

Specialty Chemicals

- Volumes in line with the previous year
- Revenue down 1 percent, mainly due to adverse currency effects and divestments
- Operating income up due to lower restructuring costs and operational efficiencies
- Continuous improvement measures in all businesses

Volumes were in line with 2013, with growth being offset by some planned outages in the chain, as well as an industrial action in Rotterdam. On a year-to-date basis, volumes are 2 percent higher. Revenue declined due to adverse currency developments and price pressure in some segments, such as caustic. In general, the market conditions in Europe have slowed after a promising start to the year. The US gained further momentum after a slow start to the year. The Asia/Pacific business also improved during Q3, with weaknesses in some segments. Despite the economic slowdown, profitability increased due to benefits from restructuring activities and cost savings, as well as lower restructuring costs.

Functional Chemicals

Volume increased significantly during the quarter, with all regions showing growth and certain segments showing recovery. Revenue increased 1 percent, mainly due to volumes, but was impacted by adverse currency effects and the divestment of the Primary Amides business. The benefits of the restructuring program that was announced in 2013 are coming through.

Industrial Chemicals

Volume decreased during the quarter as chlorine and caustic were impacted by an industrial action in Rotterdam, partly compensated by higher volumes of MCA in China. Revenue declined as a result, with margins continuing to be impacted by low caustic prices.

Surface Chemistry

Revenue was in line with the previous year, with increased volumes in some targeted segments, such as Oilfield and Agro. Markets in Asia were challenging.

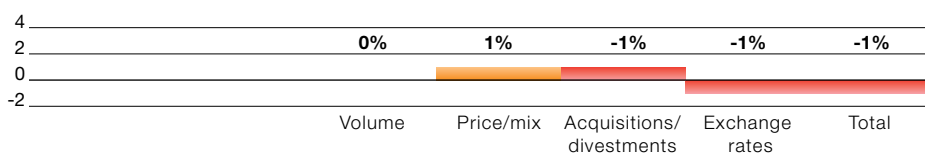
Revenue

3rd quarter			January - September			
2013	2014	Δ%	in € millions	2013	2014	Δ%
470	477	1	Functional Chemicals	1,425	1,429	-
303	279	(8)	Industrial Chemicals	873	848	(3)
256	257	-	Surface Chemistry	778	763	(2)
257	258	-	Pulp and Performance Chemicals	777	751	(3)
(34)	(32)		Other/intragroup eliminations	(104)	(102)	
1,252	1,239	(1)	Total	3,749	3,689	(2)
107	156	46	Operating income	327	415	27
8.5	12.6		ROS%	8.7	11.2	
			Average invested capital	3,651	3,451	
			Moving average ROI (in %) *	11.0	11.1	
185	232	25	EBITDA	557	640	15
66	65		Capital expenditures	244	198	
			Number of employees	10,580	9,920	

* On a comparable basis: 2014: 15.1 percent.

Revenue development Q3 2014

■ Increase ■ Decrease



Pulp and Performance Chemicals

Volumes from bleaching chemicals were strong. Growth areas performed well, while benefits from recent investments and restructuring measures were realized. Revenue was in line with 2013, mainly due to currency effects and the divestment of the Purate business, offset by a favorable price/mix effect.