

FUCHS Group

Financial Results 2016

| Analysts' Conference, 21st March 2017, Frankfurt

| Stefan Fuchs, CEO

| Dagmar Steinert, CFO



Agenda

01 | Full Year 2016

02 | Outlook 2017

01 Full Year 2016



Highlights FY 2016

Sales +9%
to €2.3 bn

- Integration of Pentosin and Statoil
- Organic growth of + 3%
- 8th earnings increase in a row
- EPS + 10%

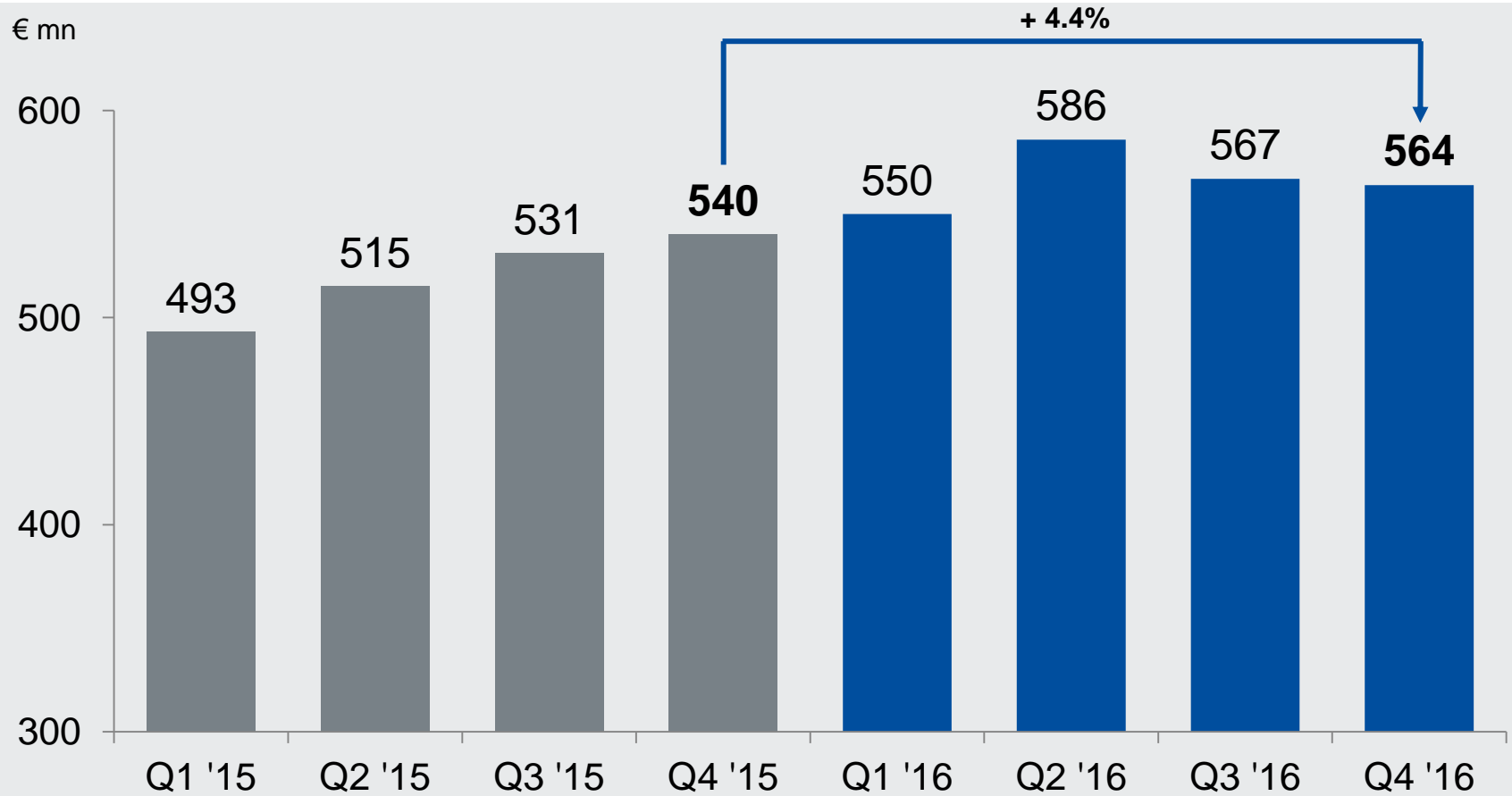
EBIT
+8%
to €371 mn

+9%
Dividend proposal



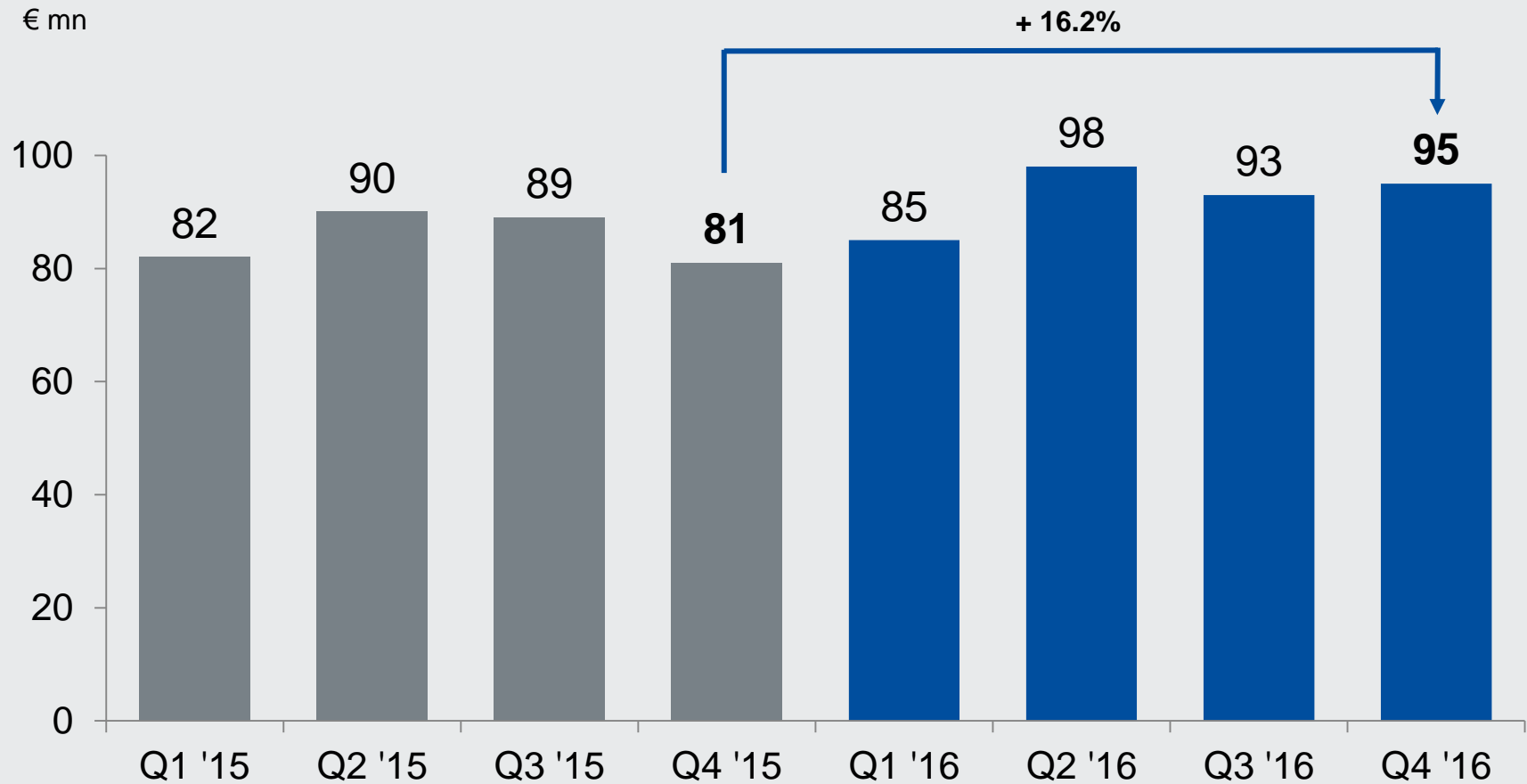
Sales Development

Acquisitions of 2015 fully integrated

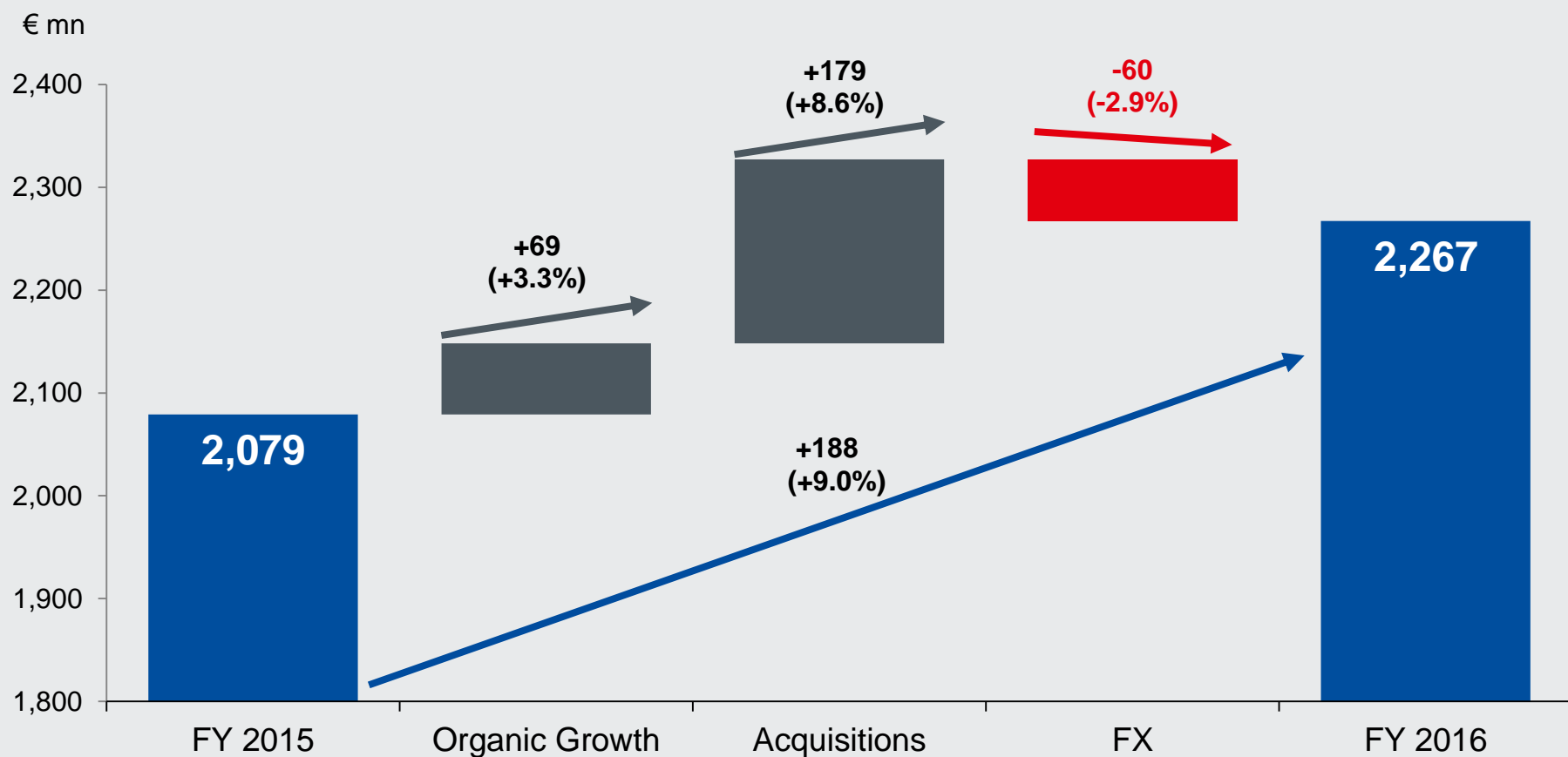


EBIT Development

Strong Q4 2016



FY 2016 Group Sales

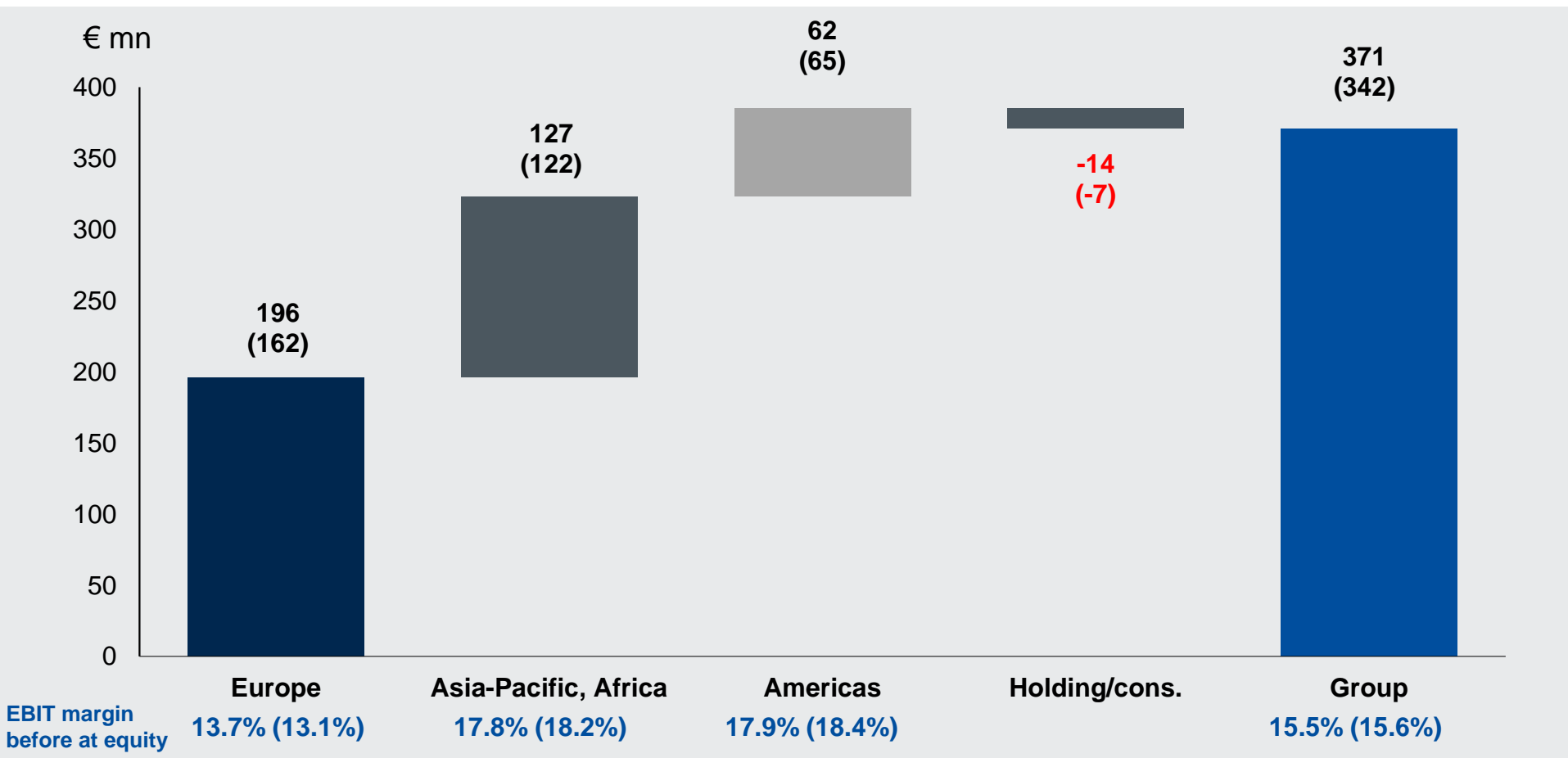


Regional sales growth FY 2016

	2016 (€ mn)	2015 (€ mn)	Growth	Organic	External	FX
Europe	1,417	1,227	+15.5%	+3.5%	+14.0%	-2.0%
Asia-Pacific, Africa	620	583	+6.3%	+9.2%	+2.0%	-4.9%
Americas	349	353	-1.2%	-1.8%	+2.6%	-2.0%
Consolidation	-119	-84	-	-	-	-
Total	2,267	2,079	+9.0%	+3.3%	+8.6%	-2.9%

EBIT by regions

FY 2016 (FY 2015)



Income Statement FY 2016

€ mn	FY 15	FY 16	Δ € mn	Δ in %
Sales	2,079	2,267	188	9.0 %
Gross Profit	791	851	60	7.5 %
<i>Gross Profit margin</i>	<i>38.1%</i>	<i>37.5%</i>	-	<i>-0.6 % points</i>
Selling, admin., R&D expenses, others	-467	-499	32	6.7 %
EBIT before at Equity	324	352	28	8.6 %
At Equity	18	19	1	3.4 %
EBIT	342	371	29	8.3 %
Earnings after tax	236	260	24	10.0 %

Acquisitions 2016

Sales 2016: €5 mn / EBIT 2016: €1 mn



Deal Structure	Share Deal; €15 mn sales p.a.; purchase price €26 mn
Focus	Industrial specialty lubricants (e.g. for compressors and industrial maintenance)
Closing	1st December 2016

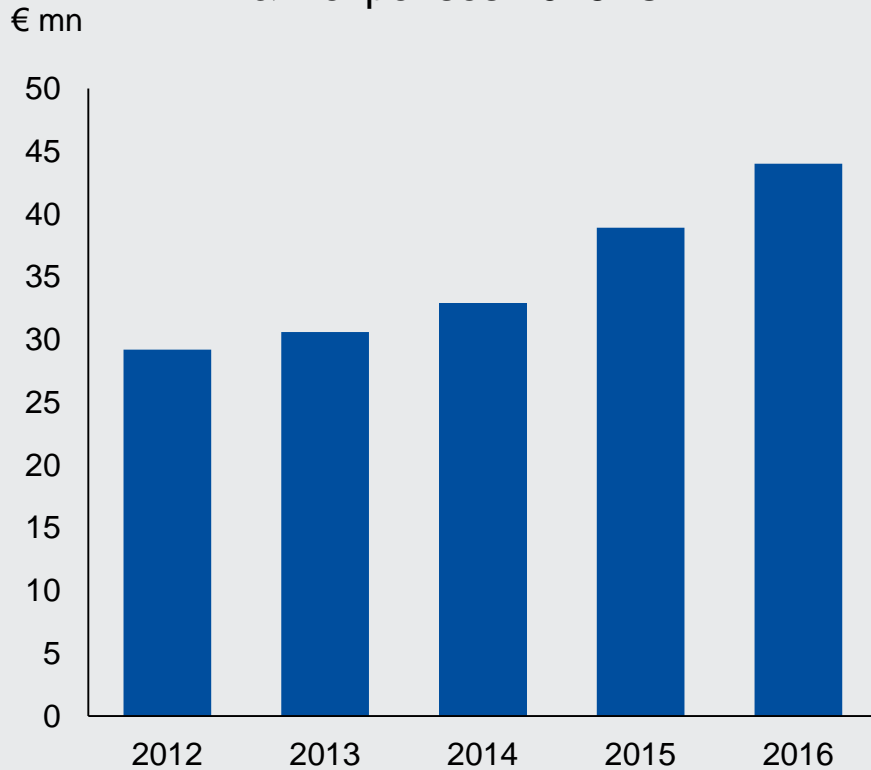


Deal Structure	Acquisition of Chevron's foodgrade lubricants and white oil business Asset deal; €11 mn in sales p.a.; purchase price €22 mn
Focus	White oils and foodgrade lubricants
Closing	1st June 2016

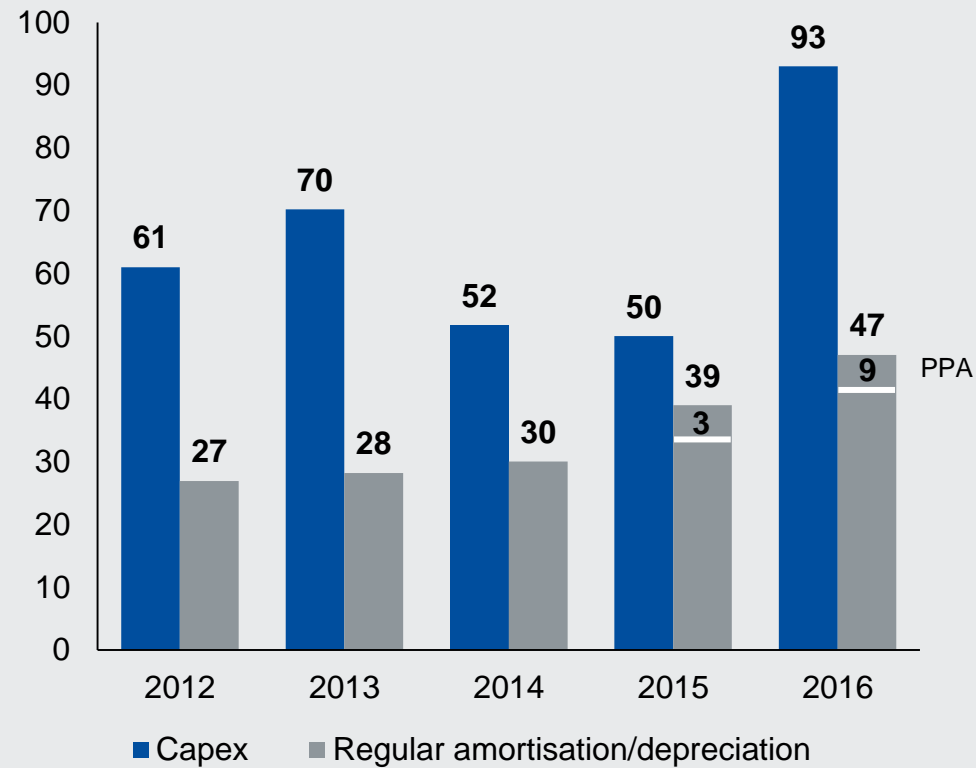
Investment in the future

R&D, capex, amortisation & depreciation

R&D expenses 2016: €44 mn



Capex 2016: €93 mn



Investment initiative

Harvey (Chicago), USA – Grease plant



Beresfield (Newcastle), Australia – New plant



Solid balance sheet and strong cash flow generation

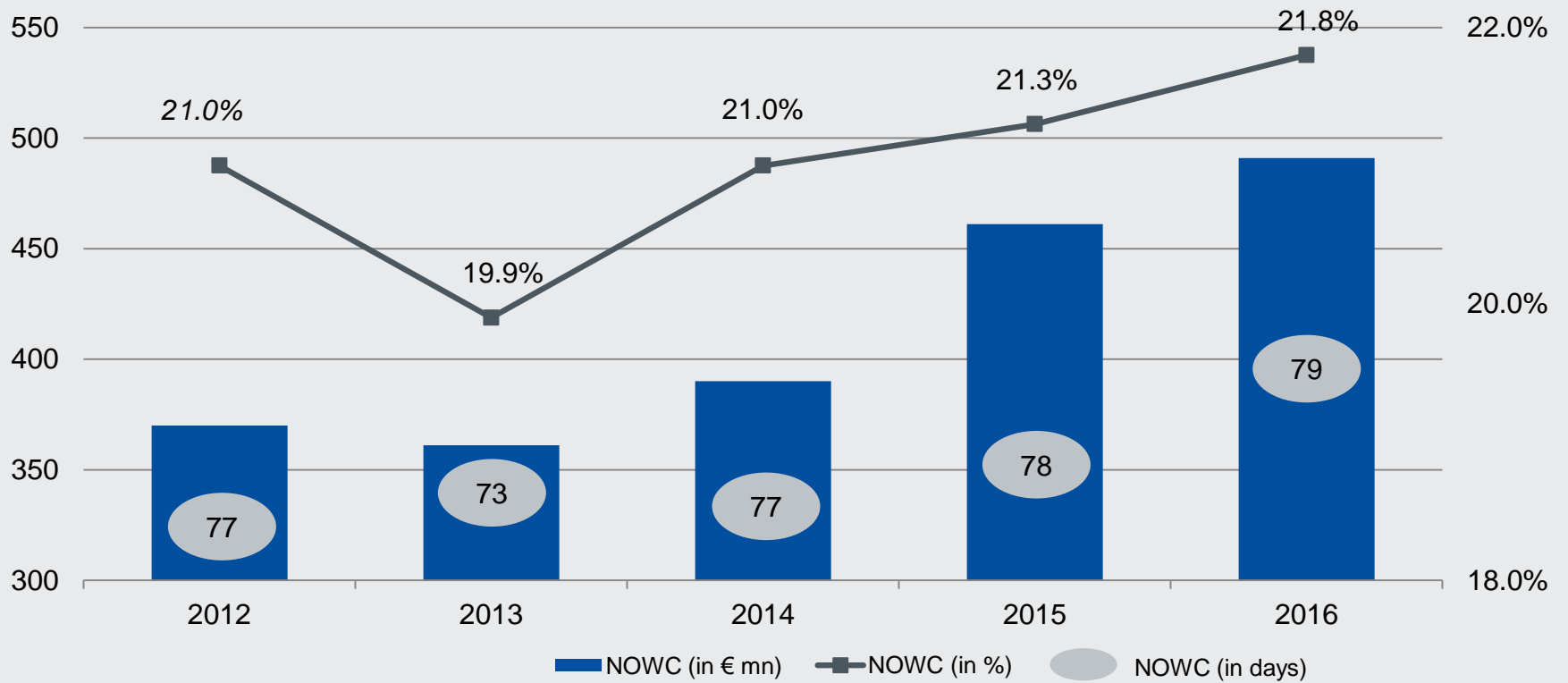
€ mn	2012	2013	2014	2015	2016
Total assets	1,109	1,162	1,276	1,490	1,676
Goodwill	85	82	88	166	185
Equity	782	854	916	1,070	1,205
Equity ratio	71%	74%	72%	72%	72%

€ mn	2012	2013	2014	2015	2016
Net liquidity	135	167	186	101	146
Operating cash flow	203	221	255	281	300
Free cash flow before acquisitions	141	150	210	232	205
Free cash flow after acquisitions	140	150	188	62	164

Cash flow 2016

€ mn	2015	2016
Earnings after tax	236	260
Amortisation/Depreciation	39	47
Changes in net operating working capital (NOWC)	-1	-22
Other changes	8	13
Capex	-50	-93
Free cash flow before acquisitions	232	205
Acquisitions	-170	-41
Free cash flow	62	164

Net operating working capital (NOWC)*



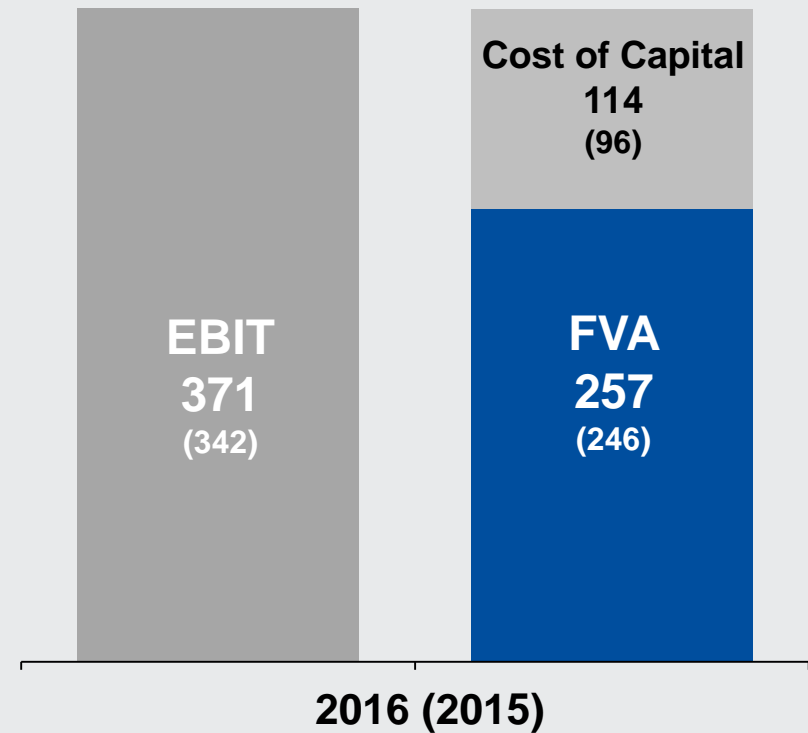
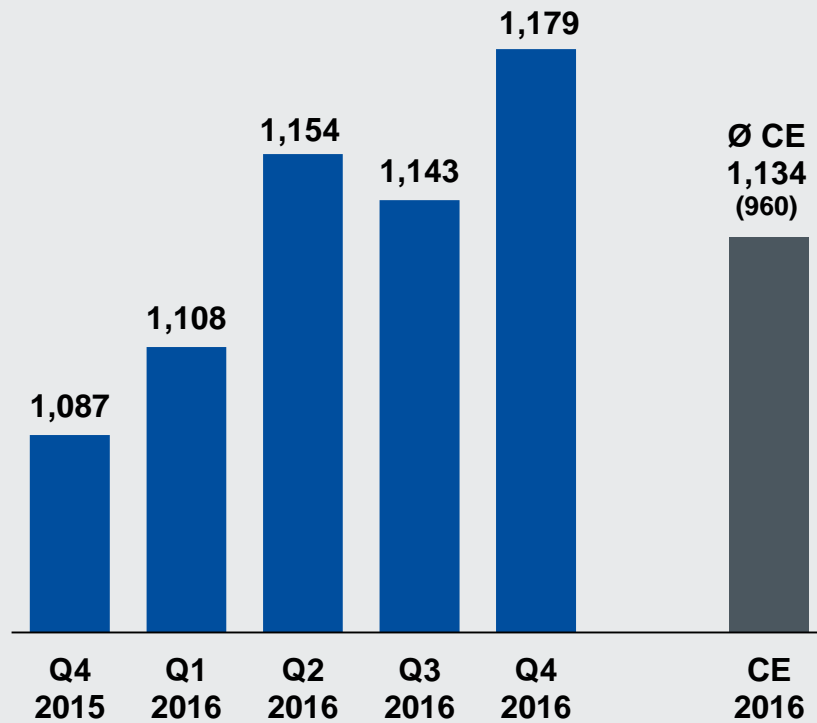
* In relation to the annualized sales revenues of the 4th quarter of the year

FUCHS Value Added (FVA)

Increase by 5%

Capital Employed

€ mn



Cost of Capital = CE x WACC (10%)

Dividend Proposal



€0.89
(0.82)

per preference share

The Executive and Supervisory Board will propose an **increase of €0.07** to the Annual General Meeting to be held on 5th May 2017

9%

**higher dividend
payment proposed**

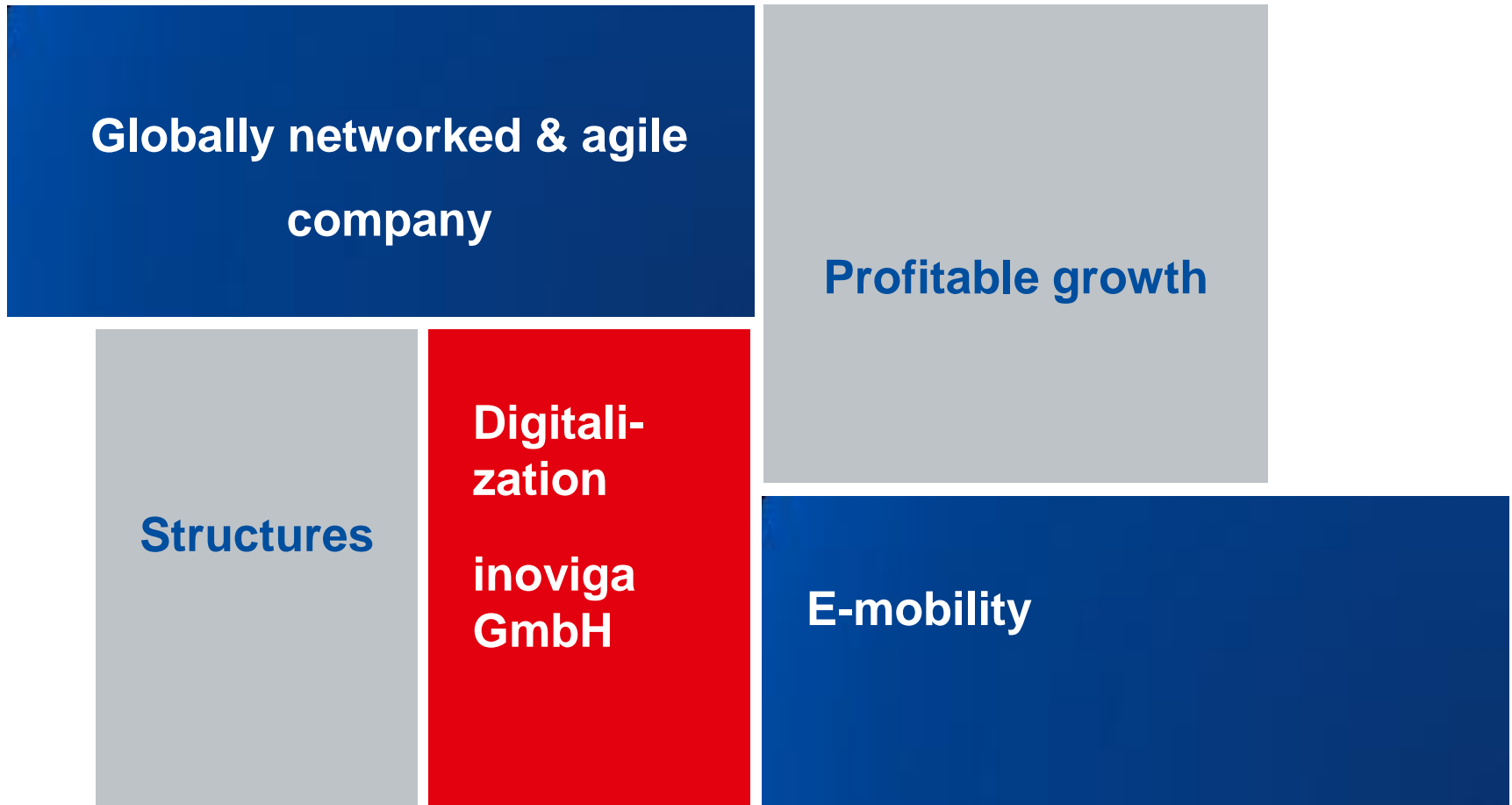
€0.88
(0.81)

per ordinary share

02 Outlook 2017



Challenges & Opportunities



Outlook 2017

Performance indicator	Actual 2016		Outlook 2017
Sales	2,267 Mio €	↑	+4% to +6%
Organic Growth	+3.3%		
External Growth	+8.6%		
Currency	-2.9%		
EBIT	371 Mio €		+1% to +5%
FUCHS Value Added	257 Mio €	↑	Low single-digit percentage range
Free cash flow before acquisitions	205 Mio €	↑	~200 Mio €

Thank you for your attention



Disclaimer



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 in the overall economic climate, procurement prices, 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 match the assumptions and estimates set out in this presentation and assumes no liability for such.

Financial Calendar & Contact

Financial Calendar

March 21, 2017	Full Year Results 2016
April 28, 2017	Quarterly Statement Q1 2017
May 5, 2017	Annual General Meeting
August 1, 2017	Financial Report H1 2017
October 27, 2017	Quarterly Statement Q1-3 2017

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