 2011	Change abs.	Change in %	Change in % (fx adj.)[2]
Sales	2,490.9	2,173.4	317.5	14.6	9.6
Operating gross profit	496.7	453.6	43.1	9.5	3.9
Operating expenses	−312.3	−285.9	−26.4	9.2	3.9
Operating EBITDA	**184.4**	**167.7**	**16.7**	**10.0**	**3.8**
Transaction costs/ Holding charges	*0.0*	*−0.6*	0.6	–	–
EBITDA (incl. transaction costs/ holding charges)	**184.4**	**167.1**	**17.3**	**10.4**	**4.2**
Depreciation of property, plant and equipment and investment property	−23.7	−21.4	−2.3	10.7	5.8
EBITA[1]	160.7	145.7	15.0	10.3	4.0
Amortization of intangible assets	−9.0	−5.4	−3.6	66.7	60.7
Financial result	−27.4	−36.7	9.3	−25.3	–
Profit before tax	124.3	103.6	20.7	20.0	–
Income taxes	−42.9	−36.0	−6.9	19.2	–
Profit after tax	81.4	67.6	13.8	20.4	–

in EUR m	H1 2012	H1 2011	Change abs.	Change in %	Change in % (fx adj.)[2]
Sales	4,875.7	4,300.5	575.2	13.4	10.0
Operating gross profit	982.9	897.1	85.8	9.6	5.7
Operating expenses	−627.0	−571.3	−55.7	9.7	6.1
Operating EBITDA	**355.9**	**325.8**	**30.1**	**9.2**	**5.0**
Transaction costs/ Holding charges	*0.1*	*−0.8*	0.9	–	–
EBITDA (incl. transaction costs/ holding charges)	**356.0**	**325.0**	**31.0**	**9.5**	**5.3**
Depreciation of property, plant and equipment and investment property	−46.5	−42.8	−3.7	8.6	5.4
EBITA[1]	309.5	282.2	27.3	9.7	5.3
Amortization of intangible assets	−17.6	−11.4	−6.2	54.4	49.2
Financial result	−50.0	−65.1	15.1	−23.2	–
Profit before tax	241.9	205.7	36.2	17.6	–
Income taxes	−81.1	−71.2	−9.9	13.9	–
Profit after tax	160.8	134.5	26.3	19.6	–

[1] *EBITA is defined as EBITDA less depreciation of property, plant and equipment and investment property.*
[2] *Change in % (fx adj.) is the percentage change on a constant currency basis.*

Sales, volumes and prices

In the second quarter of 2012, the Brenntag Group recorded sales of EUR 2,490.9 million, an increase of 14.6% compared with the prior-year period or 9.6% on a constant currency basis. This growth in sales is mainly attributable to a higher average selling price. The acquisitions made in 2011, including the Multisol Group and the Zhong Yung Group, also contributed to this growth.

In the first half of 2012, the Group increased external sales by 13.4% or 10.0% on a constant currency basis compared with the prior-year period.

Operating gross profit

In the second quarter of 2012, operating gross profit amounted to EUR 496.7 million, an increase of 9.5% over the prior-year second quarter figure or 3.9% on a constant currency basis. Operating gross profit grew more strongly than volumes with significant contributions from the acquisitions, including the Multisol Group and the Zhong Yung Group.

In the first half of 2012, operating gross profit grew by 9.6% or 5.7% on a constant currency basis.

Operating expenses

In the second quarter of 2012, operating expenses rose to EUR 312.3 million compared with the same prior-year period. That is an increase of 9.2% or 3.9% on a constant currency basis. Higher personnel expenses and rents were incurred, particularly as a result of the acquisitions, including the Multisol Group and the Zhong Yung Group.

Operating expenses increased by 9.7% in the first half of 2012 or 6.1% on a constant currency basis.

EBITDA

The key indicator and measure for the financial performance of the Brenntag Group is EBITDA. The segments are primarily controlled on the basis of operating EBITDA, which is the operating profit/loss as recorded in the consolidated income statement plus amortization of intangible assets and depreciation of property, plant and equipment and investment property, adjusted for the following items:

- **Transaction costs:** Costs connected with restructuring under company law and refinancing, particularly the refinancing in 2011. They are eliminated for purposes of management reporting to permit proper presentation of the operating performance and comparability on segment level.
- **Holding charges:** Certain costs charged between holding companies and operating companies. On Group level they net to zero.

The Brenntag Group posted EBITDA of EUR 184.4 million in the second quarter of 2012. That represents an increase of 10.4% or 4.2% on a constant currency basis over the figure for the prior-year period. Adjusted for transaction costs and holding charges, operating EBITDA was also EUR 184.4 million, which is an increase of 10.0% or 3.8% on a constant currency basis.

Overall, in the first half of 2012, the Brenntag Group increased EBITDA by 9.5% or 5.3% on a constant currency basis compared with the previous year. Operating EBITDA amounted to EUR 355.9 million in this period, exceeding the result recorded in the first half of 2011 by 9.2% or 5.0% on a constant currency basis.

Depreciation, amortization and financial result

Depreciation of property, plant and equipment and investment property as well as amortization of intangible assets amounted to EUR 32.7 million in the second quarter of 2012 (Q2 2011: EUR 26.8 million). Of this figure, EUR 23.7 million relates to depreciation of property, plant and equipment and investment property and EUR 9.0 million to amortization of intangible assets.

The financial result amounted to EUR −27.4 million in the second quarter of 2012 and has therefore considerably improved compared with the second quarter of 2011 (EUR −36.7 million). On the one hand, this was due to the fact that one-off expenses in connection with the refinancing completed in July 2011 negatively impacted the second quarter of 2011. On the other hand, interest on financial liabilities was much lower in the second quarter of 2012 as a result of this refinancing. In addition, we also benefited from the fact that several long-term interest swaps expired in 2011 which, from today’s point of view, had high fixed interest rates.

The appreciable improvement in the financial result in the first half of 2012 compared with the same period of 2011 is also largely the result of lower interest after the refinancing as well as to the one-off expenses incurred in 2011.

Profit before tax

In the second quarter of 2012, the profit before tax amounted to EUR 124.3 million (Q2 2011: EUR 103.6 million) and in the first half of 2012 to EUR 241.9 million (H1 2011: EUR 205.7 million).

Income tax and profit after tax

At EUR 42.9 million in the second quarter of 2012 (Q2 2011: EUR 36.0 million) and EUR 81.1 million in the first half of 2012 (H1 2011: EUR 71.2 million), income tax expense was higher than in the same prior-year periods as a result of the increase in pre-tax profit.

The expected Group tax rate for 2012 was applied when determining tax expense in the first half of 2012.

The non-tax-relevant effects of changes in purchase price obligations and liabilities under IAS 32 to minorities have not been taken into consideration when determining the expected corporate income tax rate and calculating the income taxes for the reporting period as they cannot be planned with sufficient accuracy. The above effects reduced the profit before tax by EUR 4.6 million with no corresponding reduction in taxes.

The profit after tax totalled EUR 81.4 million in the second quarter of 2012 (Q2 2011: EUR 67.6 million) and EUR 160.8 million in the first half of 2012 (H1 2011: EUR 134.5 million).

Business Performance in the Segments

The picture for the second quarter of 2012 by segment is as follows:

2nd quarter 2012 in EUR m	**Brenntag Group**	Europe	North America	Latin America	Asia Pacific	All Other Segments
External sales	2,490.9	1,176.9	782.5	234.1	170.4	127.0
Operating gross profit	496.7	236.7	187.3	42.9	25.3	4.5
Operating expenses	−312.3	−152.9	−107.3	−28.3	−14.4	−9.4
Operating EBITDA	**184.4**	**83.8**	**80.0**	**14.6**	**10.9**	**−4.9**

H1 2012 in EUR m	**Brenntag Group**	Europe	North America	Latin America	Asia Pacific	All Other Segments
External sales	4,875.7	2,325.7	1,541.8	455.6	314.5	238.1
Operating gross profit	982.9	475.4	365.8	83.5	49.2	9.0
Operating expenses	−627.0	−312.0	−211.9	−55.4	−27.7	−20.0
Operating EBITDA	**355.9**	**163.4**	**153.9**	**28.1**	**21.5**	**−11.0**

Europe

in EUR m	Q2 2012	Q2 2011	Change abs.	Change in %	Change in % (fx adj.)
External sales	1,176.9	1,130.0	46.9	4.2	4.1
Operating gross profit	236.7	232.2	4.5	1.9	1.3
Operating expenses	−152.9	−149.9	−3.0	2.0	1.4
Operating EBITDA	**83.8**	**82.3**	**1.5**	**1.8**	**1.1**

in EUR m	H1 2012	H1 2011	Change abs.	Change in %	Change in % (fx adj.)
External sales	2,325.7	2,221.0	104.7	4.7	4.9
Operating gross profit	475.4	459.9	15.5	3.4	3.0
Operating expenses	−312.0	−299.2	−12.8	4.3	4.0
Operating EBITDA	**163.4**	**160.7**	**2.7**	**1.7**	**1.3**

External sales, volumes and prices

In the second quarter of 2012, the Europe segment recorded external sales of EUR 1,176.9 million, an increase of 4.2% compared with the prior-year period and 4.1% on a constant currency basis. The increase was attributable to a higher average selling price with volumes declining slightly and with significant contributions from the Multisol Group acquired in the fourth quarter of 2011.

In the first half of 2012, external sales rose by 4.7% or 4.9% on a constant currency basis.

Operating gross profit

In the second quarter of 2012, operating gross profit totalled EUR 236.7 million, which was an increase of 1.9% or 1.3% on a constant currency basis. This rise was accompanied by a higher operating gross profit per unit.

In the first half of 2012, operating gross profit exceeded the figure for the first half of 2011 by 3.4% or 3.0% on a constant currency basis.

Operating expenses

Operating expenses in the Europe segment totalled EUR 152.9 million in the second quarter of 2012, rising by 2.0% or 1.4% on a constant currency basis compared with the prior-year period. This increase was mainly a result of slightly higher personnel expenses due to the acquisition of the Multisol Group in the fourth quarter of 2011. The smaller increase in costs compared with the first quarter of 2012 shows the first positive impact of the European efficiency-enhancement programme.

Related to the first half of 2012, operating expenses were 4.3% higher than in the same period of 2011 and 4.0% higher on a constant currency basis.

Operating EBITDA

The European companies posted operating EBITDA of EUR 83.8 million in the second quarter of 2012, which is an increase of 1.8% compared with the prior-year period. On a constant currency basis, that is a rise of 1.1%, which was achieved in a business climate which was increasingly affected by an economic downturn as a result of the deepening euro crisis in the second quarter of 2012.

In the first half of 2012, the operating EBITDA of the Europe segment increased by 1.7% or 1.3% on a constant currency basis.

North America

in EUR m	Q2 2012	Q2 2011	Change abs.	Change in%	Change in% (fx adj.)
External sales	782.5	664.4	118.1	17.8	5.6
Operating gross profit	187.3	160.6	26.7	16.6	4.7
Operating expenses	–107.3	–91.0	–16.3	17.9	5.7
Operating EBITDA	**80.0**	**69.6**	**10.4**	**14.9**	**3.4**

in EUR m	H1 2012	H1 2011	Change abs.	Change in%	Change in% (fx adj.)
External sales	1,541.8	1,317.1	224.7	17.1	8.5
Operating gross profit	365.8	316.3	49.5	15.6	7.3
Operating expenses	–211.9	–183.5	–28.4	15.5	7.0
Operating EBITDA	**153.9**	**132.8**	**21.1**	**15.9**	**7.6**

External sales, volumes and prices

The North America segment increased external sales in the second quarter of 2012 by 17.8% or 5.6% on a constant currency basis to EUR 782.5 million. This rise is due to both higher volumes and a higher average selling price.

As a result, in a year-on-year comparison, external sales for the first half of 2012 increased by 17.1% or 8.5% on a constant currency basis.

Operating gross profit

In the reporting period, operating gross profit rose by 16.6% or 4.7% on a constant currency basis to EUR 187.3 million. The increase is attributable to both a higher gross profit per unit and higher volumes.

In the first half of 2012, operating gross profit therefore grew by 15.6% or 7.3% on a constant currency basis.

Operating expenses

In the second quarter of 2012, operating expenses increased by 17.9% or 5.7% on a constant currency basis to EUR 107.3 million. Higher costs, above all for personnel, transport and rents, mainly resulted from the expansion of business.

In the first half of 2012, operating expenses were 15.5% up compared with the previous year and 7.0% higher on a constant currency basis.

Operating EBITDA

The North American companies posted operating EBITDA of EUR 80.0 million in the second quarter of 2012, increasing earnings by 14.9% and by 3.4% on a constant currency basis.

Overall, the North American companies recorded operating EBITDA of EUR 153.9 million in the first six months of 2012, achieving favourable growth of 15.9% or 7.6% on a constant currency basis.

Latin America

in EUR m	Q2 2012	Q2 2011	Change abs.	Change in %	Change in % (fx adj.)
External sales	234.1	196.1	38.0	19.4	11.4
Operating gross profit	42.9	38.0	4.9	12.9	5.2
Operating expenses	−28.3	−25.0	−3.3	13.2	4.8
Operating EBITDA	**14.6**	**13.0**	**1.6**	**12.3**	**5.8**

in EUR m	H1 2012	H1 2011	Change abs.	Change in %	Change in % (fx adj.)
External sales	455.6	387.3	68.3	17.6	11.6
Operating gross profit	83.5	73.8	9.7	13.1	7.3
Operating expenses	−55.4	−49.0	−6.4	13.1	6.9
Operating EBITDA	**28.1**	**24.8**	**3.3**	**13.3**	**8.1**

External sales, volumes and prices

In the second quarter of 2012, the Latin America segment posted external sales of EUR 234.1 million, exceeding the prior-year quarter figure by 19.4 % or 11.4 % on a constant currency basis. A significantly higher average selling price contributed to this increase.

External sales grew by 17.6 % in the first half of 2012 or 11.6 % on a constant currency basis.

Operating gross profit

In the second quarter of 2012, operating gross profit increased by 12.9 % or 5.2 % on a constant currency basis to EUR 42.9 million. This growth was due to higher operating gross profit per unit.

In the first half of 2012, the Latin America segment recorded an increase in operating gross profit of 13.1 % or 7.3 % on a constant currency basis.

Operating expenses

In the second quarter of 2012, operating expenses totalled EUR 28.3 million, rising by 13.2 % or 4.8 % on a constant currency basis. The increase in operating expenses was mainly due to higher personnel expenses as a result of a rise in the headcount.

In the first half of 2012, operating expenses increased by 13.1 % or 6.9 % on a constant currency basis to EUR 55.4 million compared with the prior-year period.

Operating EBITDA

The Latin American companies recorded operating EBITDA of EUR 14.6 million in the second quarter of 2012. This growth in earnings of 12.3 % or 5.8 % on a constant currency basis compared with the prior-year period was achieved despite weaker economic conditions with industrial output decreasing slightly due to falling exports and subdued domestic demand.

In the first six months of 2012 the Latin America segment increased operating EBITDA by 13.3 % or 8.1 % on a constant currency basis compared with the same period of 2011.

Asia Pacific

in EUR m	Q2 2012	Q2 2011	Change abs.	Change in %	Change in % (fx adj.)
External sales	170.4	83.4	87.0	104.3	87.6
Operating gross profit	25.3	18.7	6.6	35.3	23.6
Operating expenses	−14.4	−10.3	−4.1	39.8	26.8
Operating EBITDA	**10.9**	**8.4**	**2.5**	**29.8**	**19.8**

in EUR m	H1 2012	H1 2011	Change abs.	Change in %	Change in % (fx adj.)
External sales	314.5	169.0	145.5	86.1	75.6
Operating gross profit	49.2	38.6	10.6	27.5	20.3
Operating expenses	−27.7	−20.4	−7.3	35.8	27.6
Operating EBITDA	**21.5**	**18.2**	**3.3**	**18.1**	**12.0**

External sales, volumes and prices

The Asia Pacific segment generated external sales of EUR 170.4 million in the second quarter of 2012, an increase of 104.3 % compared with the prior-year second quarter or 87.6 % on a constant currency basis. This growth is attributable to both higher volumes and a higher average selling price. In particular, the Zhong Yung Group, which was acquired at the end of August 2011, made a significant contribution to the growth in sales.

Related to the first half of 2012, external sales rose by 86.1 % or 75.6 % on a constant currency basis.

Operating gross profit

In the second quarter of 2012, operating gross profit totalled EUR 25.3 million, exceeding the prior-year figure by 35.3 % or 23.6 % on a constant currency basis. This growth was due to the contribution made by the Zhong Yung Group, acquired in August 2011. By contrast, the operating gross profit of our Thai companies fell by some EUR 1.3 million on a constant currency basis compared with the prior-year figure as business in the second quarter of 2012 was still impacted by the effects of the flooding in the fourth quarter of 2011.

In the first six months of 2012, operating gross profit increased by 27.5 % or 20.3 % on a constant currency basis.

Operating expenses

In the second quarter of 2012, operating expenses in the Asia Pacific segment rose by 39.8 % or 26.8 % on a constant currency basis to EUR 14.4 million in a year-on-year comparison. This is particularly due to the Zhong Yung Group acquired in August 2011, which resulted in overall higher personnel expenses and a rise in volume-related expenses such as energy and transport costs.

Thus, in the first half of 2012, operating expenses rose by 35.8 % or 27.6 % on a constant currency basis.

Operating EBITDA

In the second quarter of 2012, the companies in the Asia Pacific segment posted operating EBITDA of EUR 10.9 million and thus grew earnings by 29.8 % or 19.8 % on a constant currency basis. The overall economy continued to expand but at a much slower pace than in the prior-year period.

The Asia Pacific segment recorded operating EBITDA of EUR 21.5 million in the first half of 2012, exceeding the prior-year figure by 18.1% or 12.0% on a constant currency basis. These figures do not include any effects on the results from the acquisition of the ISM/Salkat Group, which was only closed in July 2012.

All Other Segments

in EUR m	Q2 2012	Q2 2011	Change abs.	Change in %	Change in % (fx adj.)
External sales	127.0	99.5	27.5	27.6	27.6
Operating gross profit	4.5	4.1	0.4	9.8	9.8
Operating expenses	−9.4	−9.7	0.3	−3.1	−3.1
Operating EBITDA	**−4.9**	**−5.6**	**0.7**	**−12.5**	**−12.5**

in EUR m	H1 2012	H1 2011	Change abs.	Change in %	Change in % (fx adj.)
External sales	238.1	206.1	32.0	15.5	15.5
Operating gross profit	9.0	8.5	0.5	5.9	5.9
Operating expenses	−20.0	−19.2	−0.8	4.2	4.2
Operating EBITDA	**−11.0**	**−10.7**	**−0.3**	**2.8**	**2.8**

In addition to various holding companies and our sourcing activities in China, All Other Segments contains the operations of Brenntag International Chemicals, which buys and sells chemicals in bulk on an international scale without regional boundaries.

In the second quarter of 2012, Brenntag International Chemicals GmbH, Mülheim an der Ruhr, well exceeded the operating EBITDA recorded in the same period of 2011 as a result of higher operating gross profit and lower operating expenses.

In the holding companies, operating EBITDA in the second quarter of 2012 was higher than in the second quarter of 2011, mainly as a result of lower personnel expenses.

Overall, operating EBITDA in the second quarter of 2012 amounted to EUR −4.9 million and thus improved by EUR 0.7 million compared with the prior-year quarter figure.

In the first half of 2012, operating EBITDA was slightly below the figure for the first half of 2011.

DEVELOPMENT OF FREE CASH FLOW

in EUR m	H1 2012	H1 2011	Change abs.	Change in %
EBITDA (incl. transaction costs)	356.0	325.0	31.0	9.5
Investments in non-current assets (Capex)	−30.3	−29.0	−1.3	4.5
Change in working capital[1)]	−146.6	−180.8	34.2	−18.9
Free cash flow	**179.1**	**115.2**	**63.9**	**55.5**

[1)] *See information on the cash flow statement.*

Free cash flow is defined as EBITDA less other additions to property, plant and equipment as well as other additions to acquired software, licenses and similar rights (Capex) plus/less changes in working capital.

Working capital is defined as trade receivables plus inventories less trade payables.

The Group's free cash flow amounted to EUR 179.1 million in the reporting period and thus increased significantly by 55.5% compared with the first half of 2011 (EUR 115.2 million).

This positive development is largely due to the significant increase in EBITDA of 9.5%. Furthermore, the increase in working capital was much smaller than in the prior-year period while Capex remained virtually constant.

FINANCIAL CONDITION

Financing

The most important component in the financing structure of Brenntag AG is the Group-wide loan agreement that we concluded with a consortium of international banks on June 27, 2011.

The syndicated bullet loan matures in July 2016 and is divided into different tranches with different currencies. While some of our subsidiaries are direct borrowers under the loan, others obtain their financing from intra-group loans. Major Group companies are liable for the debt under the syndicated loan. Total liabilities (excluding accrued interest and before offsetting of transaction costs) under the syndicated loan amounted to EUR 1,110.6 million as at June 30, 2012. The revolving credit facility of EUR 500 million, which is part of the loan agreement, was virtually unused on the reporting date.

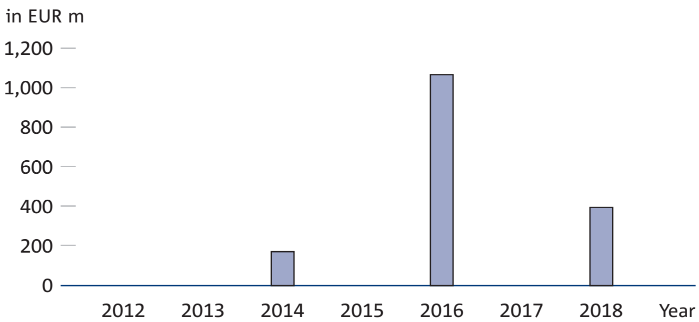
The bond issued by our Group company Brenntag Finance B.V., Amsterdam, Netherlands, in July 2011 has a volume of EUR 400 million and matures in July 2018. The bond bears a coupon of 5.50% with interest paid annually. It is guaranteed by Brenntag AG and other Brenntag companies. In view of the identical network of guarantors, the bond has the same ranking as the syndicated loan.

Alongside the syndicated loan and the bond, an international accounts receivable securitization programme is an important component of Group funding. Under this programme, eleven Brenntag companies in five countries regularly transfer trade receivables to the consolidated special-purpose entity Brenntag Funding Limited, Dublin, Ireland. The receivables remain in the consolidated balance sheet until payment by the customers. A credit facility of max. EUR 220 million is available under this accounts receivable securitization programme, with financial liabilities under the programme totalling the equivalent of EUR 180.6 million (excluding transaction costs) as at June 30, 2012. The programme was extended several times in recent years and currently ends in June 2014. Furthermore, some of our companies make use of credit lines with local banks on a minor scale in consultation with the Group Treasury department.

According to our short and mid-term financial planning, the capital requirements for operating activities, investments in property, plant and equipment as well as dividends and acquisitions are expected to be covered by the cash provided by operating activities so that no further loans are necessary for these purposes. Under the syndicated loan, we also have the previously mentioned revolving credit facility available to cover short-term liquidity requirements.

MATURITY PROFILE OF OUR CREDIT PORTFOLIO [1)]

as per June 30, 2012



[1)] Syndicated loan, bond and liabilities under the international accounts receivable securitization programme excluding accrued interest and transaction costs.

Cash Flow

in EUR m	H1 2012	H1 2011
Cash flow provided by operating activities	**63.5**	**39.3**
Cash used for investing activities	**−30.6**	**−55.8**
(thereof purchases of consolidated subsidiaries, other business units and other financial assets)	*(−2.8)*	*(−28.9)*
(thereof purchases of other investments)	*(−31.8)*	*(−32.3)*
(thereof proceeds from divestments)	*(4.0)*	*(5.4)*
Cash used for financing activities	**−187.5**	**−70.5**
Change in cash and cash equivalents	**−154.6**	**−87.0**

The cash of the Group provided by operating activities totalled EUR 63.5 million in the reporting period. The increase compared with the first half of the previous year was mainly due to the rise in EBITDA, a less strong build-up of working capital as well as significantly lower interest payments.

The cash used for investing activities totalling EUR 30.6 million mainly resulted from investments in intangible assets and property, plant and equipment (EUR 31.8 million).

The cash used for financing activities totalled EUR 187.5 million in the reporting period. Of this figure, EUR 110.1 million was used to reduce the funds drawn under the revolving credit facility, which is part of the syndicated loan. A dividend of EUR 103.0 million was distributed to the Brenntag shareholders. The other changes are largely attributable to loans taken out (EUR 42.3 million) and capital repayments (EUR 10.2 million) on local bank loans.

Investments

In the first half of 2012, investments in property, plant and equipment and intangible assets (excluding additions from company acquisitions) led to a total cash outflow of EUR 31.8 million (H1 2011: EUR 32.3 million).

We regularly invest in the maintenance, replacement and extension of the infrastructure necessary to perform our services. Such infrastructure is comprised of warehouses, offices, trucks and vehicles of our field service as well as IT hardware for various systems.

As the market leader and a responsible chemicals distributor, we attach importance to ensuring that our property, plant and equipment meet health, safety and environmental requirements.

Major investment projects in the reporting period were:

- Dickinson site, North Dakota, USA (EUR 0.9 million): The site supplies one of the fastest growing regions of the USA in the oil & gas sector. With this project, we are extending the storage capacity of the site to enable us to expand this business. The project was started in 2011.
- Grand Prairie site, Canada (EUR 0.5 million): The new site supplies oil and gas customers in the Grand Prairie region (Alberta). A larger number of tank farms are required in order to expand and optimally manage this business. Construction work started in 2011.
- Mosquera site, Colombia (EUR 0.4 million): In order to provide for further growth, the site is being extended in compliance with the latest environmental and safety regulations. Work was started in 2011.
- Santiago de Chile site, Chile (EUR 0.1 million): With this project, which was started in 2011, the technical plant will be modernized and the logistics processes optimized in line with the latest environmental and safety requirements.
- Frederikssund site, Denmark (EUR 1.0 million): The site is being extended to include a new area where medical products will be filled into containers under special production conditions. To achieve these production conditions, the air pressure has to be regulated and a sterile working environment achieved through air locks and filters.

FINANCIAL AND ASSETS POSITION

in EUR m	Jun. 30, 2012 abs.	Jun. 30, 2012 in %	Dec. 31, 2011 abs.	Dec. 31, 2011 in %
ASSETS				
Current assets	**2,641.2**	**46.3**	**2,536.3**	**45.5**
Cash and cash equivalents	308.5	5.4	458.8	8.2
Trade receivables	1,445.7	25.3	1,220.9	21.9
Other receivables and assets	164.5	2.9	159.8	2.9
Inventories	722.5	12.7	696.8	12.5
Non-current assets	**3,064.1**	**53.7**	**3,039.3**	**54.5**
Intangible assets [1]	2,069.6	36.3	2,047.0	36.7
Other fixed assets	888.9	15.6	894.1	16.0
Receivables and other assets	105.6	1.8	98.2	1.8
Total assets	**5,705.3**	**100.0**	**5,575.6**	**100.0**
LIABILITIES AND EQUITY				
Current liabilities	**1,697.0**	**29.7**	**1,584.7**	**28.4**
Provisions	80.2	1.4	74.9	1.3
Trade payables	1,046.4	18.3	956.6	17.2
Financial liabilities	171.0	3.0	140.9	2.5
Miscellaneous liabilities	399.4	7.0	412.3	7.4
Equity and non-current liabilities	**4,008.3**	**70.3**	**3,990.9**	**71.6**
Equity	1,846.6	32.4	1,761.3	31.6
Non-current liabilities	2,161.7	37.9	2,229.6	40.0
Provisions	198.6	3.5	190.5	3.4
Financial liabilities	1,731.3	30.3	1,811.5	32.5
Miscellaneous liabilities	231.8	4.1	227.6	4.1
Total liabilities and equity	**5,705.3**	**100.0**	**5,575.6**	**100.0**

[1] *Of the intangible assets as of June 30, 2012 some EUR 1,212.9 million relate to goodwill and trademarks that were capitalized as part of the purchase price allocation performed on the acquisition of the Brenntag Group by funds advised by BC Partners Limited, Bain Capital, Ltd. and subsidiaries of Goldman Sachs International at the end of the third quarter of 2006 in addition to the relevant intangible assets already existing in the previous Group structure.*

As of June 30, 2012, total assets had increased by 2.3% to EUR 5,705.3 million compared with the prior year (December 31, 2011: EUR 5,575.6 million).

The reduction in cash and cash equivalents to EUR 308.5 million (December 31, 2011: EUR 458.8 million) is basically the result of a positive operating cash flow, a repayment of GBP 92 million (approximately EUR 110 million) under the revolving credit facility in January as well as the payment of the dividend of EUR 103.0 million in June 2012.

Working capital is defined as trade receivables plus inventories less trade payables. All three components of working capital increased in the first half of 2012 due to the higher business volume. Working capital developed in the reporting period as follows:

- Trade receivables increased in the reporting period by 18.4% to EUR 1,445.7 million (December 31, 2011: EUR 1,220.9 million).
- Inventories rose by 3.7% in the reporting period to EUR 722.5 million (December 31, 2011: EUR 696.8 million).
- By contrast, trade payables increased by 9.4% to EUR 1,046.4 million (December 31, 2011: EUR 956.6 million).

The working capital – adjusted for exchange rate effects and acquisitions – has risen since December 31, 2011 by a total of EUR 146.6 million. At 9.4, the annualized working capital turnover rate[1)] in the reporting period was roughly on the level of the first half of 2011 (9.5).

The intangible assets and other fixed assets of the Brenntag Group increased slightly compared with the previous year by 0.6% or EUR 17.4 million to EUR 2,958.5 million (December 31, 2011: EUR 2,941.1 million). The change was mainly a result of investments in non-current assets (EUR 30.3 million), acquisitions and subsequent purchase price adjustments (EUR 4.5 million) as well as exchange rate effects (EUR 46.3 million) on the one hand and scheduled depreciation and amortization (EUR –64.1 million) on the other.

Current financial liabilities increased by EUR 30.1 million to a total of EUR 171.0 million (December 31, 2011: EUR 140.9 million). The change is mainly due to the use of credit facilities with local banks as well as the higher accrued interest on the bond.

Non-current financial liabilities fell in the reporting period by EUR 80.2 million or 4.4% to EUR 1,731.3 million (December 31, 2011: EUR 1,811.5 million), which was mainly due to the previously mentioned repayment under the revolving credit facility. The somewhat stronger US dollar also had a slightly opposite effect as the euro value of the US dollar debt rose.

Current and non-current provisions totalled EUR 278.8 million (December 31, 2011: EUR 265.4 million). This figure included pension provisions amounting to EUR 67.8 million (December 31, 2011: EUR 64.9 million).

As of June 30, 2012, the equity of the Brenntag Group totalled EUR 1,846.6 million (December 31, 2011: EUR 1,761.3 million). The increase in equity is mainly due to the growth in profit after tax. However, the dividend payments had an opposite effect.

[1)] Ratio of annual sales to average working capital; annual sales is defined as the sales for the first half-year projected onto the full year (sales for the first half-year multiplied by two); average working capital is defined for the first half-year as the mean average of the values for working capital at the following three times: at the beginning of the year as well as at the end of the first and second quarters.

EMPLOYEES

As of June 30, 2012, Brenntag had 12,792 employees worldwide. The number of employees is determined on the basis of full-time equivalents, i. e. part-time jobs are weighted according to the number of hours worked.

	Jun. 30, 2012		Dec. 31, 2011	
Full-time Equivalents (FTE)	**abs.**	**in %**	abs.	in %
Europe	6,227	48.7	6,395	49.4
North America	3,717	29.1	3,734	28.8
Latin America	1,353	10.6	1,348	10.4
Asia Pacific	1,351	10.5	1,332	10.3
All Other Segments	144	1.1	141	1.1
Brenntag Group	**12,792**	**100.0**	**12,950**	**100.0**

SUBSEQUENT EVENTS

In mid-July 2012, Brenntag acquired the entire business of the ISM/Salkat Group, a leading distributor of specialty chemicals in Australia and New Zealand as part of a combined asset and share deal. The provisional purchase price is EUR 81.8 million. By acquiring this Group, Brenntag is extending its existing specialty chemicals portfolio in industries such as coatings, food & beverages, personal care and pharmaceuticals and strengthening its operating capability. With this strategic acquisition, Brenntag is expanding its market position in Australia and successfully entering the New Zealand market. Brenntag is thus improving its growth opportunities in this region in the long term.

Furthermore, in mid-July 2012 Brenntag acquired all shares in The Treat-Em-Rite Corporation, a US chemical distributor for the oil and gas industry domiciled in Pearsall, Texas. The provisional purchase price is EUR 14.8 million.

The Board of Management of Brenntag AG was, together with other senior managers of the Brenntag Group, included in a management participation programme at the former parent company of Brenntag AG, Brachem Acquisition S.C.A., Luxembourg. The management participation programme is being terminated as a result of the placement of the remaining shares of Brachem Acquisition S.C.A. in Brenntag AG.

RISK REPORT

Our strategy is focused on the continuous improvement of the efficiency and underlying profitability of our business. The Brenntag Group companies are exposed to a significant number of risks which may arise from their business activities in the field of chemicals distribution and related areas. At the same time, these business activities do not only lead to risks but also provide numerous opportunities to safeguard and enhance the company's competitiveness and growth.

We monitor the risks as part of our risk management system. The planning, control and reporting processes of the Brenntag Group are integral parts of the risk management system of all operational and legal units as well as the central functions.

In the second quarter of 2012, there were no significant changes in the opportunities and risks for the Brenntag Group described in detail in the 2011 Annual Report. Other risks which we are currently unaware of or which we now consider to be immaterial might also negatively impact our business operations. From today's point of view, there are no indications of any risks which may jeopardize the continued existence of the company.

In relation to an investigation by antitrust authorities, Brenntag recently received a Statement of Objections from the French Competition Authority. In the Statement of Objections, the authority communicates its preliminary opinion that Brenntag S.A. was involved in anticompetitive practices in France between 1997 and 2007. The Statement of Objection does not represent a final decision. Should the authority uphold its allegations in the course of the proceedings, it may impose a fine. Brenntag is currently assessing the contents of the Statement of Objections and reviewing its options. Based on this assessment, Brenntag will review the adequateness of the current reserve.

FORECAST REPORT

According to the forecast by the International Monetary Fund of July 2012, the global economy will continue to grow moderately in the second half of this year, albeit less strongly than forecast at the start of the year. The regional differences in growth rates will persist for 2012 with higher growth expected for Asia and Latin America than for the economies in North America and Europe. However, the expectations for all regions have been revised downwards slightly compared with the economic outlook of April this year.

Given the development of results in the first half of 2012 and the trends observed in the overall economic situation, we are expecting the operating EBITDA of the Brenntag Group to be between EUR 705 million and EUR 735 million for 2012 as a whole. Here, it has been assumed that there will be no major change in the average US dollar/euro exchange rate during the rest of this year.

We are expecting the following developments in local currencies, i. e. excluding exchange rate effects, for the individual segments for the 2012 financial year:

In the Europe segment, we forecast slightly higher operating gross profit, largely as a result of the full-year consolidation of the Multisol Group, which was acquired in December 2011. In the first half of the year, the result was impacted by expenses connected with efficiency-enhancing measures. However, these measures will lead to lower operating expenses as 2012 progresses. Overall, we are expecting operating EBITDA to continue to grow in the Europe segment, driven in particular by the full-year consolidation of the Multisol Group.

As far as North America is concerned, we forecast that operating gross profit will continue to grow, both as a result of the expansion of higher value-added services and an increase in volumes. In view of the strong second half of 2011, we are expecting lower growth rates in the second half of this year. Nevertheless, we believe that operating gross profit will grow and, with operating expenses only rising moderately, will translate into higher operating EBITDA.

For the Latin America segment, we are expecting operating gross profit to increase, largely as a result of higher operating gross profit per unit. This should be accompanied by a moderate rise in operating expenses. Therefore, we forecast that the segment will achieve an above-average improvement in operating EBITDA compared with the Group as a whole.

The development of the Asia Pacific segment is strongly influenced by Zhong Yung (International) Chemical Co., Ltd., Hong Kong, which was acquired at the end of August 2011. For 2012, we predict above-average growth of all relevant result figures compared with the Group as a whole as a result of the full-year consolidation of the Zhong Yung Group as well as organic growth of the other Asian companies. However, the uncertainty regarding the further development of the Thai economy makes a forecast more difficult. Furthermore, we believe that the acquisition of the ISM/Salkat Group will have a positive effect on the development of results in the Asia Pacific segment. However, the acquisition and integration costs expected this year will eat up a considerable portion of the contribution to results made by the ISM/Salkat Group.

Given the likely increase in business volume and higher prices, we are forecasting working capital to rise compared with the end of 2011. However, it is expected to decrease compared with the seasonally high level at the end of the second quarter of 2012. We believe that our continuous focus on the management of customer and supplier relationships and our efforts to optimize warehouse logistics will ensure that working capital turnover will remain more or less on the previous high level.

In order to increase property, plant and equipment capacities to the growing business volume, particularly in the Asia Pacific region, we are planning investments in property, plant and equipment in the years to come at levels slightly above the levels of depreciation.

Overall, we are confident that free cash flow will be higher than in 2011 and that the Group’s liquidity position will further improve.

We intend to continue our successful strategy of strengthening our business services by benefitting from suppliers outsourcing their distribution activities as well as through acquisitions. We are planning to extend our supplier and product portfolio in the growth markets of Asia and to increase our market share in the region. We want to expand our market leadership in attractive Latin American economies. We also intend to achieve efficiency gains in the established markets of Europe and North America through supplementary acquisitions as well as extend our geographical reach and possibly our product portfolio. We expect the consolidation process in the chemical distribution market seen in recent years to continue to increase. Large distributors such as Brenntag will profit from their global coverage and their comprehensive portfolio of products and services.

Overall, we are expecting the market for chemical distribution to continue to grow, also in the long term, both as a result of momentum from the development of the global economy and the sustained trend towards chemical producers outsourcing their distribution activities to distributors. Our broad market presence will enable us to participate to a reasonable extent in this trend in the next few years and, by focusing on attractive growth segments and steadily enhancing our efficiency, we expect an above-average benefit from this trend.

We also refer to the statements made in the forecast report of the 2011 Annual Report.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS

(International Financial Reporting Standards)
at June 30, 2012

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CONSOLIDATED INCOME STATEMENT

in EUR m	Note	Jan. 1 – Jun. 30, 2012	Jan. 1– Jun. 30, 2011	Apr. 1– Jun. 30, 2012	Apr. 1– Jun. 30, 2011
Sales		4,875.7	4,300.5	2,490.9	2,173.4
Cost of goods sold		−3,913.6	−3,422.3	−2,003.8	−1,729.6
Gross profit		**962.1**	**878.2**	**487.1**	**443.8**
Selling expenses		−604.4	−549.8	−301.9	−275.4
Administrative expenses		−74.9	−69.5	−37.8	−34.8
Other operating income		16.1	20.1	8.0	10.9
Other operating expenses		−7.0	−8.2	−3.7	−4.2
Operating profit		**291.9**	**270.8**	**151.7**	**140.3**
Result of investments accounted for at equity		2.6	2.0	1.3	1.0
Finance income	1	5.1	5.7	2.4	3.1
Finance costs	2	−46.9	−68.0	−23.0	−39.1
Change in purchase price obligations and liabilities under IAS 32 to minorities	3	−4.6	−0.5	−4.1	−0.2
Other financial result		−6.2	−4.3	−4.0	−1.5
Financial result		**−50.0**	**−65.1**	**−27.4**	**−36.7**
Profit before tax		**241.9**	**205.7**	**124.3**	**103.6**
Income taxes	4	−81.1	−71.2	−42.9	−36.0
Profit after tax		**160.8**	**134.5**	**81.4**	**67.6**
Attributable to:					
Shareholders of Brenntag AG		*160.1*	*132.5*	*81.0*	*65.8*
Minority shareholders		*0.7*	*2.0*	*0.4*	*1.8*
Undiluted earnings per share in euro	5	**3.11**	**2.57**	**1.57**	**1.28**
Diluted earnings per share in euro	5	**3.11**	**2.57**	**1.57**	**1.28**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EUR m	**Jan. 1 – Jun. 30, 2012**	Jan. 1– Jun. 30, 2011	**Apr. 1– Jun. 30, 2012**	Apr. 1– Jun. 30, 2011
Profit after tax	**160.8**	**134.5**	**81.4**	**67.6**
Change in exchange rate differences	28.7	−52.3	35.4	−6.8
Change in net investment hedge reserve	−1.1	–	−2.8	–
Change in cash flow hedge reserve	–	9.7	–	5.9
Deferred tax on components of other comprehensive income	–	−3.2	–	−2.1
Other comprehensive income	**27.6**	**−45.8**	**32.6**	**−3.0**
Total comprehensive income	**188.4**	**88.7**	**114.0**	**64.6**
Attributable to:				
Shareholders of Brenntag AG	*187.1*	*86.9*	*112.3*	*62.8*
Minority shareholders	*1.3*	*1.8*	*1.7*	*1.8*

CONSOLIDATED BALANCE SHEET

ASSETS

in EUR m	Note	Jun. 30, 2012	Dec. 31, 2011
Current assets			
Cash and cash equivalents		308.5	458.8
Trade receivables		1,445.7	1,220.9
Other receivables		112.3	103.1
Other financial assets		17.7	20.8
Current tax assets		31.8	32.6
Inventories		722.5	696.8
Non-current assets held for sale		2.7	3.3
		2,641.2	**2,536.3**
Non-current assets			
Property, plant and equipment		858.1	865.8
Investment property		0.5	0.5
Intangible assets		2,069.6	2,047.0
Investments accounted for at equity		30.3	27.8
Other receivables		23.2	22.4
Other financial assets		18.2	11.2
Deferred tax assets		64.2	64.6
		3,064.1	**3,039.3**
Total assets		**5,705.3**	**5,575.6**

LIABILITIES AND EQUITY

in EUR m	Note	Jun. 30, 2012	Dec. 31, 2011
Current liabilities			
Trade payables		1,046.4	956.6
Financial liabilities	6	171.0	140.9
Other liabilities		331.8	347.7
Other provisions	7	80.2	74.9
Purchase price obligations and liabilities under IAS 32 to minorities	8	31.7	30.1
Current tax liabilities		35.9	34.5
		1,697.0	**1,584.7**
Non-current liabilities			
Financial liabilities	6	1,731.3	1,811.5
Other liabilities		2.0	2.1
Other provisions	7	130.8	125.6
Provisions for pensions and similar obligations		67.8	64.9
Purchase price obligations and liabilities under IAS 32 to minorities	8	77.8	74.6
Deferred tax liabilities		152.0	150.9
		2,161.7	**2,229.6**
Equity	9		
Subscribed capital		51.5	51.5
Additional paid-in capital		1,560.1	1,560.1
Retained earnings		175.1	118.0
Other comprehensive income		31.6	4.6
Shares attributable to Brenntag AG shareholders		**1,818.3**	**1,734.2**
Equity attributable to minority shareholders		28.3	27.1
		1,846.6	**1,761.3**
Total liabilities and equity		**5,705.3**	**5,575.6**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR m	Subscribed capital	Additional paid-in capital	Retained earnings	Exchange rate differences
Dec. 31, 2010	**51.5**	**1,560.1**	**−3.3**	**7.7**
Dividends	–	–	−72.1	–
Profit after tax	–	–	132.5	–
Income and expenses after tax recognized directly in equity	–	–	–	−52.1
Total income and expense for the period	**–**	**–**	**132.5**	**−52.1**
Jun. 30, 2011	**51.5**	**1,560.1**	**57.1**	**−44.4**
Dec. 31, 2011	**51.5**	**1,560.1**	**118.0**	**7.7**
Dividends	–	–	−103.0	–
Profit after tax	–	–	160.1	–
Income and expenses after tax recognized directly in equity	–	–	–	28.1
Total income and expense for the period	**–**	**–**	**160.1**	**28.1**
Jun. 30, 2012	**51.5**	**1,560.1**	**175.1**	**35.8**

1) Deferred tax for cash flow hedge reserve.
2) Exchange rate differences.

Net investment hedge reserve	Cash flow hedge reserve	Deferred tax	Equity attributable to Brenntag shareholders	Minority interests	Equity
–	**−9.7**	**3.2**	**1,609.5**	**8.4**	**1,617.9**
–	–	–	−72.1	−3.4	**−75.5**
–	–	–	132.5	2.0	134.5
–	9.7	−3.2[1]	−45.6	−0.2[2]	−45.8
–	**9.7**	**−3.2**	**86.9**	**1.8**	**88.7**
–	**–**	**–**	**1,624.3**	**6.8**	**1,631.1**
−3.1	**–**	**–**	**1,734.2**	**27.1**	**1,761.3**
–	–	–	−103.0	−0.1	**−103.1**
–	–	–	160.1	0.7	160.8
−1.1	–	–	27.0	0.6[2]	27.6
−1.1	**–**	**–**	**187.1**	**1.3**	**188.4**
−4.2	**–**	**–**	**1,818.3**	**28.3**	**1,846.6**

CONSOLIDATED CASH FLOW STATEMENT

in EUR m	Note 10	Jan. 1– Jun. 30, 2012	Jan. 1– Jun. 30, 2011	Apr. 1– Jun. 30, 2012	Apr. 1 – Jun. 30, 2011
Profit after tax		**160.8**	**134.5**	**81.4**	**67.6**
Depreciation and amortization		64.1	54.2	32.7	26.8
Income taxes		81.1	71.2	42.9	36.0
Income tax payments		−73.7	−58.0	−48.1	−32.2
Interest result		41.8	62.3	20.6	36.0
Interest payments (netted against interest received)		−31.7	−56.9	−10.0	−26.0
Dividends received		0.5	0.6	0.5	0.6
Changes in provisions		7.0	3.3	2.2	4.9
Changes in current assets and liabilities					
Inventories		−11.6	−60.4	22.6	−41.7
Receivables		−210.1	−242.3	−40.9	−50.6
Liabilities		48.4	125.5	−58.4	5.2
Non-cash change in purchase price obligations and liabilities under IAS 32 to minorities		4.6	0.5	4.1	0.2
Other non-cash items		−17.7	4.8	−12.3	2.5
Cash provided by operating activities		**63.5**	**39.3**	**37.3**	**29.3**
Proceeds from disposals of investments accounted for at equity		0.1	–	–	–
Proceeds from disposals of other financial assets		–	3.2	–	0.1
Proceeds from disposals of intangible assets as well as property, plant and equipment		3.9	2.2	2.2	1.3
Purchases of consolidated subsidiaries and other business units		−2.8	−28.8	−2.1	−28.8
Purchases of other financial assets		–	−0.1	–	–
Purchases of intangible assets as well as property, plant and equipment		−31.8	−32.3	−15.3	−15.4
Cash used for investing activities		**−30.6**	**−55.8**	**−15.2**	**−42.8**
Dividends paid to Brenntag shareholders		−103.0	−72.1	−103.0	−72.1
Dividends paid to minorities		−1.0	−1.1	−1.0	−1.1
Proceeds from borrowings		42.4	14.1	22.0	8.3
Repayments of borrowings		−125.9	−11.4	−2.4	−6.0
Cash used for financing activities		**−187.5**	**−70.5**	**−84.4**	**−70.9**
Change in cash and cash equivalents		**−154.6**	**−87.0**	**−62.3**	**−84.4**
Change in cash and cash equivalents due to currency gains/losses		4.3	−16.7	6.3	−6.2
Cash and cash equivalents at beginning of year/quarter		458.8	362.9	364.5	349.8
Cash and cash equivalents at end of quarter		**308.5**	**259.2**	**308.5**	**259.2**

CONDENSED NOTES

KEY FINANCIAL FIGURES BY SEGMENT

for the period from January 1 to June 30

Segment reporting in accordance with IFRS 8 in EUR m		Europe	North America	Latin America	Asia Pacific	All Other Segments	Consoli-dation	**Group**
External sales	2012	2,325.7	1,541.8	455.6	314.5	238.1	–	4,875.7
	2011	2,221.0	1,317.1	387.3	169.0	206.1	–	4,300.5
	Change in %	4.7	17.1	17.6	86.1	15.5	–	13.4
	fx adjusted change in %	4.9	8.5	11.6	75.6	15.5	–	10.0
Inter-segment sales	2012	2.0	2.9	1.2	–	1.0	−7.1	–
	2011	2.9	2.1	1.9	–	1.2	−8.1	–
Operating gross profit [1]	2012	475.4	365.8	83.5	49.2	9.0	–	982.9
	2011	459.9	316.3	73.8	38.6	8.5	–	897.1
	Change in %	3.4	15.6	13.1	27.5	5.9	–	9.6
	fx adjusted change in %	3.0	7.3	7.3	20.3	5.9	–	5.7
Gross profit	2012	–	–	–	–	–	–	962.1
	2011	–	–	–	–	–	–	878.2
	Change in %	–	–	–	–	–	–	9.6
	fx adjusted change in %	–	–	–	–	–	–	5.7
Operating EBITDA (segment result)	2012	163.4	153.9	28.1	21.5	−11.0	–	355.9
	2011	160.7	132.8	24.8	18.2	−10.7	–	325.8
	Change in %	1.7	15.9	13.3	18.1	2.8	–	9.2
	fx adjusted change in %	1.3	7.6	8.1	12.0	2.8	–	5.0
EBITDA	2012	–	–	–	–	–	–	356.0
	2011	–	–	–	–	–	–	325.0
	Change in %	–	–	–	–	–	–	9.5
	fx adjusted change in %	–	–	–	–	–	–	5.3
Investments in non-current assets (Capex) [2]	2012	15.8	10.0	2.4	2.1	–	–	30.3
	2011	17.5	6.6	3.2	1.5	0.2	–	29.0

[1] *External sales less cost of materials.*
[2] *The other additions to property, plant and equipment and intangible assets are shown as investments in non-current assets.*

KEY FINANCIAL FIGURES BY SEGMENT

for the period from April 1 to June 30

Segment reporting in accordance with IFRS 8 in EUR m		Europe	North America	Latin America	Asia Pacific	All Other Segments	Consoli-dation	Group
External sales	2012	1,176.9	782.5	234.1	170.4	127.0	–	2,490.9
	2011	1,130.0	664.4	196.1	83.4	99.5	–	2,173.4
	Change in %	4.2	17.8	19.4	104.3	27.6	–	14.6
	fx adjusted change in %	4.1	5.6	11.4	87.6	27.6	–	9.6
Inter-segment sales	2012	1.0	1.5	0.7	–	0.6	−3.8	–
	2011	1.6	1.1	0.8	–	0.5	−4.0	–
Operating gross profit [1]	2012	236.7	187.3	42.9	25.3	4.5	–	496.7
	2011	232.2	160.6	38.0	18.7	4.1	–	453.6
	Change in %	1.9	16.6	12.9	35.3	9.8	–	9.5
	fx adjusted change in %	1.3	4.7	5.2	23.6	9.8	–	3.9
Gross profit	2012	–	–	–	–	–	–	487.1
	2011	–	–	–	–	–	–	443.8
	Change in %	–	–	–	–	–	–	9.8
	fx adjusted change in %	–	–	–	–	–	–	4.1
Operating EBITDA (segment result)	2012	83.8	80.0	14.6	10.9	−4.9	–	184.4
	2011	82.3	69.6	13.0	8.4	−5.6	–	167.7
	Change in %	1.8	14.9	12.3	29.8	−12.5	–	10.0
	fx adjusted change in %	1.1	3.4	5.8	19.8	−12.5	–	3.8
EBITDA	2012	–	–	–	–	–	–	184.4
	2011	–	–	–	–	–	–	167.1
	Change in %	–	–	–	–	–	–	10.4
	fx adjusted change in %	–	–	–	–	–	–	4.2
Investments in non-current assets (Capex) [2]	2012	9.6	5.7	1.3	0.7	–	–	17.3
	2011	10.8	3.2	1.7	0.6	0.1	–	16.4

[1] *External sales less cost of materials.*
[2] *The other additions to property, plant and equipment and intangible assets are shown as investments in non-current assets.*

GROUP KEY FINANCIAL FIGURES

in EUR m	**Jan. 1 – Jun. 30, 2012**	Jan. 1 – Jun. 30, 2011	**Apr. 1 – Jun. 30, 2012**	Apr. 1 – Jun. 30, 2011
EBITDA	**356.0**	**325.0**	**184.4**	**167.1**
Investments in non-current assets (Capex)[1]	−30.3	−29.0	−17.3	−16.4
Changes in working capital[2][3]	−146.6	−180.8	−65.9	−83.4
Free cash flow	**179.1**	**115.2**	**101.2**	**67.3**

[1] Investments in non-current assets are other additions to property, plant and equipment and intangible assets.
[2] Definition of working capital: Trade receivables plus inventories less trade payables.
[3] Adjusted for exchange rate differences and acquisitions.

in EUR m	**Jan. 1 – Jun. 30, 2012**	Jan. 1 – Jun. 30, 2011	**Apr. 1 – Jun. 30, 2012**	Apr. 1 – Jun. 30, 2011
Operating EBITDA (segment result)	**355.9**	**325.8**	**184.4**	**167.7**
Transaction costs/holding charges[1]	0.1	−0.8	–	−0.6
EBITDA	**356.0**	**325.0**	**184.4**	**167.1**
Scheduled depreciation of property, plant and equipment	−46.5	−42.6	−23.7	−21.2
Impairment of property, plant and equipment	–	−0.2	–	−0.2
EBITA	**309.5**	**282.2**	**160.7**	**145.7**
Scheduled amortization of intangible assets[2]	−17.6	−11.4	−9.0	−5.4
Impairment of intangible assets	–	–	–	–
EBIT	**291.9**	**270.8**	**151.7**	**140.3**
Financial result	−50.0	−65.1	−27.4	−36.7
Profit before tax	**241.9**	**205.7**	**124.3**	**103.6**

[1] Transaction costs: Costs connected with restructuring and refinancing under company law, particularly the refinancing in 2011. They are eliminated for purposes of management reporting to permit proper presentation of the operating performance and comparability on segment level.
Holding charges: Certain costs charged between holding companies and operating companies. On Group level they net to zero.
[2] This figure includes amortization of customer relationships amounting to EUR 13.5 million in the first half of 2012 (H1 2011: EUR 7.4 million).

in EUR m	**Jan. 1 – Jun. 30, 2012**	Jan. 1 – Jun. 30, 2011	**Apr. 1 – Jun. 30, 2012**	Apr. 1 – Jun. 30, 2011
Operating gross profit	**982.9**	**897.1**	**496.7**	**453.6**
Operating costs[1]	−20.8	−18.9	−9.6	−9.8
Gross profit	**962.1**	**878.2**	**487.1**	**443.8**

[1] Production/mixing & blending costs.

CONSOLIDATION POLICIES AND METHODS

Standards applied

These interim consolidated financial statements for the period from January 1 to June 30, 2012 have been prepared in accordance with the requirements of IAS 34 (Interim Financial Reporting). The Notes are presented in condensed form compared with the Notes to the consolidated financial statements at December 31, 2011.

With the exception of the Standards to be applied for the first time in the financial year starting January 1, 2012, the same consolidation policies and methods have been applied as for the consolidated financial statements at December 31, 2011.

Income taxes are recorded on the basis of the latest estimate of the corporate income tax rate expected for the 2012 financial year.

The following revised Standards issued by the International Accounting Standards Board (IASB) were applied by the Brenntag Group for the first time:

- Amendments to IFRS 1 (First-time Adoption of International Financial Reporting Standards) regarding severe hyperinflation and removal of fixed dates for first-time adoption
- Amendments to IFRS 7 (Financial Instruments: Disclosures) regarding disclosures on the transfer of financial assets
- Amendments to IAS 12 (Income Taxes) regarding the tax rate to be applied to intangible assets, property, plant and equipment and investment property measured at fair value

The revised Standards applied for the first time do not have any material effect on the presentation of the net assets, financial position and results of operations of the Brenntag Group.

Scope of consolidation

The table below shows the changes in the number of fully consolidated companies and special purpose entities since January 1, 2012:

	Jan. 1, 2012	Additions	Disposals	Jun. 30, 2012
Domestic consolidated companies	27	–	–	27
Foreign consolidated companies	189	3	1	191
Total consolidated companies	**216**	**3**	**1**	**218**

The disposal under consolidated companies results from a merger. The additions result from two acquisitions and one establishment of a new company.

Five associates (December 31, 2011: five) are accounted for at equity.

Business combinations in accordance with IFRS 3

At the beginning of June 2012, Brenntag acquired in Italy all shares in Petrolube S.r.L., domiciled in Milan, and in VS Chimica S.r.L., domiciled in Casoria, for a total of EUR 3.6 million.

The net assets acquired of these companies break down as follows:

in EUR m	Fair value according to IFRS
ASSETS	
Cash and cash equivalents	1.3
Trade receivables and other receivables	1.9
Other current assets	0.2
Non-current assets	2.0
LIABILITIES	
Current liabilities	3.1
Non-current liabilities	0.6
Net assets	**1.7**

Measurement of the assets and liabilities taken over has not yet been completed. There are no material differences between the gross amount and the carrying amount of the receivables. The provisional goodwill from these acquisitions which cannot be amortized for tax purposes totals EUR 1.9 million.

Since their acquisition by Brenntag, these companies have generated sales of EUR 0.9 million and profit after tax of EUR 0.0 million.

If the business combinations had taken place with effect from January 1, 2012, sales of about EUR 4,883.1 million would have been shown for the Brenntag Group in the reporting period. The profit after tax would have been about EUR 161.0 million.

The net cash outflow as a result of the business combinations has been determined as follows:

in EUR m	
COST OF ACQUISITION 2012	**3.6**
Plus subsequent acquisition costs for acquisition of Multisol group in 2011	0.9
Less cash and cash equivalents acquired	1.3
Less purchase price components not yet paid	0.4
Purchases of consolidated subsidiaries and other business units	**2.8**

Costs of EUR 0.3 million in connection with the acquisitions have been recognized in other operating expenses in 2012.

Purchase price adjustments for the business combinations performed before 2012 increased goodwill by EUR 0.6 million.

Currency translation

The euro exchange rates for major currencies developed as follows:

1 EUR = currencies	Closing rate		Average rate	
	Jun. 30, 2012	Dec. 31, 2011	Jan. 1 – Jun. 30, 2012	Jan. 1 – Jun. 30, 2011
Canadian dollar (CAD)	1.2871	1.3215	1.3040	1.3706
Swiss franc (CHF)	1.2030	1.2156	1.2048	1.2694
Chinese yuan renminbi (CNY)	8.0011	8.1588	8.1901	9.1755
Danish crown (DKK)	7.4334	7.4342	7.4350	7.4561
Pound sterling (GBP)	0.8068	0.8353	0.8225	0.8682
Polish zloty (PLN)	4.2488	4.4580	4.2459	3.9527
Swedish crown (SEK)	8.7728	8.9120	8.8824	8.9391
US dollar (USD)	1.2590	1.2939	1.2965	1.4032

INFORMATION ON THE CONSOLIDATED INCOME STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT

1. Finance income

in EUR m	Jan. 1 – Jun. 30, 2012	Jan. 1 – Jun. 30, 2011
Interest income from third parties	1.7	2.4
Expected income from plan assets	3.4	3.3
Total	**5.1**	**5.7**

2. Finance costs

in EUR m	Jan. 1 – Jun. 30, 2012	Jan. 1 – Jun. 30, 2011
Interest expense on liabilities to third parties	−39.7	−51.0
Interest expense on liabilities to related parties	–	–
Expense from the measurement of interest rate swaps and interest caps at fair value	−0.6	−10.6
Interest cost on the unwinding of discounting for provisions for pensions and similar obligations	−4.8	−4.6
Interest cost on other provisions	−1.0	−1.0
Interest expense on finance leases	−0.8	−0.8
Total	**−46.9**	**−68.0**

3. Change in purchase price obligations and liabilities under IAS 32 to minorities

in EUR m	Jan. 1 – Jun. 30, 2012	Jan. 1 – Jun. 30, 2011
Effect of unwinding of discounting of purchase price obligations	−3.2	–
Result from measurement of purchase price obligations at the exchange rate on the reporting date	−0.9	–
Change in liabilities under IAS 32 to minorities	−0.5	−0,5
Total	**−4.6**	**−0,5**

For further information, we refer to Note 8.

4. Income taxes

Income taxes include current tax expenses of EUR 75.9 million (H1 2011: current tax expenses of EUR 64.0 million) as well as deferred tax expenses of EUR 5.2 million (H1 2011: deferred tax expenses of EUR 7.2 million).

The effects of changes in purchase price obligations and liabilities under IAS 32 to minorities not influencing tax have not been taken into consideration when determining the expected corporate income tax rate and calculating the income taxes for the reporting period as they cannot be planned with sufficient accuracy. In the reporting period, the above effects reduced the profit before tax by EUR 4.6 million with no corresponding reduction in taxes.

5. Earnings per share

The earnings per share of EUR 3.11 (H1 2011: EUR 2.57) are determined by dividing the share in income after tax of EUR 160.1 million (H1 2011: EUR 132.5 million) due to the shareholders of Brenntag AG by the average weighted number of shares in circulation totalling 51.5 million (H1 2011: 51.5 million).

6. Financial liabilities

in EUR m	Jun. 30, 2012	Dec. 31, 2011
Liabilities under syndicated loan	1,107.0	1,197.6
Other liabilities to banks	306.8	270.8
Bond	413.0	401.4
Liabilities under finance leases	19.2	18.9
Derivative financial instruments	8.0	13.8
Other financial liabilities	48.3	49.9
Financial liabilities as per balance sheet	**1,902.3**	**1,952.4**
Cash and cash equivalents	308.5	458.8
Net financial liabilities	**1,593.8**	**1,493.6**

Of the other liabilities to banks, EUR 179.9 million (December 31, 2011: EUR 178.1 million) is owed to banks by the consolidated Irish special purpose entity, Brenntag Funding Ltd., Dublin.

7. Other provisions

Other provisions break down as follows:

in EUR m	Jun. 30, 2012	Dec. 31, 2011
Environmental provisions	116.9	123.4
Provisions for personnel expenses	31.2	20.4
Miscellaneous provisions	62.9	56.7
Total	**211.0**	**200.5**

8. Purchase price obligations and liabilities under IAS 32 to minorities

The purchase price obligations and liabilities under IAS 32 to minorities break down as follows:

in EUR m	Jun. 30, 2012	Dec. 31, 2011
Purchase price obligation for final purchase price payment of first tranche of Zhong Yung (51%)	31.7	30.1
Purchase price obligation for second tranche of Zhong Yung (49%)	76.6	72.8
Liabilities under IAS 32 to minorities	1.2	1.8
Total	**109.5**	**104.7**

On initial recognition at the end of August 2011, the purchase price expected to be paid for the remaining shares in 2016 in Zhong Yung (second tranche) was recognized as a liability in equity at its present value. Any difference resulting from unwinding of discounting and changes in the estimate of the future purchase price are recognized in profit or loss.

The purchase price obligation for the second tranche of Zhong Yung has been included in net investment hedge accounting in the amount of the pro-rata net assets of the Chinese Zhong Yung companies. Exchange rate-related changes in the liability are recorded for the portion included in net investment hedge accounting within equity in the net investment hedge reserve and for the portion not included in net investment hedge accounting – as well as effects of unwinding of discounting of purchase price obligations – are recognized in profit or loss.

9. Equity

As proposed by the Board of Management and the Supervisory Board, the ordinary General Shareholders' Meeting of Brenntag AG on June 20, 2012 passed a resolution to pay a dividend of EUR 103,000,000.00. That is a dividend of EUR 2.00 per no-par share entitled to a dividend.

10. Information on the cash flow statement

The net cash inflow from operating activities amounting to EUR 62.5 million was influenced by cash outflows in connection with the increase in working capital of EUR 146.6 million.

The rise in working capital is made up of changes in inventories, gross receivables and trade payables as well as write-downs on trade receivables and inventories as follows:

in EUR m	Jan. 1 – Jun. 30, 2012	Jan. 1 – Jun. 30, 2011
Increase in inventories	−11.6	−60.4
Increase in gross trade receivables	−201.5	−230.3
Increase in trade payables	65.0	109.8
Write-downs on gross trade receivables and on inventories [1]	1.5	0.1
Change in working capital [2]	**−146.6**	**−180.8**

[1] *Shown within other non-cash income and expenses.*
[2] *Adjusted for exchange rate differences and acquisitions.*

At 9.4, the annualized working capital turnover rate [1] in the reporting period was roughly on the level of the first half of 2011 (9.5).

11. Legal proceedings and disputes

In relation to an investigation by antitrust authorities, Brenntag recently received a Statement of Objections from the French Competition Authority. In the Statement of Objections, the authority communicates its preliminary opinion that Brenntag S.A. was involved in anticompetitive practices in France between 1997 and 2007. The Statement of Objection does not represent a final decision. Should the authority uphold its allegations in the course of the proceedings, it may impose a fine. Brenntag is currently assessing the contents of the Statement of Objections and reviewing its options. Based on this assessment, Brenntag will review the adequateness of the current reserve.

SUBSEQUENT EVENTS

In mid-July 2012, Brenntag acquired the entire business of the ISM/Salkat Group, a leading distributor of specialty chemicals in Australia and New Zealand as part of a combined asset and share deal. The provisional purchase price is EUR 81.8 million. By acquiring this Group, Brenntag is extending its existing specialty chemicals portfolio in industries such as coatings, food & beverages, personal care and pharmaceuticals and strengthening its operating capability. With this strategic acquisition, Brenntag is expanding its market position in Australia and successfully entering the New Zealand market. Brenntag is thus improving its growth opportunities in this region in the long term.

[1] *Ratio of annual sales to average working capital; annual sales is defined as the sales for the first half-year projected onto the full year (sales for the first half-year multiplied by two); average working capital is defined for the first half-year as the mean average of the values for working capital at the following three times: at the beginning of the year as well as at the end of the first and second quarters.*

The net assets acquired break down as follows:

in EUR m	Fair value according to IFRS
ASSETS	
Cash and cash equivalents	1.2
Trade receivables and other receivables	11.8
Other current assets	14.1
Non-current assets	0.9
LIABILITIES	
Current liabilities	7.8
Non-current liabilities	0.4
Net assets	**19.8**

Measurement of the assets and liabilities taken over has not yet been completed. The value of the customer base has yet to be determined. There are no material differences between the gross amount and the carrying amount of the receivables. The provisional goodwill from this acquisition which cannot be amortized for tax purposes totals EUR 62.0 million.

Furthermore, in mid-July 2012 Brenntag acquired all shares in The Treat-Em-Rite Corporation, a US chemical distributor for the oil and gas industry domiciled in Pearsall, Texas. The provisional purchase price is EUR 14.8 million.

The Board of Management of Brenntag AG was, together with other senior managers of the Brenntag Group, included in a management participation programme at the former parent company of Brenntag AG, Brachem Acquisition S.C.A., Luxembourg. The management participation programme is being terminated as a result of the placements of the remaining shares of Brachem Acquisition S.C.A. in Brenntag AG.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Mülheim an der Ruhr, August 7, 2012

Brenntag AG
THE BOARD OF MANAGEMENT

Steven Holland   Jürgen Buchsteiner   William Fidler   Georg Müller

REVIEW REPORT

TO BRENNTAG AG, MÜLHEIM AN DER RUHR

We have reviewed the condensed consolidated interim financial statements – comprising the statement of financial position, income statement and statement of comprehensive income, cash flow statement, statement of changes in equity and selected explanatory notes – and the interim group management report of Brenntag AG, Mülheim an der Ruhr, for the period from January 1, 2012 to June 30, 2012 which are part of the half-year financial report pursuant to § (Article) 37w WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) and additionally observed the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, August 7, 2012

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Klaus-Dieter Ruske	Frank Hübner
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

FINANCIAL CALENDAR

August 8, 2012	Interim Report Q2 2012
September 25–27, 2012	UniCredit/Kepler, German Investment Conference 2012, Munich
November 7, 2012	Interim Report Q3 2012

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Information on the Interim Report
This translation is only a convenience translation. In case of any differences only the German version is binding.

Information on rounding
Due to the commercial rounding minor differences may occur when using rounded amounts or rounded percentages.

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