



FUCHS PETROLUB SE
**The leading independent lubricants
manufacturer of the world**

Dr. Alexander Selent, Vice Chairman & CFO
Dagmar Steinert, Head of Investor Relations

Main First Bank, Zurich, 5 June 2014



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

The leading independent lubricants manufacturer of the world



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

- Founded in 1931
- 2013 sales revenues: €1.8 bn
- 2013 number of employees: 3,888 from 36 countries
- 31 production facilities
- 100,000 customers in more than 150 countries
- Member of the MDAX, DAXplus Family 30 and STOXX Europe 600



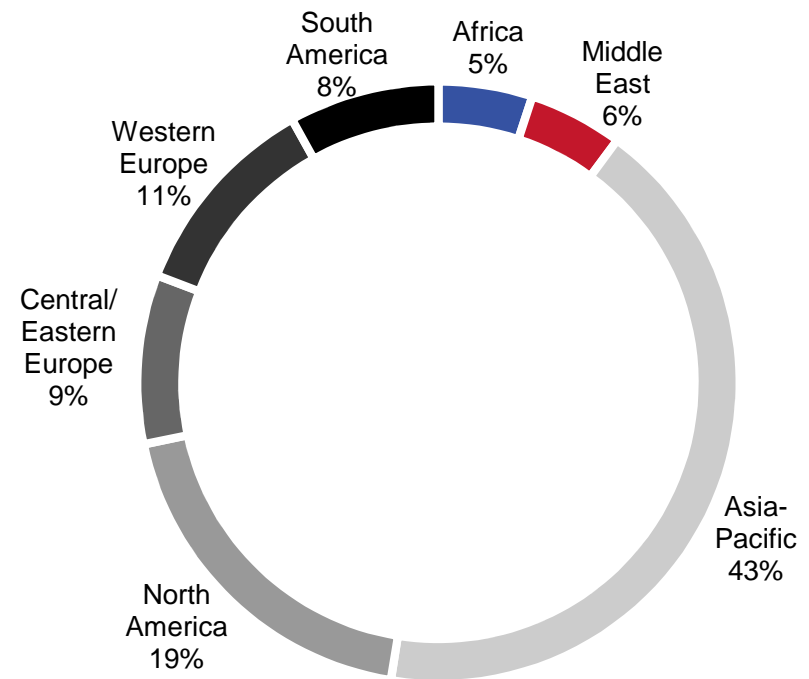
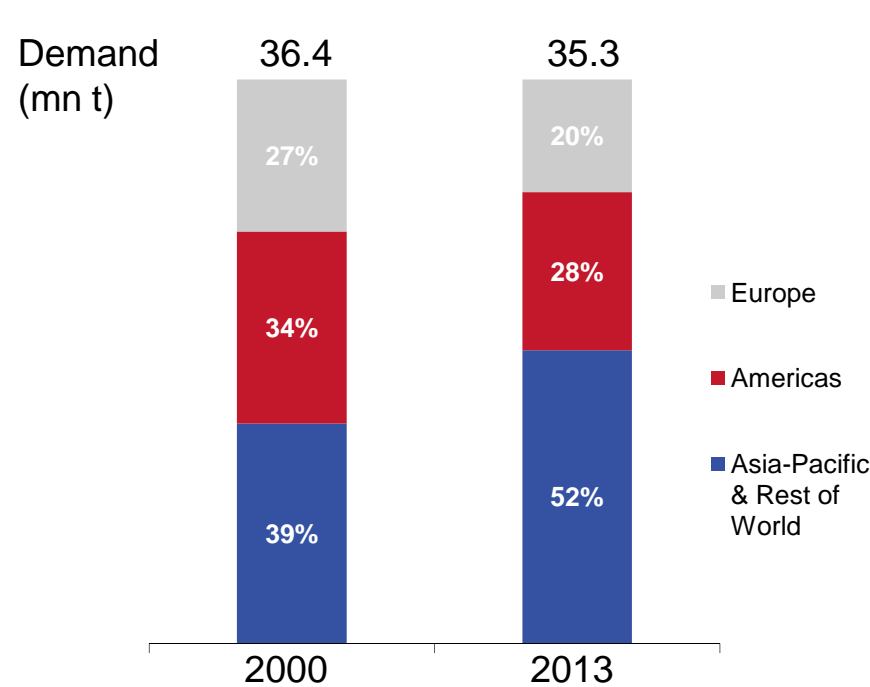
- FUCHS is fully focussed on lubricants (advantage over major oil companies)
- Technology, innovation and specialisation leadership in strategically important product areas
- Independence allows customer and market proximity, responsiveness, speed and flexibility (advantage over major oil companies)
- FUCHS is a full-line supplier (advantage over most independent companies)
- Global presence (advantage over most independent companies)

- Continue to be the world's largest independent manufacturer of lubricants and related specialities
- Value-based growth through innovation and specialisation leadership
- Organic growth in emerging markets and organic and external growth in mature markets
- Creating shareholder value by generating returns above the cost of capital
- Remain independent which is decisive for FUCHS' business model



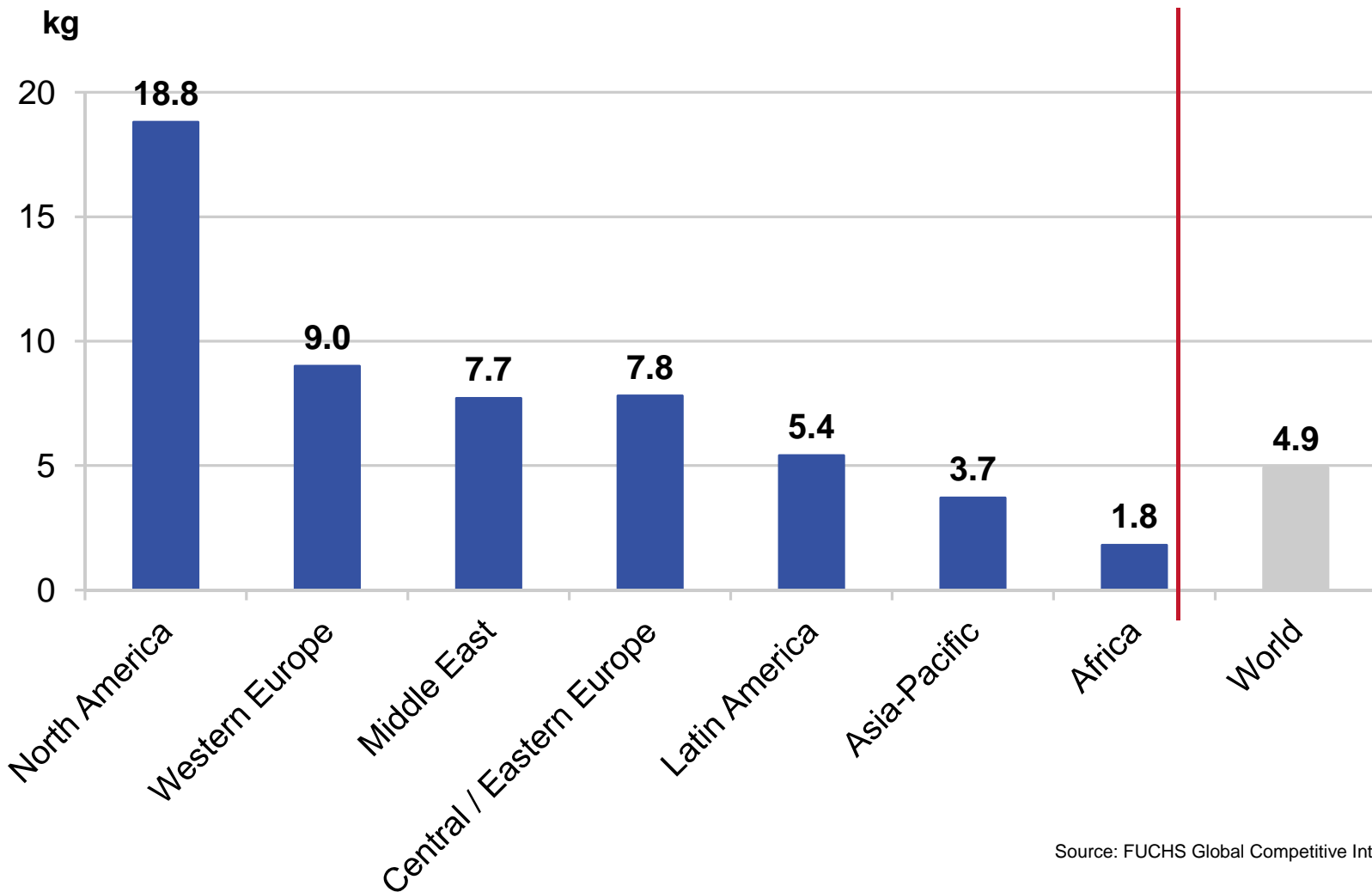
World lubricants demand: 35 mn t

- The biggest regional lubricants market with the highest growth rate is found in Asia-Pacific.
- North America and Western Europe are mature markets. The focus is on a more specialized product portfolio and specialities.



Source: FUCHS Global Competitive Intelligence

2013 per-capita lubricants demand shows significant growth opportunities



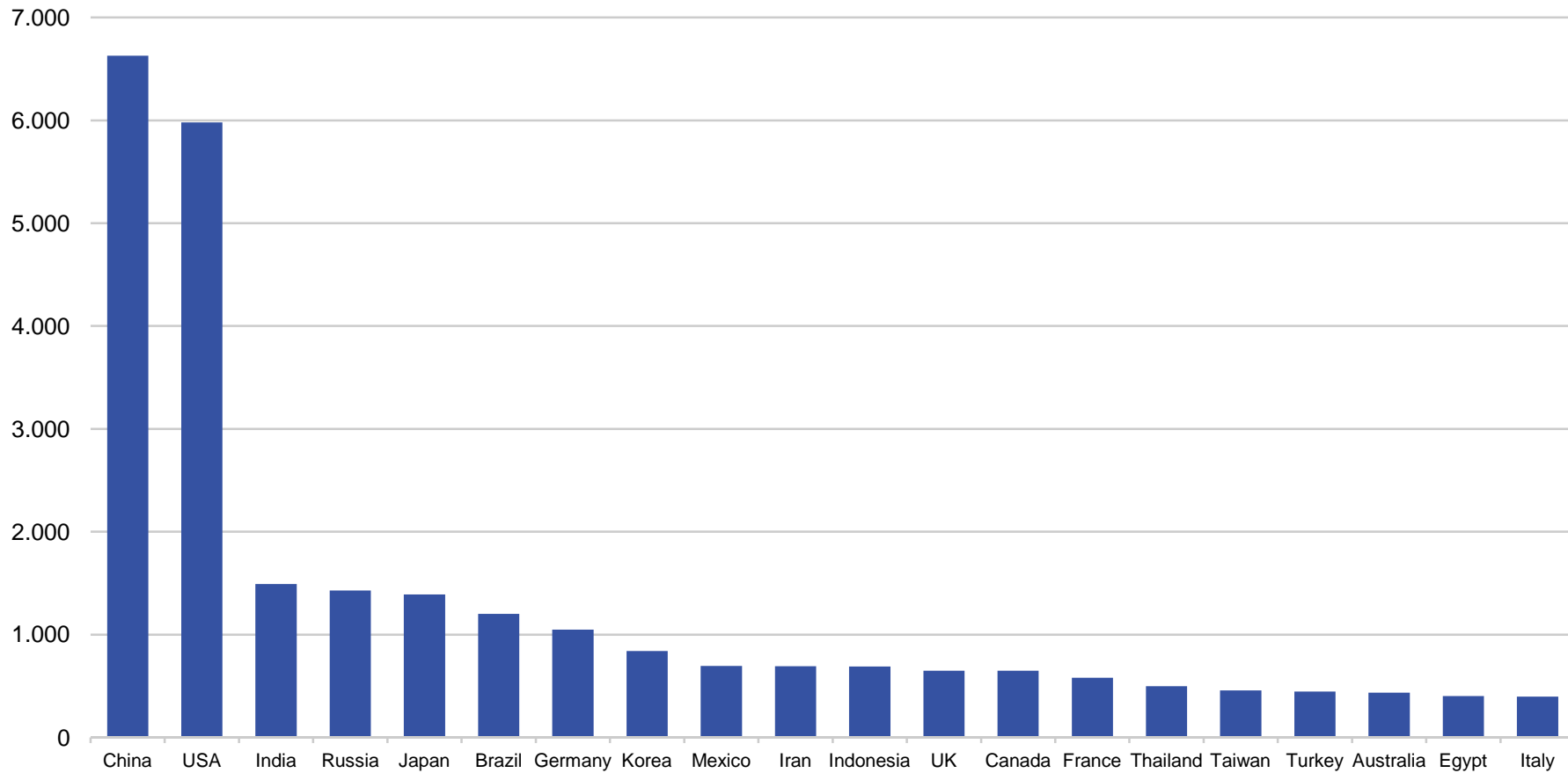
Source: FUCHS Global Competitive Intelligence

Top 20 Lubricants Countries 2013



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

K tons



Competition – strong fragmentation



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

manufacturers:

130 major oil companies

590 independent manufacturers

720 manufacturers*

High degree of fragmentation continues in the industry

Concentration especially among smaller companies

sizes:

manufacturers

volumes
%

top 10

> 50.0

710

< 50.0

720

100.0

Differences in the size of manufacturers are enormous. World-wide the top 10 finished lubricants manufacturers including FUCHS hold more than 50% of global volumes while the remainder of more than 700 manufacturers share less than 50%.

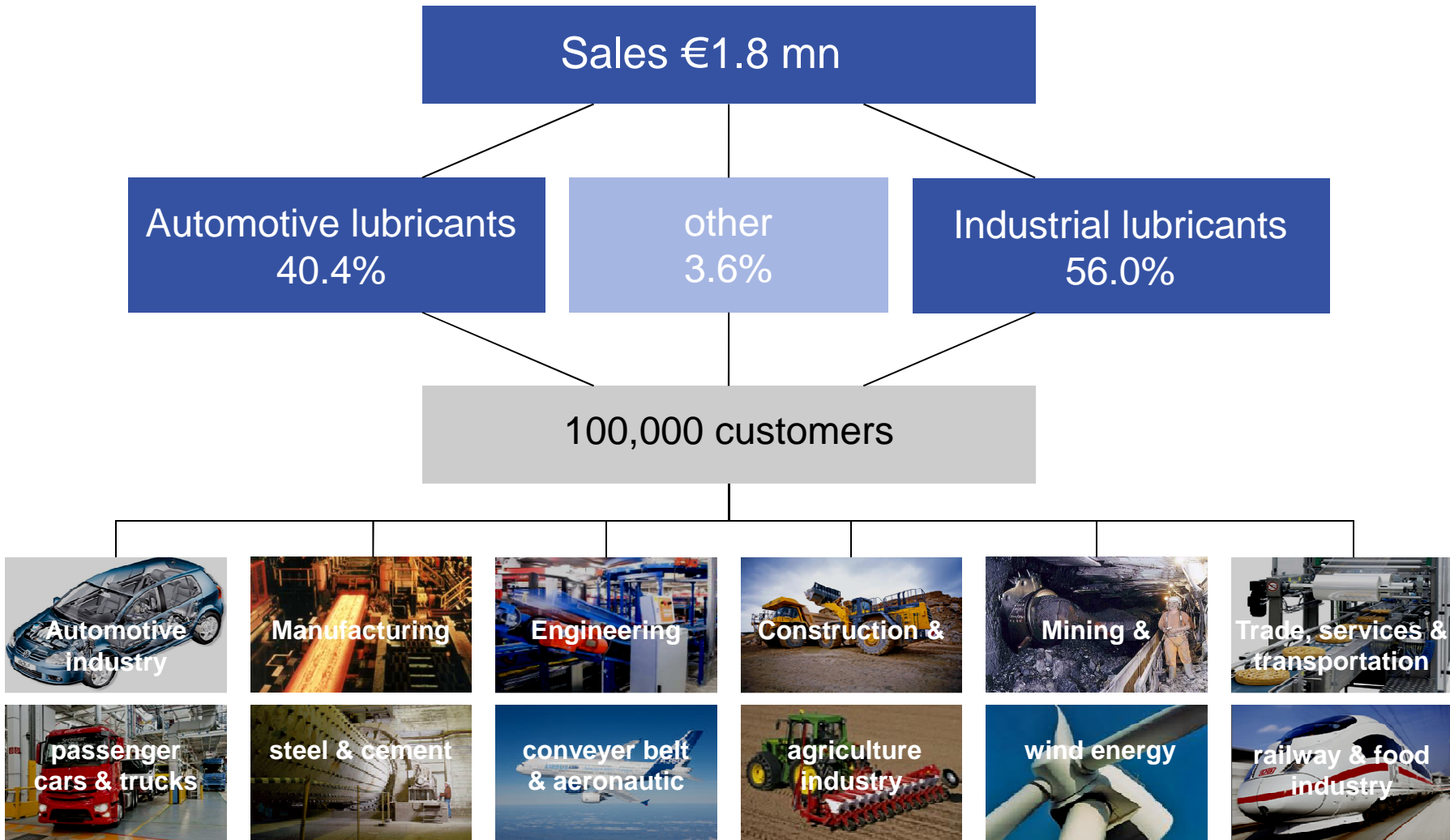
Source: FUCHS Global Competitive Intelligence

FUCHS – strategic position



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

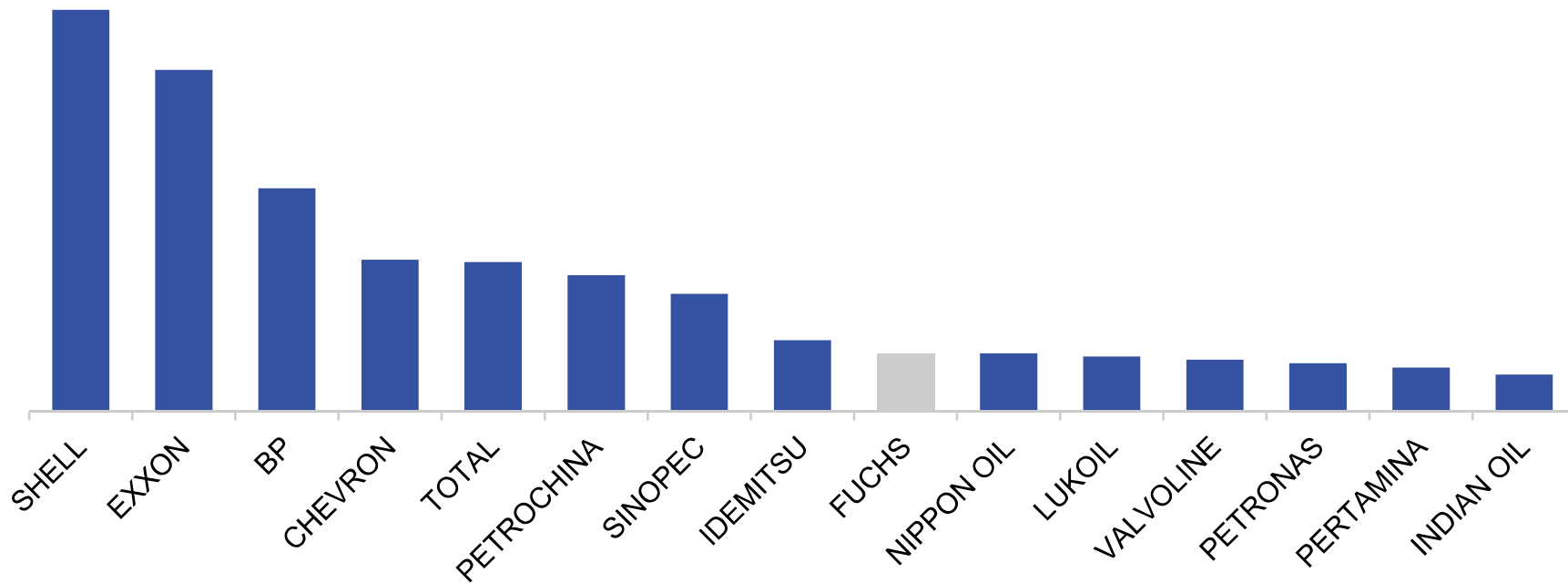
FUCHS is fully focused on lubricants



FUCHS is strategically well positioned as we are the 9th largest lubricant company in the world*



LUBRICANTS.
TECHNOLOGY.
PEOPLE.



* by volume

Source: FUCHS Global Competitive Intelligence



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

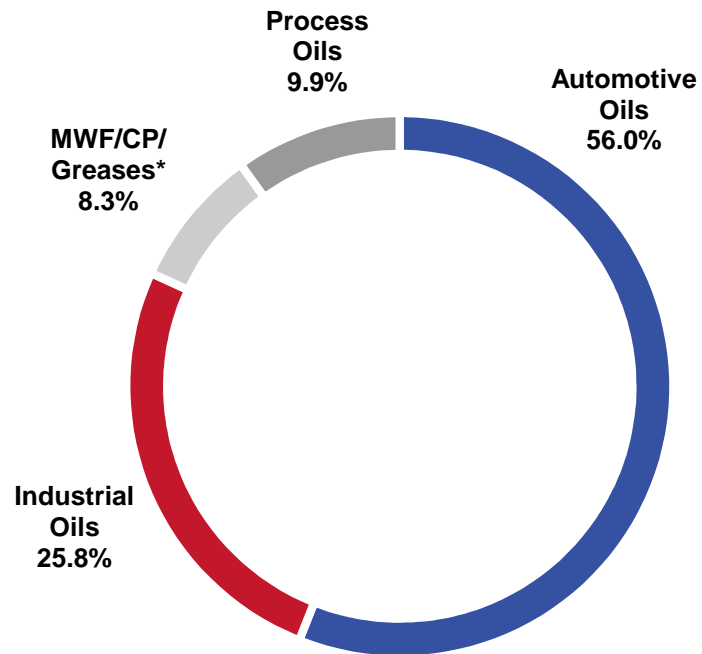
Among 590 independent lubricants companies FUCHS is the number 1.

FUCHS is the Specialist for Lubricants

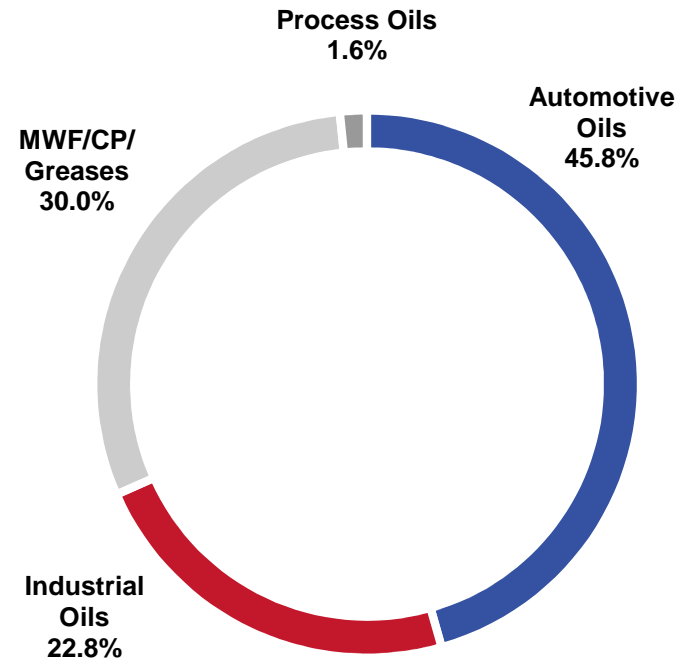


LUBRICANTS.
TECHNOLOGY.
PEOPLE.

Worldwide lubricant market 2013 (volume)



FUCHS manufactured lubricants 2013 (volume)



*metalworking fluids/corrosion preventatives/lubricating greases

Source: FUCHS Global Competitive Intelligence

FUCHS is the specialist and occupies technology and market leadership positions in strategically important niche areas



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

- High-performance speciality open gear lubricants (cement industry etc.) No. 1



- Mining specialities (fire-resistant hydraulic fluids for underground coal mining and high-performance lubricants) No. 1



- Environmentally Friendly lubricants



- Metalworking fluids No. 2-4



- Corrosion preventives No. 2



- Forging lubricants No. 2



- Greases No. 3-4

FUCHS - the niche specialist



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

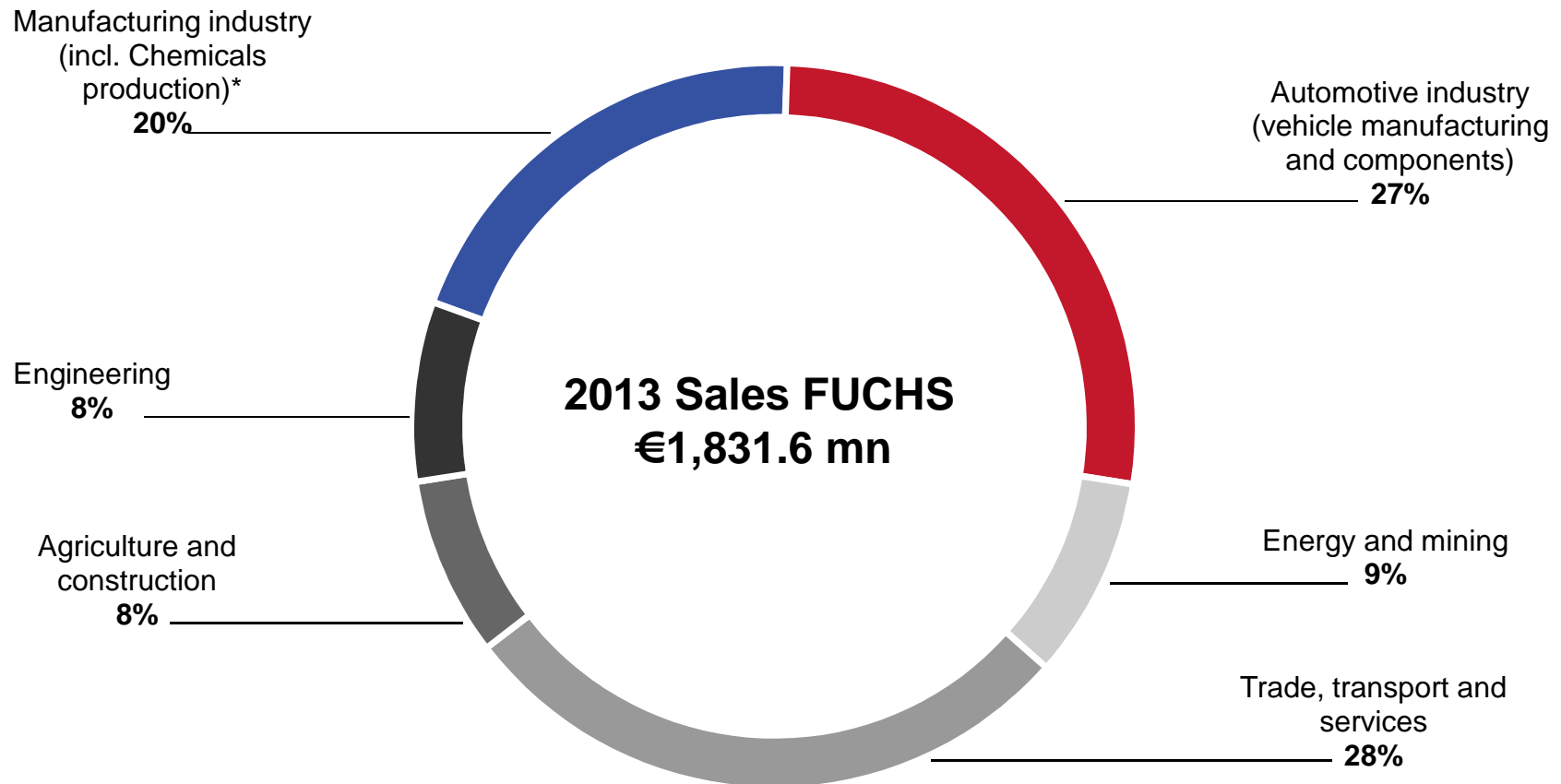


- Research and development are key factors in the success.
- 385 engineers and scientists engaged in research and development around the globe develop new products and help our customers to solve their problems. They support our technical leadership in key products and application areas.
- The Group's research and development expenses were EUR 30.6 million.

Breakdown of group sales revenues by customer sector



LUBRICANTS.
TECHNOLOGY.
PEOPLE.



As a percentage of sales

* Manufacturing industry = producer goods, capital goods, consumer goods

Source: FUCHS Global Competitive Intelligence

We have a worldwide network



LUBRICANTS.
TECHNOLOGY.
PEOPLE.



● production sites

FUCHS' strategic position is a combination of ...



Independence & Financial Strength

Comments

- ▶ around €1.8 bn in sales (80% outside Germany, Asia Pacific is FUCHS' 2nd largest regional market), #9 worldwide and by far the largest independent producer, close to customers
- ▶ leader in innovation, specialisation & technology, clear focus on high-value products & market segments, basis for strong profitability, high cash flows & value creation
- ▶ optimized and highly flexible cost structure, highly committed teams in management, production, R&D, sales and admin supported by company's independence, steering via FVA tool successful

**Our business model has paid
dividends**

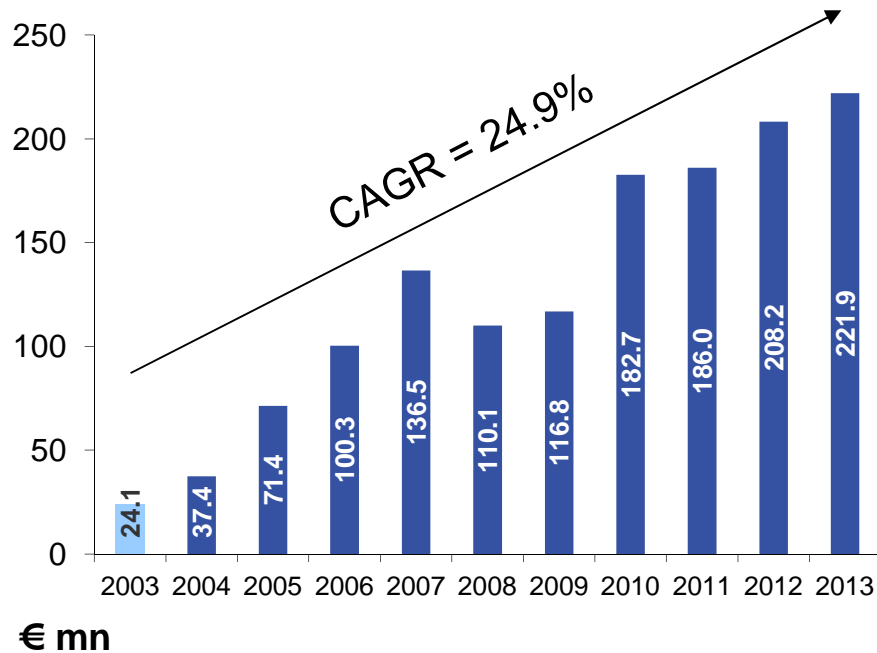


*LUBRICANTS.
TECHNOLOGY.
PEOPLE.*

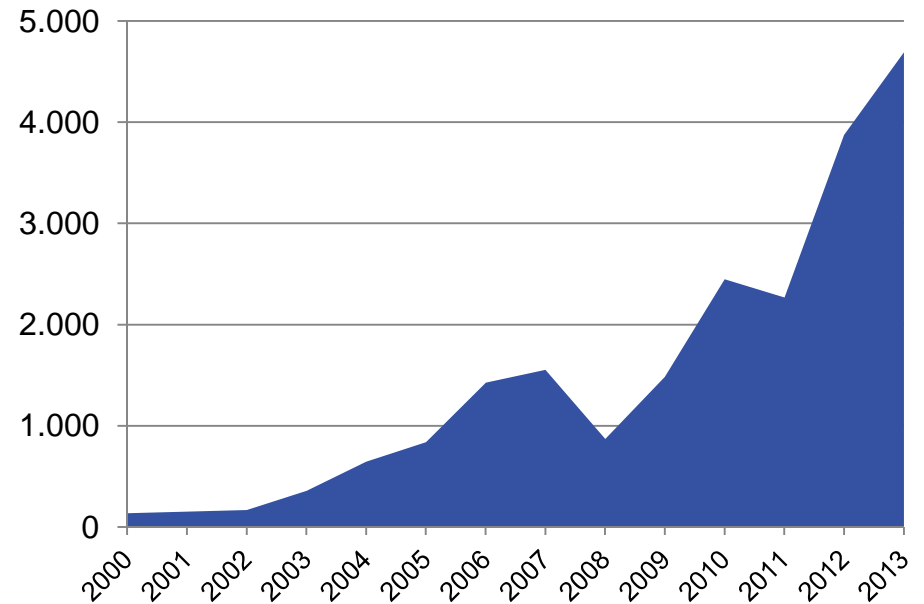
During the past 10 years, FUCHS Value Added has increased by 24.9% p. a. and market capitalization has increased constantly and presently is close to €5 bn.



FVA = Fuchs Value Added



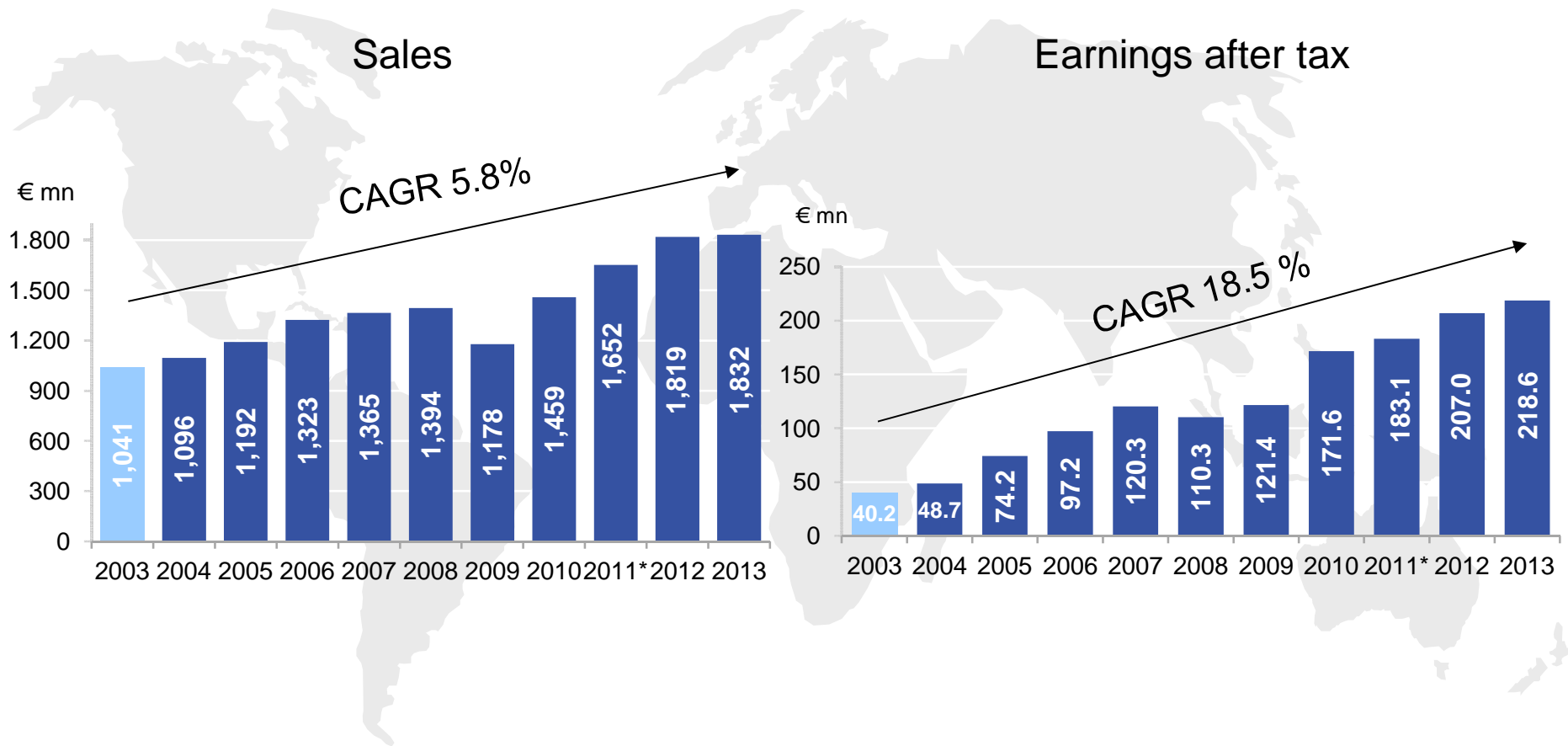
FUCHS market capitalization



During the past 10 years, sales revenues have increased by 5.8% p.a. and earnings after tax by 18.5% p.a.



LUBRICANTS.
TECHNOLOGY.
PEOPLE.



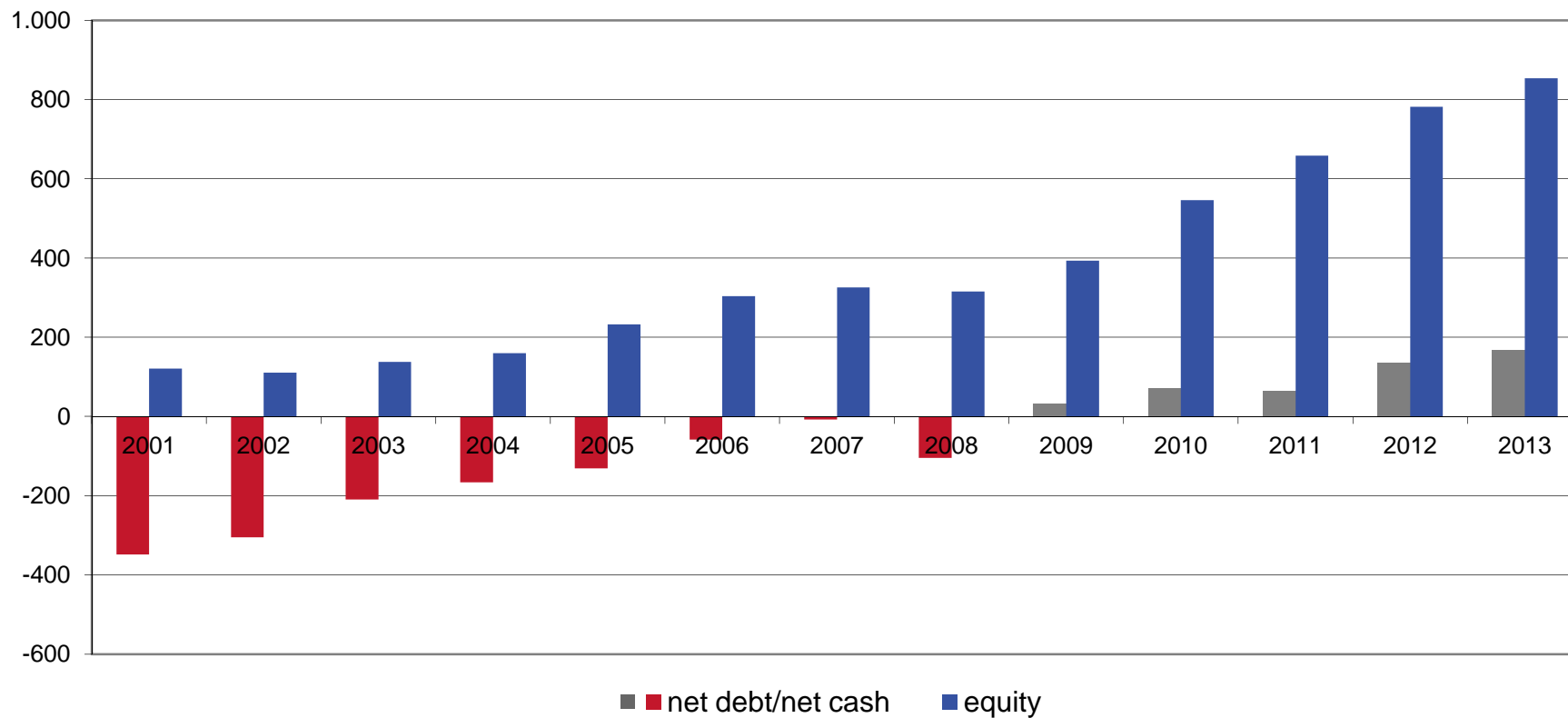
* comparable

Solid financing



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

€ mn

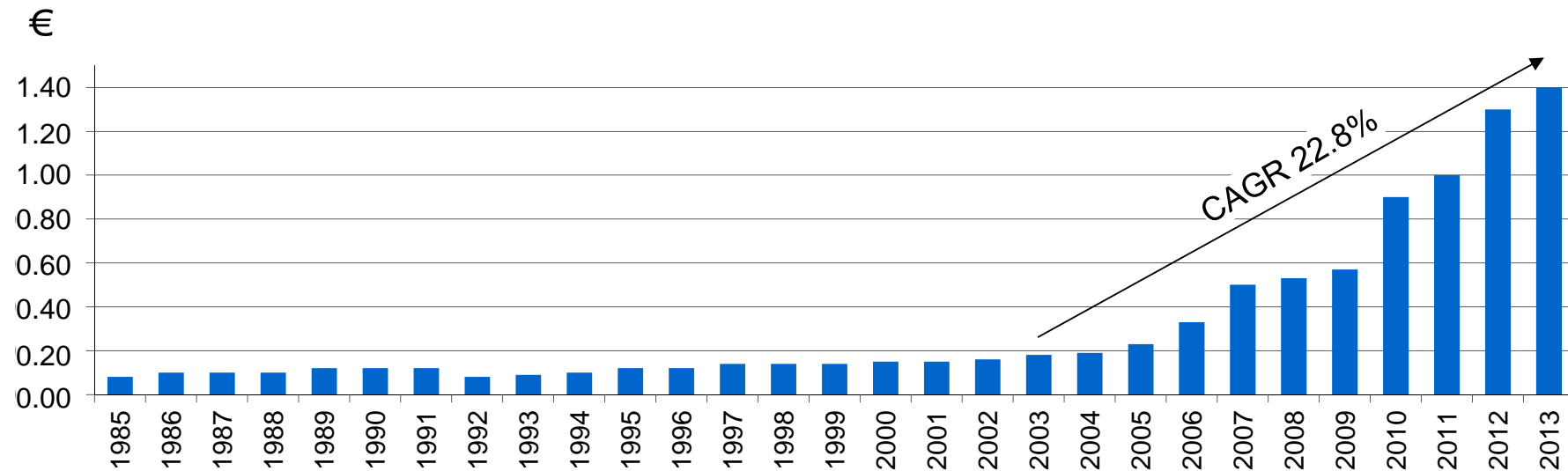


Since IPO in 1985 we have paid dividends - during the past 10 years, dividends have been increased by 22.8% p.a.



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

Dividend per preference share

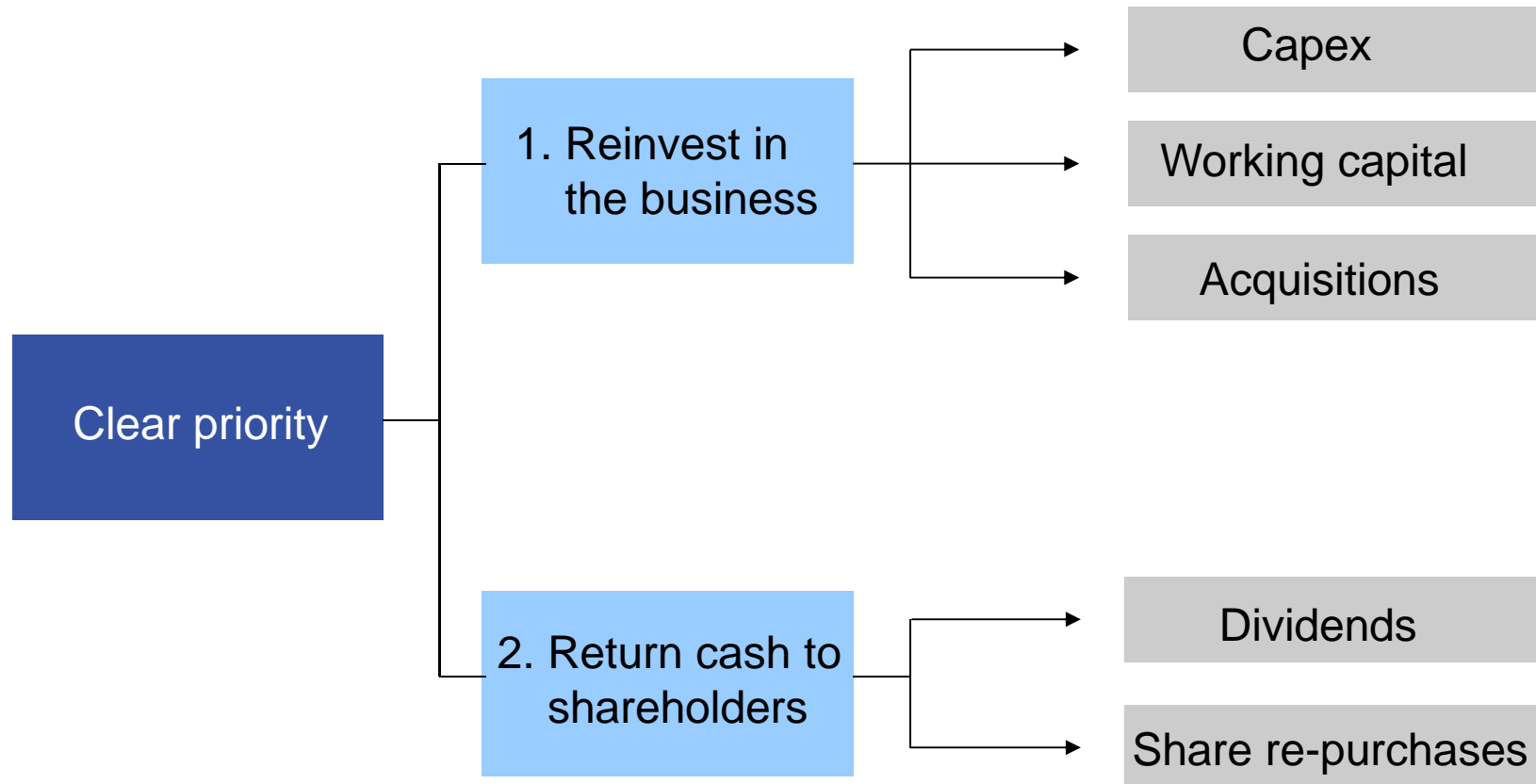


Use of Cash



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

There is a clear priority with regard to the use of cash

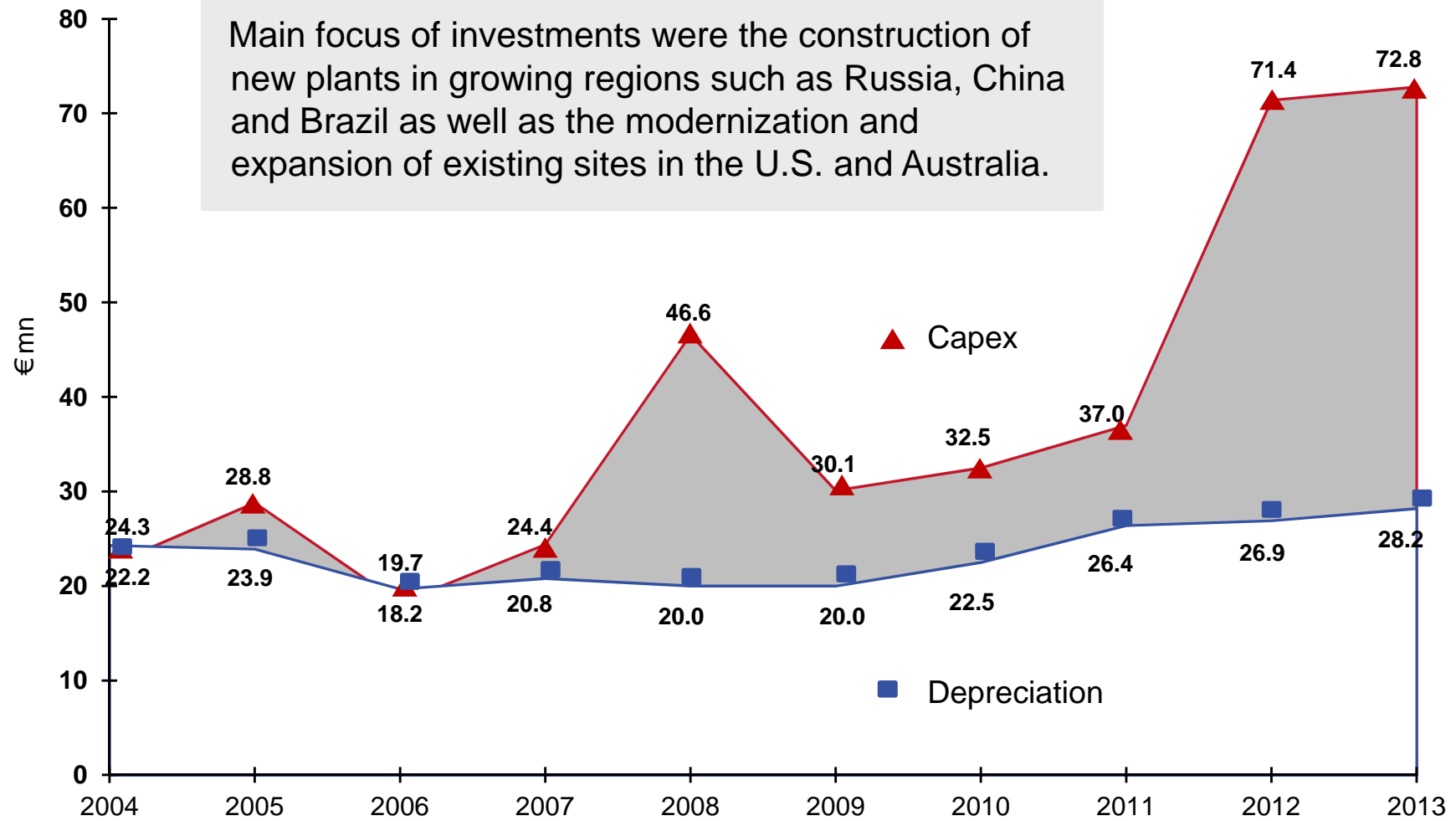


Growth Initiative



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

Growth initiative - We have significantly expanded our capacity



Growth initiative – investment in new sites, efficiency and R&D



India: Mumbai (2010)



Australia: Melbourne (2012)



Germany: Kaiserslautern (2009)



Germany: Mannheim (2010)



Brazil (2013)



China: Yingkou (2013)



Russia: Kaluga (2013)



USA: Chicago (2012/2013)



Capex - completed in 2013



LUBRICANTS.
TECHNOLOGY.
PEOPLE.



New plant in Yingkou, China



Extension of Chicago, USA



New plant in Kaluga, Russland

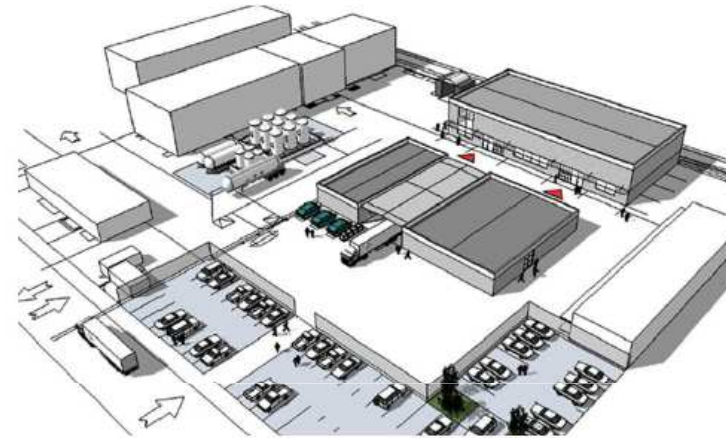
Capex – planned for 2014



LUBRICANTS.
TECHNOLOGY.
PEOPLE.



Grease manufacturing USA



Test field Mannheim

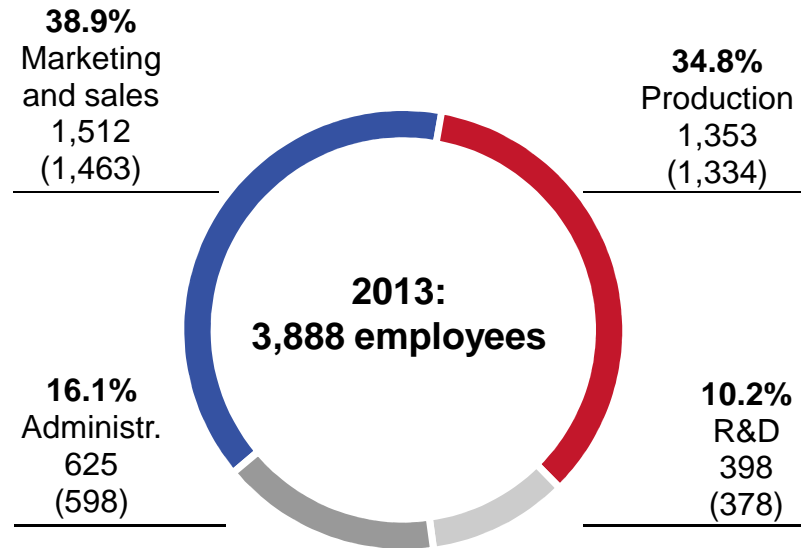
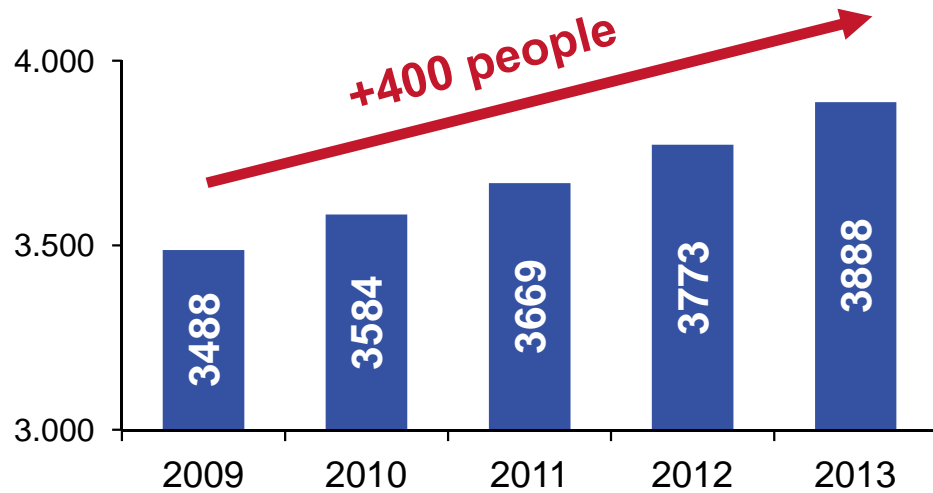
New plant in
Sorocaba (S.P.),
Brasil



Growth initiative – Personnel increase mainly in sales and R&D



Number of employees
(on 31 December)



Share Buyback



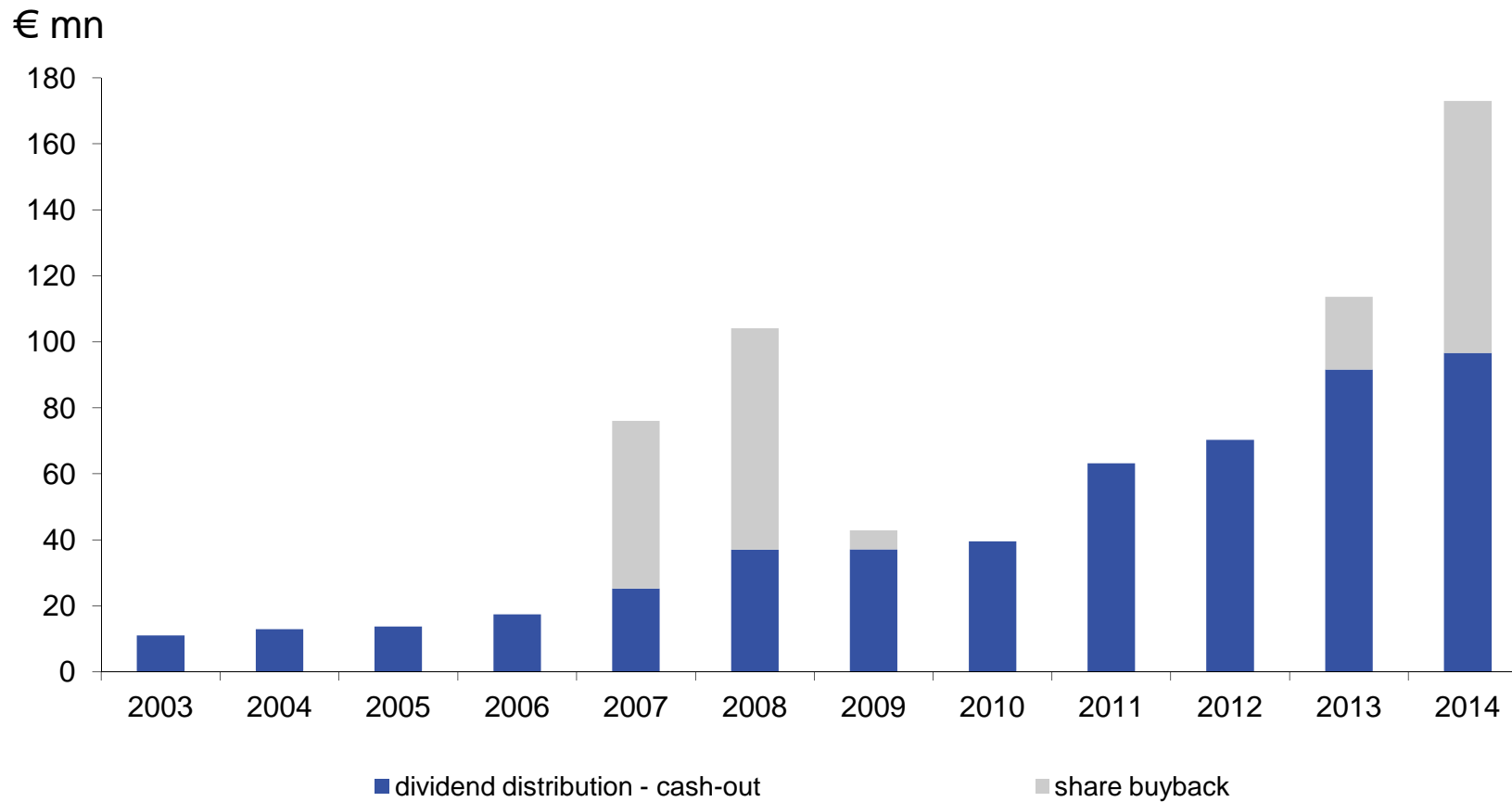
LUBRICANTS.
TECHNOLOGY.
PEOPLE.

- Started on 27 November 2013, ended on 28 April 2014.
- Repurchase of 740,000 ordinary shares at an average price of €61.78 per share and 740,000 preference shares at an average price of €70.94 per share. Total purchase price amounted to €98.4 mn.
- Capital increase from corporate funds through issuance of bonus shares at the ratio of 1:1, scheduled for June this year.
- Withdrawal of the repurchased shares also scheduled for June this year.
- Dividend policy of constantly growing or at least steady payouts will be continued.
- No impact on acquisition strategy.

Total return to FUCHS shareholders through dividend distribution and share buyback – cash-out



Dividend distribution and share buyback – Cash-out



Q1 2014



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

Good start into the year 2014



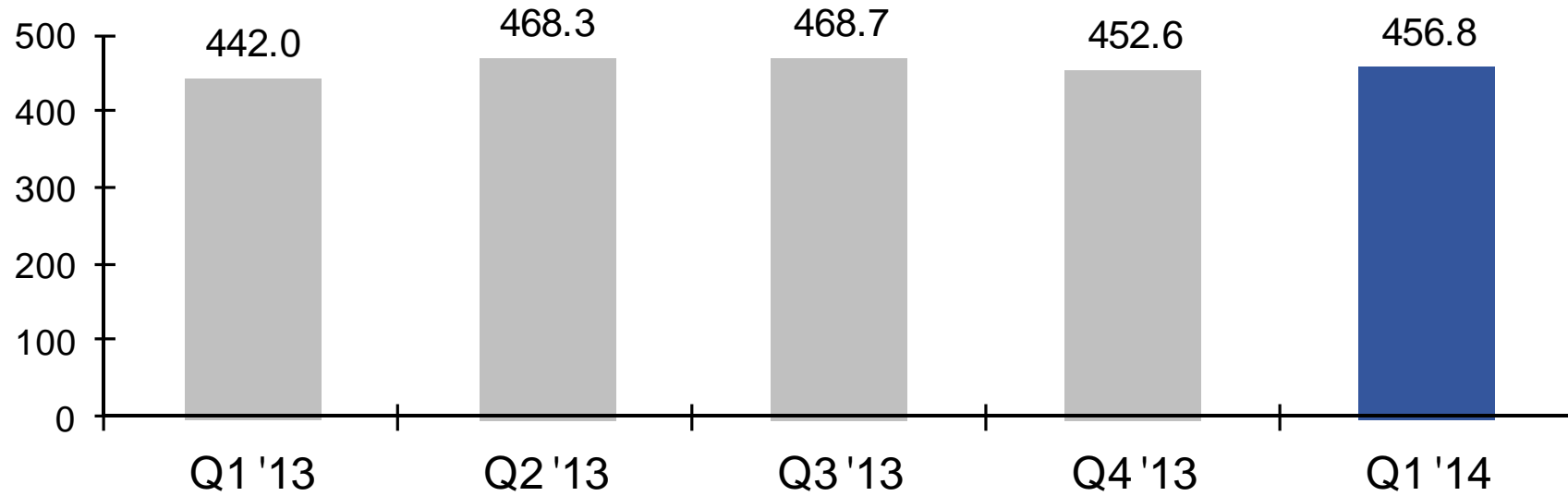
- Sales revenues up 3.3% despite unfavorable currency effects
- Earnings before interest and tax (EBIT) increase by 3.0% to €75.6 mn
- Outlook for the financial year confirmed

Sales revenues up 3.3% despite unfavorable currency effects



Sales Revenues

€ mn



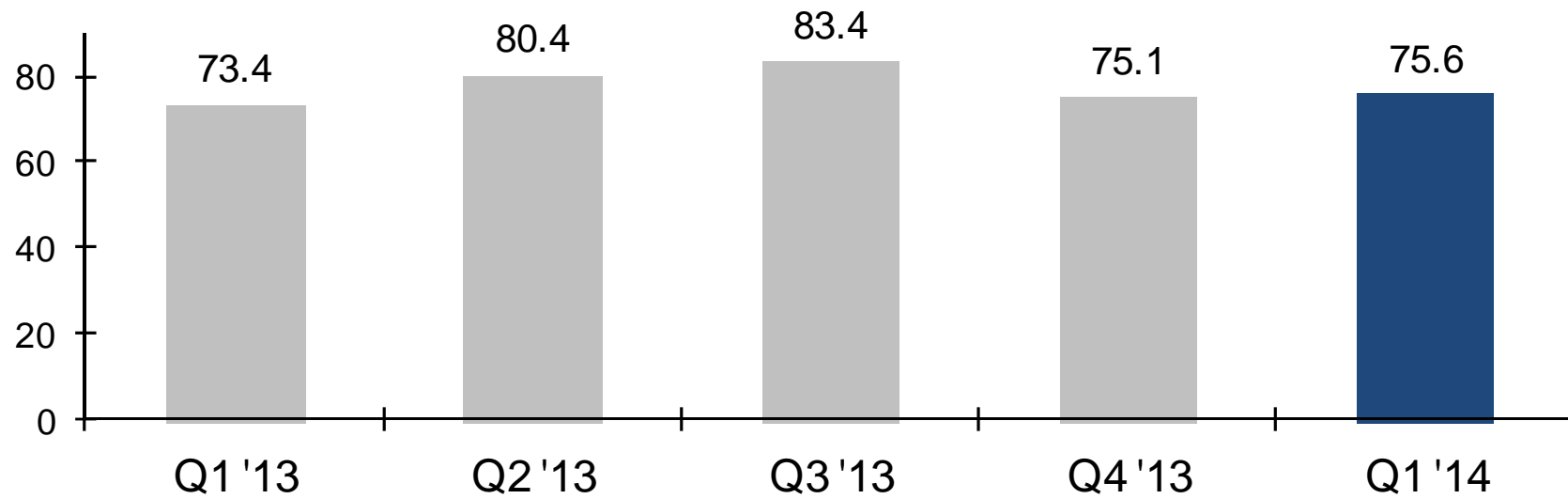
+3.3% YoY

+0.9% QoQ

EBIT increased by 3.0%

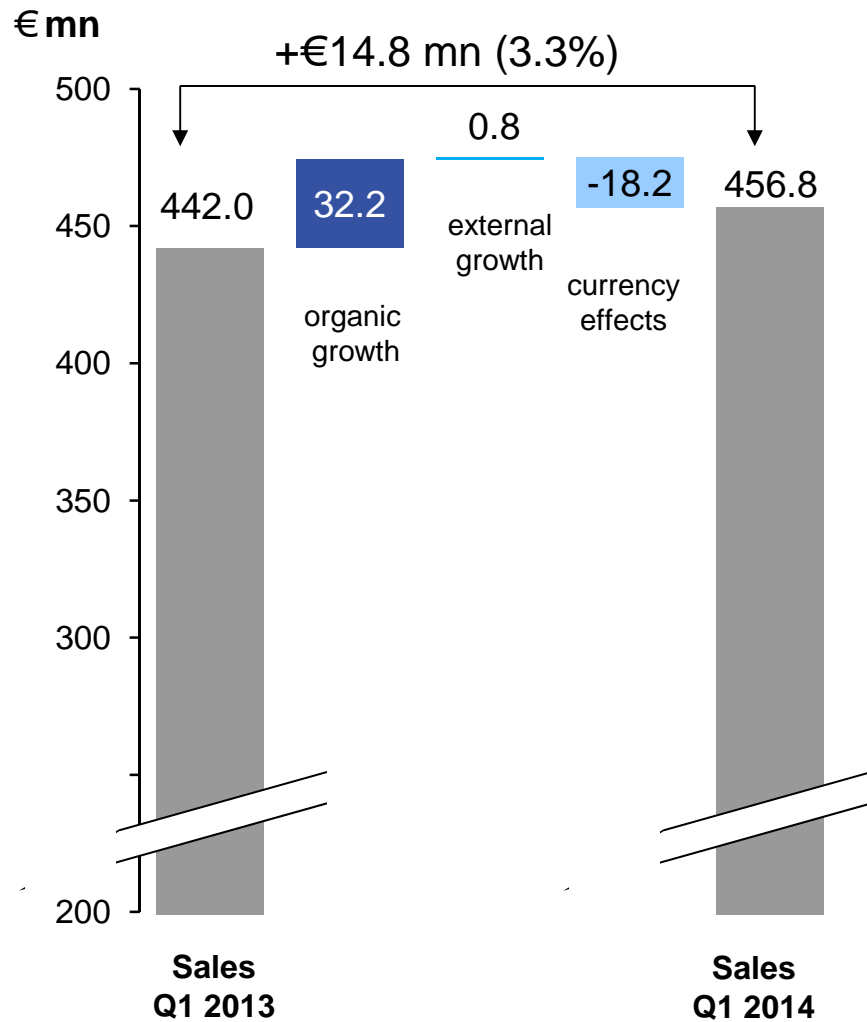


EBIT (€ mn) – quarterly development



+3.0% YoY
+0.7% QoQ

Sales revenues increased organically by 7.3%

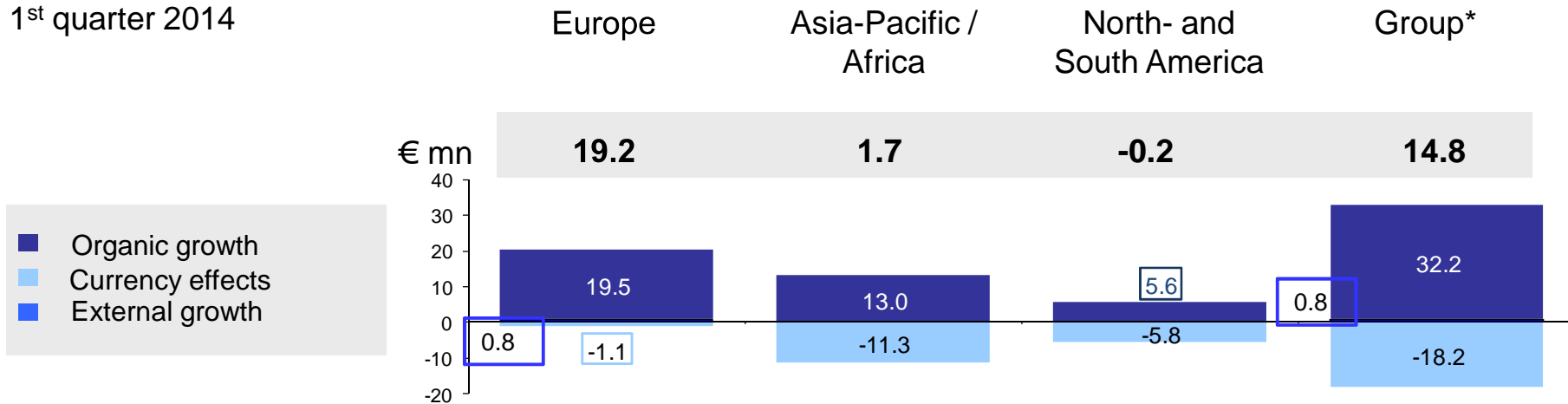


- Organic growth 7.3% or €32.2 mn
- External growth 0.2% or €0.8 mn
- Currency effects -4.2% or -€18.2 mn

Organic growth rose considerably in all three regions



Regional sales growth 1st quarter 2014



	Europe	Asia-Pacific / Africa	North- and South America	Group*
△ Total growth	+7.2%	+1.4%	-0.3%	+3.3%
△ Organic growth	+7.4%	+11.0%	+7.4%	+7.3%
△ Currency effects	-0.5%	-9.6%	-7.7%	-4.2%

* Consolidation effect -€5.9 mn

EBIT before income from at equity developed in the same manner as sales revenues



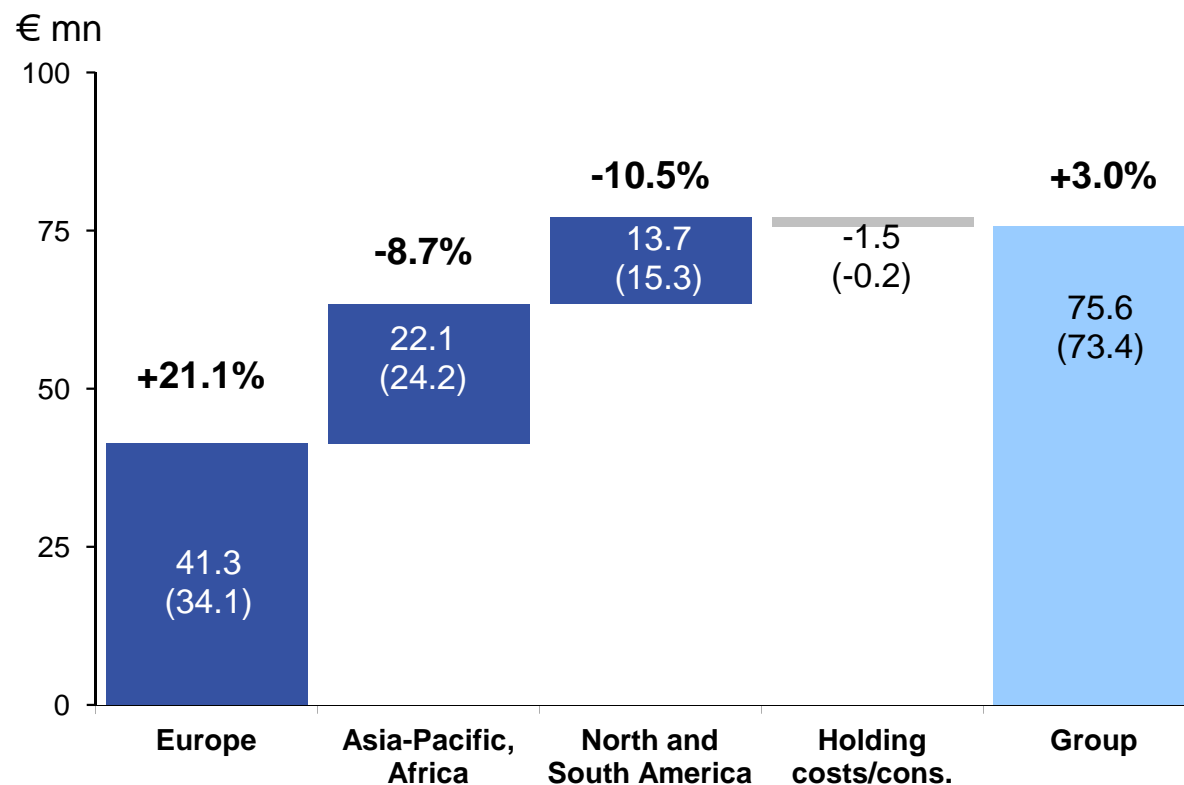
LUBRICANTS.
TECHNOLOGY.
PEOPLE.

€ mn	Q 1 2014	Q 1 2013	Variance	
Sales revenues	456.8	442.0	14.8	3.3%
Gross profit	170.9	165.6	5.3	3.2%
<i>Gross profit margin</i>	<i>37.4%</i>	<i>37.5%</i>		
Sales, admin., R&D and other net expenses	98.3	95.4	2.9	3.0%
<i>Expenses as a percentage of sales</i>	<i>21.5%</i>	<i>21.6%</i>		
EBIT before income from at equity	72.6	70.2	2.4	3.4%
<i>EBIT margin before income from at equity</i>	<i>15.9%</i>	<i>15.9%</i>		
Income from at equity	3.0	3.2	-0.2	
EBIT	75.6	73.4	2.2	3.0%
Earnings after tax	52.8	51.6	1.2	2.3%
<i>Net profit margin</i>	<i>11.6%</i>	<i>11.7%</i>		
Earnings per share				
Ordinary	0.75	0.72	0.03	4.2%
Preference	0.76	0.73	0.03	4.1%

The regional results show increased segment earnings for Europe and decreased segment earnings for the other two regions.



1st quarter 2014



EBIT margin before
income from at equity
(previous year)

14.3%	16.4%	18.2%	15.9%
(12.7)	(18.1)	(20.2)	(15.9)

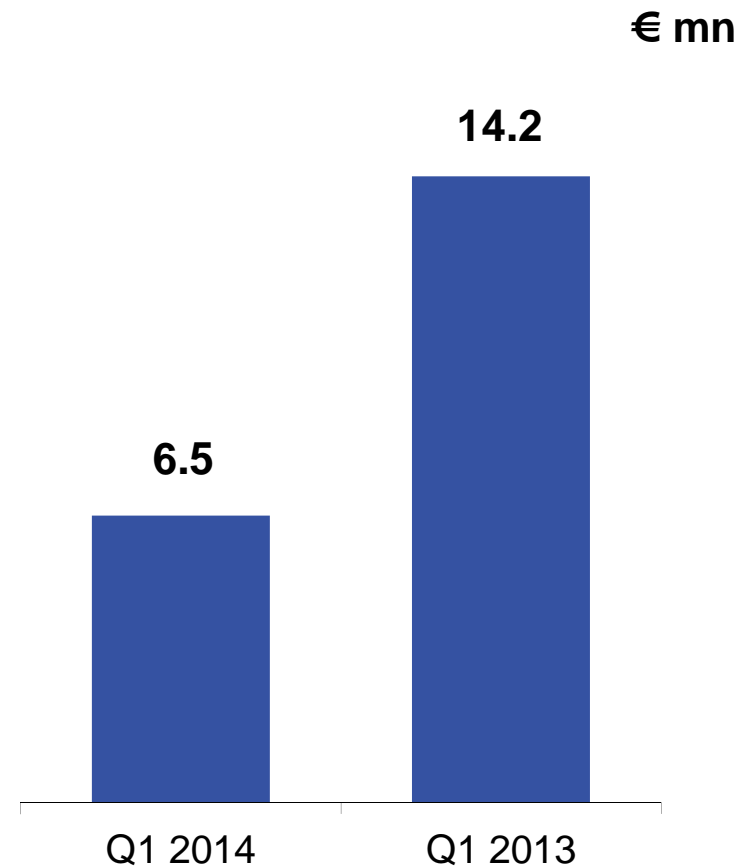
Net operating working capital increased as expected



€ mn	Q1 2014	Q1 2013
Gross cash flow	57.5	52.6
Changes in net operating working capital	-32.1	-10.8
Other changes	3.6	1.4
Operating cash flow	29.0	43.2
Capex	-6.5	-14.2
Other changes	3.3	1.5
Free cash flow	25.8	30.5

Key investments

Primarily in Germany, China and the USA. For the following quarters, we expect higher capital expenditures for our projects in Brazil, Australia and the USA that are currently being prepared.

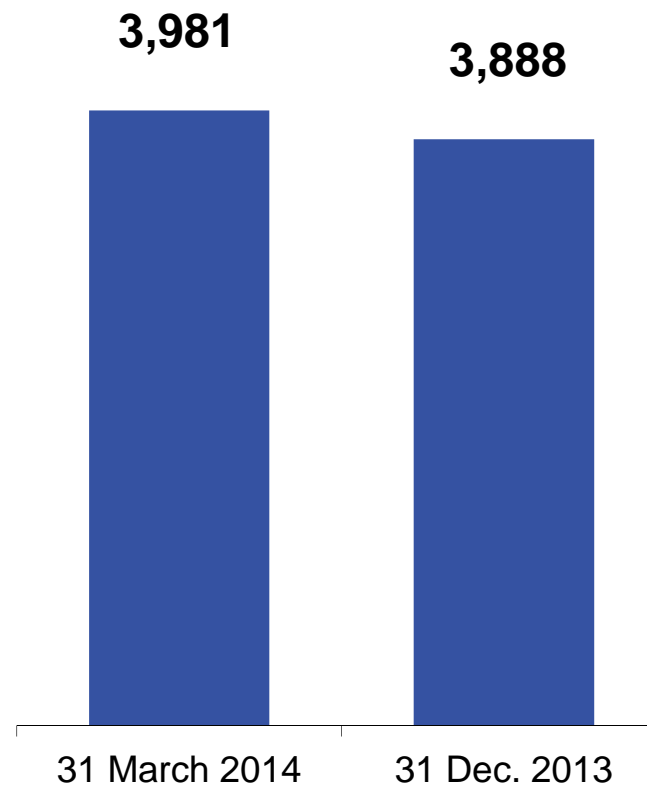


Further personnel with focus on sales and technical



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

The number of employees has grown by 93 people since the beginning of the year. The new hires were made mainly in Asia-Pacific, Africa and Europe.



Outlook 2014



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

Outlook for the year 2014

- The forecast for organic growth in the low single-figure percentage range for the year remains in place. The Executive Board does not expect to be able to maintain the growth rates recorded in the first quarter.
- The forecast for an increase in EBIT by a low single-figure percentage continues to apply.
- Capital expenditure is also likely to increase in subsequent months, although net operating working capital (NOWC) should show no further significant increase. Taking into account the anticipated earnings development, we therefore once again expect to record free cash flow in the three-digit million range for 2014.

Shareholder structure



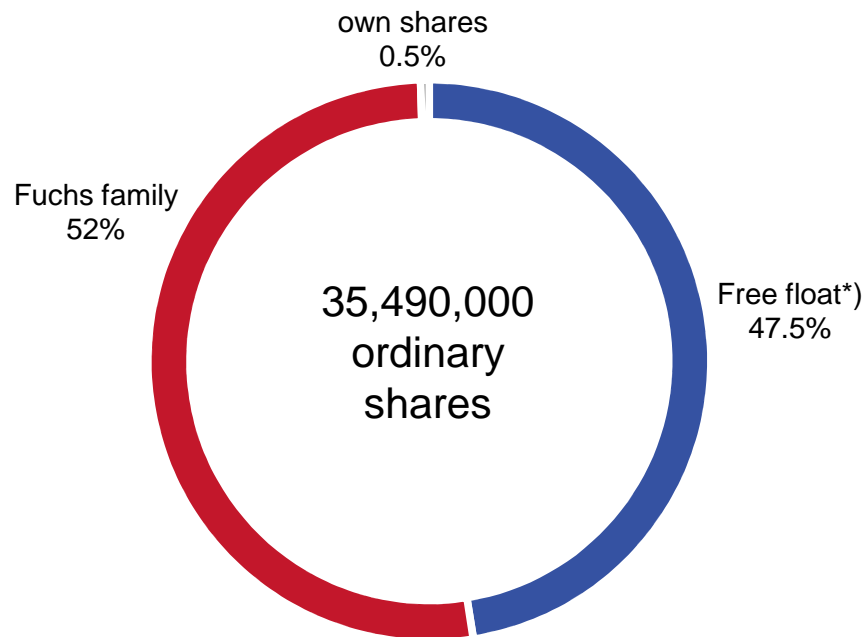
LUBRICANTS.
TECHNOLOGY.
PEOPLE.

Breakdown of shares as of 31 December 2013

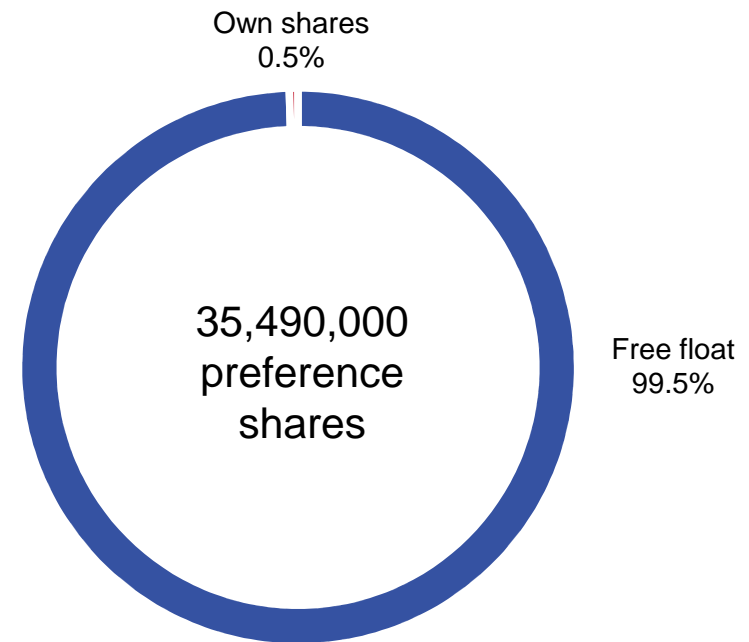


LUBRICANTS.
TECHNOLOGY.
PEOPLE.

Ordinary shares



Preference shares



*) voting rights notification DWS Investment, Frankfurt: 5.2% (15 Dec. 2003)

Thank you for your attention



LUBRICANTS.
TECHNOLOGY.
PEOPLE.

This presentation contains statements about future development that are based on assumptions and estimates by the management of FUCHS PETROLUB SE. Even if the management is of the opinion that these assumptions and estimates are accurate, future actual developments and future actual results may differ significantly from these assumptions and estimates due to a variety of factors. These factors can include changes to the overall economic climate, changes to exchange rates and interest rates and changes in the lubricants industry. FUCHS PETROLUB SE provides no guarantee that future developments and the results actually achieved in the future will agree with the assumptions and estimates set out in this presentation and assumes no liability for such.

FUCHS PETROLUB SE

Investor Relations

Friesenheimer Str. 17

68169 Mannheim

Telefon 0621 3802 1201, Fax 0621 3802 7274

contact@fuchs-oil.de, www.fuchs-oil.de

FUCHS PETROLUB SE

