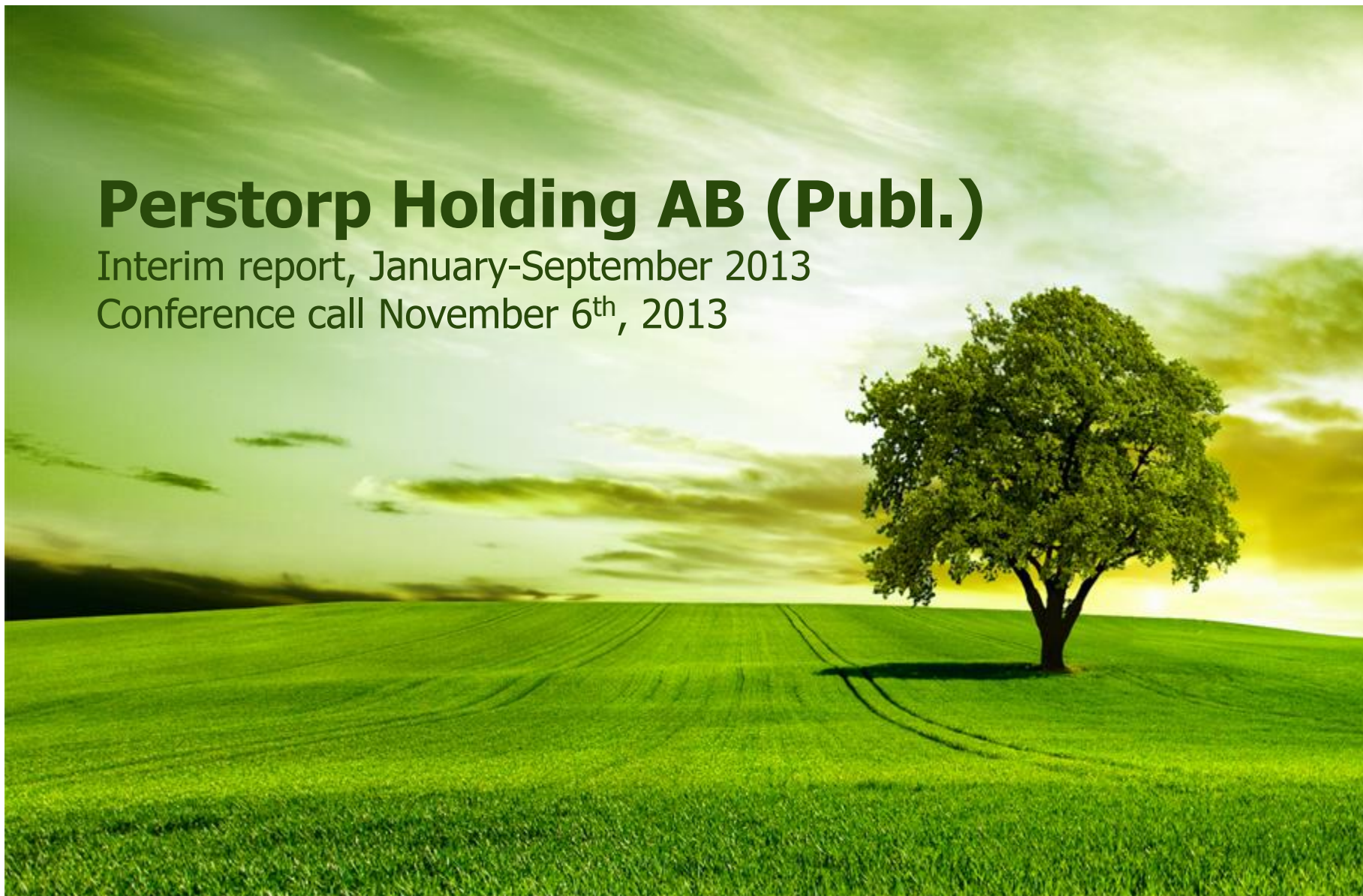


Perstorp Holding AB (Publ.)

Interim report, January-September 2013

Conference call November 6th, 2013

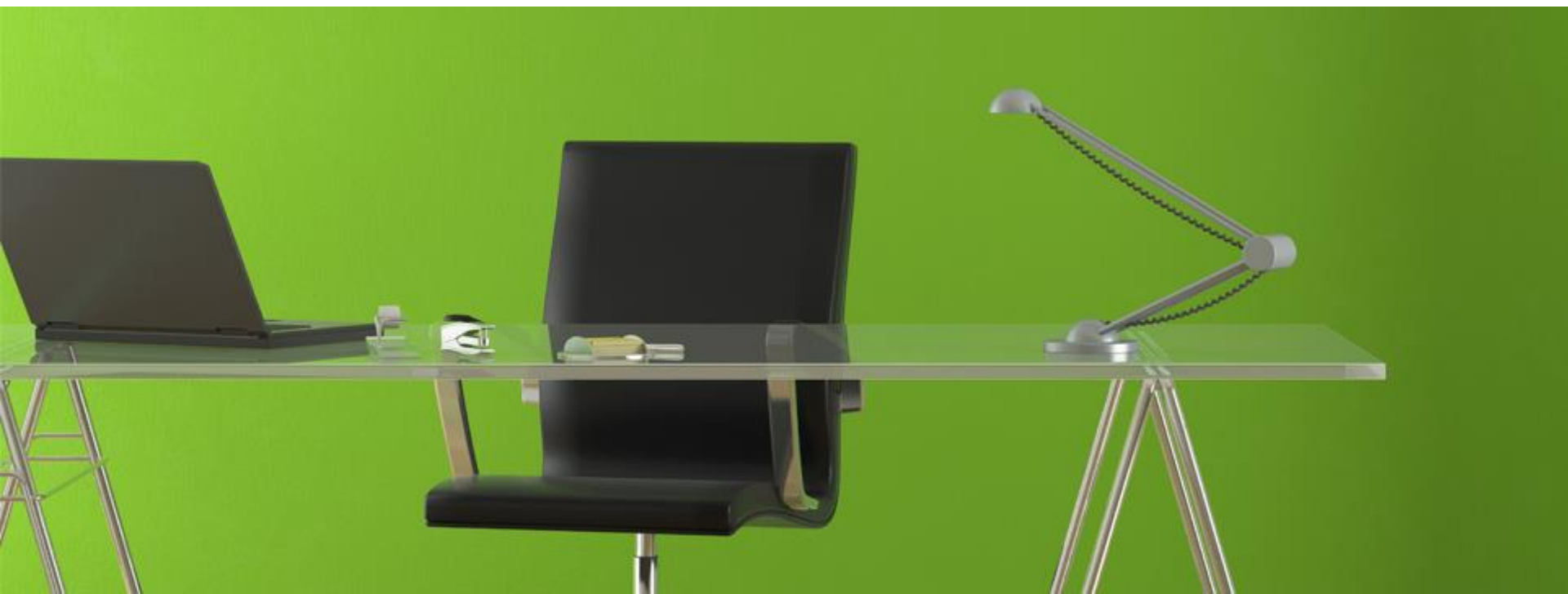


Disclaimer

- ➔ This document contains financial information regarding the businesses and assets of Perstorp Holding AB (publ) (the "Company") and its consolidated subsidiaries (the "Group"). Such financial information may not have been audited, reviewed or verified by any independent accounting firm. The inclusion of such financial information in this document or any related presentation should not be regarded as a representation or warranty by the Company, any of its respective affiliates, advisors or representatives or any other person as to the accuracy or completeness of such information's portrayal of the financial condition or results of operations by the Group.
- ➔ This document contains information, data and predictions about our markets and our competitive position. While we believe this data to be reliable, it has not been independently verified and, while we are not aware of any material misstatements therein, we make no representation or warranty as to the accuracy or completeness of such information. Additionally, industry publications and such reports generally state that the information contained therein has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and in some instances state that they do not assume liability for such information. In those cases where third-party data has not proved readily available, we have relied on internal analyses, as well as information obtained from sources such as our customers, suppliers, trade and business organizations connected with the markets in which we operate. We cannot assure you that any assumptions underlying these statements are accurate or correctly reflect the state and development of, or our position in, the industry. While we believe our internal company research is reliable and the market definitions are appropriate, neither such research nor these definitions have been verified by any independent source.
- ➔ Certain statements in this document are forward-looking. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. These factors include, among others: our level of indebtedness and capital structure and the terms of the notes and our other financing arrangements; our strategy, outlook and growth prospects, including our operational and financial targets; the competitive markets faced by both ourselves and our customers; the economic outlook in general and, in particular, economic conditions in the markets of the United States, Europe and Asia, and the expected growth of our markets; our ability to borrow or raise capital; costs and regulations related to contamination or exposure impacts from our operations or products; our expansion plans, including our ongoing geographic expansion and expansion of our production capacity; our ability to develop, market and launch commercially viable products; the cyclical nature of some of the industries in which we operate; our ability to manage and pass on raw material and other input costs; currency fluctuations; loss of key customers or suppliers for certain of our products; changes to or enforcement of governmental and environmental regulations and health and safety requirements across the multiple jurisdictions in which we operate; downtime at our facilities; inability to control our joint ventures or other similar business arrangements; loss of key personnel; ongoing and future tax audits and potential changes in applicable tax regulations; inadequate protection of our intellectual property rights; and expenses and reputational damage resulting from litigation.
- ➔ These and other factors could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this document regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. New risks can emerge from time to time, and it is not possible for us to predict all such risks, nor can we assess the impact of all such risks on our business or the extent to which any risks, or combination of risks and other factors, may cause actual results to differ materially from those contained in any forward-looking statements. The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. Neither the Company nor the Group undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this document.
- ➔ By attending this presentation, you are agreeing to be bound by the foregoing limitations.

Important notice

- ➔ Unless otherwise stated, the financial information presented in this document represents the Group's continuing operations, i.e. excluding:
 - 49% stake in Vencorex (the former Coating Additives business unit, divested in May 2012).
 - Singapore legal units (transferred to Financière Forêt S.à.r.l. in March 2013)
 - Formox legal units (divested to Johnson Matthey in March 2013)
- ➔ Financials of historical periods have been adjusted accordingly for comparative purposes



Business performance



Jan Secher
President & CEO

Joined Perstorp in September 2013

Previously CEO and President of Ferrostaal AG
and CEO of Clariant

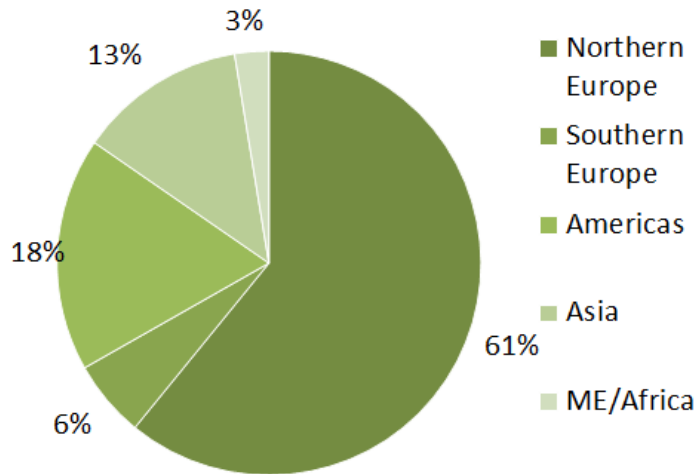


Executive summary

- ➔ While the macro-economic environment remained challenging we were able to generate a 12% year-on-year volume increase, with volumes only slightly lower than in Q2/2013. Raw material prices were rather flat in the quarter but remain on a historically high level
- ➔ Q3 sales for continuing operations amounted to SEK 2,649m, a 9% improvement over last year which recorded sales of 2,425m
- ➔ EBITDA excluding non-recurring items amounted to SEK 343m in Q3/13 compared to SEK 308m in Q2/13 and 277m last year
- ➔ Q3/13 improved compared to preceding quarter due to a combination of slightly higher unit margins and impact from our profit improvement measures
- ➔ The SEK appreciated towards the end of the third quarter, but with limited effects on sales and earnings in the third quarter
- ➔ Funds available remain on a satisfactory level, at SEK 1.4 bn
- ➔ In the third quarter, we successfully started our new Neo plant in China. We also launched four new products for the plastics industry, most notably our Capa™ for bioplastics

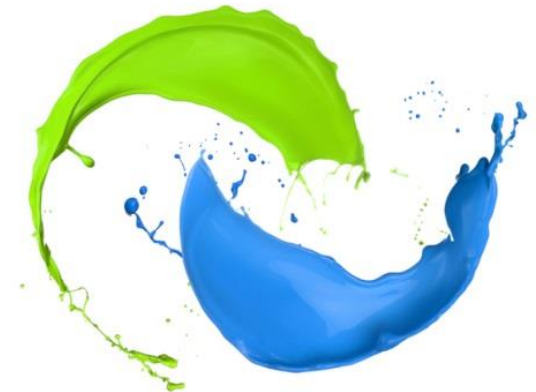
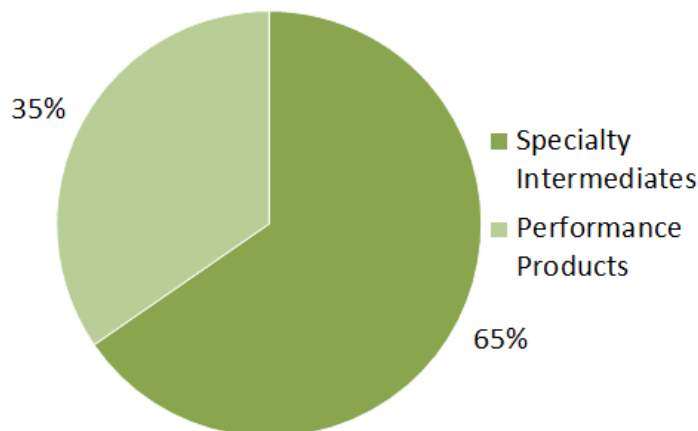
Revenue overview

Q3/ 2013, Revenue by region, %



- ➔ Economic downturn in Western Europe continues to ease and most countries are now out of contraction
- ➔ The US economy continues to improve step by step, but slower than many anticipated
- ➔ Asian economy show mixed signals, with some optimism in the North East, but more challenging business sentiment in the South East

Q3/ 2013, Revenue by Business Group, %

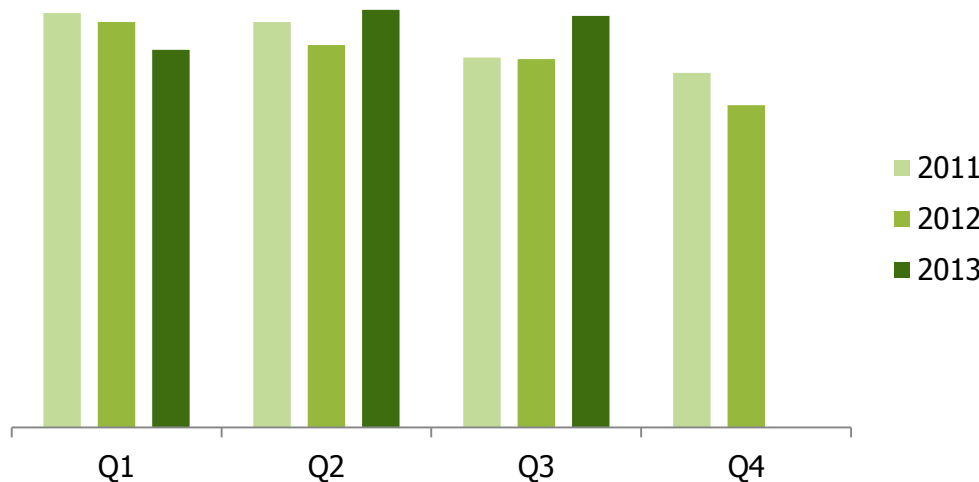


Key revenue drivers during Q3/2013

- ➔ Volumes were slightly below last quarter, but 12% above Q3/12
 - Volumes in Q3/13 were 2% below last quarter; mixed picture for our product lines
 - The increased volumes compared to Q3/12 can be assignable to a combination of increased demand, our strategy to expand/recover our market shares and no Oxo shutdown
 - Volumes expected to be a bit lower in Q4/13 vs. Q3/13

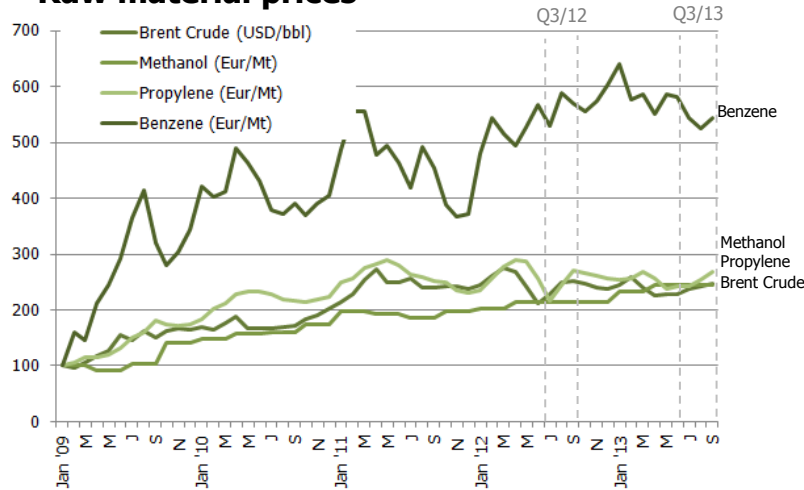
- ➔ Average selling prices on par with last quarter, but slightly lower than Q3/12
 - Most products show stable prices vs. Q2/13
 - The competitive market situation affects market prices slightly negative when comparing with Q3/12
 - Only minor currency effects

Volumes by quarter



Raw materials and margins

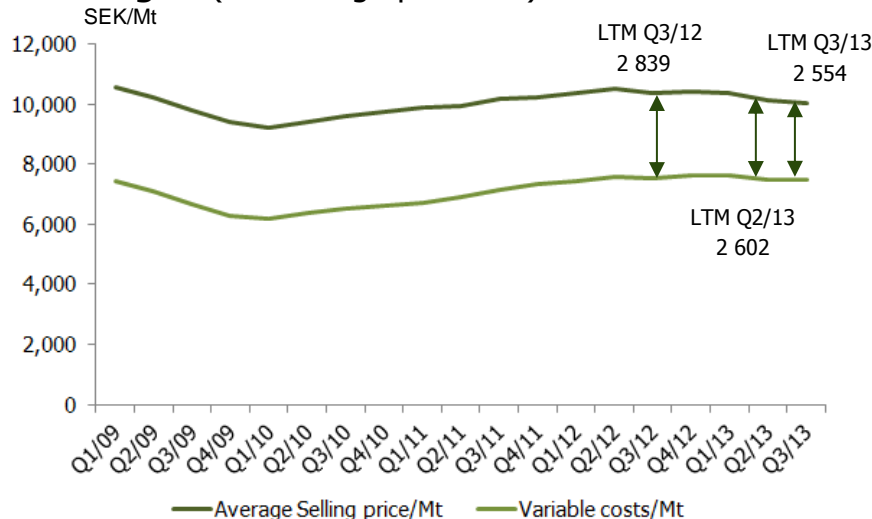
Raw material prices



➔ Despite a 5% increase in Brent crude oil in Q3/13, Perstorp's main raw materials have been flat in Q3/13 vs. Q2/13. Compared to last year, raw material prices are slightly higher in 2013, especially Methanol

➔ Quarterly margins stable Q3/13 vs. preceding quarters, but LTM margin still decreasing as quarters with stronger margins get removed

Margins (continuing operations)



➔ LTM unit margins negatively affected by a combination of high raw material prices, a competitive market situation and a strong SEK

Financial review



Johan Malmqvist
CFO



Financial highlights

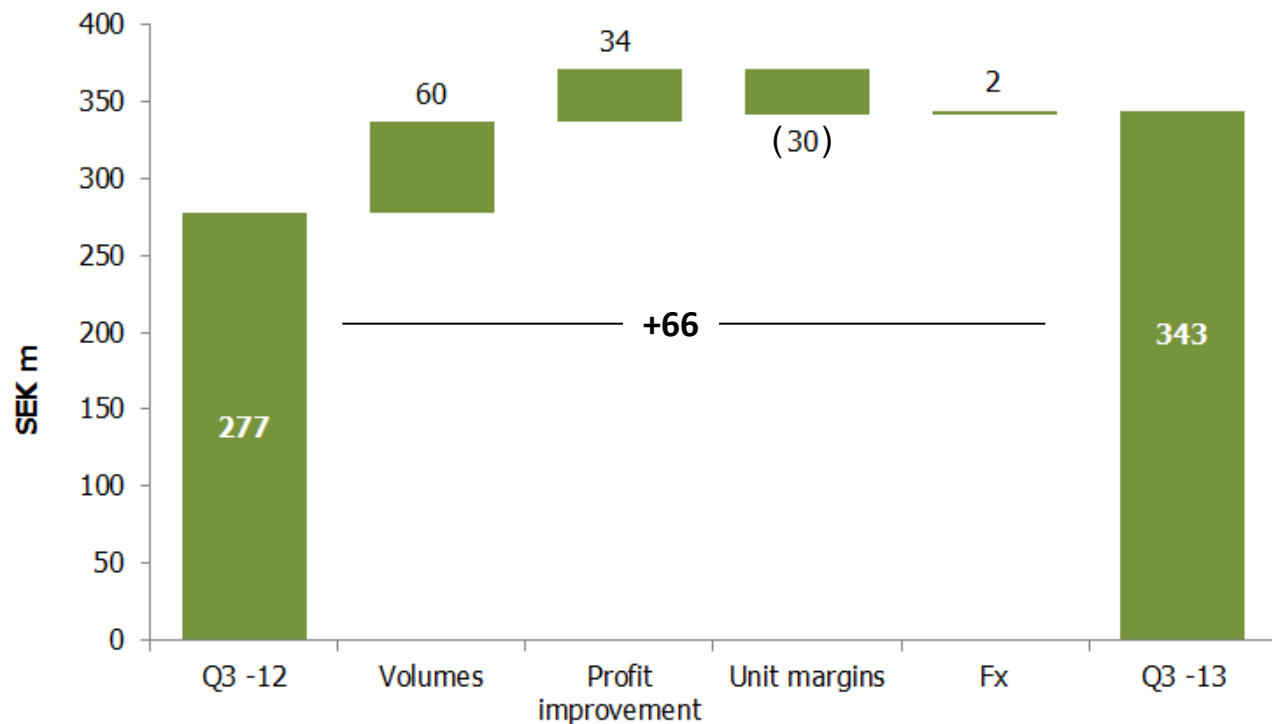
Q3 2013

| SEK m | Q3 -13 | Q3 -12 | Q2 -13 |
|-----------------------------------|--------|--------|--------|
| Net Sales | 2,649 | 2,425 | 2,694 |
| % growth (y-o-y) | 9.2% | | |
| Marginal Contribution | 694 | 669 | 674 |
| % of sales | 26% | 28% | 25% |
| EBITDA, reported | 330 | 303 | 315 |
| % of sales | 12.5% | 12.5% | 11.7% |
| EBITDA, excl non- recurring items | 343 | 277 | 308 |
| % of sales | 12.9% | 11.4% | 11.4% |

- ➔ Compared to the same period last year, both sales and earnings improved primarily driven by stronger volumes. Margins improved slightly from the levels seen in Q2/13, but continue to be lower than last year given a more competitive market in combination with high feedstock prices but to some extent also a stronger Swedish krona
- ➔ Besides the slight improvement in unit margins vs. the last quarter, earnings also benefitted from our profit improvement measures, leading to improved EBITDA-margins in Q3/13

Bridge EBITDA excl. non recurring items

Q3 -13 vs. Q3 -12



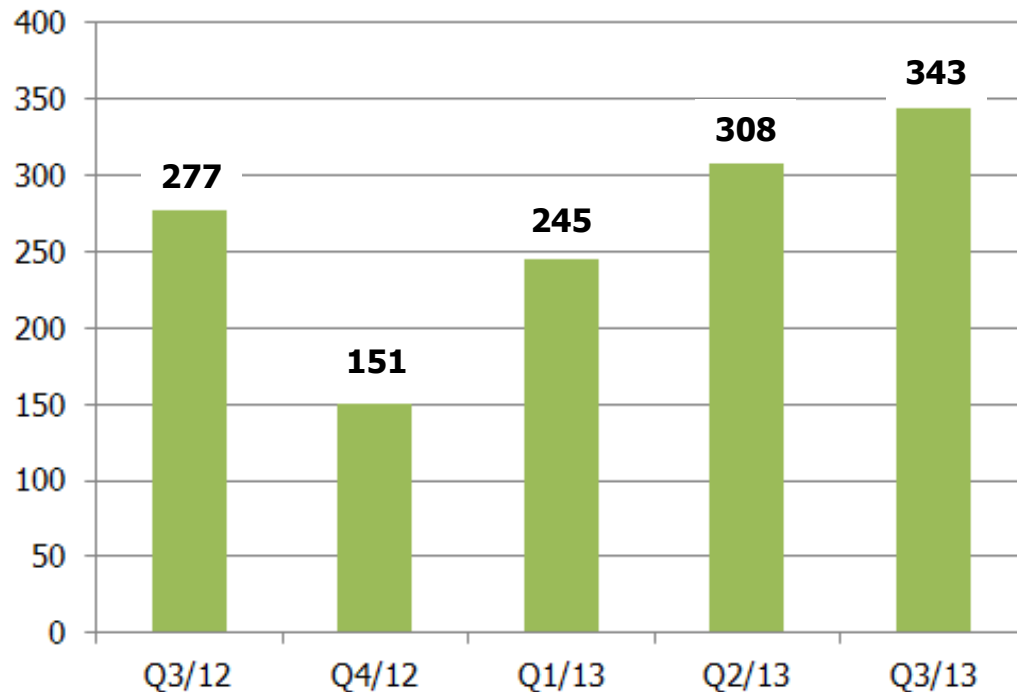
- ➔ Q3/13 EBITDA improved SEK 66 m vs. previous year, driven by higher volumes and profit improvement measures. Earnings negatively affected by lower sales prices due to a competitive market sentiment for some product lines



Positive quarter on quarter trend

Q3/12 to Q3/13

EBITDA excluding non recurring items



- ➔ After a weak Q4 last year, negatively affected by our Oxo shutdown and weak demand, performance has improved quarter by quarter based on slowly improving market conditions and profit improvement measures



Financial highlights

Q3 – YTD and LTM

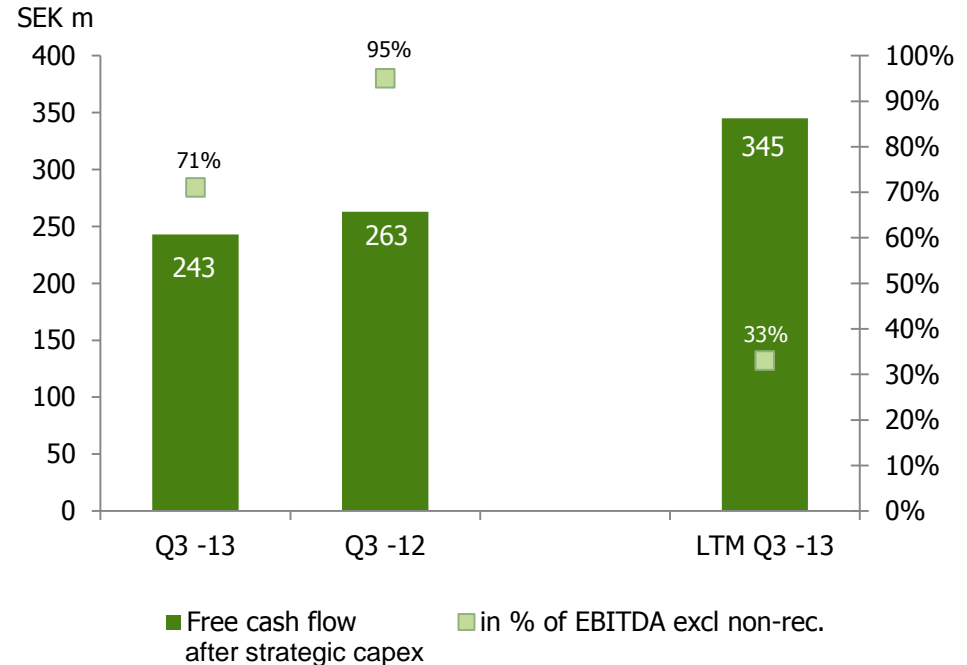
| SEK m | YTD Q3 -13 | YTD Q3 -12 | LTM Q3 -13 |
|-----------------------------------|------------|------------|------------|
| Net Sales | 7,828 | 7,858 | 10,006 |
| % growth (y-o-y) | -0.4% | | |
| Marginal Contribution | 2,003 | 2,159 | 2,544 |
| % of sales | 26% | 28% | 25% |
| EBITDA, reported | 889 | 1,122 | 1,044 |
| % of sales | 11.4% | 14.3% | 10.4% |
| EBITDA, excl non- recurring items | 896 | 1,037 | 1,047 |
| % of sales | 11.4% | 13.2% | 10.5% |



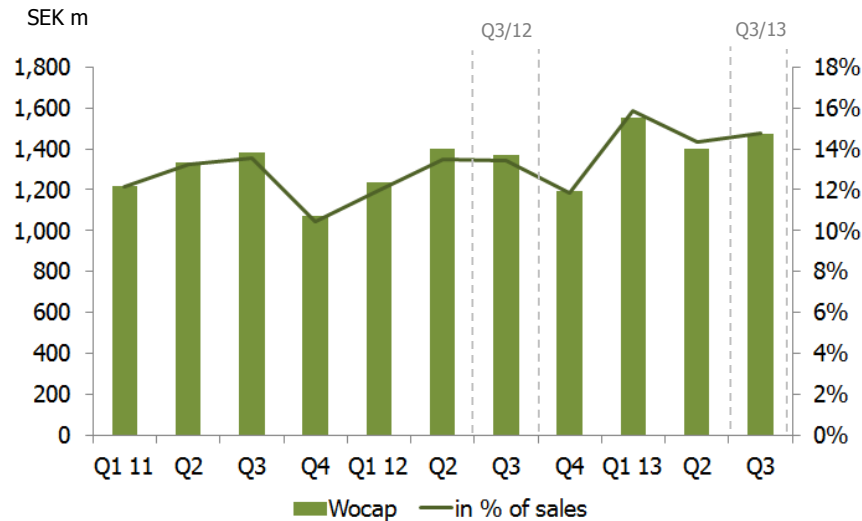
- ➔ Sales were on par with last year's numbers, whereas the drop in earnings primarily can be explained by lower prices following a competitive market in combination with negative currency effects from the strong Swedish krona
- ➔ LTM numbers show a slight improvement vs. last quarter, and are expected to improve in coming quarter as Q4/12 was a weak quarter

Free cash flow

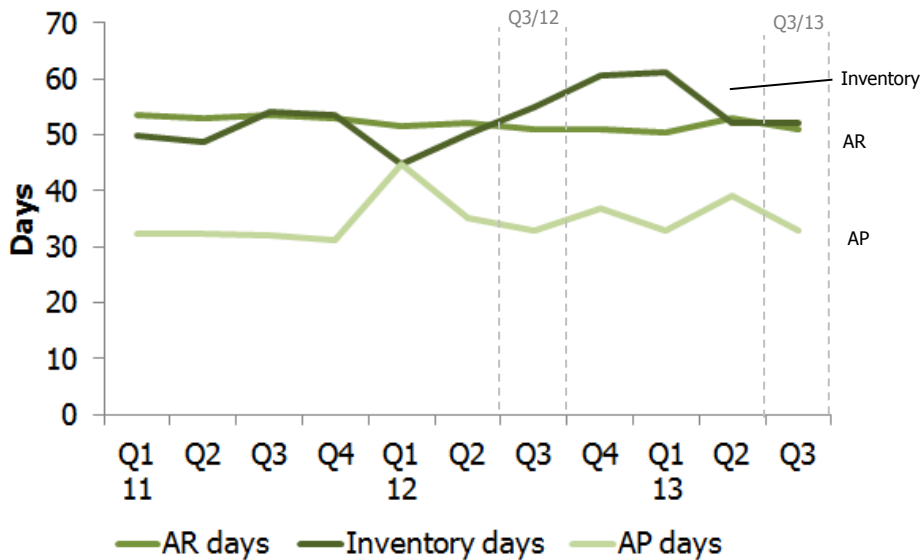
- ➔ Strong Q3/13 free cash flow based on improved earnings and only minor changes in working capital
- ➔ Strong free cash flow conversion of 90% or 308m in Q3/13 before strategic capex
- ➔ Q3/12 free cash flow and cash flow conversion slightly higher than Q3/13 given high release of working capital during prior year quarter



Working capital

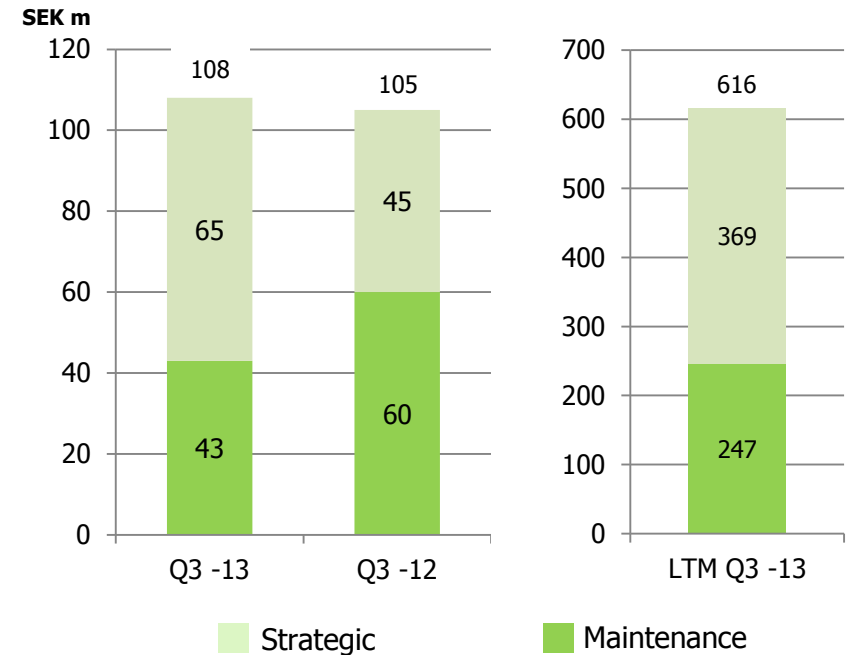


- ➔ Working capital increased during Q3 primarily driven by changes in other current liabilities
- ➔ Inventory remains on the same level as Q2/13
- ➔ Year-end working capital typically somewhat lower than preceding quarter



Investments

- ➔ Strategic capex continue to mainly relate to the Valerox project in Stenungsund
- ➔ Valerox (valeraldehyde and derivatives)
 - Civil construction work ongoing
 - Some steel and concrete structures installed
 - All major equipment in manufacturing stage at suppliers
 - Overall project on time, on budget
 - Expected start-up Q1 2015
- ➔ Neo expansion in China
 - Mid September, the Neo plant was successfully started
 - The product quality met the specifications from day one
 - The first truckloads of product have been shipped to customer end of September
 - Production will be ramped up during Q4 to around 60% capacity utilization rate



The new Neo plant in operation

Indebtedness

Current capital structure detail

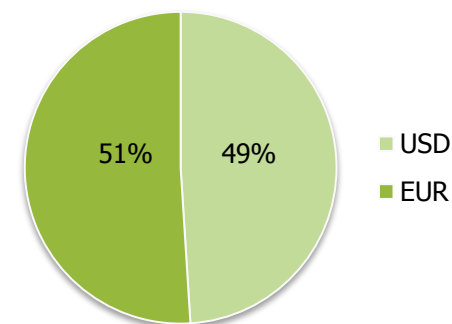
| | USDm equiv. | SEKm | x EBITDA excl non-rec. |
|---|--------------|--------------|---------------------------|
| Cash | -184 | -1,180 | |
| Senior secured notes (€) | 364 | 2,342 | |
| Senior secured notes (\$) | 380 | 2,443 | |
| Net senior secured debt | 561 | 3,605 | 3.4 x |
| Second lien notes (\$) | 370 | 2,379 | |
| Net second lien debt | 931 | 5,984 | 5.7 x |
| Mezzanine loans (€) | 404 | 2,598 | |
| Other debt | 2 | 15 | |
| Net debt, excl pensions and shareholder loan | 1,337 | 8,596 | 8.2 x |

Fx rates; USD 6.43 and Euro 8.68

Based on EBITDA excl
non-rec. of SEK 1,047 m

- ➔ Net debt, excl. pensions and shareholder loan decreased by SEK 133m during Q3/13, following positive Fx effects counteracting a negative cash flow after financial net
- ➔ Available funds per end of Q3/13 amount to SEK 1,428 m (cash and undrawn RCF)

Debt by currency



Q3 conclusion

- ➔ We maintain a positive quarter on quarter trend, but we recognize that we still operate at low levels of performance due to the challenging market environment
- ➔ Our new Neo plant in China has successfully begun operation and our efforts to finalize our largest strategic capex project ever, the Valerox-project in Stenungsund, continues with full focus and support
- ➔ While market sentiment remains competitive, we expect a stronger Q4/13 compared to prior year



Way forward

Continue to execute on decided strategy

- ➔ Enhance leading positions by investing in niche market segments and capitalize on end-market growth drivers
- ➔ Focus on continued innovation and niche product development
- ➔ Optimize and leverage our integrated production platform
- ➔ Expand product portfolio through selective capex

Transform Perstorp into a more market-oriented company

- ➔ Focused go-to-market approach
- ➔ Capitalize on our strong market positions
- ➔ Unlock the full potential in our business

Review organizational setup

- ➔ Review efficiency and cost structure
- ➔ Improve our competitiveness
- ➔ New organization expected to go-live Q1 2014

Appendix



Free cash flow details

Continuing operations (i.e. excluding Vencorex, Singapore legal units and Formox legal units)

| SEK m | Q3 -13 | Q3 -12 | Q2 -13 | LTM Q3 -13 |
|----------------------------|------------|------------|------------|------------|
| EBITDA excl non-rec. | 343 | 277 | 308 | 1,047 |
| Change in working capital | 8 | 90 | 78 | -85 |
| Maintenance capex | -43 | -60 | -53 | -247 |
| FCF before strategic capex | 308 | 308 | 333 | 714 |
| % of EBITDA excl non-rec. | 90% | 111% | 108% | 68% |
| Strategic capex | -65 | -45 | -150 | -369 |
| Free cash flow | 243 | 263 | 183 | 345 |
| % of EBITDA excl non-rec. | 71% | 95% | 59% | 33% |



Segment reporting

Continuing operations (i.e. excluding Vencorex, Singapore legal units and Formox legal units)

| SEK m | Q3 -13 | Q3 -12 | Q2 -13 | LTM Q3 -13 |
|-------------------------|--------------|--------------|--------------|---------------|
| Net Sales | 2,649 | 2,425 | 2,694 | 10,006 |
| Specialty Intermediates | 1,714 | 1,611 | 1,814 | 6,600 |
| Performance Products | 907 | 819 | 877 | 3,393 |
| Other/eliminations | 28 | -5 | 3 | 13 |
| EBITDA, reported | 330 | 303 | 315 | 1,044 |
| Specialty Intermediates | 211 | 149 | 216 | 676 |
| Performance Products | 92 | 82 | 114 | 361 |
| Other/eliminations | 28 | 71 | -15 | 7 |



Quarter on quarter development

Continuing operations (i.e. excluding Vencorex, Singapore legal units and Formox legal units)

| SEK m | Q3-13 | Q2 -13 | Q1 -13 | Q4 -12 | Q3 -12 | Q2 -12 | Q1 -12 | Q4 -11 | Q3 -11 | Q2 -11 | Q1 -11 |
|-----------------------------------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Net Sales | 2,649 | 2,694 | 2,485 | 2,178 | 2,425 | 2,685 | 2,748 | 2,338 | 2,584 | 2,679 | 2,682 |
| Marginal Contribution | 694 | 674 | 635 | 541 | 669 | 713 | 776 | 633 | 747 | 740 | 794 |
| % of sales | 26% | 25% | 26% | 25% | 28% | 27% | 28% | 27% | 29% | 28% | 30% |
| EBITDA, reported | 330 | 315 | 244 | 155 | 303 | 365 | 454 | 205 | 416 | 386 | 381 |
| % of sales | 12.5% | 11.7% | 9.8% | 7.1% | 12,4% | 13,6% | 16,5% | 8,6% | 16,1% | 14,4% | 14,2% |
| EBITDA, excl non- recurring items | 343 | 308 | 245 | 151 | 277 | 377 | 383 | 221 | 429 | 380 | 392 |
| % of sales | 12.9% | 11.4% | 9.9% | 6.9% | 11.4% | 14.0% | 13.9% | 9.3% | 16.6% | 14.2% | 14.6% |



Currency

Period average exchange rates

| SEK per LOC | Q3 -13 | Q3 -12 | Q2 -13 | YTD Q3-13 | YTD Q3-12 | LTM Q3 -13 | LTM Q3 -12 |
|-------------|--------|--------|--------|-----------|-----------|------------|------------|
| USD | 6.55 | 6.76 | 6.56 | 6.52 | 6.81 | 6.55 | 6.80 |
| Euro | 8.68 | 8.44 | 8.56 | 8.58 | 8.73 | 8.59 | 8.82 |
| GBP | 10.15 | 10.66 | 10.07 | 10.07 | 10.75 | 10.23 | 10.71 |

Period end exchange rates

| SEK per LOC | Q3 -13 | Q3 -12 | Q2 -13 |
|-------------|--------|--------|--------|
| USD | 6.43 | 6.53 | 6.71 |
| Euro | 8.68 | 8.44 | 8.76 |
| GBP | 10.38 | 10.61 | 10.25 |

Source: Swedish Central Bank, Riksbanken

