

Specialty Chemicals

- Volumes up 2 percent compared with the previous year
- Revenue down 2 percent, mainly due to adverse currency effects (4 percent)
- Operating income up by 36 percent at €135 million, despite currencies, due to cost control and operational efficiencies
- Continuous improvement measures continue in all businesses

Volume in Specialty Chemicals was higher compared with 2013 as a result of better market conditions in Functional Chemicals and the absence of the previous year's production issues, notably in Industrial Chemicals. Revenue declined, mainly due to adverse currency developments.

Profitability increased compared with 2013 due to better market conditions in Functional Chemicals and benefits from restructuring.

Functional Chemicals

Volume increased significantly, resulting in higher revenue despite adverse currency effects. Demand in Europe improved during the quarter. China achieved most of the growth in Asia, while North America was impacted by the severe winter weather.

Industrial Chemicals

Volume increased, mainly due to the absence of previous year's production issues. Enhanced capacity from the MCA plant in Taixing, China, also contributed to the increase. Margins were impacted by caustic price pressure.

Surface Chemistry

Volumes were impacted by the severe winter conditions in North America, which disrupted production and logistics. This, in addition to adverse currency effects, resulted in 3 percent lower revenue.

Pulp and Performance Chemicals

Volumes from bleaching chemicals in Asia and Brazil were strong, with weaker demand in Europe and North America. Revenue was down 7 percent, mainly due to adverse currency effects and divestments.

Revenue

1st quarter

in € millions	2013	2014	Δ%
Functional Chemicals	467	473	1
Industrial Chemicals	291	293	1
Surface Chemistry	258	250	(3)
Pulp and Performance Chemicals	262	243	(7)
Other/intragroup eliminations	(34)	(37)	
Total	1,244	1,222	(2)
Operating income	99	135	36
ROS%	8.0	11.0	
Average invested capital	3,704	3,552	
Moving average ROI (in %) *	12.4	9.4	
EBITDA	174	204	17
Capital expenditures	78	61	
Number of employees	10,680	10,150	

* On a comparable basis 2014: 13.3 percent

Revenue development Q1 2014

■ Increase ■ Decrease

