

Decorative Paints

- Revenue up 6 percent in Q2, mainly driven by favorable currency effects
- Operating income up 25 percent, due to the new operating model, lower costs, reduced restructuring expenses, cost containment and favorable currencies
- ROS increased to 11.3 percent (2014: 9.5 percent); ROI increased to 10.4 percent (2014: 6.2 percent on a comparable basis)

Revenue increased 6 percent, mainly driven by favorable currency effects. Volumes were up in Asia, while volumes were down for Europe and Latin America.

Operating income improved by 25 percent due to the new operating model, lower costs, reduced restructuring expenses, strict cost containment and favorable currency developments.

Europe, Middle East and Africa

Revenue was flat. Volumes were slightly lower due to varying market dynamics and challenging environments in Eastern Europe, in particular Russia, compensated by positive price/mix and favorable currency effects. Various operational efficiency improvement programs and the new operating model led to a lower cost base.

Latin America

Revenue increased by 7 percent due to positive price/mix, partly offset by unfavorable currency effects and lower volumes. Margin management offset the adverse currency impact on the cost of raw materials. Improvement actions and strict cost control continued to be a focus in the region.

Asia

Despite challenging conditions in the Chinese construction market, revenue in Asia increased by 17 percent due to higher volumes and favorable currency effects, partly offset by adverse price/mix.

Revenue

Second quarter			January - June			
2014	2015	Δ%	in € millions	2014	2015	Δ%
662	665	-	Deco Europe, Middle East and Africa	1,194	1,177	(1)
124	133	7	Decorative Paints Latin America	240	271	13
287	336	17	Decorative Paints Asia	505	576	14
1	-	-	Other/intragroup eliminations	-	-	-
1,074	1,134	6	Total	1,939	2,024	4
102	128	25	Operating income	119	178	50
9.5	11.3		ROS%	6.1	8.8	
			Average invested capital	2,776	2,953	
			Moving average ROI (in %)*	13.4	10.4	
141	165	17	EBITDA	197	253	28
38	39		Capital expenditures	66	76	
			Number of employees	15,600	15,200	

* On a comparable basis: 2014 (excluding incidental items): 6.2 percent.

Revenue development Q2 2015

■ Increase ■ Decrease

