

Specialty Chemicals

- Revenue up 6 percent, mainly due to favorable currency effects, with volumes flat on the previous year
- Operating income improved 21 percent to €163 million, due to improvement actions, cost containment and lower restructuring costs
- ROS increased to 12.6 percent (2014: 11.0 percent); ROI increased to 15.3 percent (2014: 13.3 percent on a comparable basis)
- Investments in functional capabilities further driving continuous improvement

Revenue was up 6 percent, mainly due to favorable currency effects. Volumes in the first quarter remained flat on the previous year, with a mixed and volatile picture across segments and regions. Developments in the bleaching and chelates segments were positive while volumes in oil drilling were lower. The US continued to show good developments, while China and regions such as Russia and the Middle East were challenging. The closing of the Paper Chemicals divestment is expected in Q2.

Functional Chemicals

Revenue increased by 5 percent, driven by positive currency developments, partly offset by slower demand in the polymer industry. The business continued to implement the comprehensive improvement program which was launched in 2013.

Industrial Chemicals

Revenue decreased by 4 percent due to lower volumes and temporary inefficiencies, including the disruption in the Rotterdam supply chain, which was compensated by an insurance payout. The new chlorine plant in Frankfurt is now in operation. There is a continuous focus on improving production availability.

Surface Chemistry

Revenue was up 11 percent, driven mainly by currencies. Challenging conditions in China and the oil drilling segment were mostly offset by good developments in other segments. Overall, this resulted in roughly flat volumes compared with the previous year.

Pulp and Performance Chemicals

Revenue was up 12 percent due positive currency effects and strong developments in growth products such as Expancel and silica.

Revenue

First quarter

in € millions	2014	2015	Δ%
Functional Chemicals *	440	464	5
Industrial Chemicals *	322	308	(4)
Surface Chemistry	250	277	11
Pulp and Performance Chemicals	243	273	12
Other/intragroup eliminations	(33)	(26)	
Total	1,222	1,296	6
Operating income	135	163	21
ROS (in %)	11.0	12.6	
Average invested capital	3,552	3,509	
Moving average ROI (in %) **	9.4	15.3	
EBITDA	204	242	19
Capital expenditures	61	56	
Number of employees	10,200	9,600	

* Adjusted to the new business structure.

** 2014, excluding an incidental impairment charge: 13.3 percent.

Revenue development Q1 2015

■ Increase ■ Decrease

