

FUCHS PETROLUB

Setting Standards - Worldwide

| 10th May 2016 | European Small & Mid-Cap Symposium
Goldman Sachs, London, UK



Agenda

- 01** | Our company
- 02** | Facts & Figures 2015
- 03** | Q1 2016
- 04** | Outlook 2016
- 05** | Appendix
- 06** | Financial Calendar

01 Our Company



FUCHS at a glance



Established **3**
generations ago as a
family-owned business

No. 1
among the independent
suppliers of
lubricants

The Fuchs family
holds **54%** of
ordinary shares

> €2 bn sales
in 2015

Almost **5,000**
employees

Preference share is
listed in the MDAX

> 50
companies
worldwide

A full range
of over

10,000
lubricants and
related specialties

A leading global lubricants company

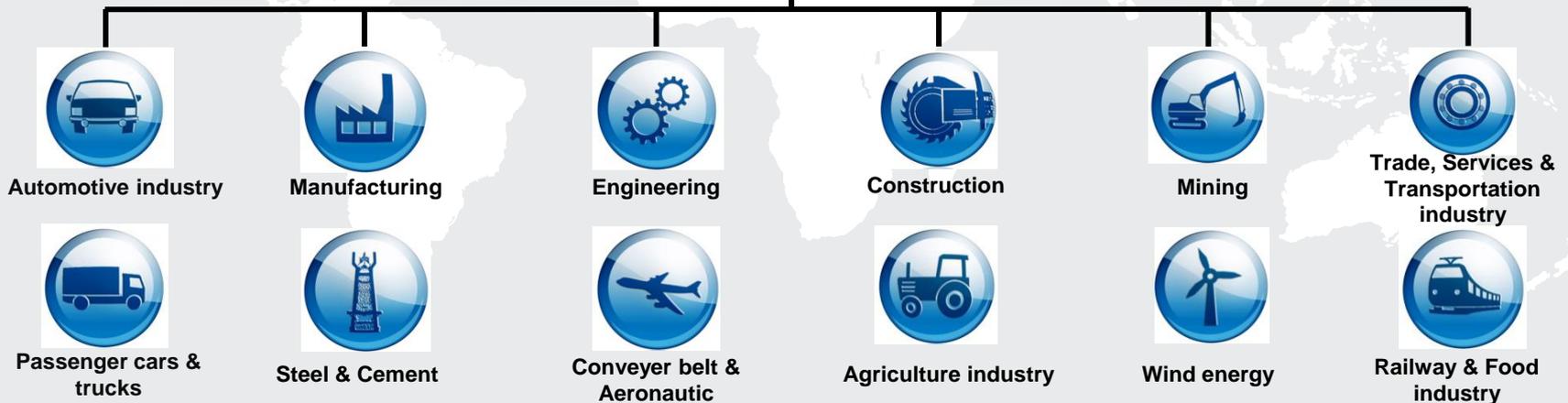
Full-line supplier advantage

Sales 2015: €2.1 bn
(~80% international)
by customer location

Automotive lubricants
~40%

Industrial lubricants
~60%
e.g. Industrial oils, MWF/CP*
and greases

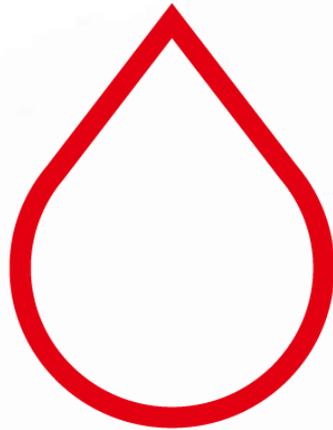
100,000 customers
in more than 150 countries



*metalworking fluids/corrosion preventives

The main industries

Over 100,000 customers worldwide



Mechanical engineering

Construction sector

Mining and exploration

Glass industry

Agriculture and forestry

Accessories sector

Transportation sector

Food industry

Energy generation

Cement, lime and gypsum industry

Steel and metals industry

Forging industry

Foundry industry

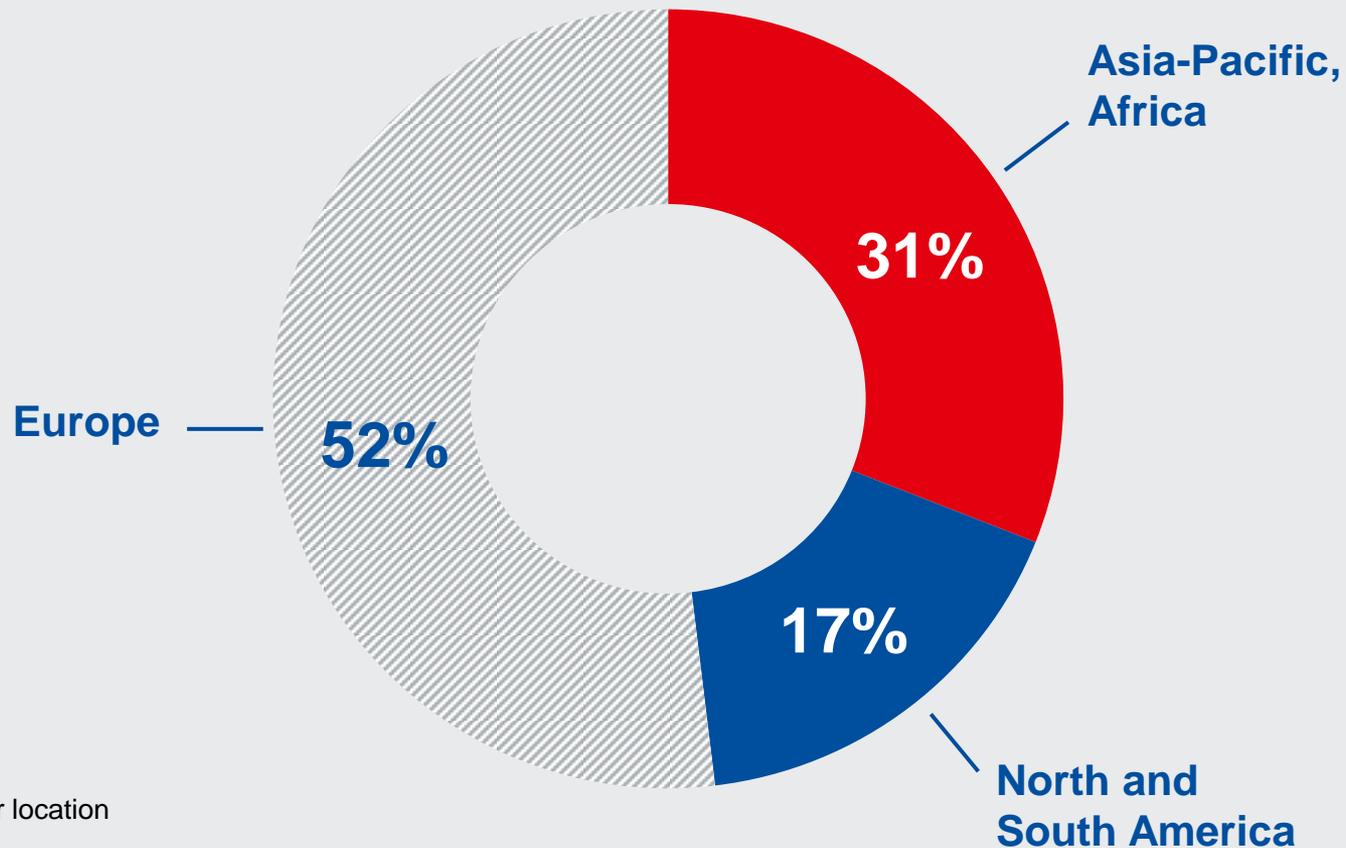
Metal working sector

Automobile sector

Others

FUCHS in figures

Regional sales breakdown 2015*



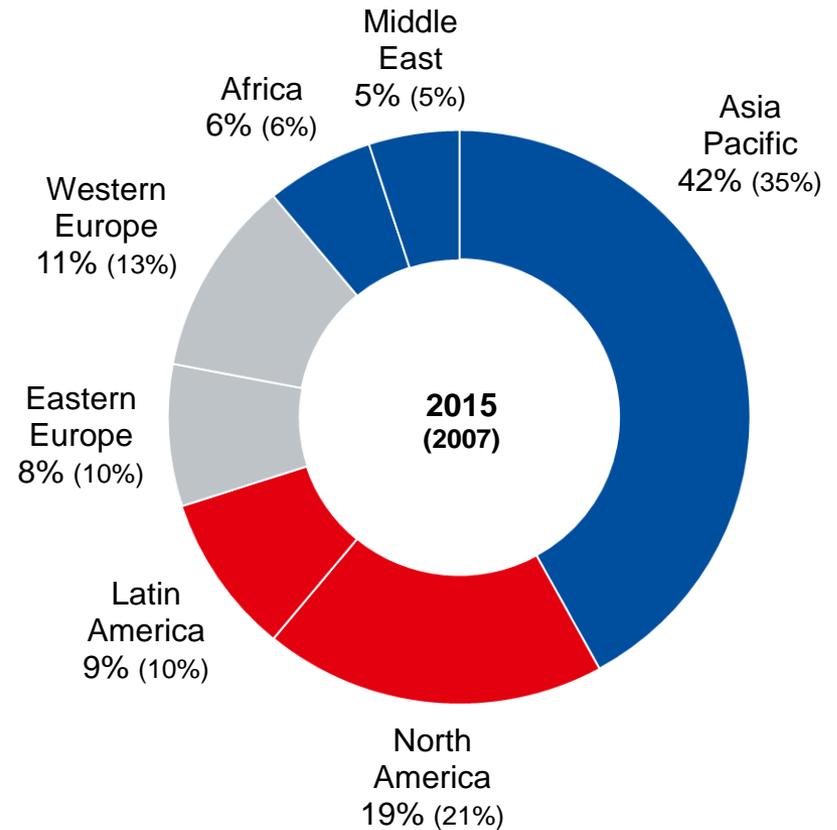
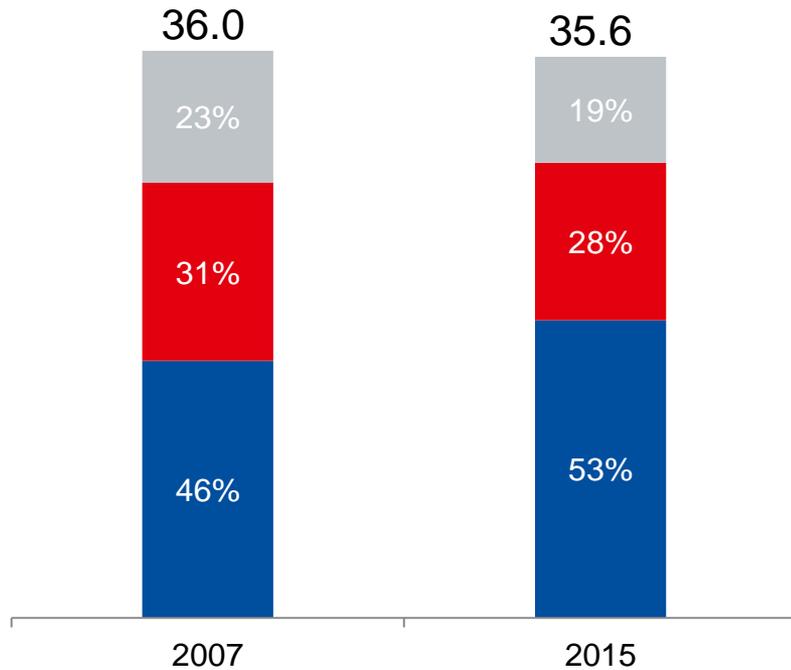
*By customer location

Lubricants Market

Development Regional Lubricants Breakdown

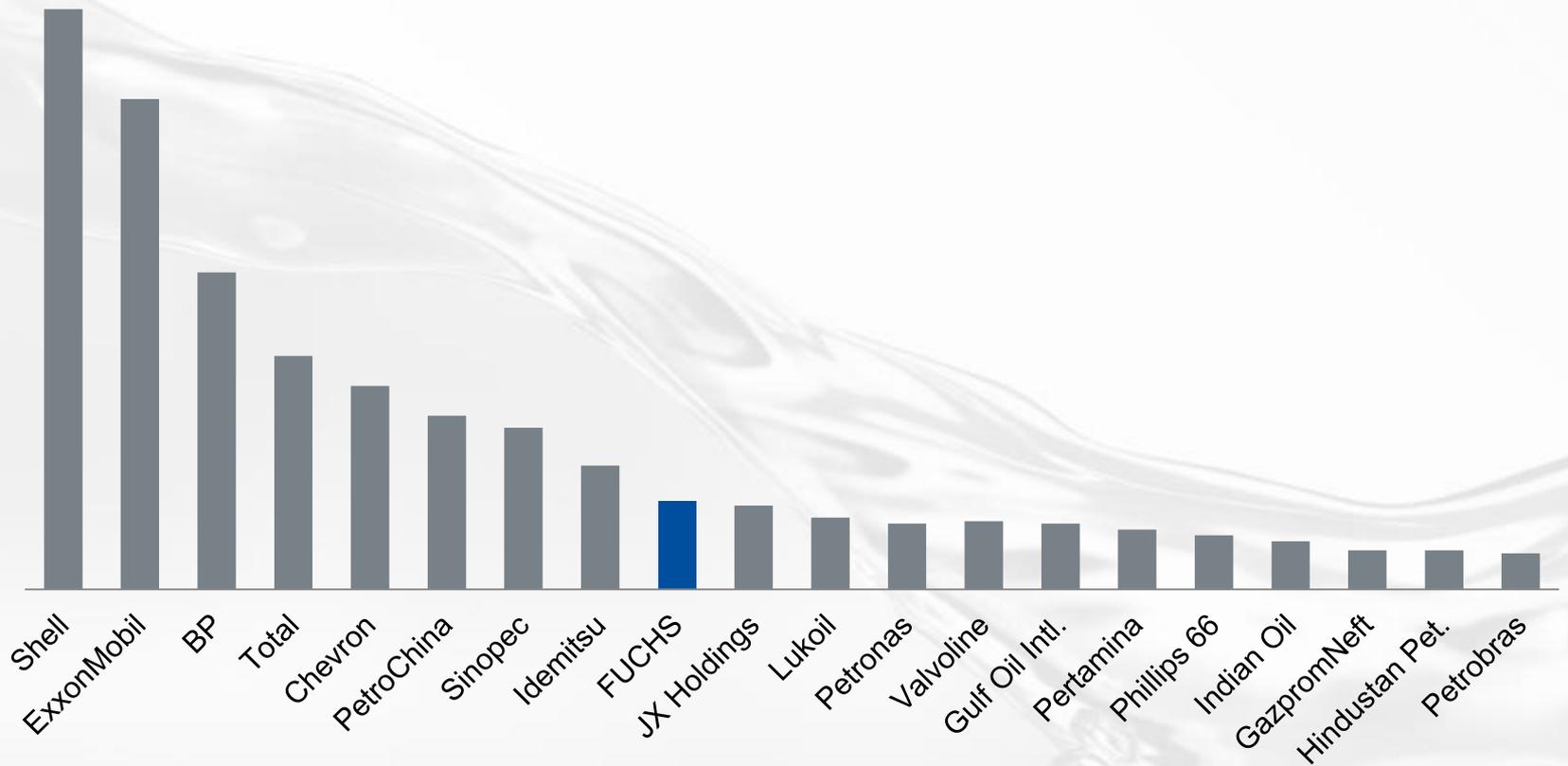
Demand (Million Tons)*

■ Asia-Pacific & MEA ■ Americas ■ Europe



Competitive Landscape

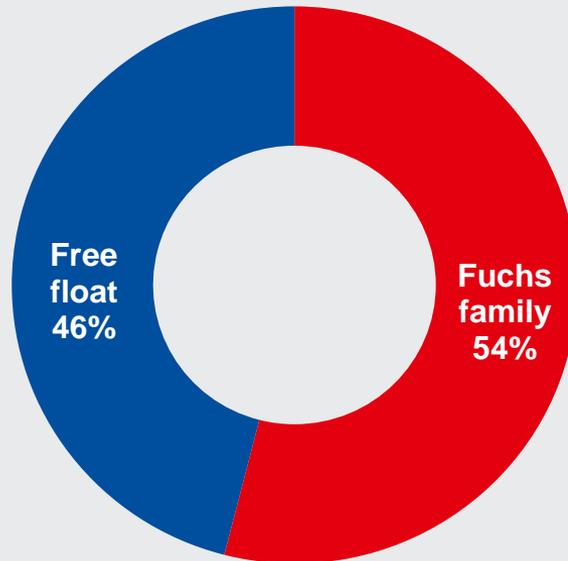
Ranking Top 20 Lubricants Manufacturers*



Shareholder structure

Allocation of ordinary and preference shares*

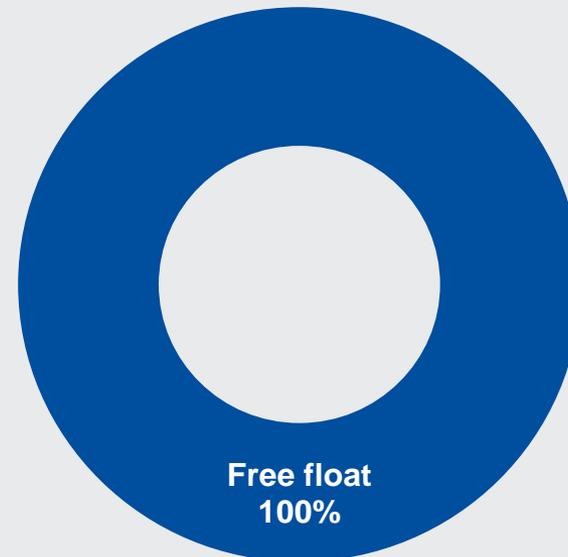
Ordinary shares



Basis: 69,500,000 ordinary shares

Preference shares

MDAX-listed



Basis: 69,500,000 preference shares

*Securities registered at the stock exchanges in Frankfurt and Stuttgart

02 Facts & Figures 2015



Key developments 2015

**Revenues +11%
to over €2 bn**

- Europe up 10% to €1.23 bn
- Asia-Pacific, Africa up 13% to €583 mn
- Americas up 12% to €353 mn

EBIT

+9%

to €342 mn

+7%

higher dividend
payment proposed

2

acquisitions were completed:
Pentosin & Statoil

PENTOSIN

Acquisition



July 1st, 2015

2 legal entities

around **200**
new colleagues

2 plants in Wedel
and Dormagen,
Germany

Low
complexity

€ 135 mio.
Sales revenues

**OEM,
Technology
focus**

STATOIL

Acquisition



Oct. 1st, 2016

8 legal entities

around **500**
new colleagues

1
blending plant (rented)
in Nynäshamn, Sweden

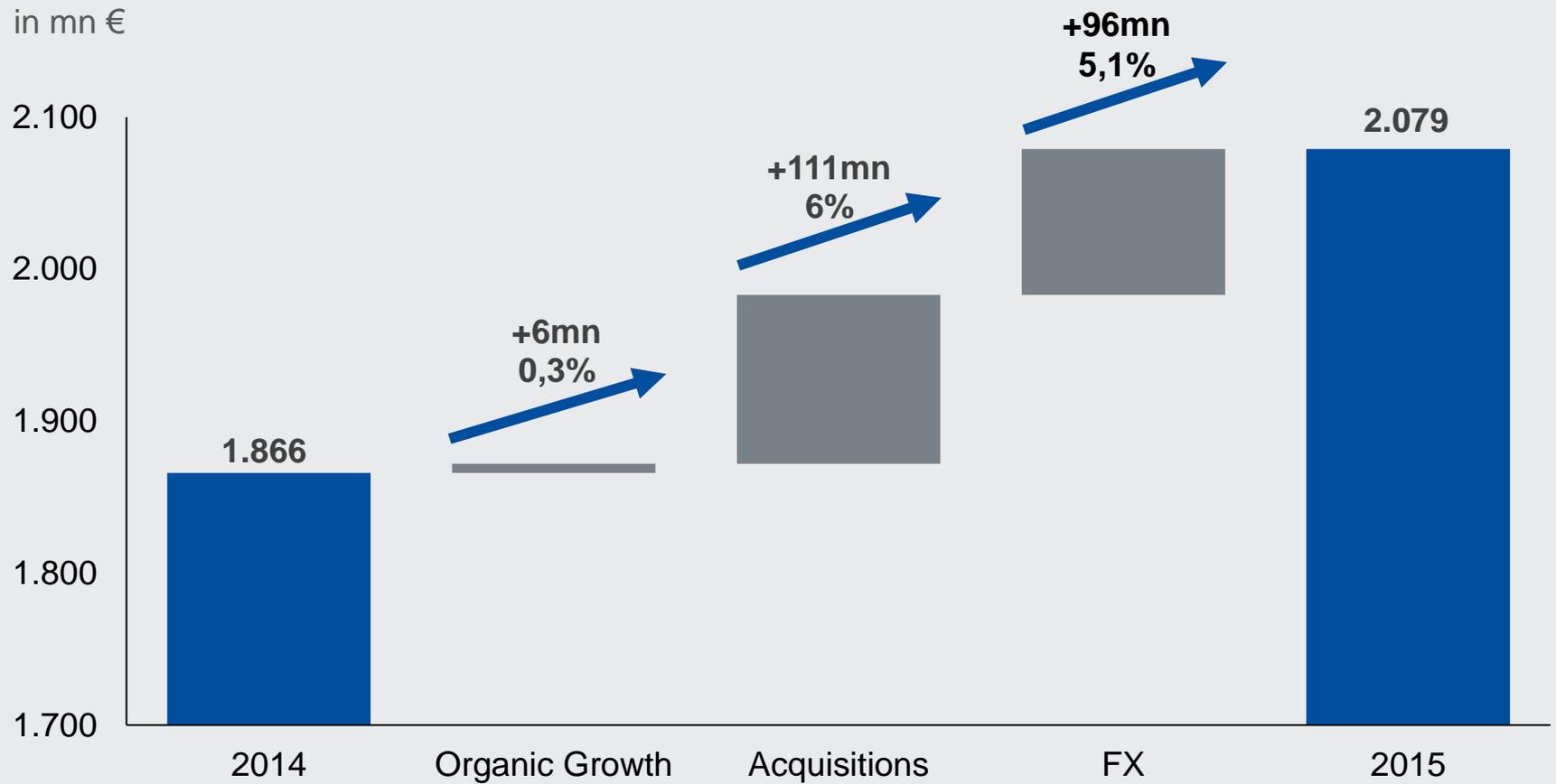
Product Portfolio of
750 products

€ 140 mio.
Sales revenues

**Market
leader**
in Scandinavia

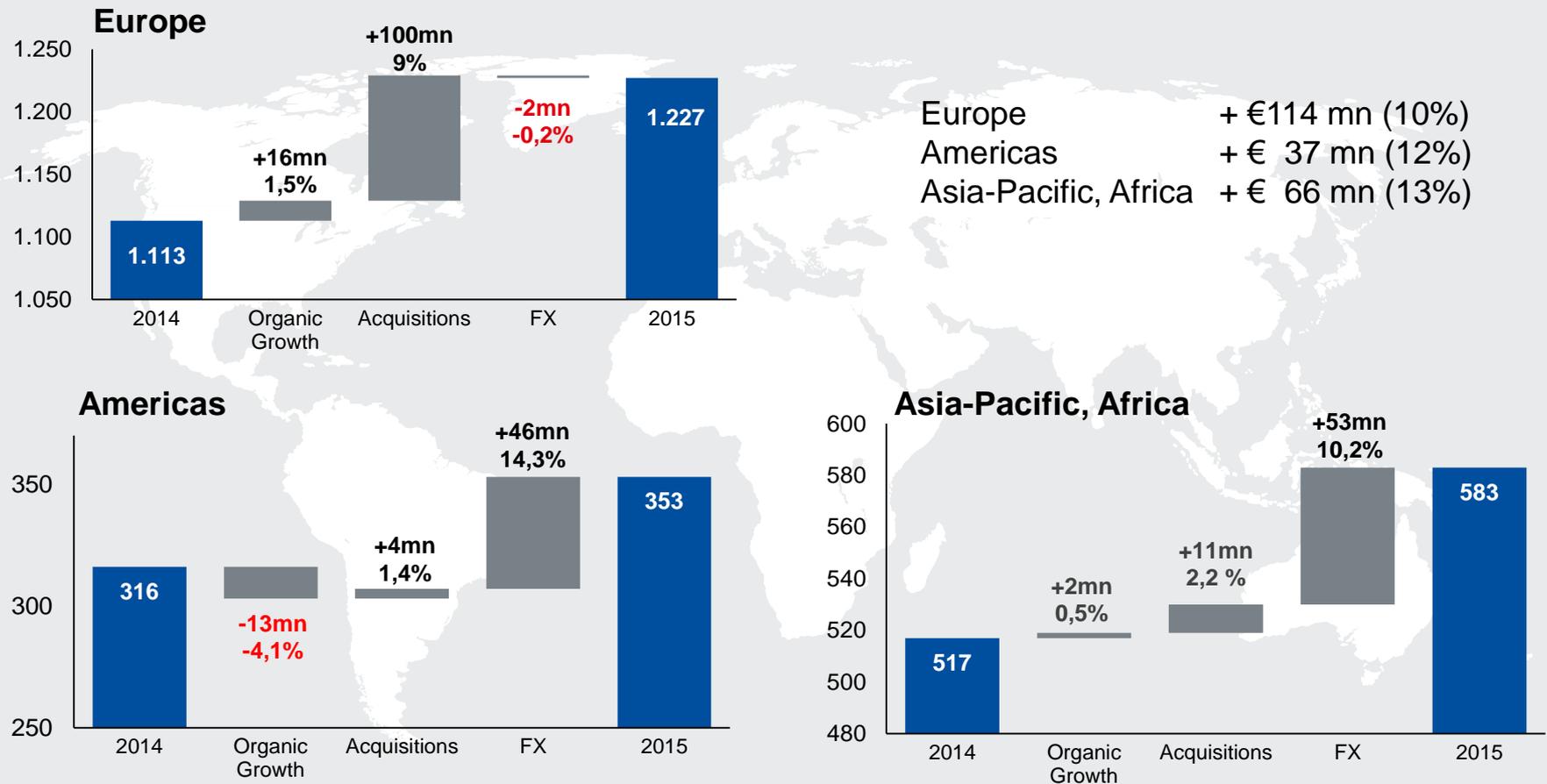
FUCHS Group

Increase in sales by 11,4 %



FUCHS Group – Regions in €mn

Increase in sales by 11,4 %

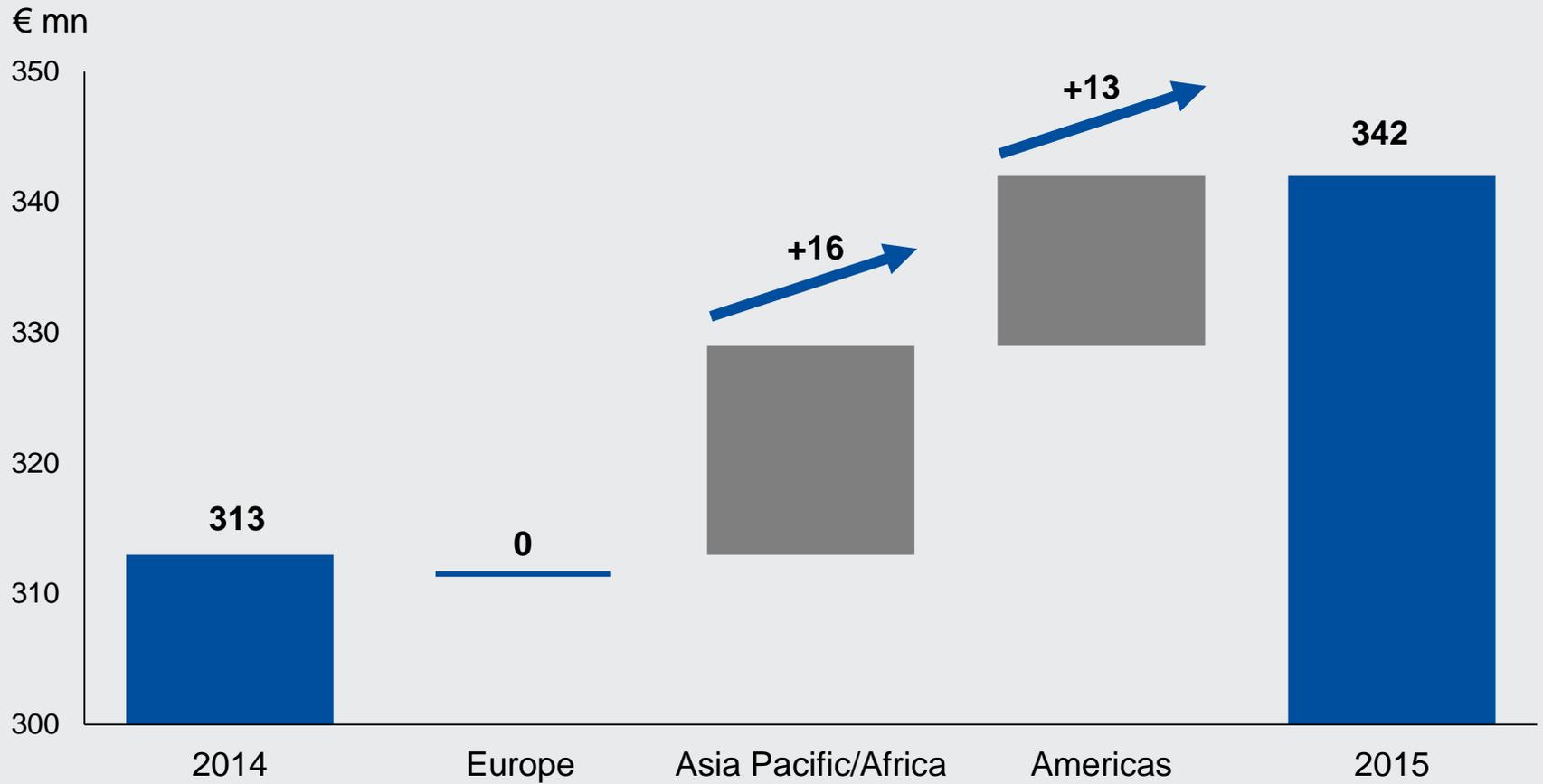


EBIT increase of more than 9%

€ mn	2014	2015	Δ Mio. €	Δ in %
Sales	1.866	2.079	213	11,4
Gross Profit	693	791	98	14,2
<i>Margin</i>	37,2%	38,1%		+0,9% points
Selling, admin., R&D expenses, others	-400	-467	-67	16,6
EBIT before at Equity	293	324	31	10,9
At Equity	20	18	-2	-12,7
EBIT	313	342	29	9,3
Earnings after tax	220	236	16	7,4

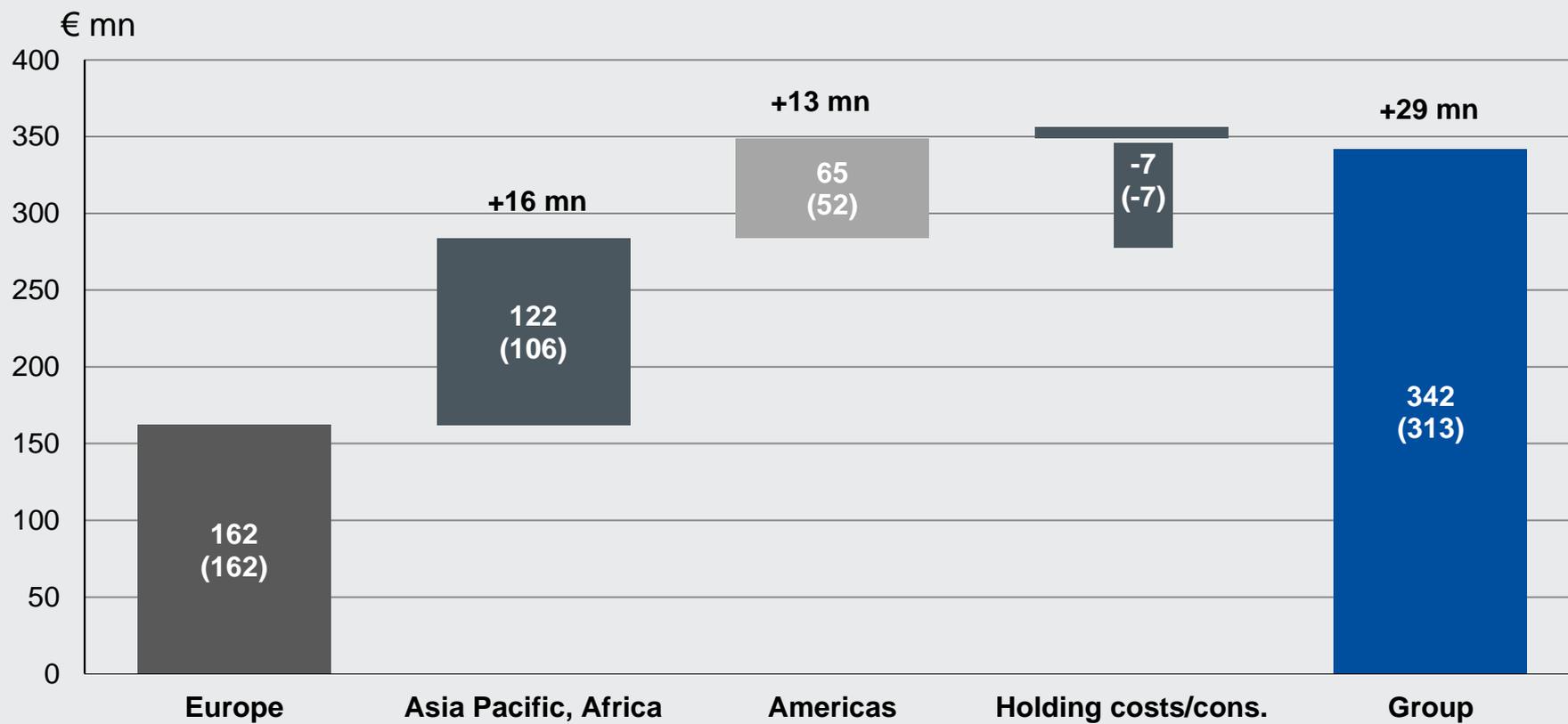
FUCHS Group - Regions

EBIT Increase



FUCHS Group

EBIT 2015 (EBIT 2014)



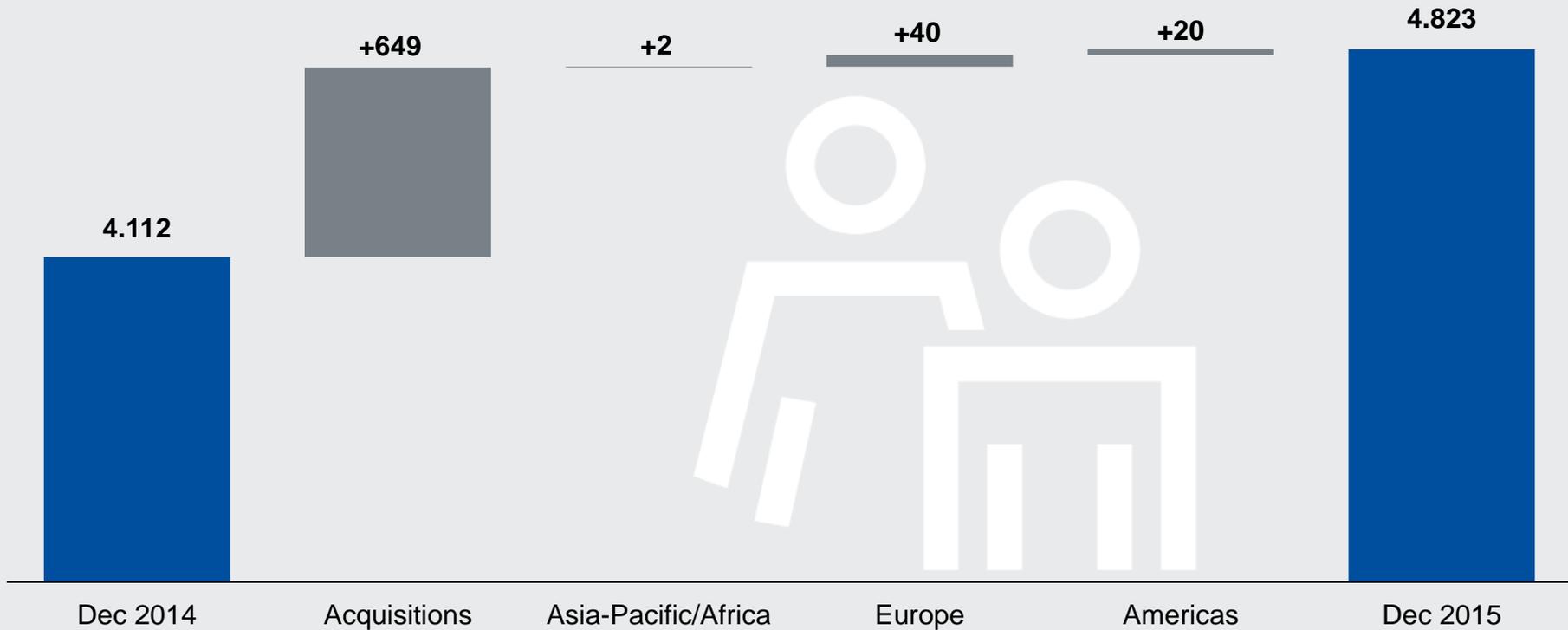
Expert know-how of our staff results in the technological lead over our competitors

R&D expenditure

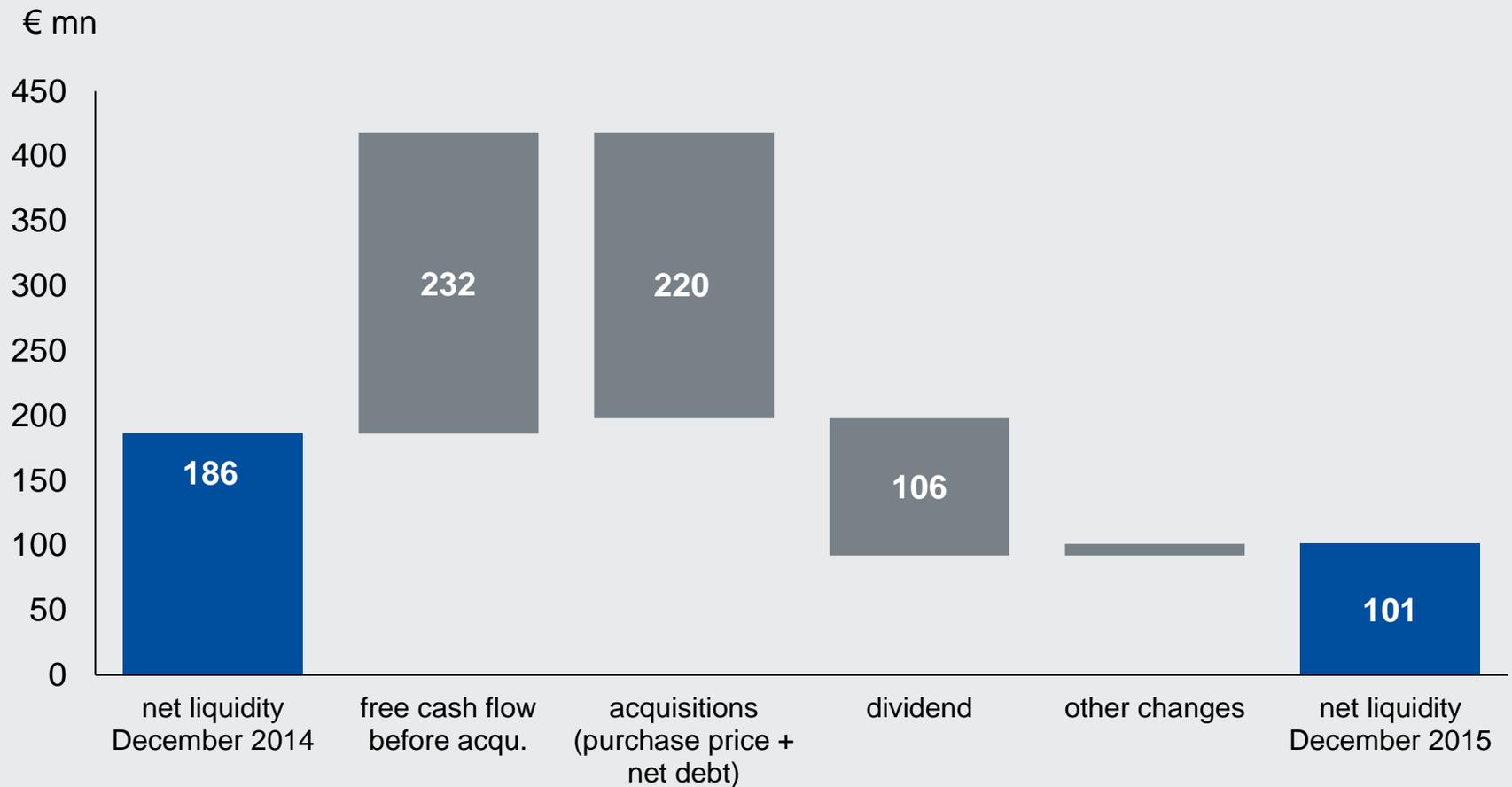


4.823 employees globally

Increase of 17,3%

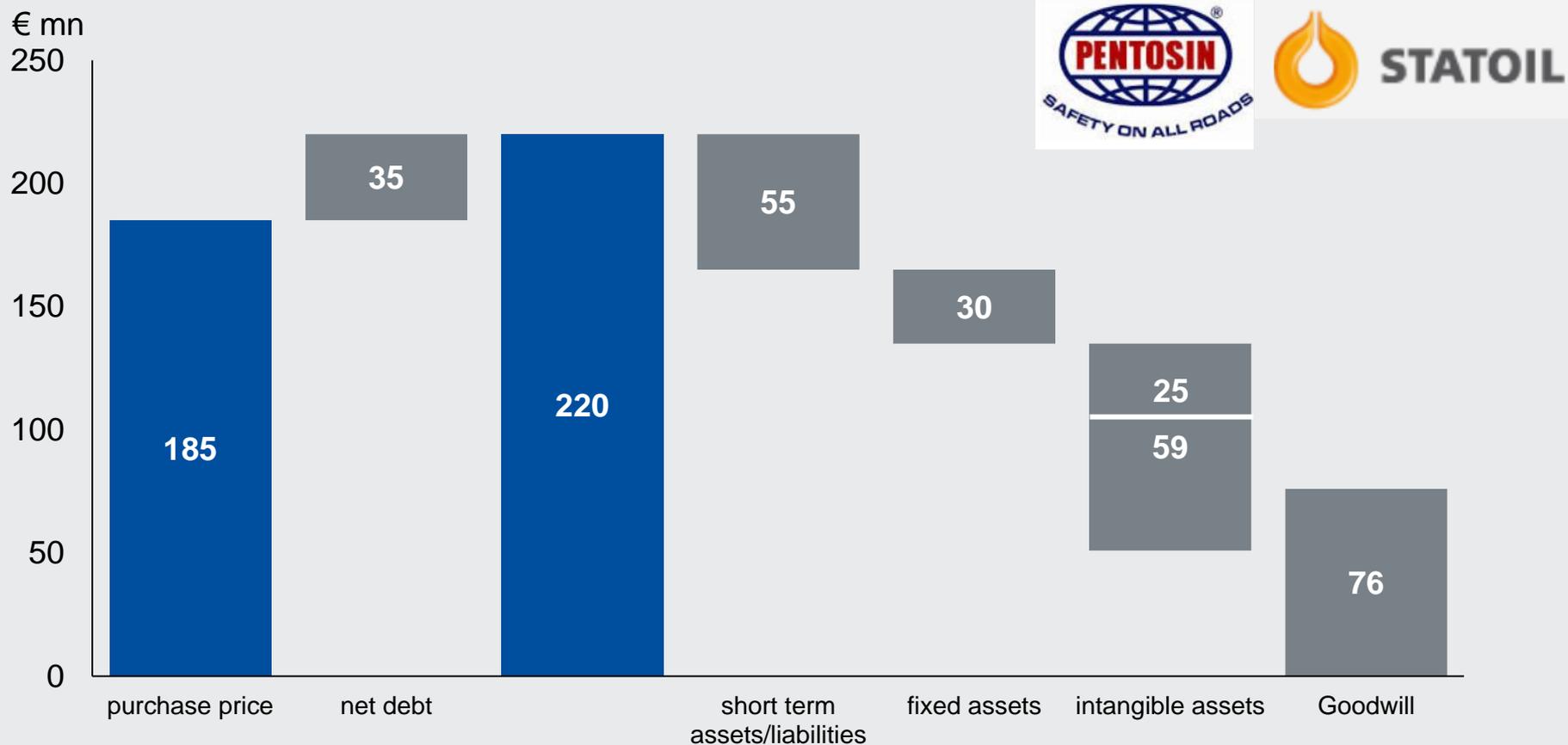


Net liquidity



Acquisitions 2015

Purchase Price Allocation

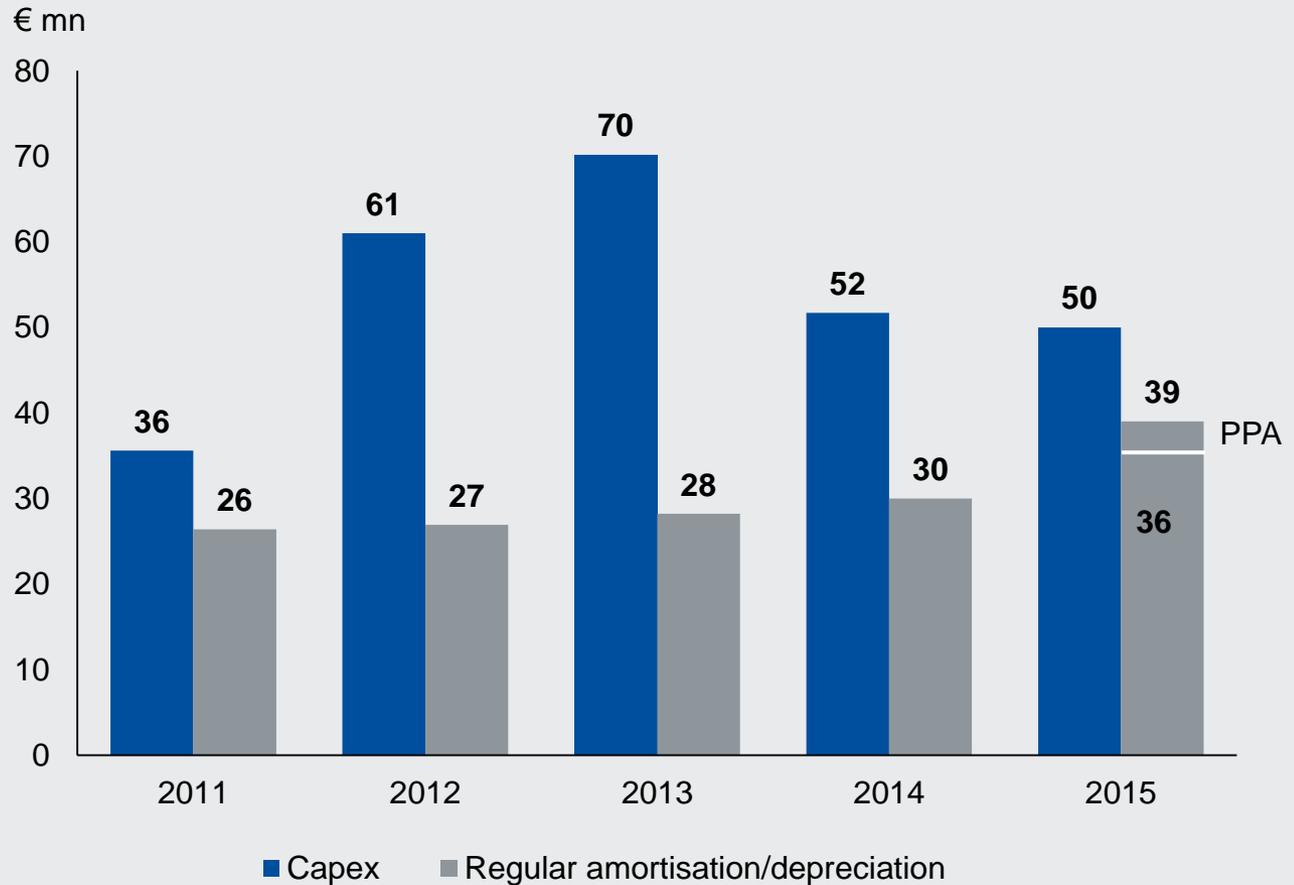


2015

Growth initiative

Investment focus on...

- Construction of new plants in growth regions
- Modernisation and expansion of existing plants
- Expansion of R&D capacities

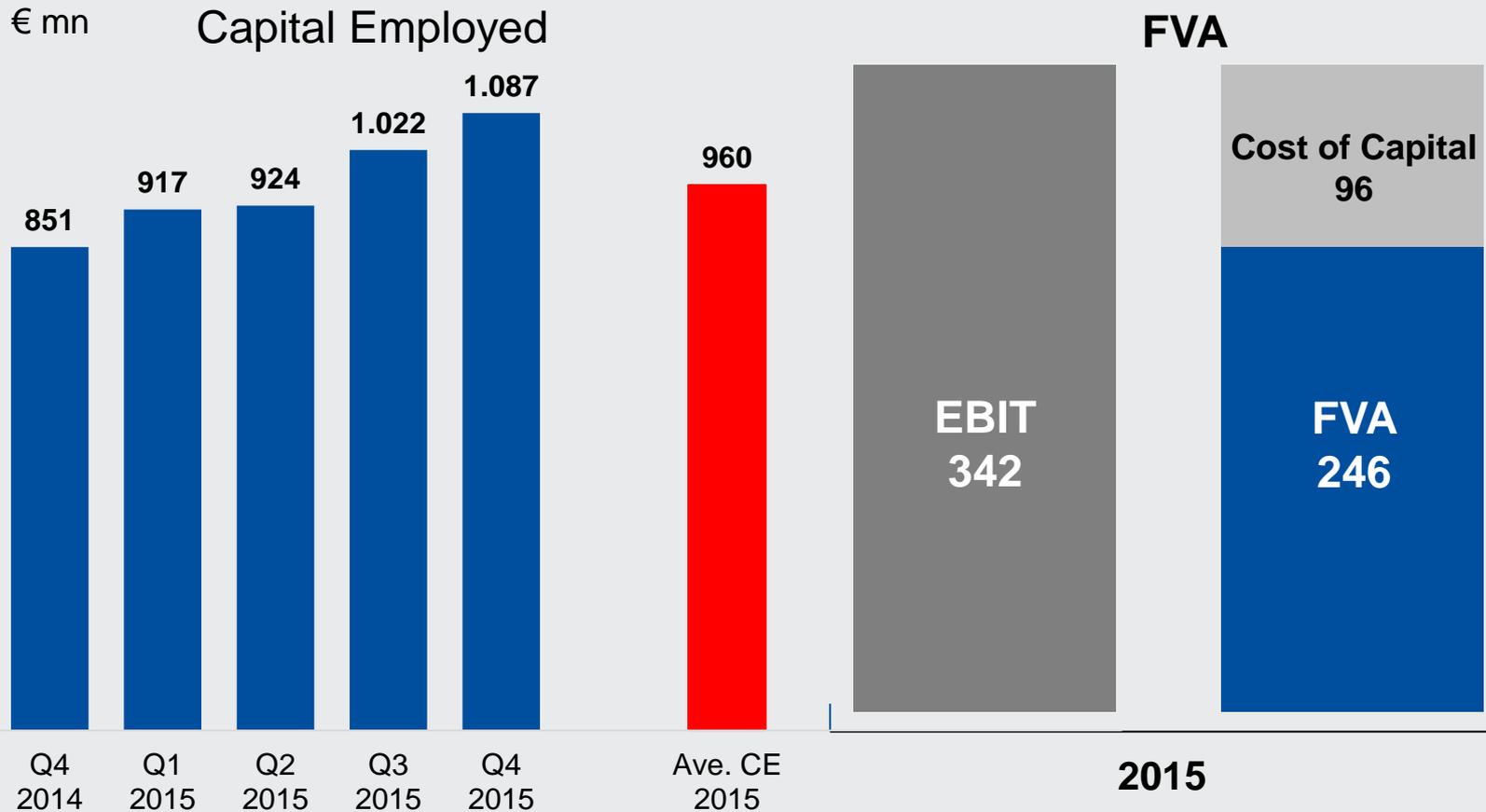


Solid balance sheet

€ mn	2011	2012	2013	2014	2015
Total assets	985	1.109	1.162	1.276	1.490
Equity	658	782	854	916	1.070
Equity ratio	67%	71%	74%	72%	72%
Net liquidity	65	135	167	186	101

FUCHS Value Added (FVA)

Increase by 7,2%



Cost of Capital = CE x WACC (10%)

03 Q1 2016



Key developments Q1 2016

**Revenues +11,7%
to €550,2 mn**

- Europe +25,5% to €349,4 mn
- Asia-Pacific, Africa -1,4% to €144,4 mn
- Americas -4,3% to €84,5 mn

**EBIT + 4,3%
to €85,2 mn**

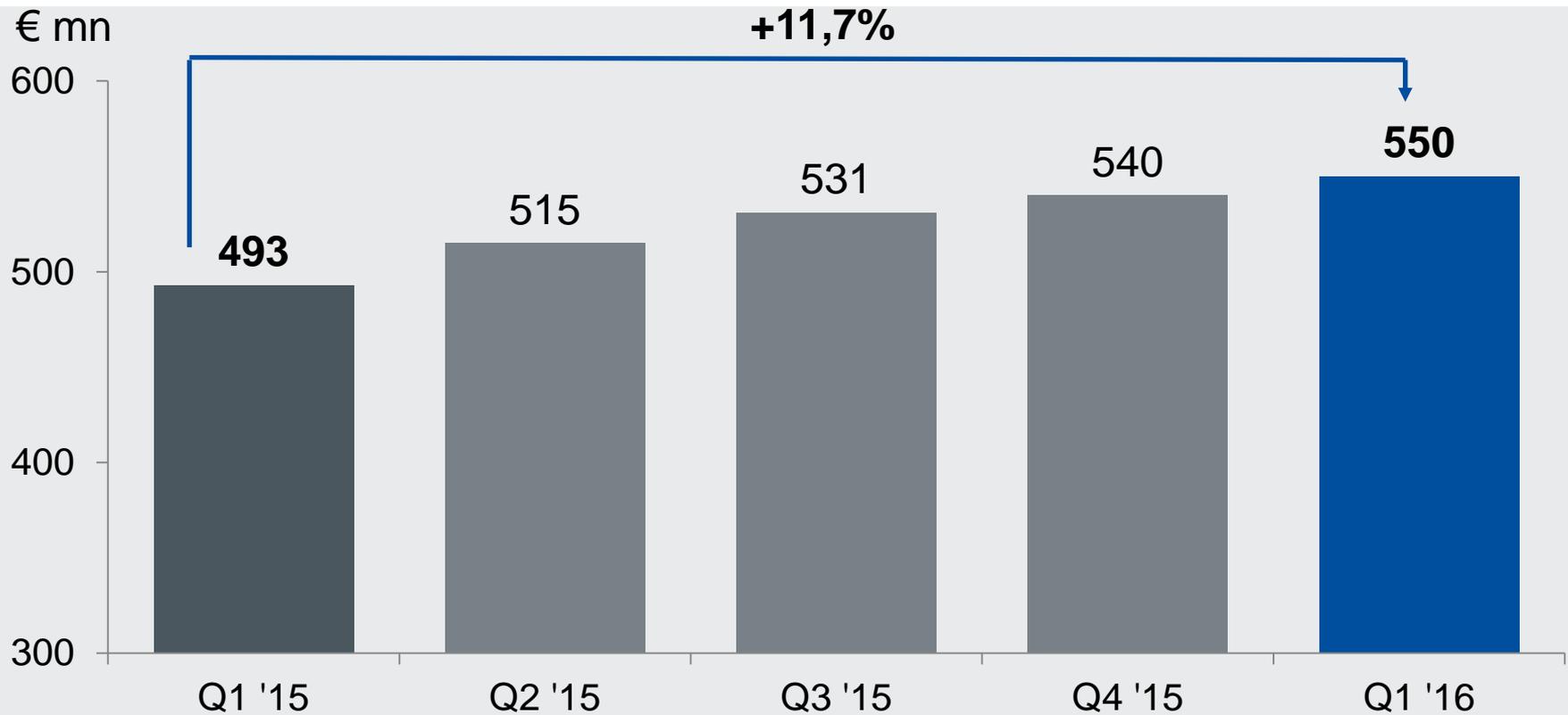
Outlook 2016

- Projected Growth of 7-11%
- Projected EBIT of 3-7%

(before currency translation effects)

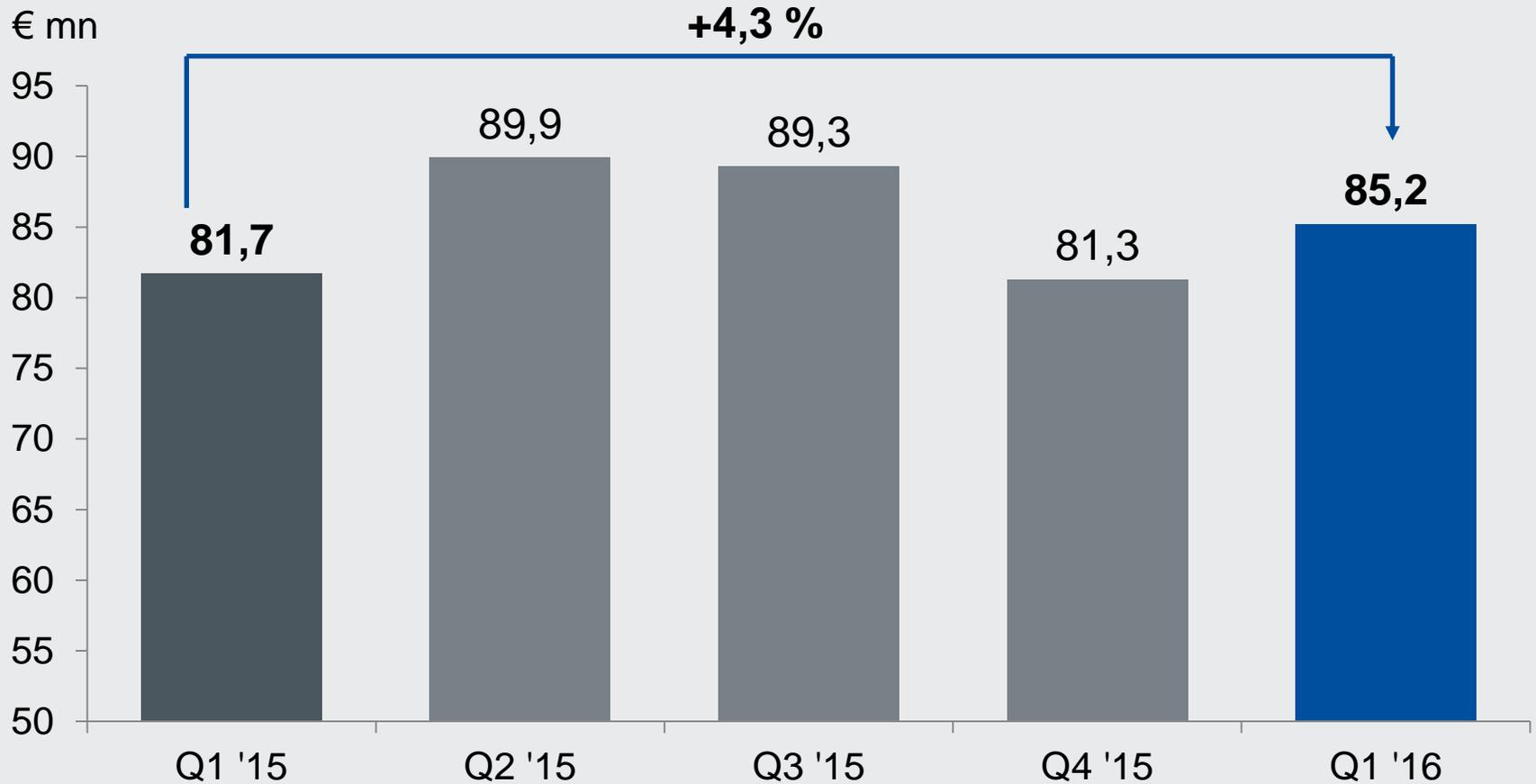
Sales Performance

Pentosin figures included since Q3 15 & Statoil Lubricants since Q4 15



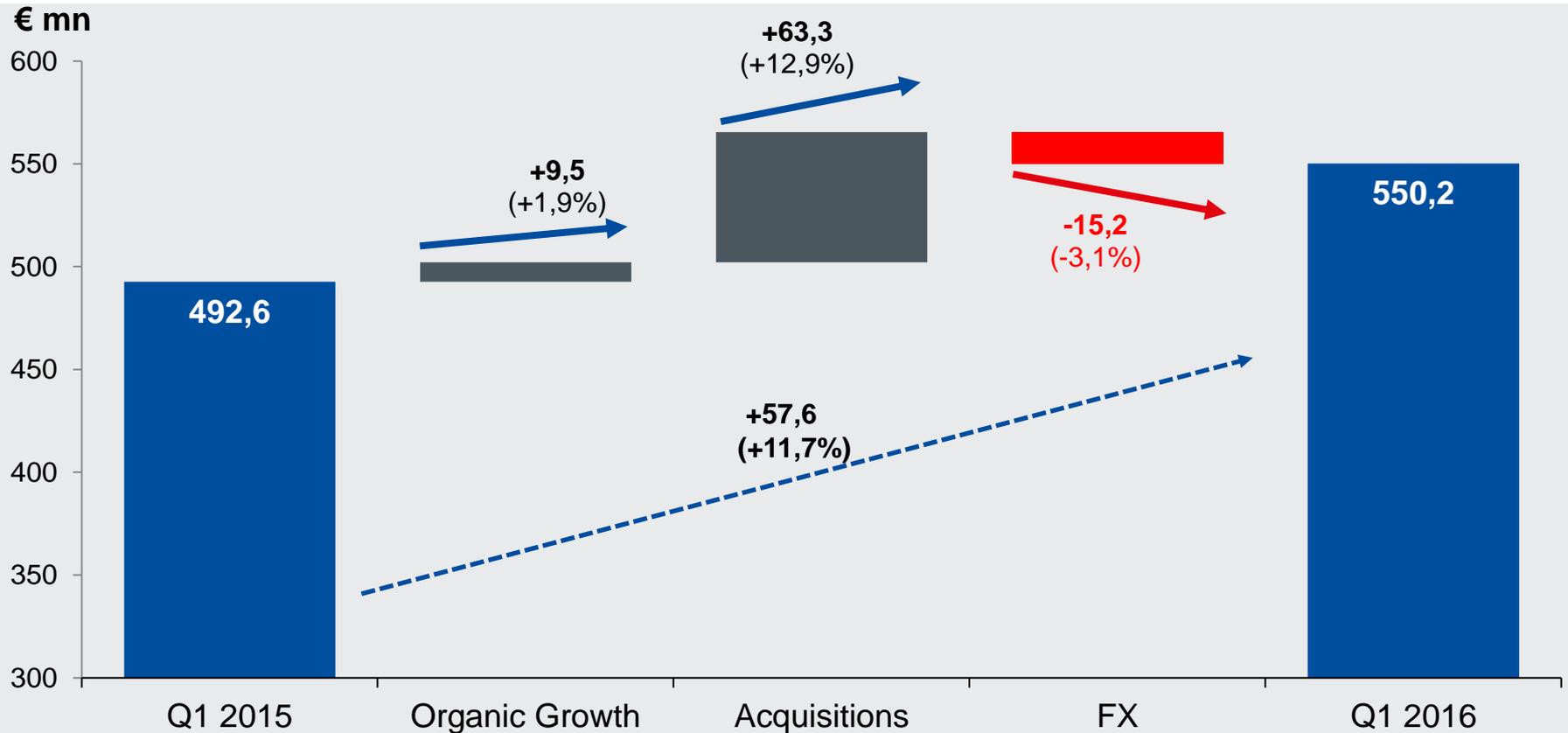
EBIT development

Q4 2015 includes integration costs (Acquisitions 2015)



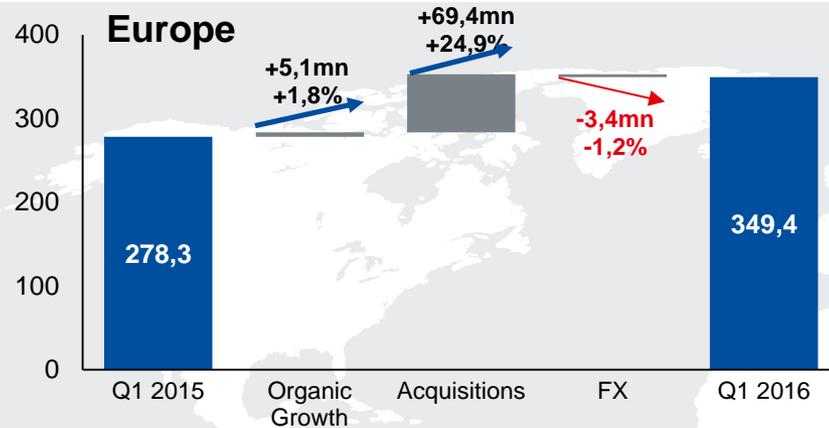
FUCHS Group

Q1 2016 Headwind from FX

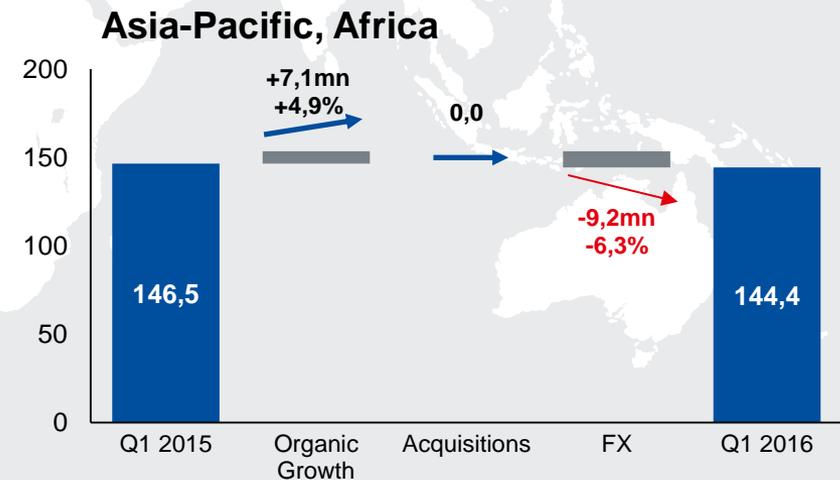
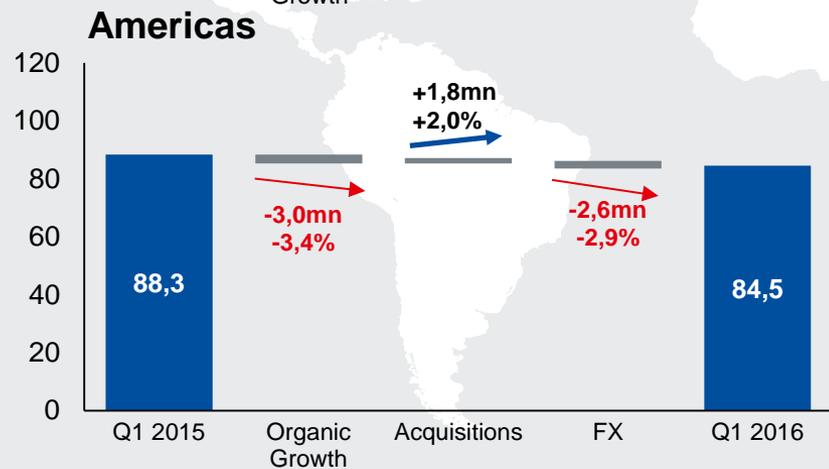


FUCHS Group – Regional Sales in €mn

Q1 2016: Organic Growth in Europe & Asia Pacific, Africa



- Europe + 71,1 mn (+25,5%)
- Americas - 3,8 mn (-4,3%)
- Asia-Pacific, Africa - 2,1 mn (-1,4%)



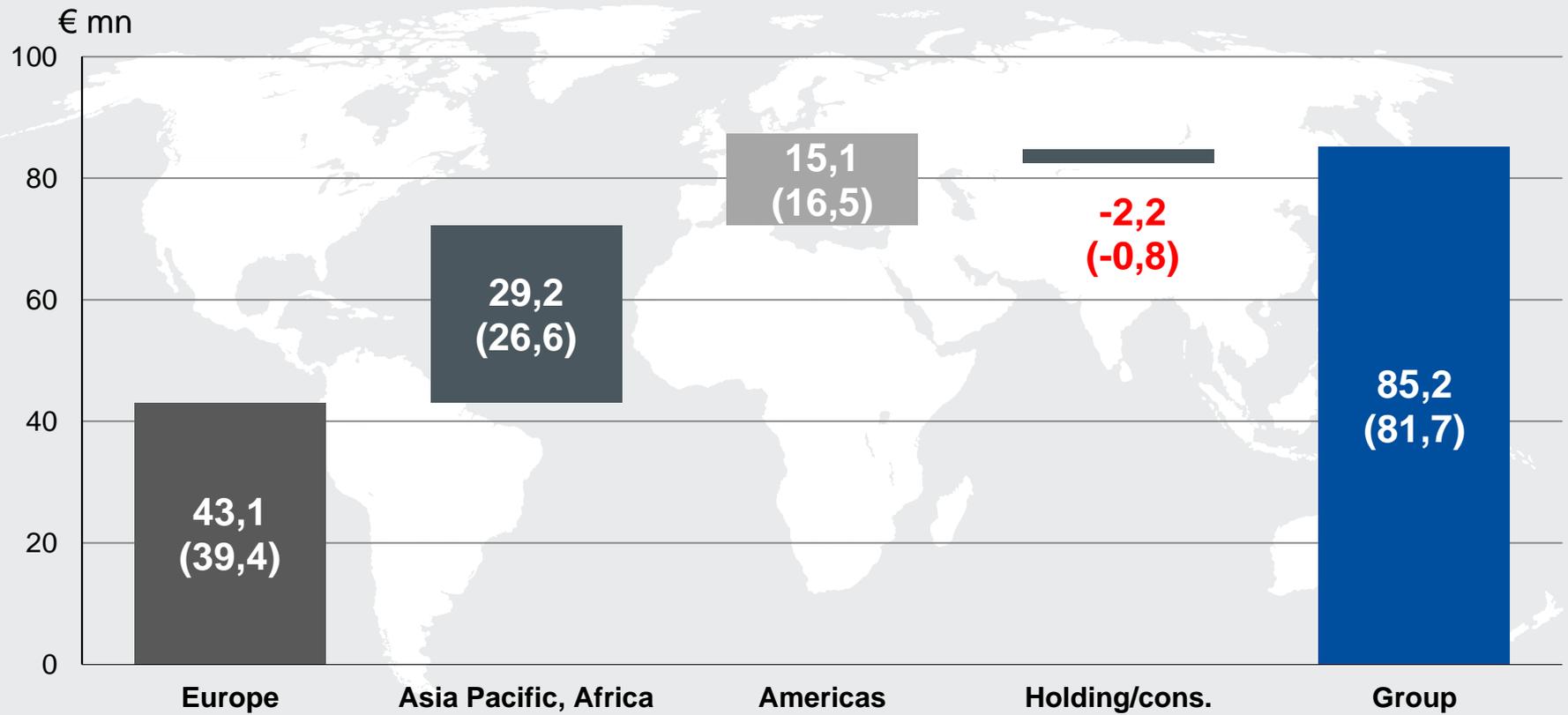
EBIT development

Q1 2015 / Q1 2016

€ mn	Q1 2015	Q1 2016	Δ Mio. €	Δ in %
Sales	492.6	550.2	57.6	11.7%
Gross Profit	187.9	205.8	17.9	9.5%
<i>Margin</i>	38.1%	37.4%		-0.7% points
Selling, admin., R&D expenses, others	110.0	125.5	15.5	14.1%
EBIT before at Equity	77.9	80.3	2.4	3.1%
At Equity	3.8	4.9	1.1	28.9%
EBIT	81.7	85.2	3.5	4.3%
Earnings after tax	56.8	58.7	1.9	3.3%

EBIT by regions

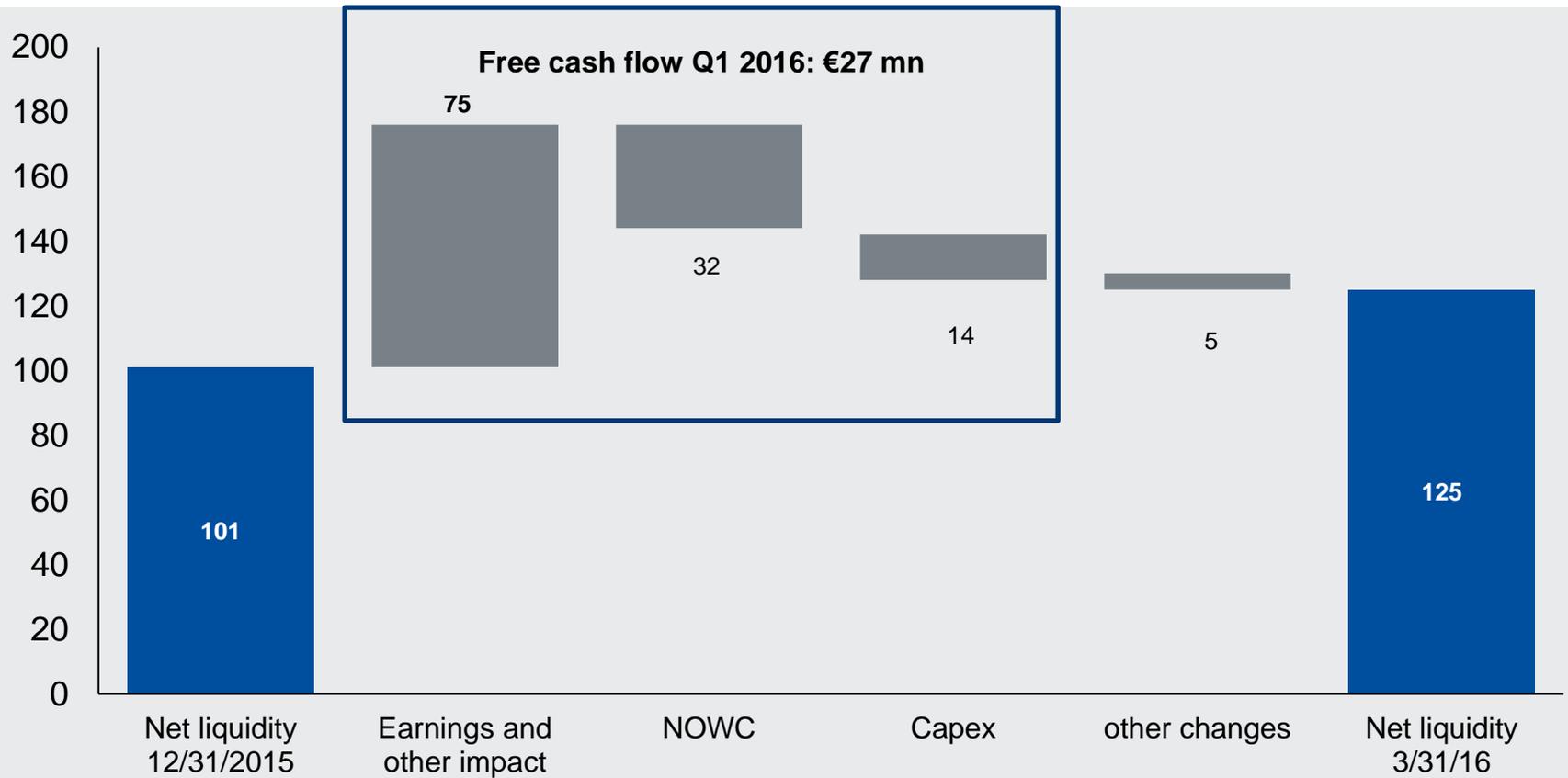
Q1 2016 (Q1 2015)



Free Cash Flow

mn €	Q1 2015	Q1 2016
Gross cash flow	59,6	64,2
Changes in net operating working capital	-17,9	-31,8
Other changes	-3,7	10,9
Operating cash flow	38,0	43,3
Capex	-7,8	-14,4
Other changes	0	-1,6
Free cash flow before acquisitions	30,2	27,3
Acquisitions	-	-
Free cash flow	30,2	27,3

Free Cash Flow development in Q1 2016



04 Outlook 2016



Outlook 2016

(before currency translation effects)

Performance indicators	Actual 2015		Forecast 2016
Sales	€2.079 mn		
Total Growth	+11,4%	↑	7% to 11%
Organic Growth	+0,3%	↑	Low single-digit %
External Growth (Acquisitions 2015)	+6,0%	↑	High single-digit %
Currency	+5,1%		
EBIT	€342 mn	↑	3% to 7%
FVA	€246 mn	↑	Low single-digit %
Free cash flow before acquisition	€232 mn		€170 mn to €200 mn

2016 – 2018: Planned investments of €300mn

- Expansion of the Mannheim site, Germany
- Expansion of the Kaiserslautern site, Germany
- Expansion of the Chicago site, USA
- New plant in WuJiang, China
- New plants in Australia and Sweden

Acquisition 2016



Deal Structure	FUCHS acquires lubricants business from CHEVRON (Asset Deal) €11 mn in sales p.a.; 85 % in North America
Focus	White Oils and Food Machinery Lubricants
Closing	1 st June 2016

DISCLAIMER

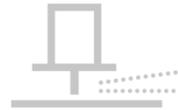
This presentation contains statements about future development that are based on assumptions and estimates by the management of FUCHS PETROLUB SE. Even if the management is of the opinion that these assumptions and estimates are accurate, future actual developments and future actual results may differ 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.

05 Appendix



Our five product categories:

Automotive



- Engine oils
- Gear oils
- Shock absorber fluids
- Hydraulic oils
- Greases
- Motorcycle lubricants
- Lubricants for agricultural machinery
- Service fluids
- Biodegradable lubricants

Our five product categories:

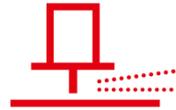
Industry



- Hydraulic oils
- Compressor oils
- Slide way oils
- Gear oils
- Turbine oils
- Machine oils
- Cylinder oils
- Transformer oils
- Tacky oils, heat transfer oils
- Compressor and general lubricating oils
- Refrigerator oils
- Rapidly biodegradable oils
- Textile oils
- Greases

Our five product categories:

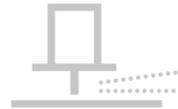
Metal processing



- **Cutting and grinding lubricants**
- **Forming lubricants**
- **Corrosion preventives**
- **Cleaners**
- **Quenching fluids**
- **Minimal quantity lubrication (MQL) products**

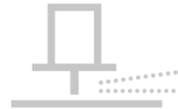
Our five product categories:

Special applications



- Open gear lubricants
- Hot metal forming lubricants
- Food grade lubricants
- Glass lubricants
- Dry coating lubricants
- Concrete release agents
- Chain oils
- Wind power lubricants
- Other specialties
- Greases

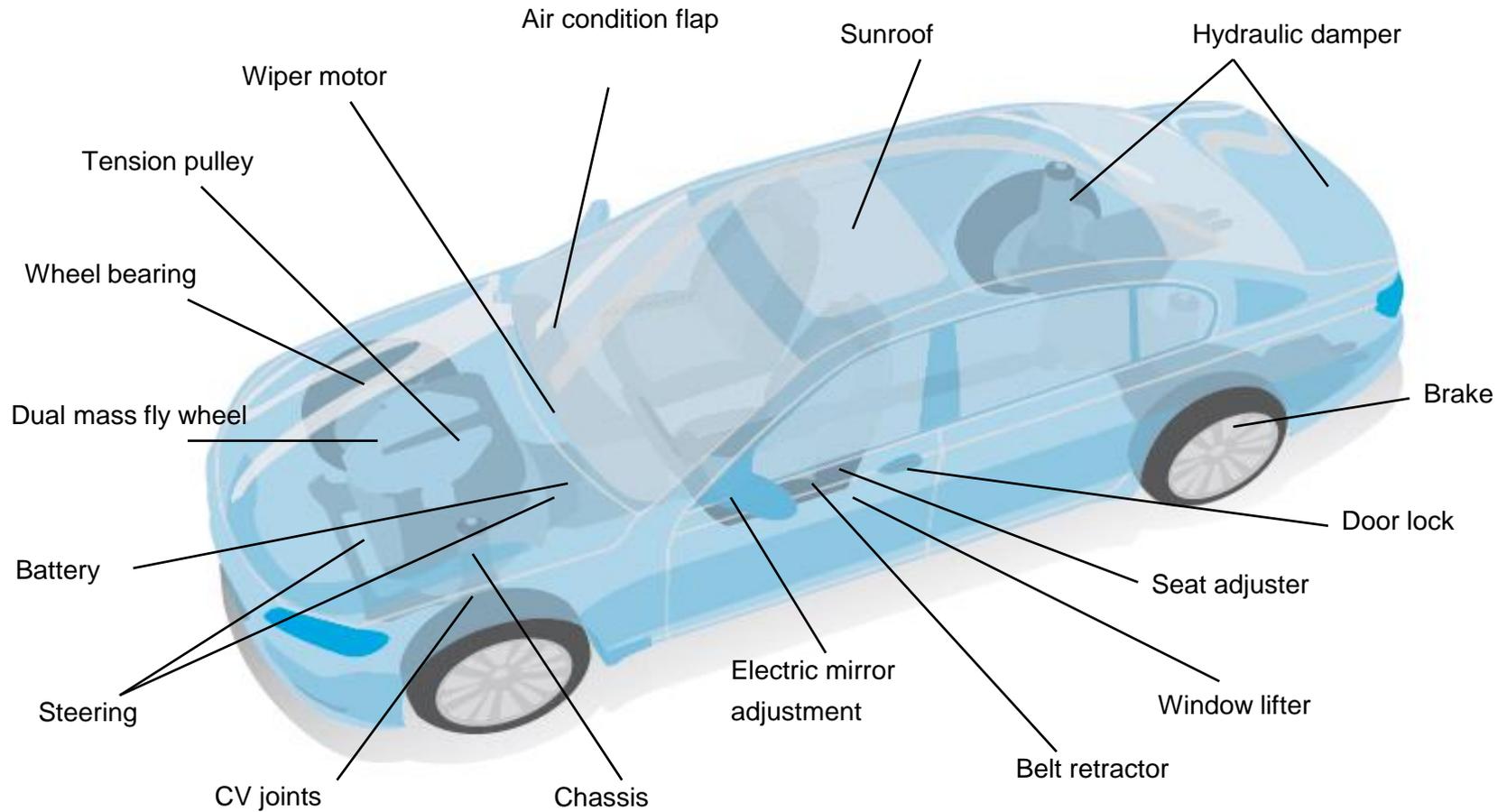
Our five product categories: Services



- Analytical services
- Chemical process management
- Condition monitoring
- Tailor-made development
- Technical services
- Open gear services
- Lubrication critical control point for audit compliance in food and beverage processing
- Coating services

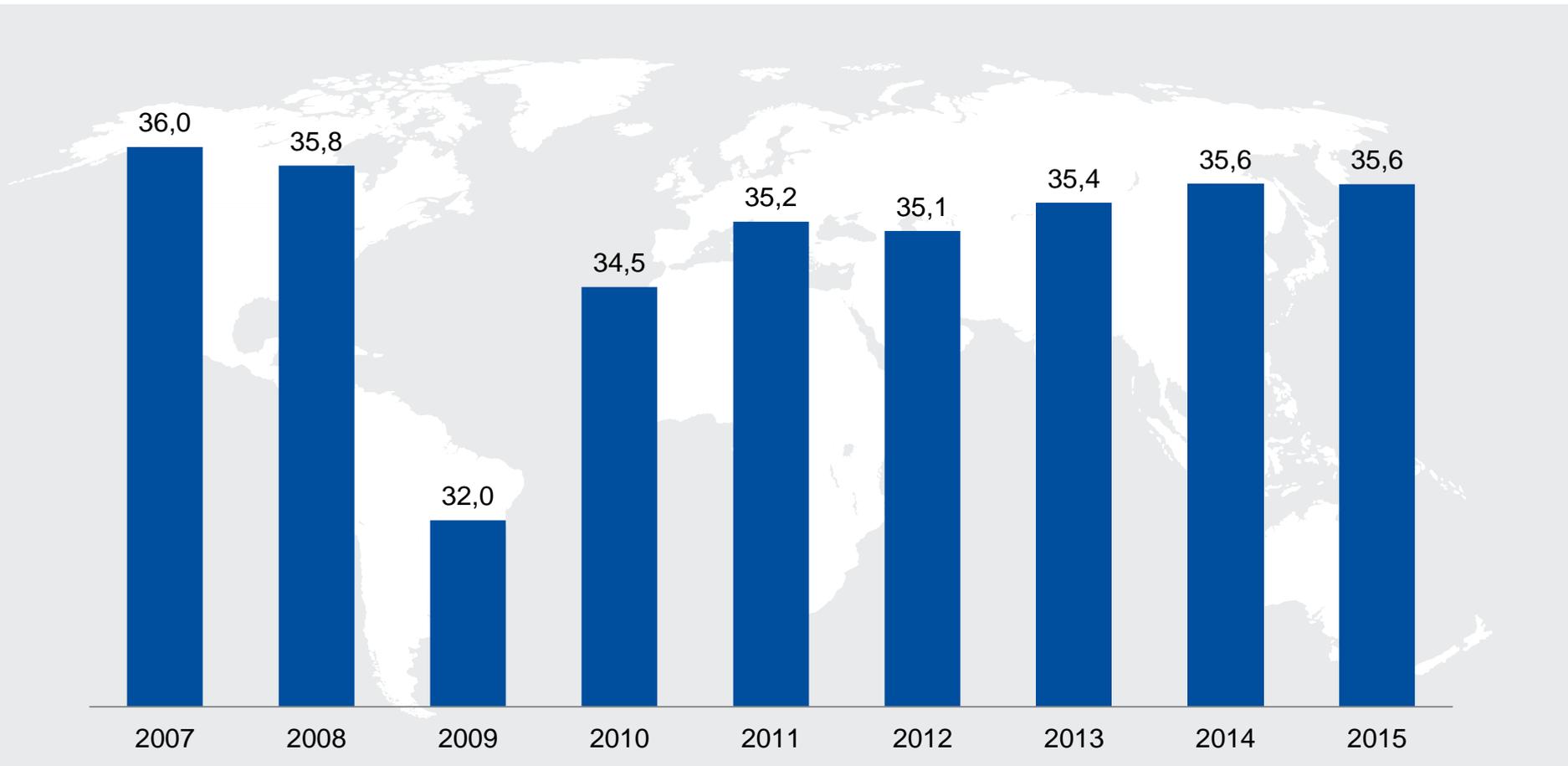
Product

Applications in a Passenger Car



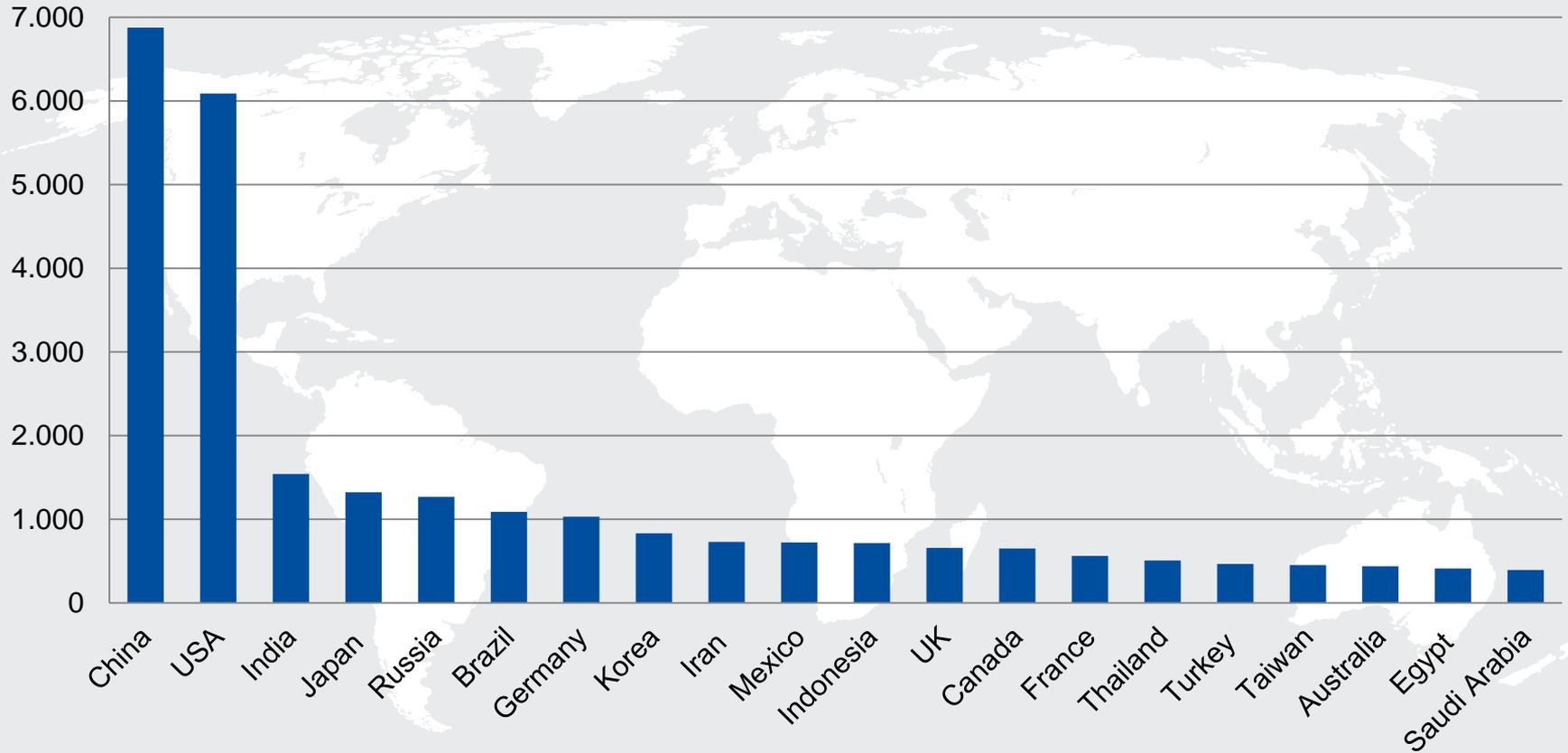
Lubricants Market

Development Global Lubricants Demand (Million Tons)*



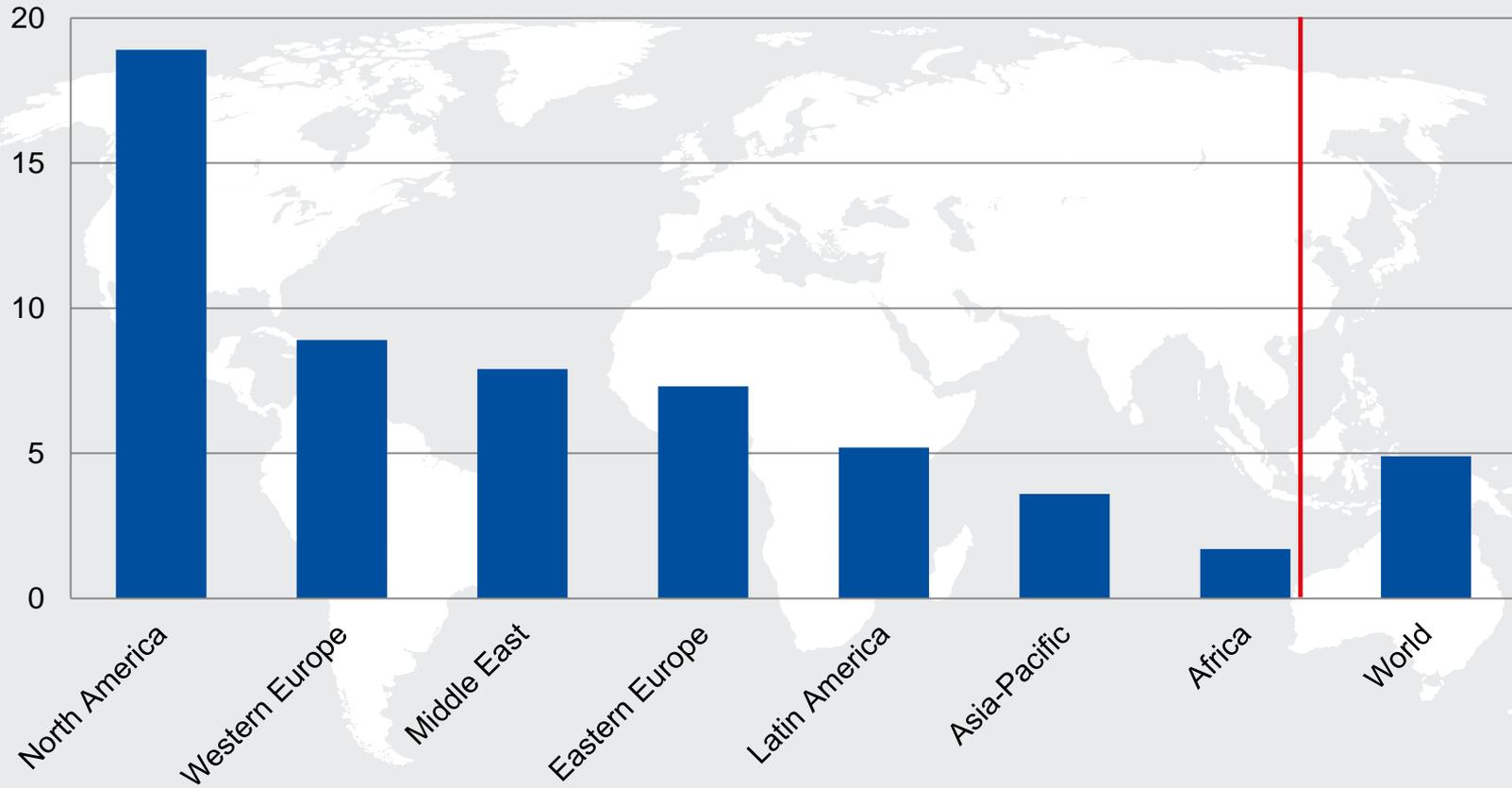
Lubricants Market

Ranking Top 20 Lubricant Countries 2015 (KT)



Lubricants Market

Regional Per-Capita Lubricants Demand 2015 (kg)



FUCHS Management

The Executive Board



Stefan Fuchs: CEO, North and South America, HR, PR



Dr. Lutz Lindemann: R&D, Technical, Supply Chain, Sustainability, OEM, Mining



Dr. Timo Reister: Asia-Pacific and Africa



Dr. Ralph Rheinboldt: Europe, LUBRITECH, SAP/ERP Systems



Dagmar Steinert: Finance, Tax, IR, Legal, Compliance, IT

As of 1st January 2016:

Change in compensation for the executive bodies

- The Executive Board invests 25 % of the variable compensation in FUCHS PETROLUB SE preference shares with a 3 year lock-up period
- The Supervisory Board invests 50 % of the variable compensation in FUCHS PETROLUB SE preference shares with a lock-up period of 5 years, whereby the vesting period is waived when the member leaves the Supervisory Board
- The members of the Executive Board will place their purchase orders as of 21. March 2016 and Members of the Supervisory Board will do so as of 4th May 2016 (AGM)
- Individual mandatory notices will be published (Director's Dealings)

06 Financial Calendar



Financial Calendar 2016

Dates	
19 th February	Preliminary Numbers 2015
22 nd March	Full Year Results 2015
29 th April	Q1 2016
4 th May	Annual General Meeting, Mannheim
1 st August	Q2 2016
8 th September	Capital Market Day, Mannheim
3 rd November	Q3 2016

Thank you for your attention

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