

# *Growing through Diversity*



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### Haarmann & Reimer (1874 – 2003)

**1874**

Chemist *Dr. Haarmann*  
discovers method for  
manufacturing  
nature-identical vanillin

**1954**

Takeover by Bayer AG

**1973**

World's first fully synthetic  
production of menthol

### Dragoco Gerberding (1919 – 2003)

**1919**

Hairdresser *Gerberding* begins manufacturing perfume  
and soap compositions

### Symrise (since 2003)

**2003**

Merger of Haarmann & Reimer  
and Dragoco

**2006**

IPO in Frankfurt (Prime Standard)  
Market capitalization €2bn

**2014**

Acquisition of Diana

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**Symrise** is the world's third largest supplier of fragrances, flavorings  
cosmetic active ingredients, raw materials and functional ingredients  
as well as sensorial and nutritional solutions.

We develop, produce and sell more than 30,000 products, based on more than 10,000  
mostly natural raw materials, to over 6,000 customers in more than 130 countries,  
from perfume, cosmetics and food manufacturers to pharmaceutical companies and  
producers of nutritional supplements, pet food and baby food.

### Figures 2014

Sales: €2.1bn

EBITDAN

margin: 21.9%

Employees: 8,160

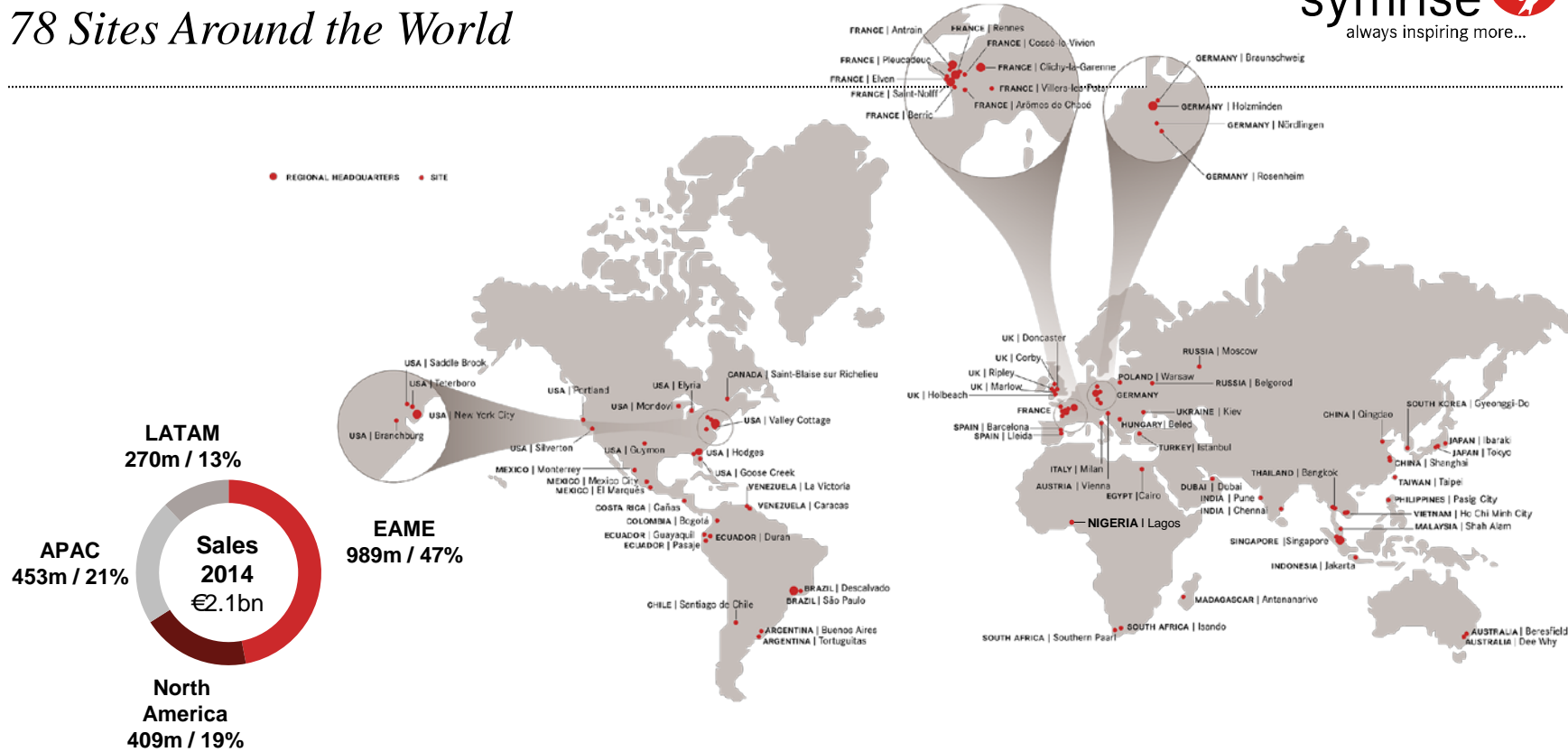
Countries: > 40

Market share: 12%

Market cap: €7bn

# The Symrise Group

## 78 Sites Around the World



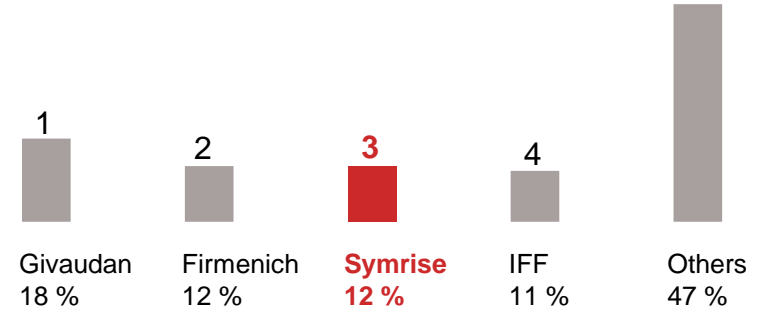
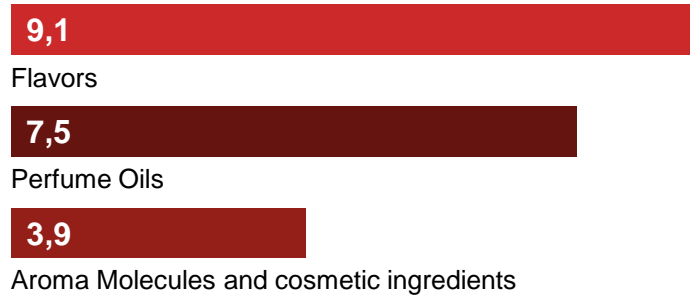
# Corporate Structure

*Two segments with five divisions*

Segments	Flavor & Nutrition		Scent & Care		
<i>Divisions</i>	<b>Flavors</b> 	<b>Diana</b> 	<b>Fragrances</b> 	<b>Cosmetic Ingredients</b> 	<b>Aroma Molecules</b> 
<i>Applications</i>	<i>Beverages</i> <i>Snack Food</i> <i>Culinary Food</i> <i>Sweet</i> <i>Dairy</i>	<i>Food</i> <i>Pet Food</i> <i>Nova</i> <i>Health &amp; Nutrition Products</i>	<i>Fine Fragrances</i> <i>Personal Care</i> <i>Household</i> <i>Oral Care</i>	<i>Actives</i> <i>Product Protection</i> <i>Botanicals</i> <i>Sun Protection</i> <i>Functionals</i> <i>Colors</i>	<i>Menthols</i> <i>Special Fragrance &amp; Flavor Ingredients</i> <i>Fine Aroma Chemicals</i> <i>Gasodor® S-Free</i>

# Flavor, Fragrances & Special Ingredients

## Key buying criteria for consumers



- €20.5bn AFF market with long-term growth of 2-3% p.a.
- High barriers to market entry like global setup, consumer insight, customer intimacy, product complexity, regulatory requirements, quality and safety standards
- F&F are small but important, only a fraction of product costs (1-5%), but a key buying criteria for consumers
- Top 4 players account for over 50% of market share
- More than 500 active companies
- Global mega trends such as population growth, increasing prosperity, economic progress, urbanization and naturalness drive market growth

Source: IAL 8<sup>th</sup> Edition, corporate data and internal estimates

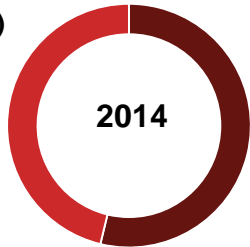
# Symrise Portfolio

*Well balanced*

## Segment Sales Split

In €

**Scent & Care**  
980m  
(46%)

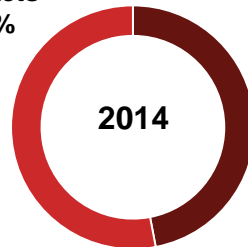


**Flavor & Nutrition**  
1140m  
(54%)

## Sales in Emerging Markets

% Group Sales

**Mature Markets**  
53%

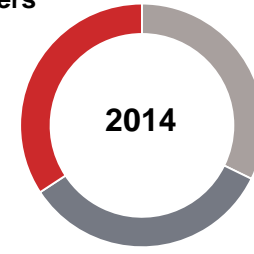


**Emerging Markets**  
47%

## Sales with Customer Groups

% Group Sales

**Global Customers**  
34%

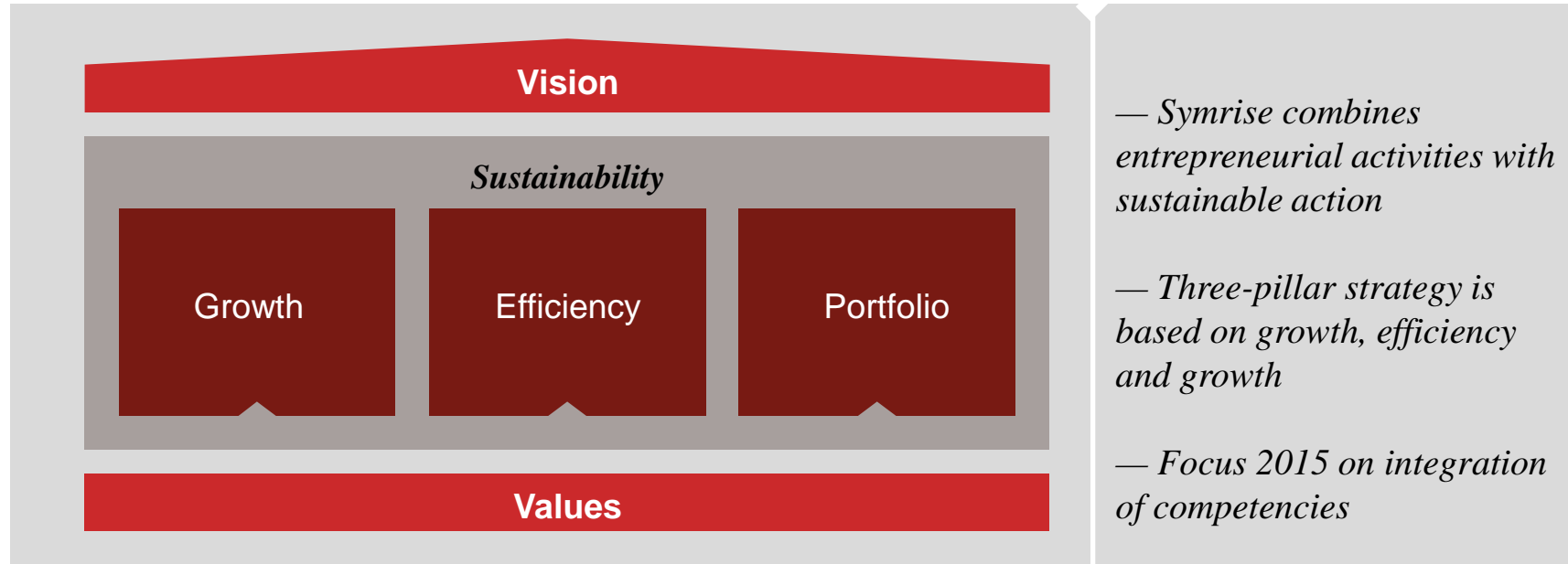


**Local Customers**  
33%

**Regional Customers**  
33%

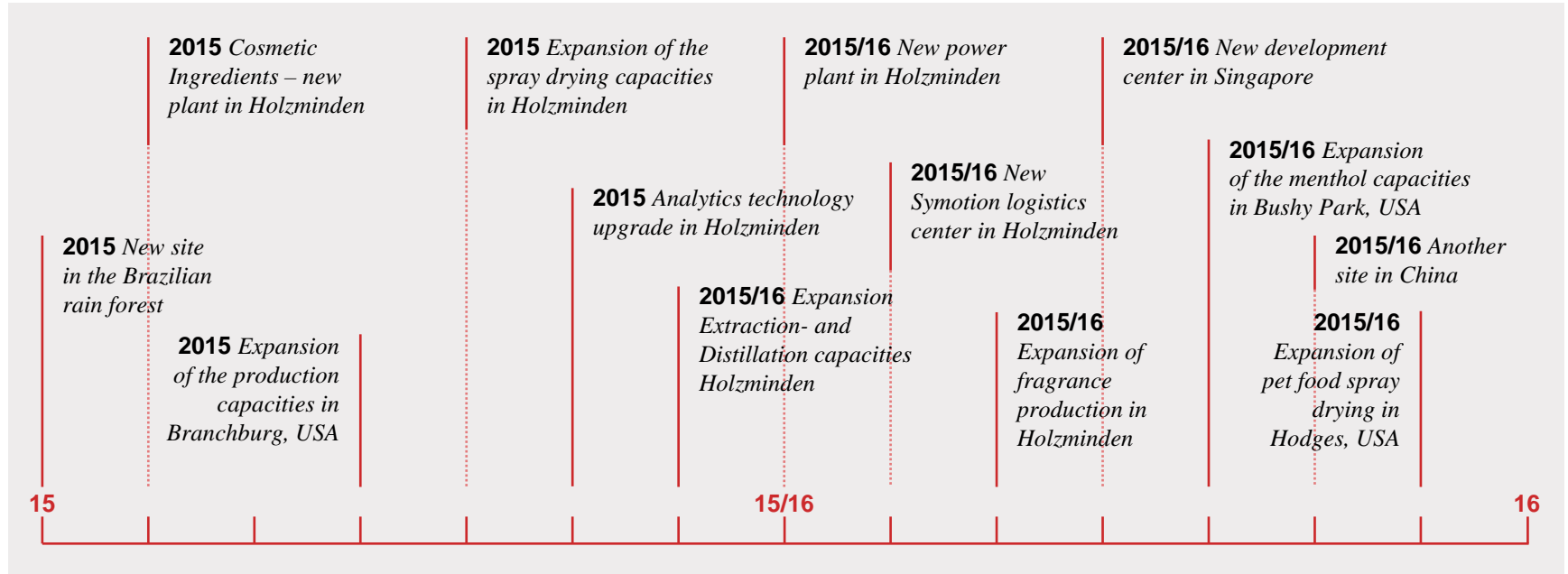
# Three-Pillar Strategy

*Growth, Efficiency and Portfolio*



# Growth


## 2015/16 Organic Growth Initiatives





# Efficiency

## Networking of the Divisions Flavor & Diana

Areas of expertise	Common platform	Innovative product solutions
<p><b>Common raw materials basis and portfolio of extracts</b></p>		<p><b>Flavors</b> <i>Natural flavors, comprehensive compositions</i></p>
<p><b>World-class insights &amp; sensory</b></p>		<p><b>Food ingredients</b> <i>Natural food ingredients, texture, color, functionality</i></p>
<p><b>Advanced application capability</b></p>		<ul style="list-style-type: none"> <li>• <i>Internal networking</i></li> <li>• <i>Clear differentiation</i></li> <li>• <i>Greater innovative strength</i></li> </ul>
<ul style="list-style-type: none"> <li>• <i>Offers cost benefits</i></li> <li>• <i>Supply security</i></li> <li>• <i>Quality</i></li> </ul>		

# Efficiency

## Networking of the Divisions Scent & Care

### Past

*Parallel product development*

#### Perfume Creations

*Based on sensory performance*

#### Cosmetic Ingredients

*Based on scientific successes*

### Today

*Integrated product development: tight coordination of the areas of expertise*

#### Perfume Creations

#### Cosmetic Ingredients



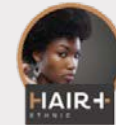
## BEAUTY+



**New generation of deodorant applications**



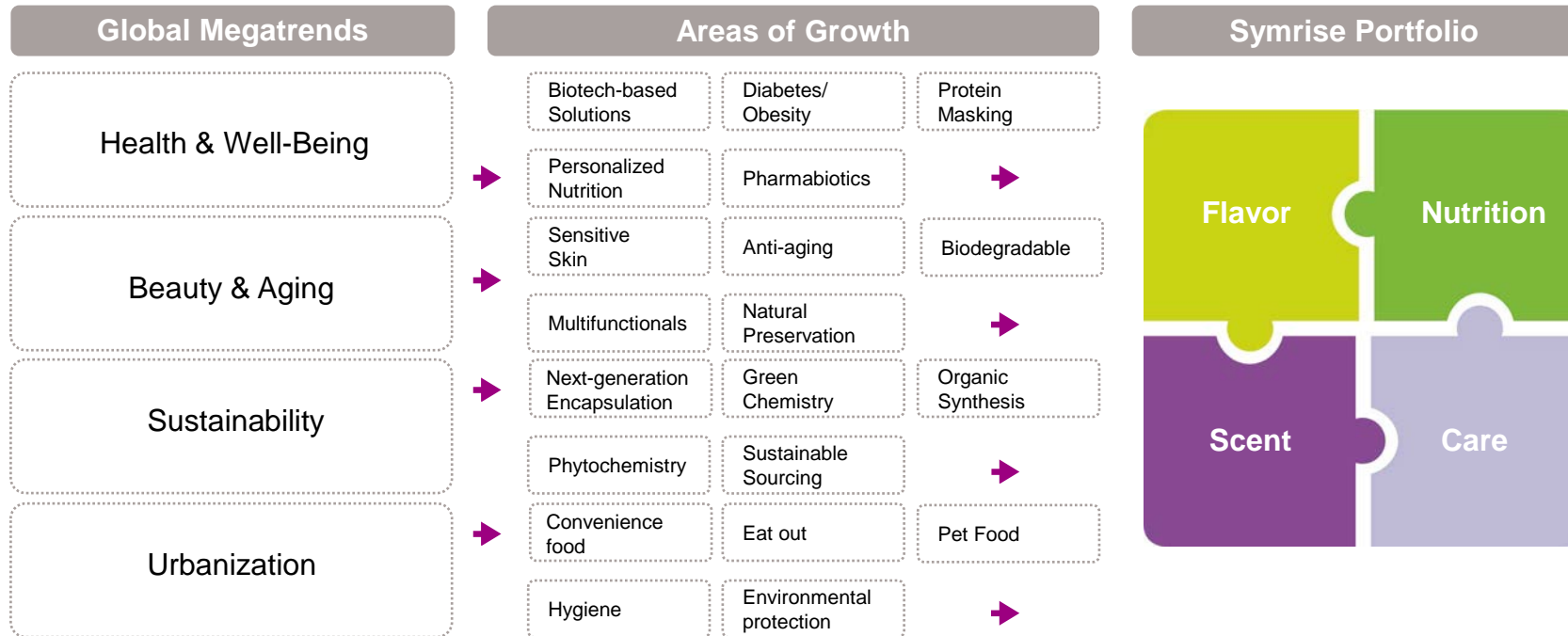
**Cosmetics with sun protection**



**Hair care for different ethnicities**

# Portfolio

## Capitalizing on Mega Trends

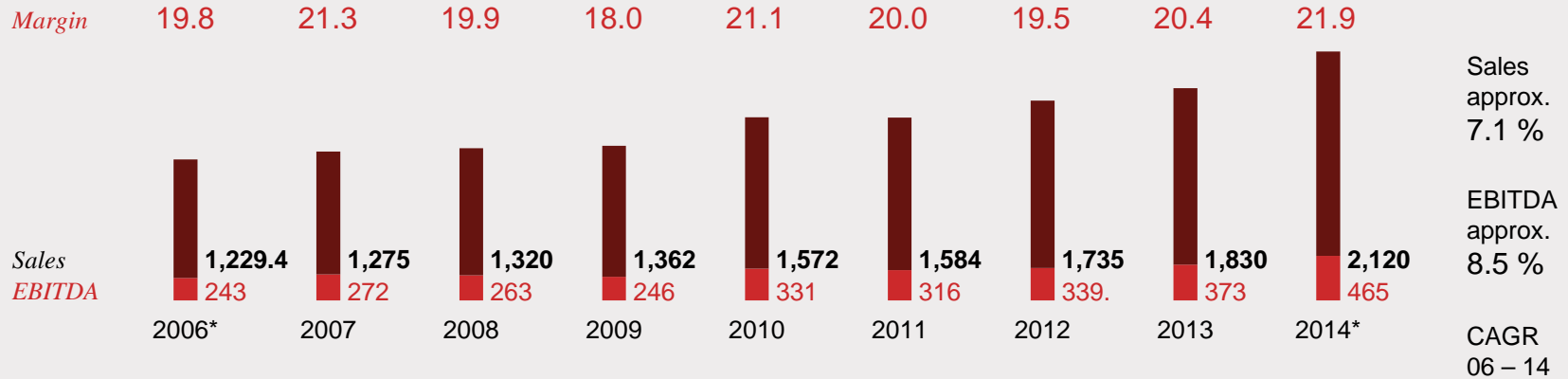


# Sales and Net Income Since the IPO

## *Continued Growth with High Profitability*

### Development of Sales/EBITDA

Sales in € million, EBITDA in € million, margin in %



\*EBITDA adjusted for restructuring and integration expenses

# Highlights Q1 2015

*Excellent start into financial year*

*Integration of  
**Diana**  
successfully completed*

**Sales**  
**+42% to**  
**€668**  
**million**

**EBITDA margin**

**22.3%**

**EBITDA**  
**+47% to**  
**€149 million**

*Net income*

**+ 31%**  
**€68 million**

*Earnings per share*

**€0.52**

**Equity ratio**

**36%**

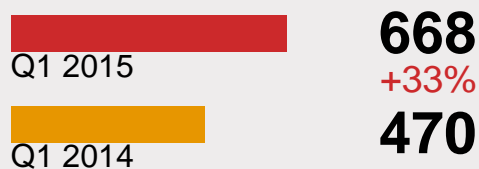
**Balance sheet**  
**remains strong**

# Financial performance Q1 2015

## *Continued strong sales and profit development*

### Sales

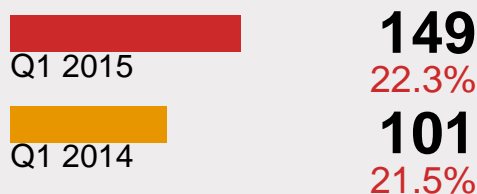
*In €m, sales growth in % (local currency)*



— **Sales growth** of 42%  
in reporting currency

### EBITDA

*In €m / EBITDA margin in %*



— **Growth** of 47%  
to €149m

### EBIT

*In €m / EBIT margin in %*



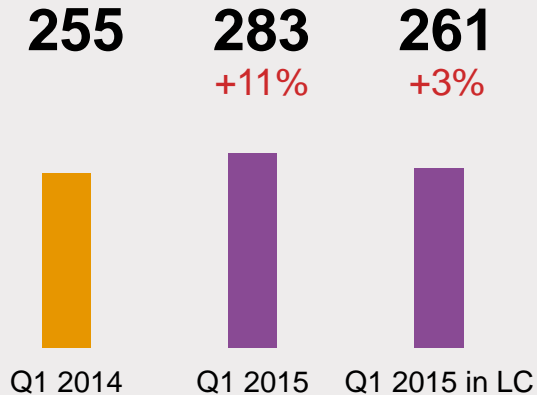
— **Increase** of 34%  
to €106m

# Sales by segments Q1 2015

*Driven by underlying growth dynamics*

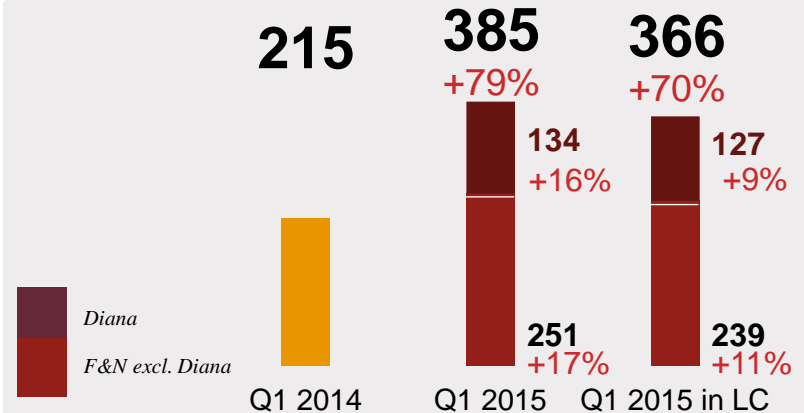
## Scent & Care

*In €m, sales growth in %*



## Flavor & Nutrition

*In €m, sales growth in %*

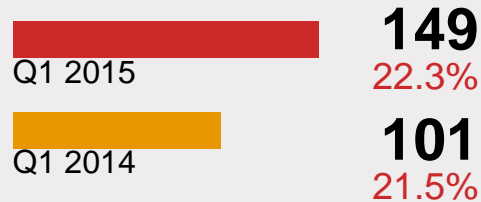


# EBITDA Q1 2015

*Strong increase in profitability*

## Symrise Group

*in €m / EBITDA margin*



## Scent & Care

*in €m / EBITDA margin*



## Flavor & Nutrition

*in €m / EBITDA margin*



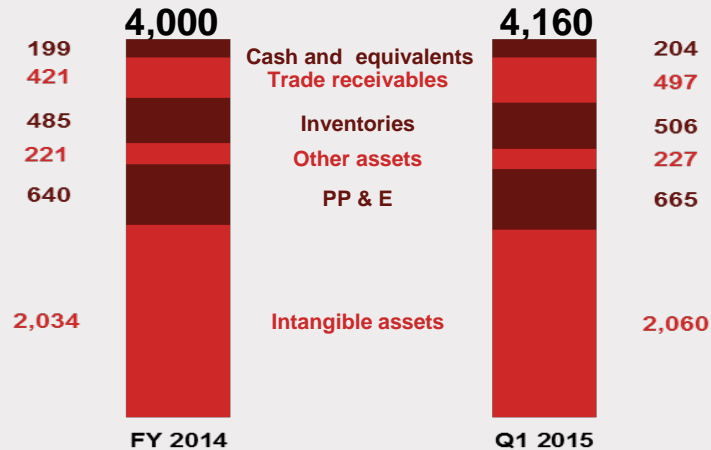


# Balance Sheet

*Sustainably healthy Equity Ratio of 36%*

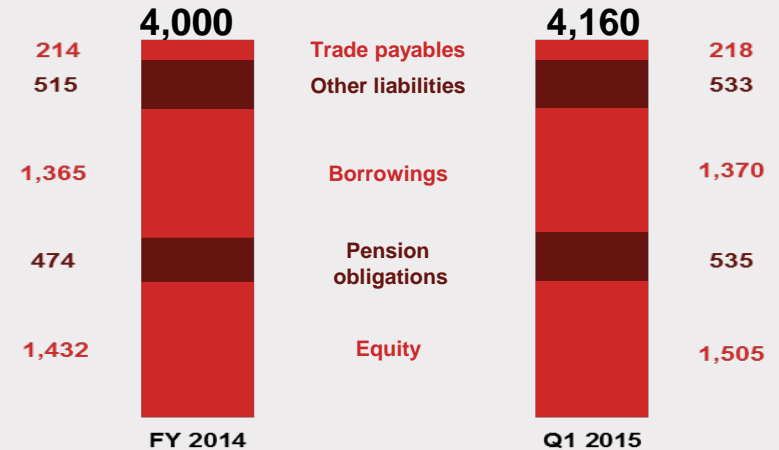
## Assets

in €m



## Equity & Liabilities

in €m



# Outlook

*For 2015 confirmed*

— **Long-term growth drivers** *fully intact despite political or economic uncertainties in individual countries*

— **Symrise will use its global presence**, *diversified portfolio, strong business set up and backward integration to capture market opportunities*

— **Volatility of individual FX rates** *and selective raw material prices will continue*

— **Profitable growth** *based on sales mix, innovation, efficiency and strict cost management*

— **Capitalizing on Diana competencies** *with clear customer focus*

## Targets 2015

*Outperform global F&F market*

*EBITDA margin > 20%*

## Targets 2020

*Sales increase 5–7% CAGR*

*EBITDA margin 19–22%*

*Sales in Emerging Markets > 50%*

# Capital Markets Day

*June 12, 2015 – Brittany/France*



## Program

*June 11, 19:00 CET: Get-together and welcome dinner in Vannes*

*June 12, 8:00 CET up to 14:00 CET: A journey into Pet Food with top management of Symrise & Diana in Elven*



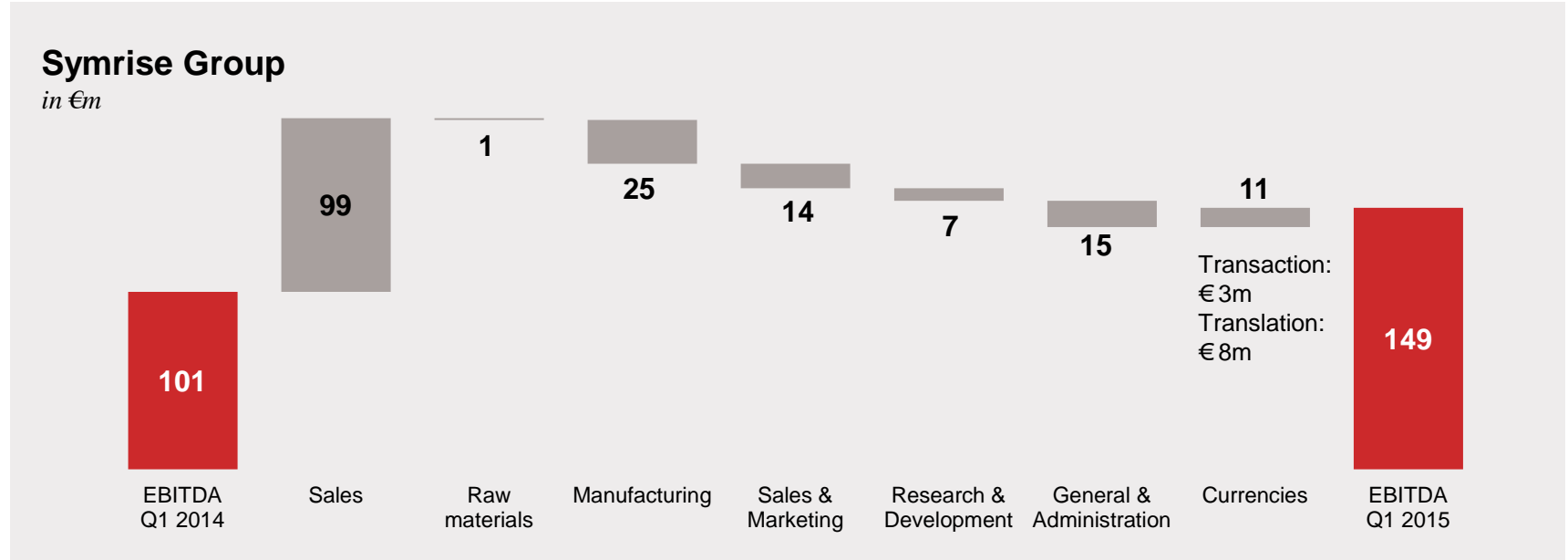
*Come and visit our  
200 dogs and  
450 cats, experts  
in Pet Food tasting  
...  
and also meet their  
human colleagues*



<http://invitation-cmd.symrise.com>

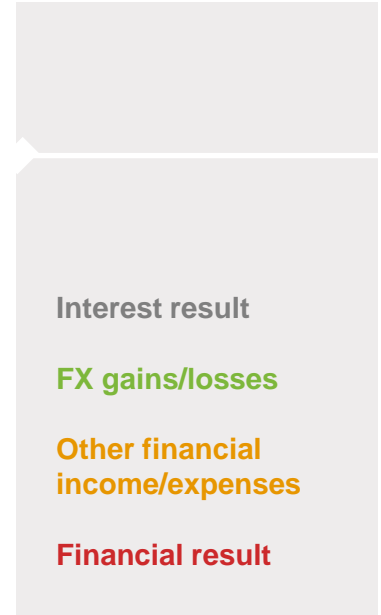
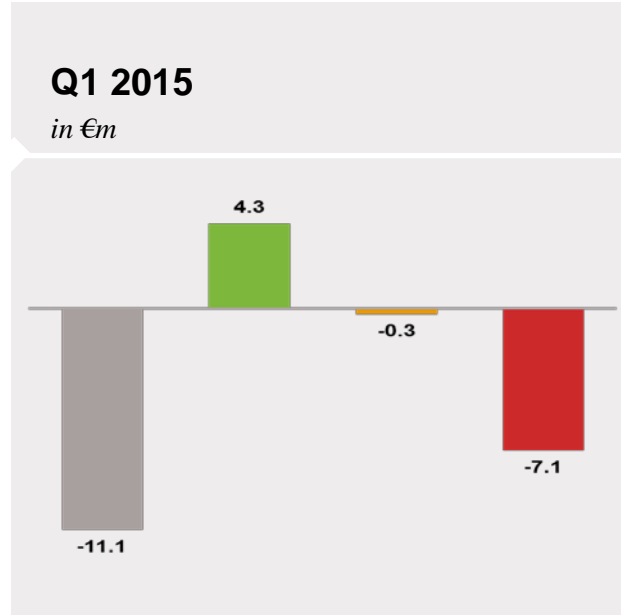
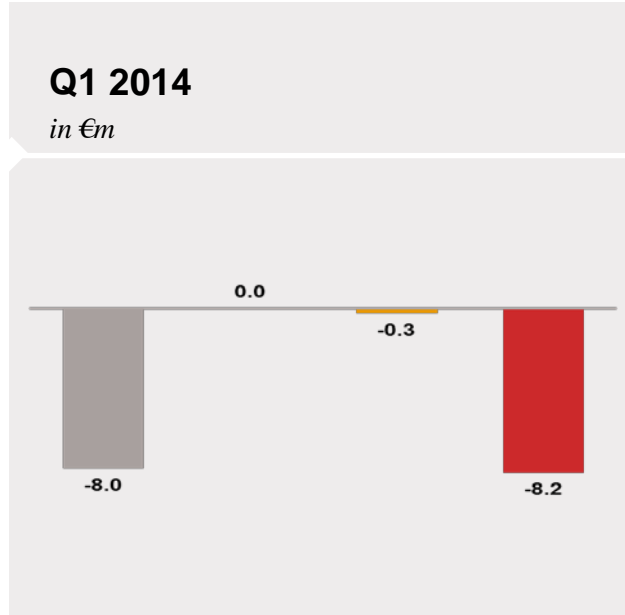
# Appendix: EBITDA Bridge

*Sales increase with strong impact on profitability*



# Appendix: Financial Result

*Reflects positive impact of currency effects*



# Appendix: Net Income

*Increase by 31%*

in €m	Q1 2014	Q1 2015	Var. %
<b>Sales</b>	<b>469.6</b>	<b>668.0</b>	<b>42</b>
Cost of sales	266.6	380.0	43
<b>Gross profit</b>	<b>203.0</b>	<b>288.0</b>	<b>42</b>
Operating cost	123.5	181.6	47
<b>EBIT (profit from operations)</b>	<b>79.6</b>	<b>106.4</b>	<b>34</b>
Financial result	-8.2	-7.1	-14
<b>Profit Before Tax (PBT)</b>	<b>71.4</b>	<b>99.3</b>	<b>39</b>
Tax	19.5	29.5	51
<b>Net income</b>	<b>51.9</b>	<b>69.8</b>	<b>35</b>
attributable to shareholders of Symrise AG	51.9	68.0	31
attributable to non-controlling interests		1.8	
<b>Earnings Per Share (EPS) in €</b>	<b>0.44</b>	<b>0.52</b>	<b>19</b>

# Appendix: Operating Profit

## *Benefits from enhanced operating performance*

in €m	Q1 2014	Q1 2015
<b>Net income for the period</b>	<b>51.9</b>	<b>69.8</b>
Income tax expenses	19.5	29.5
Net interest expenses	8.0	11.1
Sub-total	79.4	110.4
Amortization, depreciation and impairment	21.4	42.4
Change in non-current provisions and liabilities	-3.4	-0.7
Change in non-current assets	5.0	5.2
Other items	1.4	-8.6
Sub-total	24.4	38.3
<b>Cash flow before working capital changes</b>	<b>103.7</b>	<b>148.7</b>
Change in trade receivables and other assets	-47.0	-69.0
Change in inventories	-2.2	-3.1
Change in trade payables and other liabilities	8.1	17.0
Income taxes paid	-13.2	-25.2
<b>Net cash flow from operating activities</b>	<b>49.4</b>	<b>68.4</b>

### Financial Calendar

**June 12, 2015**

*Capital Markets Day, Brittany/France*

**August 5, 2015**

*Interim Report (January – June 2015)*

**November 10, 2015**

*Interim Report (January – September 2015)*

### Contact

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