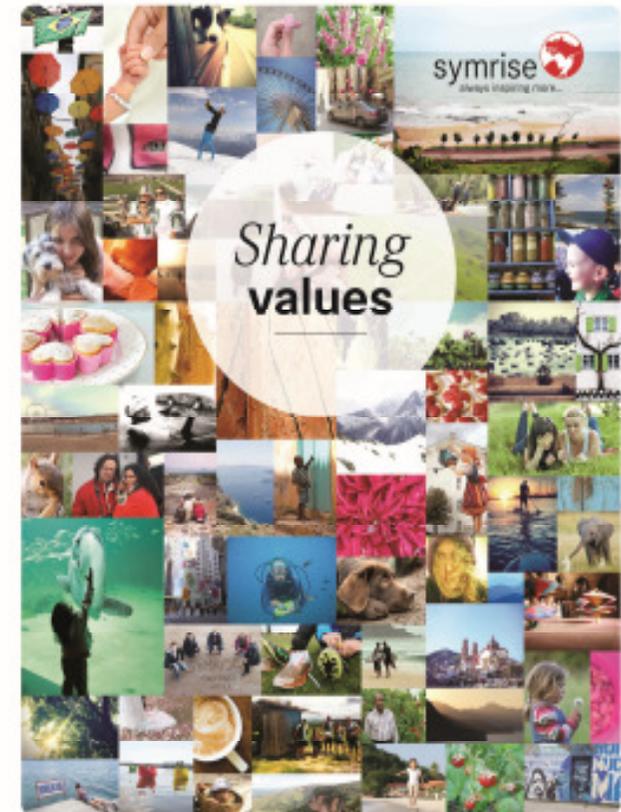


# **SYMRISE** COMPANY PRESENTATION

**Deutsche Bank  
German, Swiss & Austrian Conference**

**Bernd Hirsch (CFO)**

**Berlin, June 11, 2014**



# SYMRISE

## SUCCESSFUL SINCE 1874



### 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

### SYMRISE AG (since 2003)

**2003**

Merger of Dragoco and Haarmann & Reimer

**2006**

IPO in Frankfurt (Prime Standard)  
Market capitalization €2.0bn

**2014**

Pending acquisition of Diana  
10% capital increase  
Market capitalization €5.1bn

**1919**

Hairdresser Gerberding begins manufacturing perfume and soap compositions and founds the Dragon Company

### DRAGOCO GERBERDING (1919 – 2003)



**Symrise** is one of the world's leading providers of fragrances and flavors and of specialty ingredients and active agents for the perfume, cosmetics, pharmaceutical, food and beverages industries

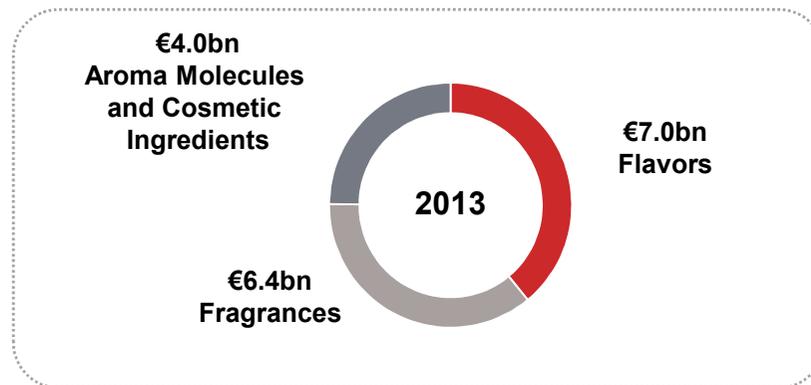
**FY 2013**

Sales: €1.8bn  
EBITDA margin: 20.4%  
Employees: 6,000  
Countries: 36  
Market share: 11%

# MARKET & COMPETITION

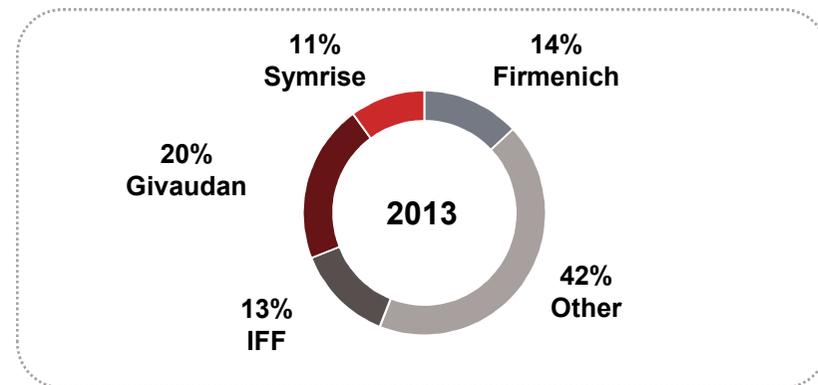
## STABLE AND CONTINUOUS GROWTH

Relevant AFF market size 2013 (in € billion)



- Market size: €17.4 billion with markets growth of 2-3% p.a.
- High market entry barriers due to extreme complexity of products and increasing regulatory requirements and quality standards
- F&F are only a fraction of total product costs – but a key buying criteria for consumers

AFF market shares



- Top 4 players account for around 60% of market share
- More than 500 active companies
- Global mega trends such as population growth and increasing wealth drive growth of AFF industry.

Source: IAL Consultants, corporate data and internal estimates

# SYMRISE

## OUR GLOBAL REACH



**Global sales 2013**  
€1.8bn

**North America**  
>€300m

**Latin America**  
>€200m

**Europe, Africa, Middle East**  
>€800m

**Asia**  
>€400m

# LEAN CORPORATE STRUCTURE

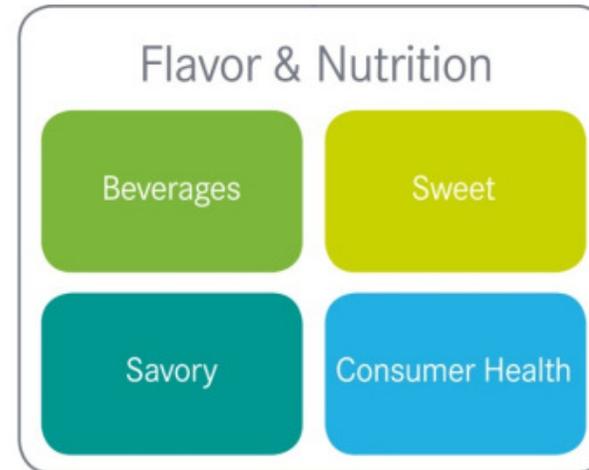
## TWO SEGMENTS WITH DEDICATED BUSINESS UNITS



- Symrise develops, produces and sells c. 30,000 fragrances and flavors and cosmetic ingredients based on c. 10,000 mostly natural raw materials to over 6,000 customers



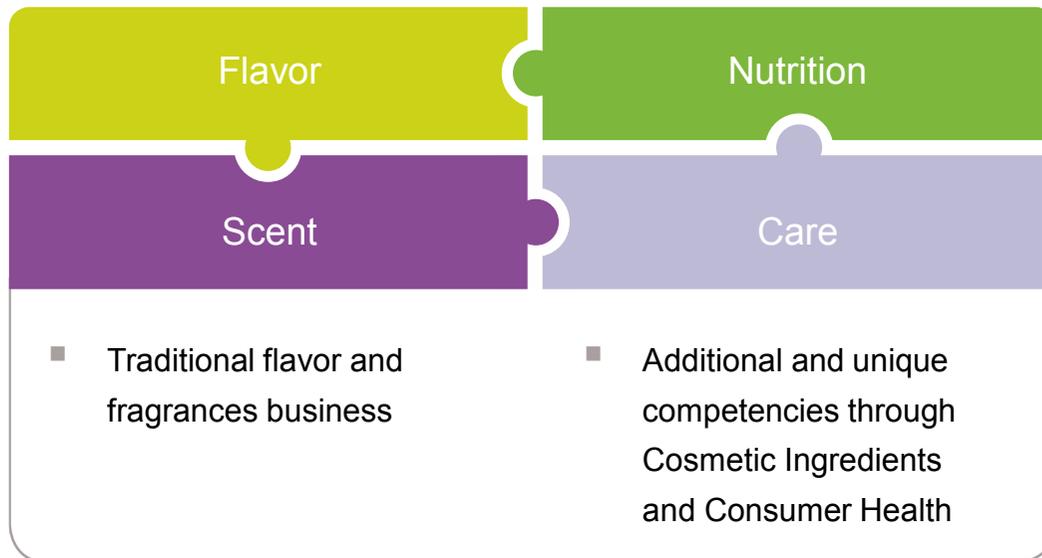
- S&C products are sold in 135 countries
- S&C division has sites in 33 countries



- F&N products are sold in 140 countries
- F&N division has sites in 30 countries

# OUR ORGANIZATION

## WE HAVE A UNIQUE PROFILE



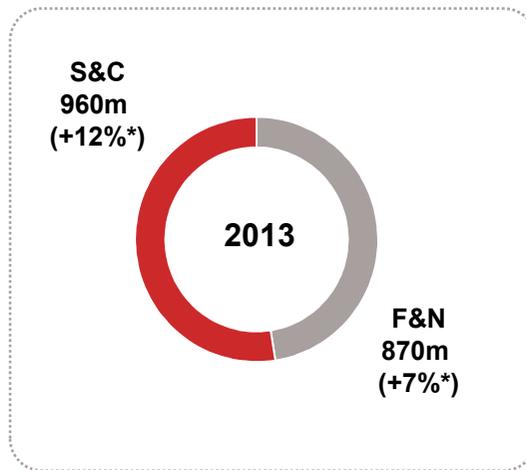
**Intelligent added benefits and integrated services for our customers. A differentiated portfolio.**

# WELL BALANCED GROUP SALES BY SEGMENT, MARKET AND CUSTOMER GROUP



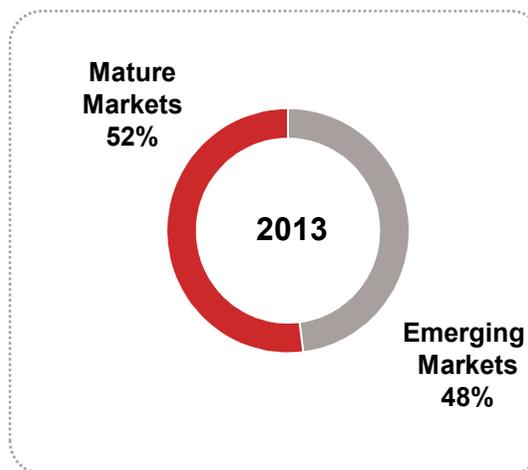
Segment Sales Split

In €



Sales in Emerging Markets

% Group Sales



Sales with Customer Groups

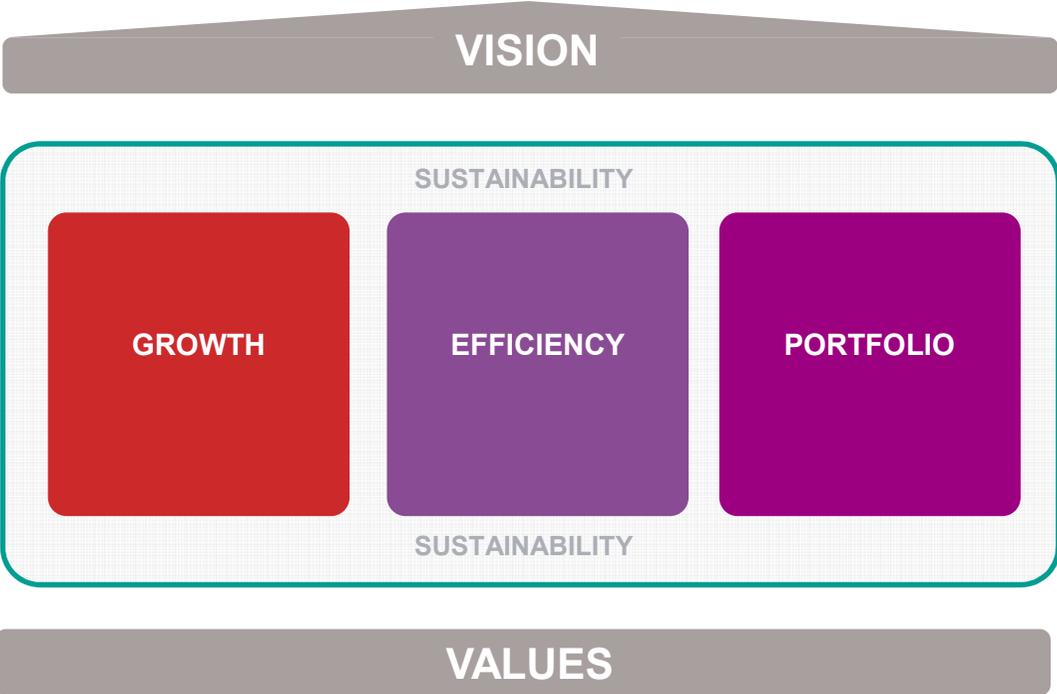
% Group Sales



\* Local currency growth

# OUR STRATEGY

CLEAR FOCUS ON THREE PILLARS TO ENSURE SUSTAINABLE, PROFITABLE GROWTH



# GROWTH

## ORGANIC GROWTH INITIATIVES



# EFFICIENCY

## VANILLA AND ONION BACKWARD INTEGRATION



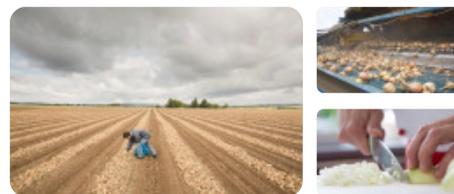
### Vanilla

- Broaden the value chain for local stakeholder
- Further develop local expertise and infra-structure based on our sustainability program for Vanilla
- Building a new Vanilla extraction site in Madagascar until mid 2014



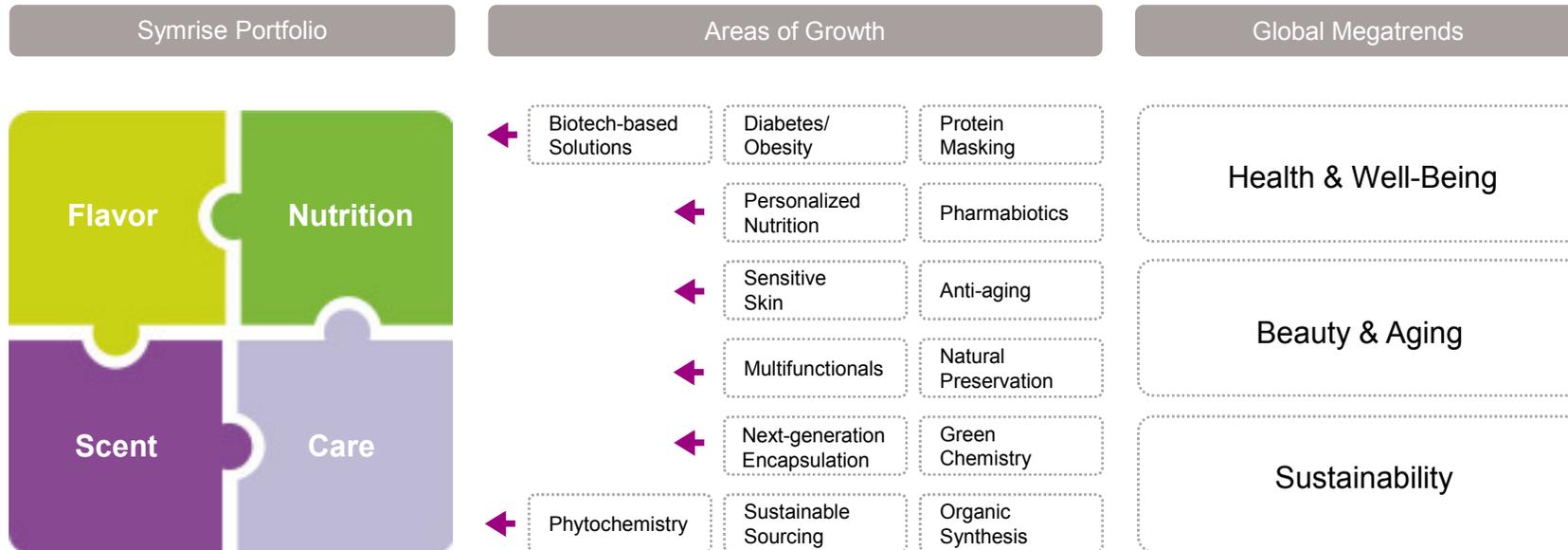
### Onion

- Systematically optimize each step of the onion oil value claim
- Leverage backward integration to develop products with unique flavor profile
- Improve production process to develop best in class efficiency



# PORTFOLIO

## CAPITALIZING ON MAJOR TRENDS

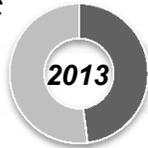


# ACQUISITION DIANA - EXCELLENT STRATEGIC FIT TO EXPAND NUTRITION AND ENTER PET FOOD MARKET



**Financial Fit**

S&C



F&N

Sales 2013: €1,830m

Sales CAGR '11-13: ~7%

EBITDA margin: 20.4%

Food



Nova

Net Sales 2013: €424m

Sales CAGR '11-13: ~6%

EBITDA margin: 21.0%

Pet Food

**Strategic Fit**

Growth

- Global #1 for pet food (palatability enhancers)
- Strengthening core business and customer retention

Efficiency

- Expansion of backward integration
- Integrated setup creates efficiency

Portfolio

- Nutrition with texturing – incl. ingredients for baby food
- Natural extracts and food solutions

**Value creating acquisition with focus on profitable growth through complementary competencies**

# ACQUISITION FULLY MEETS FINANCIAL GOALS

## SUPPORTS LONG-TERM PROFITABLE GROWTH



**Continuous profitable growth**



In line with our 2020 target of 5-7% p.a. LC\* growth

**High profitability**



Expected Diana EBITDA margin of >20% supports our 2020 target of 19%-22% p.a.

**Strong cash flow generation**



Symrise and Diana deliver strong cash flow and require only moderate investments

- Enterprise value of €1.3bn; Financing of transaction well underway; €400m equity raised in May
- Acquisition EPS accretive in first full year after closing which is expected in Q3 2014
- Symrise will maintain its strong balance sheet; leverage of around 3.0x EBITDA (incl. pensions) after transaction

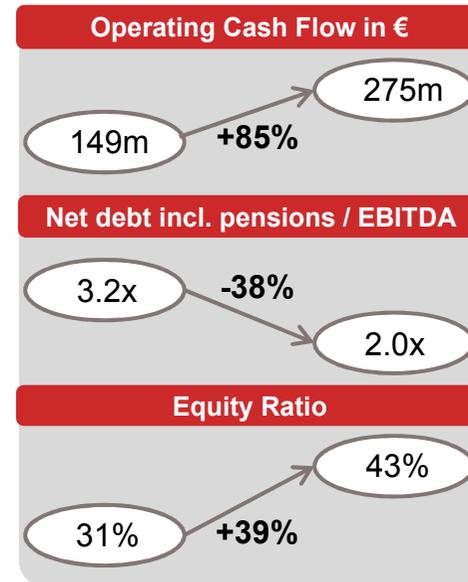
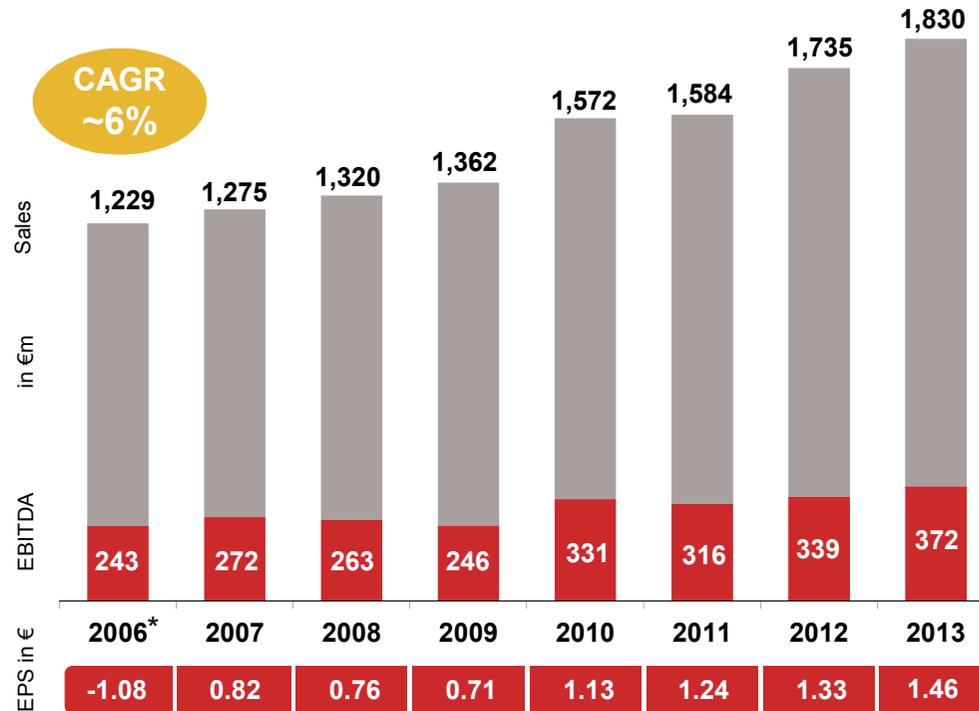
\* LC = Local currency

# EXCELLENT FINANCIAL TRACK RECORD

## SUSTAINABLE PROFITABLE GROWTH SINCE IPO



### Outperforming Market Growth



\* EBITDA adjusted for restructuring and integration cost

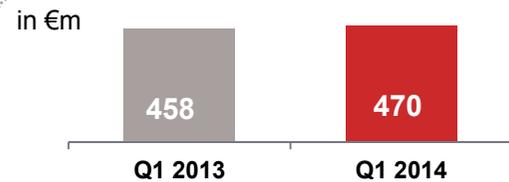
# FINANCIAL PERFORMANCE 2014

## EXCELLENT TOP- AND BOTTOM-LINE PERFORMANCE



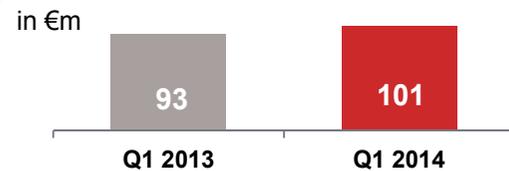
Q1 2014

### SALES



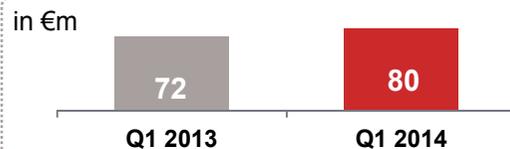
- **Sales** increase of 7.9% in LC\* (2.6% in actual rates) despite economic uncertainties in individual markets
- Above market sales growth in all regions and both divisions; particular strong dynamics in the Americas and in EAME

### EBITDA



- **EBITDA** rise of 9% to €101.0m
- Profitability reflects strong top line performance, high capacity use and strict operating cost control
- EBITDA margins:
  - S&C at 22.7%
  - F&N at 20.0%

### EBIT

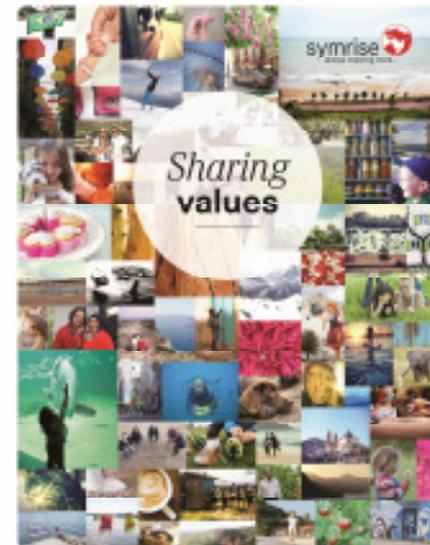


- **EBIT** of €79.6m up by 11%
- EBIT margin at 16.9%

\* LC: Local Currency

## PRIORITIES & OUTLOOK 2014

- Closing of Diana Acquisition (expected in Q3 2014)
- Integration and Financing
- Positive expectations for the global Flavor & Fragrances market with good dynamics
- Long term trends fully intact – despite some political or economic uncertainties in individual countries
- Individual currency exchange rates remain under pressure, volatility for raw material prices will continue
- With its three pillar strategy Symrise is very well equipped to capture market opportunities



**We aim at outperforming the global F&F market and  
at delivering an EBITDA margin of around 20%**

# **SYMRISE**

## INVESTOR RELATIONS



### **Financial Calendar:**

August 7, 2014  
Interim Report 2<sup>nd</sup> Quarter 2014

November 4, 2014  
Interim Report 3<sup>rd</sup> Quarter 2014

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