

Decorative Paints

- In Q2, volumes were up 3 percent compared with the previous year
- Revenue down 9 percent due to divestments and adverse currency effects
- Price/mix effect largely driven by the sale of the German stores
- Operating income flat, ROS at 9.5 percent (2013: 8.7 percent)

Volumes for the quarter were up in Asia and most European countries. Revenue declined 9 percent compared with 2013, due to the divestment of Building Adhesives and a 5 percent adverse currency effect. Operating income was at the same level as the previous year. Excluding the effect of divestments and adverse currency developments, operating income improved due to restructuring activities in Europe and improved margins.

Europe, Middle East and Africa

In Europe, volumes were up year-on-year. Revenue adjusted for divestments was 4 percent down due to adverse currency effects and our focus on high margin sales. Revenue declined in continental Europe, while there were positive developments in the UK and Eastern Europe. Restructuring activities and various operational efficiency improvement programs led to a lower cost base.

Latin America

Revenue in the region declined due to lower volumes and adverse currency effects. These were mitigated by higher prices and positive mix effects. Restructuring activities contributed to the results.

Asia

Volumes grew in Asia, while revenue for the region fell 5 percent due to adverse currency effects and price/mix effects.

Revenue

2nd quarter			January - June			
2013 *	2014	Δ%	in € millions	2013	2014	Δ%
736	662	(10)	Deco Europe, Middle East and Africa	1,314	1,194	(9)
140	124	(11)	Decorative Paints Latin America	274	240	(12)
303	287	(5)	Decorative Paints Asia	516	505	(2)
-	1		Other/intragroup eliminations	-	-	
1,179	1,074	(9)	Total	2,104	1,939	(8)
102	102	-	Operating income	145	119	(18)
8.7	9.5		ROS%	6.9	6.1	
			Average invested capital	3,489	2,776	
			Moving average ROI (in %) *	2.9	13.4	
141	141	-	EBITDA	229	197	(14)
40	38		Capital expenditures	70	66	
			Number of employees	16,940	15,560	

* on a comparable basis: 2013: 2.7 percent and 2014: 6.2 percent.

Revenue development Q2 2014

■ Increase ■ Decrease

