

# Specialty Chemicals

- Revenue flat in Q3, due to favorable currency effects, offset by the divestment of the Paper Chemicals business and adverse price/mix
- Operating income up 4 percent due to benefits from further increased production at the new Frankfurt plant, lower costs and operational efficiencies throughout the business
- ROS increased to 13.2 percent (2014: 12.6 percent). ROI increased to 17.2 percent (2014: 11.1 percent)

Revenue was flat due to favorable currency effects offsetting the impact of the divested Paper Chemicals business and adverse price/mix in several segments, mostly due to lower oil prices. Volumes overall were flat. Growth in some segments compensated for lower demand in oil drilling segments, which mainly impacted Surface Chemistry and Functional Chemicals. North America and Europe continued to show a positive trend in some selected segments, while growth in China and Russia was subdued.

Although the recent incident at the port in Tianjin, China, did not affect us directly, it did result in severe logistical constraints.

Operating income was up 4 percent supported by the benefits from further increased production at the new Frankfurt plant, lower costs and operational efficiencies throughout the business.

## Functional Chemicals

Revenue was up 2 percent. Favorable currency effects were mostly offset by lower demand and price pressure in the ethylene business, as well as severe logistical constraints due to the incident at the port in Tianjin.

## Industrial Chemicals

Revenue was down 1 percent. The new chlorine plant in Frankfurt is now fully on-stream and resulted in operational efficiencies and higher product availability. This was offset by lower revenues in some segments.

## Surface Chemistry

Revenue was up 3 percent due to positive currency effects. Volumes were down in oil drilling segments; partly compensated by higher volumes in other segments, mainly in Europe.

## Revenue

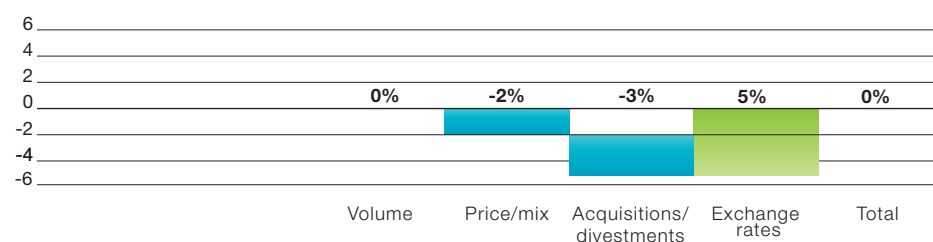
Third quarter			January-September		
2014	2015	Δ%	2014	2015	Δ%
446	453	2	1,333	1,414	6
308	304	(1)	935	896	(4)
257	265	3	763	824	8
258	233	(10)	751	758	1
(30)	(20)		(93)	(71)	
<b>1,239</b>	<b>1,235</b>	<b>-</b>	<b>3,689</b>	<b>3,821</b>	<b>4</b>
156	163	4	415	518	25
156	163	4	415	488	18
12.6	13.2		11.2	13.6	
12.6	13.2		11.2	12.8	
			3,451	3,553	
			11.1	17.2	
232	242	4	640	727	14
65	86		198	201	
			9,900	9,100	

\* Adjusted to the new business structure

\*\* On a comparable basis: 2015: 16.4 percent; 2014: 15.1 percent

## Revenue development Q3 2015

■ Increase ■ Decrease



## Pulp and Performance Chemicals

Revenue, excluding the impact of the divested Paper Chemicals business, was up 4 percent, mainly due to higher volumes for both the pulp segment in Brazil and other growth products.