

always  
inspiring more ...

Diversifying Success.  
Successfully Diversifying.  
*Symrise AG*

symrise 

# Industry

## *A Highly Attractive Niche*

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**Industry tied to population growth and disposable** *with little dependence on cyclical, economic trends.*

**High market concentration.**

Global footprint key to meet local tastes & preferences.

**'Sweet spot' in value chain: only a small fraction of product costs, but a key buying criteria.**

Sustainability & traceability increasingly important to clients.

**High barriers to entry.**

**Tailor-made products** *with generally small volumes and decreasing product life cycles.*

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**1st**

*to produce nature-identical  
vanillin in 1874*

**2003**

*merger of Haarmann &  
Reimer and Dragoco*

**70**

*production sites*

**10,000**

*raw materials*

**~9,000**

*employees*

**€2.9bn**

*sales in 2016*

**6,000**

*global, regional  
and local clients*

**275%**

*total shareholder return  
since IPO in 2006\**

# Organizational Structure

## *A Highly Diversified Business*



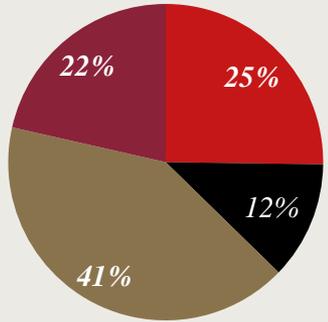
| Segment          | Scent & Care<br><b>45%</b><br><i>total sales (2016)</i>  |   |   | Flavor<br><b>35%</b><br><i>total sales (2016)</i>   | Nutrition<br><b>20%</b><br><i>total sales (2016)</i>   |
|------------------|--|---|---|---|--|
| Division         | Fragrance<br> | Cosmetic Ingredients<br> | Aroma Molecules<br> | Flavor<br> | Diana<br> |
| Application area | Fine Fragrance<br>Beauty Care<br>Home Care<br>Oral Care  | Actives<br>Product Protection<br>Botanicals & Colors<br>Sun Protection                                    | Fragrance Ingredients<br>Menthols & Coolants<br>Terpene Ingredients                                   | Beverages<br>Savory<br>Sweet  | Food<br>Pet Food<br>Aqua<br>Probi  |

# Global Footprint

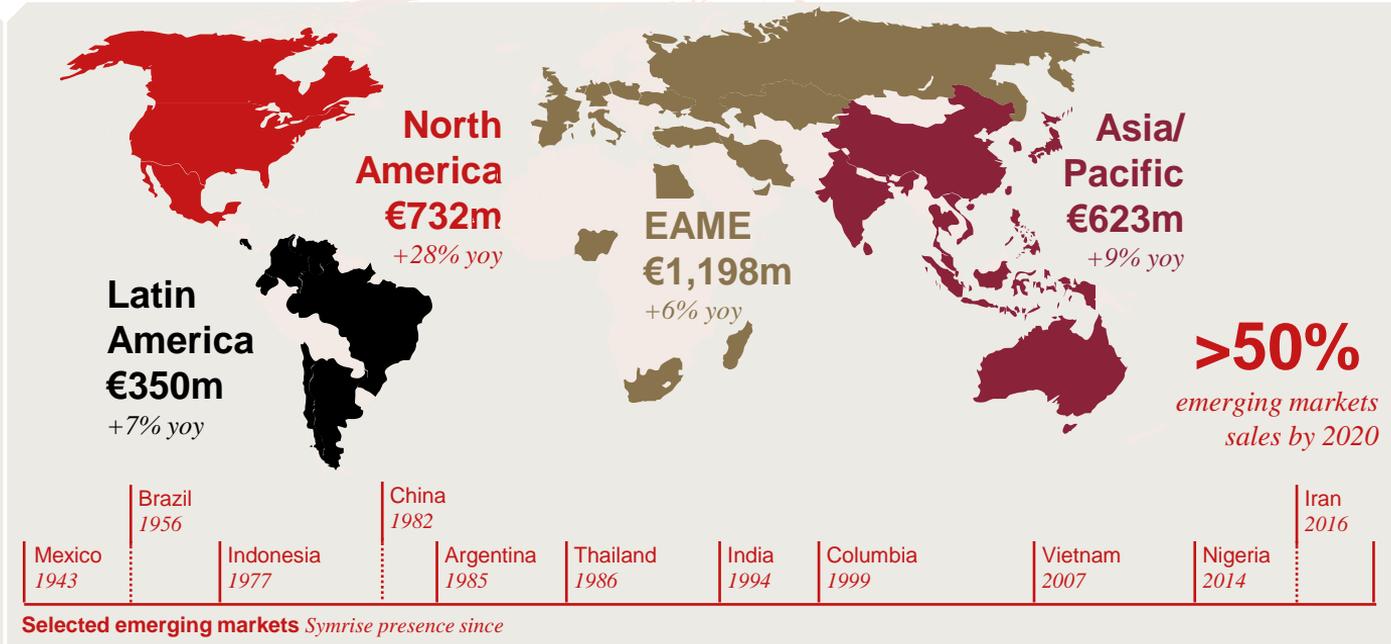
## *Historically Strong Presence in Emerging Markets*



Sales by region  
2016

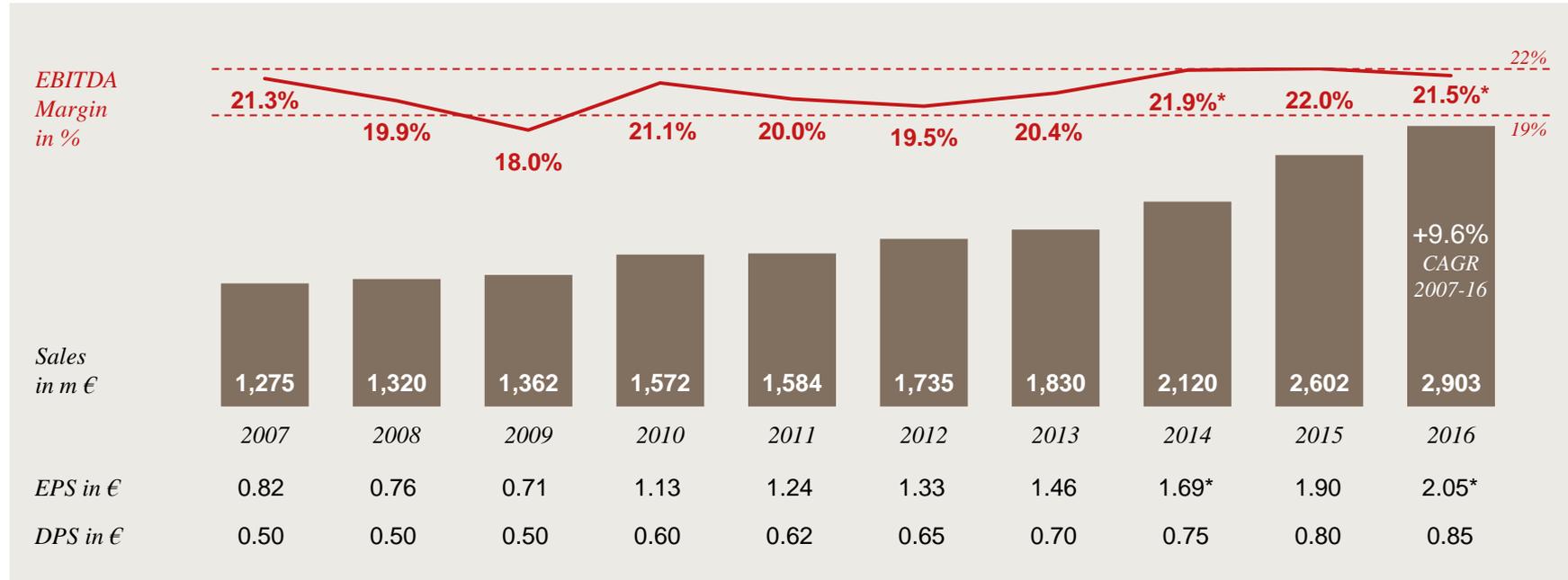


—  
43% emerging markets  
57% mature markets



# Strong Track Record Since IPO

## *Sustainable Growth At High Profitability Levels*



\*Normalized for acquisition and integration expenses.

# Overview

## *Proven Three Pillar Strategy Since 2009*



### **G**rowth

*Growth in emerging markets  
Maximization of customer spectrum  
Targeted innovations & investments*

### **E**fficiency

*Optimization of raw material portfolio  
Backward integration  
Specific efficiency programs*

### **P**ortfolio

*M&A  
Partnerships & collaborations  
Cross-divisional networking*

### **S**ustainability

*Minimize the ecological footprint  
Maximize positive social environment  
Improve performance of supply chains*

# Growth

## *Driven by Market Dynamics & End Consumer Trends*



Trend...

... and how we deal with it



### Rise of local players & private label

- 2/3 of our customer base are local & regional players
- Present in over 40 countries identifying market trends and serving local needs



### Increasing consumer spending in emerging markets

- 43% of sales generated in EM (target >50% by 2020); +15% LC growth in 2016
- Historically strong presence (e.g. market entry Brazil 1956, China 1982)
- €148m investment in LatAm and APAC over the last five years
- Next projects: new production site China, pet food capacity expansion in Colombia



### Focus on health & well-being

- Comprehensive product portfolio of natural actives, nutritional ingredients and dietary supplements marketed under Diana Food brand
- Expertise in taste modulation to reduce sugar, salt and fat (symlife®)
- Cooperation with Probi to bring probiotics into new areas like oral and skin care



### Trend towards naturalness & sustainability

- 70% of raw material basket is naturals
- Backward integration in 30% of naturals ensures supply, traceability and quality
- Multiple awards for strong commitment to sustainability

# Efficiency

## *Continuously Improving Our Cost Base*

**Increasing automatization of fragrance compounding facilities\***



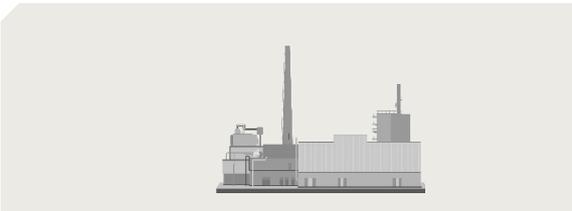
**Strengthening cooperation of perfumers worldwide**



**Releasing sales & marketing efficiency gains**



**New power plant in Holzminden**



**Fragrance reorganization**



**SymTrap® technology for waste and side streams**



*\*Already at 90% in Holzminden (based on dosages and production quantities).*

# Portfolio

## *A Key Differentiator To Competitors*



### Traditional F&F: Sharpening our Portfolio

#### Expanding fruit and vegetable extract portfolio

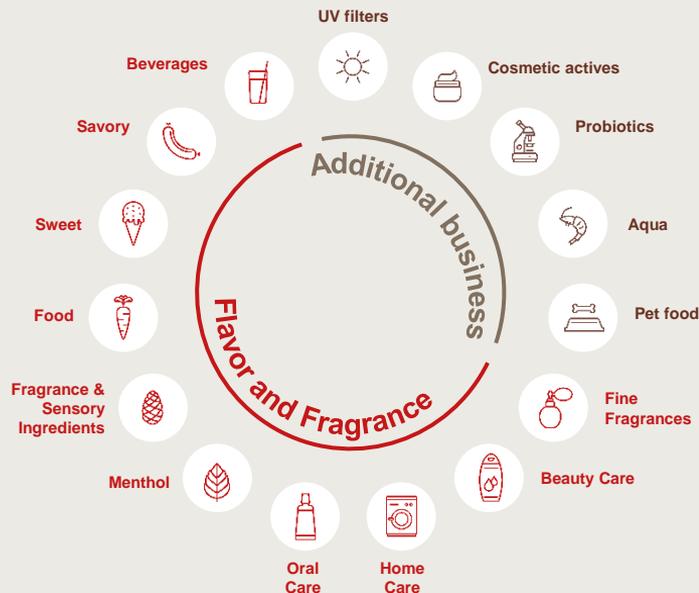
*Acquisition into cranberries and mushrooms in 2016*

#### Fragrance & sensory ingredients

*Expansion into renewable aroma molecules with acquisition of Renessenz*

#### Beverages

*Expanding market presence in UK with acquisition of Cobell in 2017*



### Beyond F&F: 'Thinking Outside the Box'

#### Legacy business

*UV filters and cosmetic actives*

#### Entering probiotics

*via Probi and acquisition of Nutraceutix*

#### Pet food

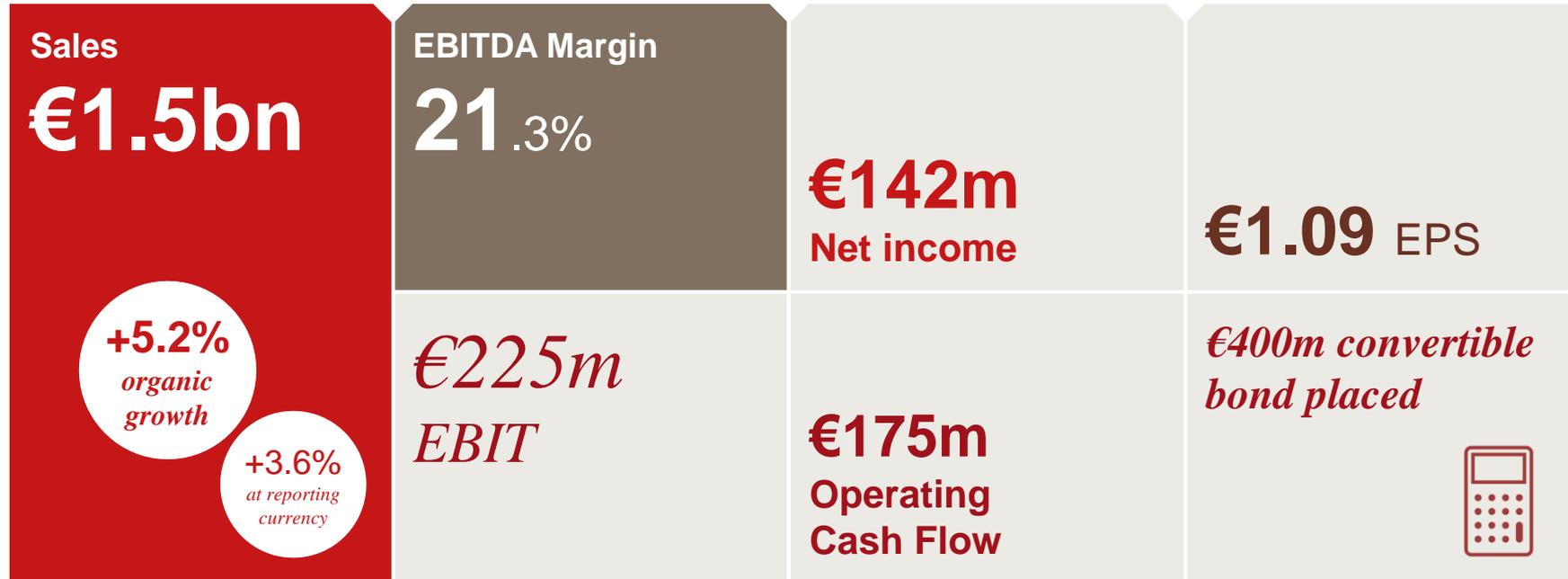
*A highly attractive market*

#### Aqua

*Functional marine ingredients for the aqua feed and aquaculture sector*

# Financial Highlights H1 2017

*Symrise Again With Industry-Leading Organic Growth*



# Financial Targets for 2017 and Beyond

## *2017 EBITDA Margin Guidance Increased*



2017

*Outperform  
the relevant market\**  
Sales growth

**>20%**  
EBITDA margin

2012- 2020

**5-7%**  
Annual sales growth

**19-22%**  
EBITDA margin

*\*Which is expected to grow at a rate of about 3 % per year.*

# Investment Highlights

## *Why Symrise?*

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**1** **Resilient business model**  
*in attractive niche industry geared towards defensive end-consumer markets.*

**2** **Strongly balanced portfolio**  
*across businesses, regions and customer groups.*

**3** **Industry-leading growth**  
*at high profitability levels.*

**4** **Competitive edge thanks to cross-divisional networking** *and research engine.*

**5** **Backward integration**  
*servicing the trend towards naturals.*

**6** **Beyond traditional F&F**  
*expanding into adjacent high growth areas like cosmetic ingredients, pet food or probiotics.*

# Contact

## *Investor Relations*



### Financial Calendar

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**November 8, 2017**  
*Q3 Results 2017*

—  
**March 14, 2018**  
*FY Results 2017*

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