

First Quarter 2019
30 APRIL 2019

CLARIANT 

what is precious to you?

Disclaimer

This presentation contains certain statements that are neither reported financial results nor other historical information. This presentation also includes forward-looking statements.

Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors that are beyond Clariant's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of governmental regulators and other risk factors such as: the timing and strength of new product offerings; pricing strategies of competitors; the Company's ability to continue to receive adequate products from its vendors on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs; and changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including currency fluctuations, inflation and consumer confidence, on a global, regional or national basis.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Clariant does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these materials.

First Quarter 2019 – Highlights

SALES

1 715 + 2 %
in CHF m in LC* y-o-y

EBITDA before exceptional items

254 - 5 % 14.8 %
in CHF m in CHF y-o-y margin

EBITDA after exceptional items

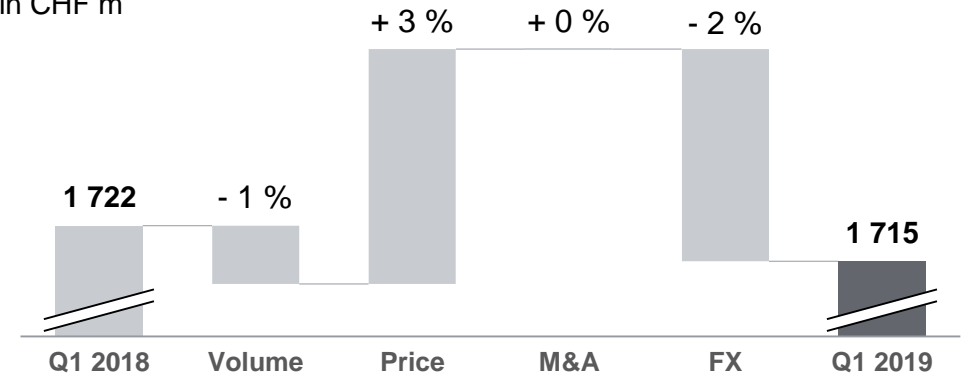
236 - 8 % 13.8 %
in CHF m in CHF y-o-y margin

Sales Development & Mix

- **Q1 2019** sales up by 2 % in local currency, driven by higher pricing in all Business Areas versus a high comparison base
- Local currency sales growth underpinned by Care Chemicals, Catalysis as well as by Natural Resources
- Weakness in Plastics & Coatings as the result of continued softer demand in the automotive and plastics markets as well as in China resulted in a volume decrease of 1 % for the Group
- Sales growth in Swiss francs negatively impacted by 2 % due to unfavorable FX development

Q1 2019 SALES

in CHF m



Sales Distribution by Region

- In **Q1 2019**, sales expansion was most pronounced in Latin America and Europe
- Sales in Latin America rose by 6 % in local currency as a result of the continued improvement of Oil & Mining Services
- Europe grew by a solid 5 % in local currency, driven primarily by Care Chemicals and Catalysis
- Growth in Asia was slightly negative against a strong comparable base, hampered by the soft economic environment in China
- Expansion in North America slowed slightly partly due to strong Aviation sales in the previous year

Q1 2019 SALES CHF 1 715 m in CHF m



ASIA-PACIFIC
430 / - 1 %*

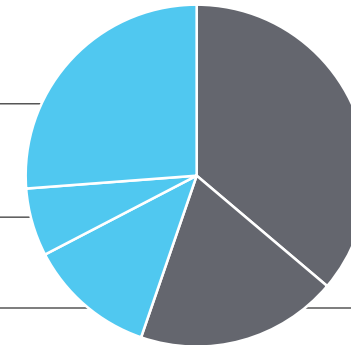
China 134 / - 18 %*

MEA
106 / + 2 %*

LATIN AMERICA
188 / + 6 %*

Brazil 79 / + 3 %*

 Emerging markets
 Mature markets



EUROPE
649 / + 5 %*

Germany 216 / + 3 %*

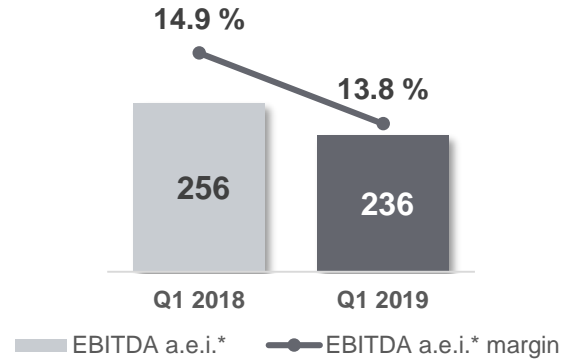
NORTH AMERICA
342 / - 1 %*

*in local currency

EBITDA a.e.i.* Development

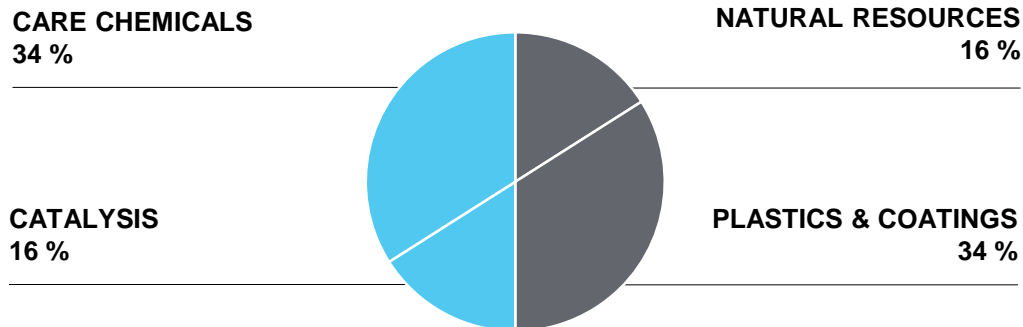
EBITDA a.e.i.* / margin

in CHF m / in % of sales



EBITDA a.e.i.* by Business Area

in % of Group



- Q1 2019 EBITDA a.e.i.* decreased by 8 % in Swiss francs to CHF 236 m
- EBITDA a.e.i.* margin decreased to 13.8 %
- The development was mainly the result of weaker profitability in Plastics & Coatings and higher project costs relating to Clariant's step change into higher value specialties
- While Natural Resources' profitability was down year-on-year, it increased sequentially quarter-on-quarter as anticipated
- The softness could not be offset by the profitability improvement in Care Chemicals and Catalysis



Care Chemicals

- **Q1 2019 sales** increase of 2 % in LC*
- Consumer Care delivered high single-digit sales growth with double-digit expansion in both Personal Care and Home Care, while Crop Solutions reported good mid-single-digit growth
- Industrial Applications reported slightly weaker sales due in part to the challenging Aviation comparison base
- **Q1 2019 EBITDA a.e.i.*** margin** increased to 19.6 % primarily resulting from an improved product mix and operating leverage

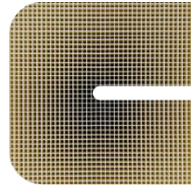
	Q1 2019	Q1 2018	% CHF	% LC*
Sales <i>in CHF m</i>	480	484	- 1 %	+ 2 %
EBITDA b.e.i.** <i>in CHF m</i>	94	89	+ 6 %	
<i>EBITDA b.e.i.** margin</i>	19.6 %	18.4 %		
EBITDA a.e.i.*** <i>in CHF m</i>	94	88	+ 7 %	
<i>EBITDA a.e.i.*** margin</i>	19.6 %	18.2 %		

INNOVATIONS

PERSONAL CARE

Holistic skin rejuvenator

► EPSEAMA™



Catalysis

- Solid **Q1 2019 sales** expansion of 4 % in LC*, against a strong comparable base, underpinned by continued robust demand in Syngas
- This is a strong development given the previously communicated forward sales shift
- Sales growth benefited from good demand in Europe and North America
- **Q1 2019 EBITDA a.e.i.*** margin** increased to 21.7 %, reflecting a more advantageous product mix while the sales contribution from Syngas remained resilient

	Q1 2019	Q1 2018	% CHF	% LC*
Sales <i>in CHF m</i>	203	197	+ 3 %	+ 4 %
EBITDA b.e.i.** <i>in CHF m</i>	44	39	+ 13 %	
<i>EBITDA b.e.i.** margin</i>	21.7 %	19.8 %		
EBITDA a.e.i.*** <i>in CHF m</i>	44	39	+ 13 %	
<i>EBITDA a.e.i.*** margin</i>	21.7 %	19.8 %		

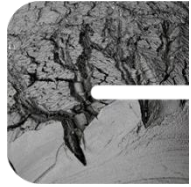
INNOVATIONS

EMISSION
CONTROL



BIOFUELS &
DERIVATIVES





Natural Resources

- **Q1 2019 sales** rose a strong 10 % in LC*
- Oil & Mining Services with double-digit sales expansion in LC* in an improving market environment
- Functional Minerals sales increased at a solid single-digit rate in LC*, primarily driven by the Purification business while soft automotive market demand unfavorably influenced the Foundry business
- **Q1 2019 EBITDA a.e.i.*** margin** decreased to 12.5 % year-on-year, due to weaker demand in more seasonal Refinery business and continuingly challenging pricing environment in Oil Services
- Margin after exceptional items increased sequentially quarter-on-quarter

	Q1 2019	Q1 2018	% CHF	% LC*
Sales <i>in CHF m</i>	361	343	+ 5 %	+ 10 %
EBITDA b.e.i.** <i>in CHF m</i>	46	52	- 12 %	
<i>EBITDA b.e.i.** margin</i>	12.7 %	15.2 %		
EBITDA a.e.i.*** <i>in CHF m</i>	45	49	- 8 %	
<i>EBITDA a.e.i.*** margin</i>	12.5 %	14.3 %		

INNOVATIONS

OIL SERVICES



PURIFICATION OF EDIBLE OIL





Plastics & Coatings

- In **Q1 2019**, **sales** declined in low single digits in LC* and Swiss francs primarily due to the unfavorable automotive and plastics market developments
- Despite higher Healthcare Packaging sales, Masterbatches and Pigments were negatively influenced by the economic slowdown, mainly in China
- The underlying demand and order intake remain solid with an expected gradual improvement throughout 2019
- Additives impacted by plastics demand and raw material constraints, but new business development progressed well
- **Q1 2019 EBITDA a.e.i.***** 17 % weaker in Swiss francs versus strong previous year as product mix shifted towards a less favorable product mix and lower volumes decreased capacity utilization

	Q1 2019	Q1 2018	% CHF	% LC*
Sales <i>in CHF m</i>	671	698	- 4 %	- 2 %
EBITDA b.e.i.** <i>in CHF m</i>	94	114	- 18 %	
<i>EBITDA b.e.i.** margin</i>	14.0 %	16.3 %		
EBITDA a.e.i.*** <i>in CHF m</i>	92	111	- 17 %	
<i>EBITDA a.e.i.*** margin</i>	13.7 %	15.9 %		

INNOVATIONS

HEALTHCARE PACKAGING

► DESICCANT SOLUTIONS

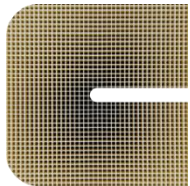
FLAME RETARDANTS

► EXOLIT®

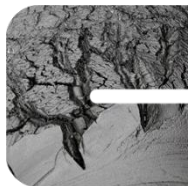
Summary: First Quarter 2019



- **Care Chemicals**, despite a weak Aviation season, delivered a solid performance in Q1 2019, both in terms of sales and profitability, and is well on track towards the 2021 targets



- **Catalysis**' expansion continued in spite of a high comparison base and forward product shifts, resulting in strong sales growth and accelerating profitability improvement towards the 2021 targets



- **Natural Resources**, Oil & Mining Services in particular, is on track towards the 2021 targets with strongly higher sales and a sequential profitability improvement as anticipated



- **Plastics & Coatings**' performance deteriorated primarily as the result of the weaker than anticipated automotive and plastics markets as well as the further economic slowdown in China, partly driven by the VAT regulation change. However, the underlying demand remains solid and we expect gradual improvement throughout the remainder of 2019

Outlook and Summary

Outlook 2021: Above-Market Growth, Higher Profitability and Stronger Cash Generation

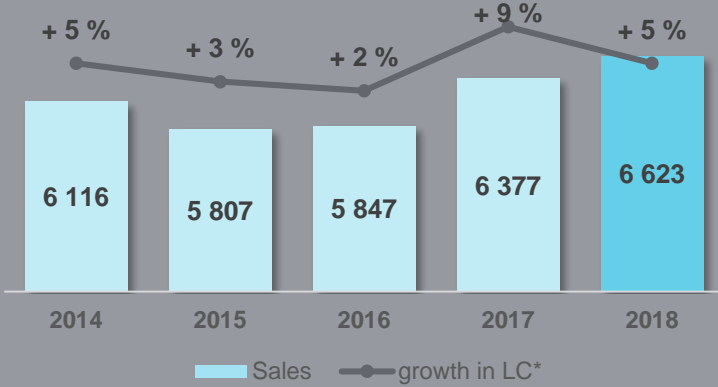


- Clariant is a focused and innovative specialty chemical company. We aim to provide more than just customer-oriented products. We strive to provide the best customer experience and fast, reliable customer fulfillment in the industry by setting the right priorities.
- Our aim is to make our customers more successful. We therefore constantly focus on timely and rewarding innovations, products that are difficult to imitate, sustainability, agility as well as ethical practices. We will only be satisfied with the highest level of excellence in every function within the Group. Our success will be realized through the execution of our strategy.
- We confirm our 2021 guidance to achieve above-market growth, higher profitability and stronger cash generation.

Key Figures

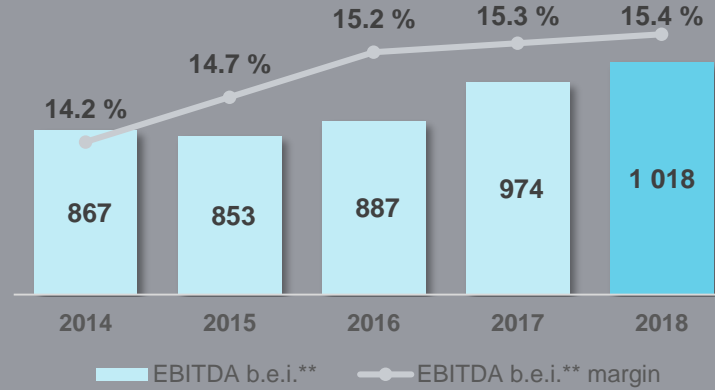
SALES

in CHF m / growth in LC*



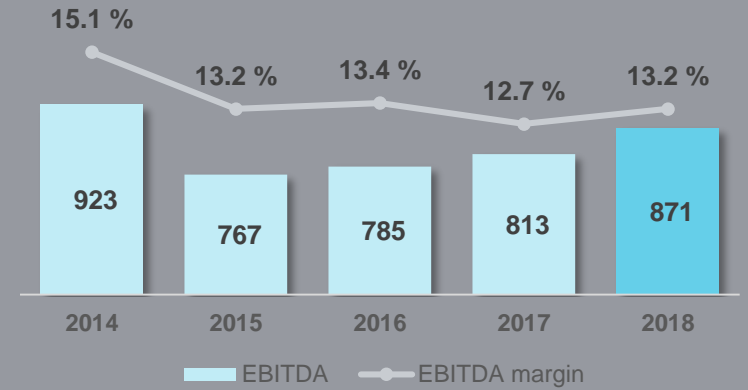
EBITDA b.e.i.** / MARGIN

in CHF m



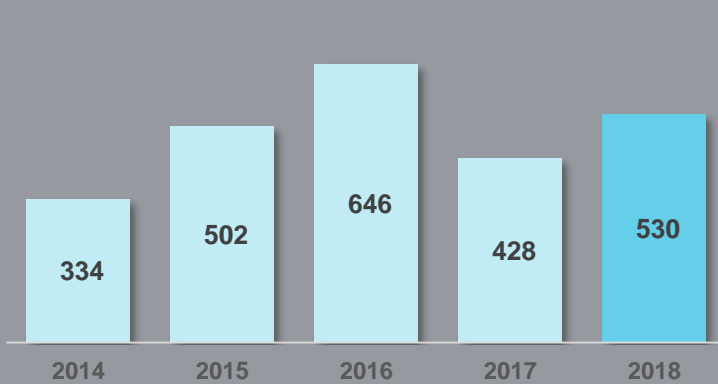
EBITDA / MARGIN

in CHF m



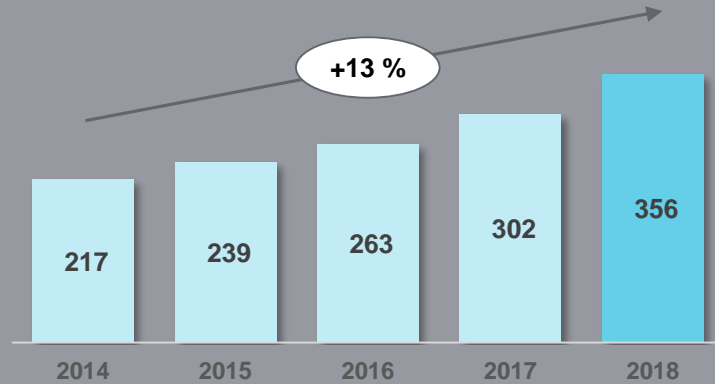
OPERATING CASH FLOW

in CHF m



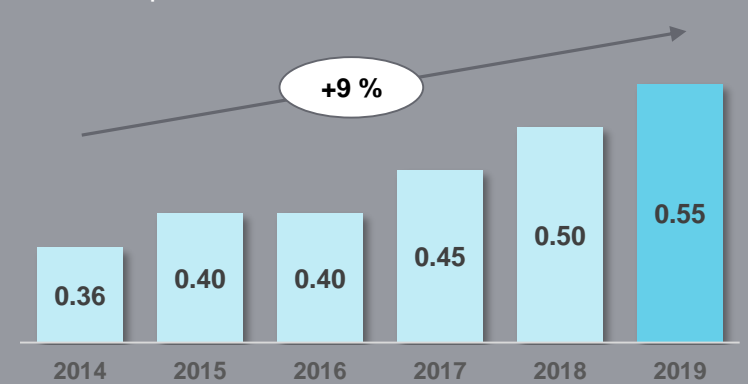
NET INCOME

in CHF m



DIVIDEND***

in CHF per share



* in local currency **before exceptional items ***dividend paid in the year

Back-up Slides

First Quarter 2019 - Sales and EBITDA by Business Area

First Quarter	Sales to 3rd parties			EBITDA** before exceptionals			EBITDA** after exceptionals		
	<i>in CHF m</i>	2019	2018	% LC*	2019	2018	% CHF	2019	2018
Care Chemicals	480	484	+ 2 %	94	89	+ 6 %	94	88	+ 7 %
<i>margin</i>				19.6 %	18.4 %		19.6 %	18.2 %	
Catalysis	203	197	+ 4 %	44	39	+ 13 %	44	39	+ 13 %
<i>margin</i>				21.7 %	19.8 %		21.7 %	19.8 %	
Natural Resources	361	343	+ 10 %	46	52	- 12 %	45	49	- 8 %
<i>margin</i>				12.7 %	15.2 %		12.5 %	14.3 %	
Plastics & Coatings	671	698	- 2 %	94	114	- 18 %	92	111	- 17 %
<i>margin</i>				14.0 %	16.3 %		13.7 %	15.9 %	
Business Areas Total	1 715	1 722	+ 2 %	278	294		275	287	
Corporate Costs	-	-		- 24	- 26		- 39	- 31	
Group Total	1 715	1 722	+ 2 %	254	268	- 5 %	236	256	- 8 %
<i>margin</i>				14.8 %	15.6 %		13.8 %	14.9 %	

* in local currency **incl. a CHF 15 m impact from the adoption of IFRS 16 "Leases" as of 1.1.2019; the new adoption requires that leases are recognised as right-of-use assets which increases depreciation and consequently impacts EBITDA

Full Year 2018 - Sales and EBITDA by Business Area

Full Year 2018	Sales to 3rd parties	EBITDA before exceptionals	EBITDA after exceptionals
<i>in CHF m</i>	<i>2018</i>	<i>2018</i>	<i>2018</i>
Care Chemicals	1 665	316	314
<i>margin</i>		<i>19.0 %</i>	<i>18.9 %</i>
Catalysis	861	199	185
<i>margin</i>		<i>23.1 %</i>	<i>21.5 %</i>
Natural Resources	1 394	179	157
<i>margin</i>		<i>12.8 %</i>	<i>11.3 %</i>
Plastics & Coatings	2 703	412	408
<i>margin</i>		<i>15.2 %</i>	<i>15.1 %</i>
Business Areas Total	6 623	1 106	1 064
Corporate Costs	–	– 88	– 193
Group Total	6 623	1 018	871
<i>margin</i>		<i>15.4 %</i>	<i>13.2 %</i>

Clariant target portfolio for higher value specialties until 2021



Sales growth expectation p.a.	6 - 9 %
EBITDA margin ambition 2021E	24 - 25 %

HIGH PERFORMANCE MATERIALS

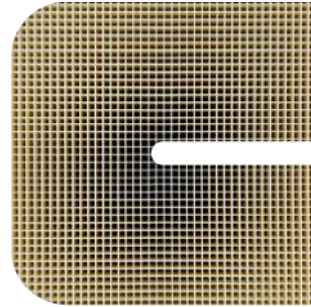
Business Area (BA) High Performance Materials will comprise the Additives, high value Masterbatches and high performance thermoplastics businesses. Major applications include smart electronics, health care, aerospace, automotive, robotics, additive manufacturing, renewable energy as well as e-mobility. These applications demand differentiated fulfillment of customer specifications that require exclusive technology and formulation know-how.



Sales growth expectation p.a.	5 - 7 %
EBITDA margin ambition 2021E	19 - 21 %

CARE CHEMICALS

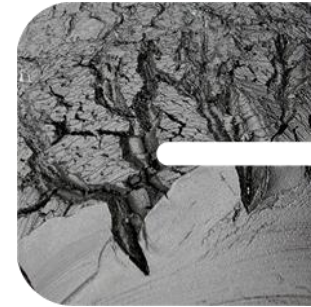
BA Care Chemicals comprises the BU Industrial & Consumer Specialties (ICS), Food additives as well as the future Industrial Biotechnology business. It demonstrates a clear focus on highly attractive, high-margin and low-cyclical segments. The BA follows a lifestyle-driven megatrend and strengthens Clariant's position as a supplier of green and sustainable products.



Sales growth expectation p.a.	6 - 9 %
EBITDA margin ambition 2021E	26 - 30 %

CATALYSIS

BA Catalysis comprises the BU Catalysts and the Business Line Biofuels & Derivatives. It develops, manufactures and sells a wide range of catalyst products for the chemical and fuel industries, which contribute significantly to value creation in our customers' operations, ensuring that finite raw materials and energy are used efficiently. In addition, Catalysis is at the forefront of new market developments such as the commercialization and licensing of bio-ethanol.



Sales growth expectation p.a.	6 - 7 %
EBITDA margin ambition 2021E	16 - 17 %

NATURAL RESOURCES

BA Natural Resources comprises the BUs Oil & Mining Services and Functional Minerals. It is characterized by high growth and low cyclical orientation. Main drivers are the rising demand for high value-added specialty chemicals used in the oil, mining, food and packaging industries and the increased consumption of oil, gas and base metals, driven by the fast-growing economies.

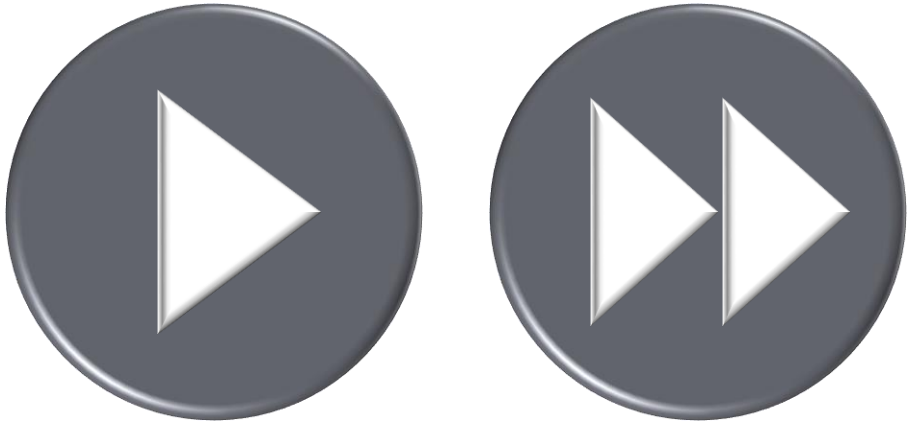


Sales growth expectation p.a.	GDP
Steered for absolute EBITDA and cash flow generation	

PLASTICS & COATINGS

BA P&C currently comprises the Pigments business (pigments, preparations and dyes used primarily in coatings, plastics, printing and consumer goods), standard Masterbatches for the plastics industry and converters as well as Healthcare Packaging. The BA is typically subject to GDP growth and economic cycles due to its highly diversified end applications. Main drivers are the increasing use of plastic applications as well as the steadily growing demand for more sustainable coating solutions.

Clariant's Way Forward



- We strive to provide the best customer experience and fast, reliable customer fulfillment in the industry by setting the right priorities.
- Our aim is to make our customers more successful.
- Therefore, we constantly focus on
 - Timely and rewarding innovations that address challenges and demands, incl. the requirement for more convenience, safety, health and efficiency,
 - Products that are difficult to imitate,
 - Sustainability, agility as well as ethical practices.
- Our focus is geared to effectively master such challenges and address these emerging demands and opportunities.



Identifying the Next Bestseller Concept Prior to Our Customers... ... in Personal Care

- **Natural, renewable ingredients to match trend for natural character, health and safety**
- Exchange of one ingredient with a natural one often requires a change in the formulation of the product
 - “silicon-free” sounds good, but exchange of silicon with a natural ingredient often requires that one has to add another synthetic ingredient to achieve same performance, texture and feel of product
 - Thus no decline, but rather compensation with another additional synthetic ingredient in new formulation
- **Genadvance products actually do address natural trend**
- **Actual reduction of synthetic ingredients** by exchanging them with natural ones
- **Maximizing natural ingredients**, up to 100 %, without compromising & even exceeding performance of original product
- Outstanding **ecological and sustainable** profile



INNOVATIONS

PERSONAL CARE

Advanced hair care

► GENADVANCE®



Identifying the Next Bestseller Concept Prior to Our Customers... ... in Personal Care

GENADVANCE® Hydra for hair hydration

- **Natural moisturizer**, improving the dry after-feel, especially on damaged hair
- **100 % naturally derived**
- Silicone-free conditioning
- **Biodegradable 2-3 times faster** versus traditional formulation
- Reduced waste and lower carbon footprint
- Almost 200 customers testing this innovative ingredient

100 % natural, silicone-free mild products without compromising and even exceeding performance

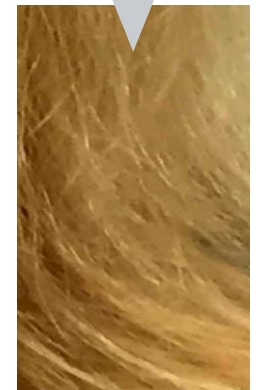
Significantly lower water requirement during production

Innovative formats reducing volume and packaging

GENADVANCE® Hydra

- Visibly smoother hair, feels moisturized & healthy
- Frizz and fly-aways significantly reduced

Natural rinse-off conditioner (branded)



INNOVATIONS

PERSONAL CARE

Advanced hair care

► GENADVANCE®



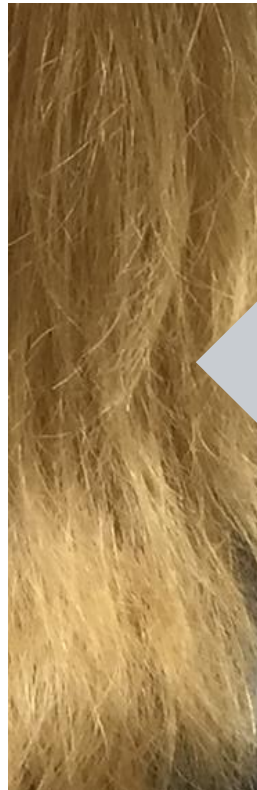
Further Secrets of GENADVANCE[®] and Identifying the Next Bestseller Concept Prior to Our Customers

Smooth and less frizz with GENADVANCE[®] REPAIR



GENADVANCE[®] REPAIR

- Smooth, repaired hair
- Stronger hair
- Carbon footprint reduction
- Exceeds the performance of the original formulation, even with 20 % less actives
- Up to 25 % cost savings



BTAC
(behentrimonium chloride)

GENADVANCE[®] LIFE



Conditioner Soap Bar:

- Up to 95 % less water
- Less packaging due to smaller volume
- Reduced waste
- Lower carbon footprint
- Ideal for traveling



Agility and Ability of Fast Introduction of Rewarding, Innovative, Quality Products into the Market

- Putting ourselves into the shoes of our customers, **anticipating their next and second next trend and needs**
- **Engaging** not only **with our customers** but engaging with the customer of our customers using different channels
- **Trendsetter in using social media by means of vloggers**
 - **V-logs with “Essence by Clariant”** show formulators and brand owners the possibilities to go "free from" and give consumers something they haven't experienced before
- **Maximizing natural ingredients without compromising on performance**
- **Partially waterless formulations and formats reducing volume and packaging**
- **Prompt availability of products, formulations and formats for exciting luxury experience**



INNOVATIONS

PERSONAL CARE

Luxurious product line for men

► **ESSENCE by Clariant**

Luxurious product line for women

► **ESSENCE by Clariant**

Calendar of Upcoming Corporate Events

25 July 2019

First Half 2019 Reporting

30 October 2019

Nine Months 2019 Reporting

13 February 2020

Full Year 2019 Reporting

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Our iPad App



Download it here:

iPad App: www.clariant.com/IRapp

