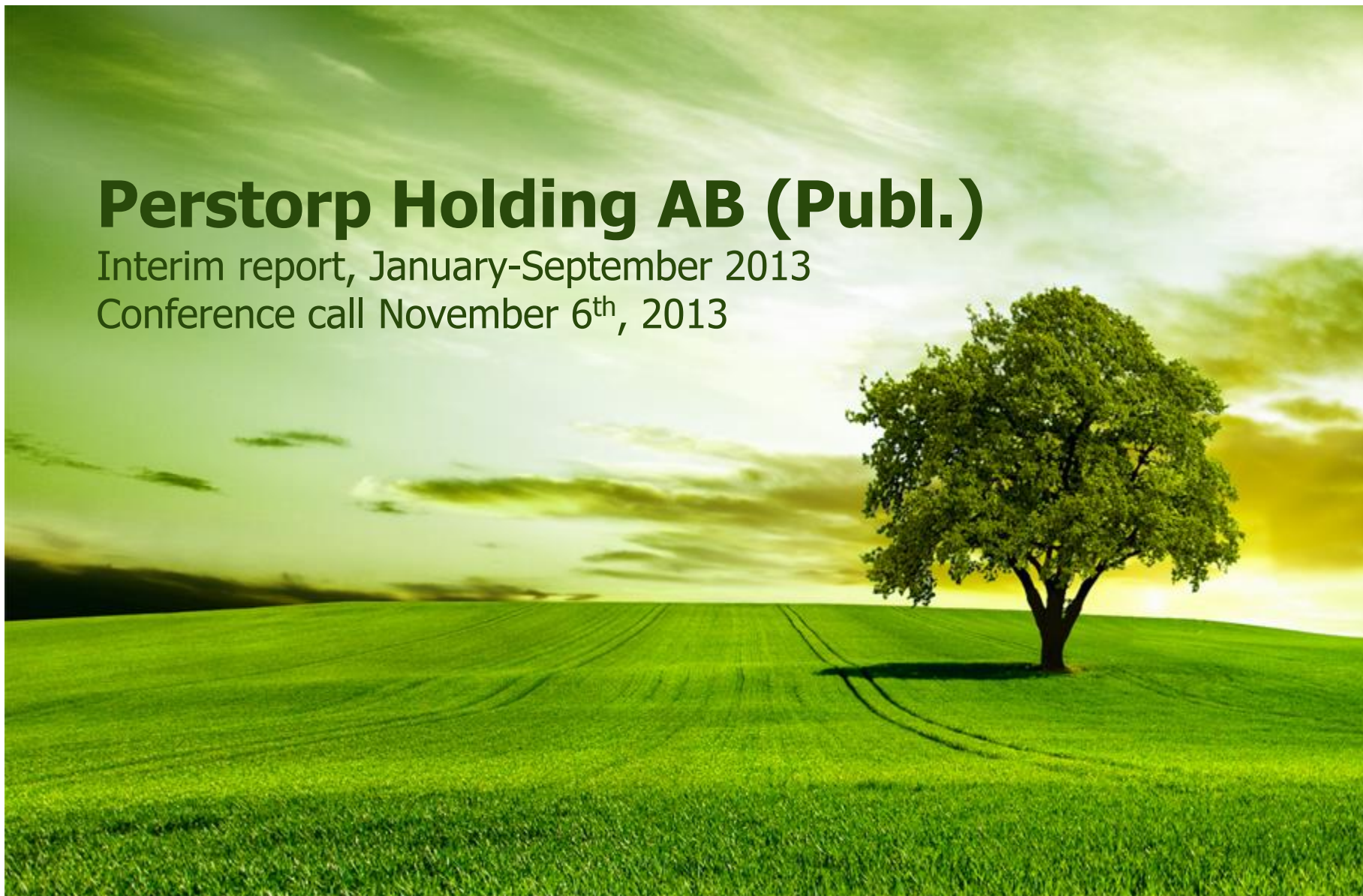


Perstorp Holding AB (Publ.)

Interim report, January-September 2013

Conference call November 6th, 2013

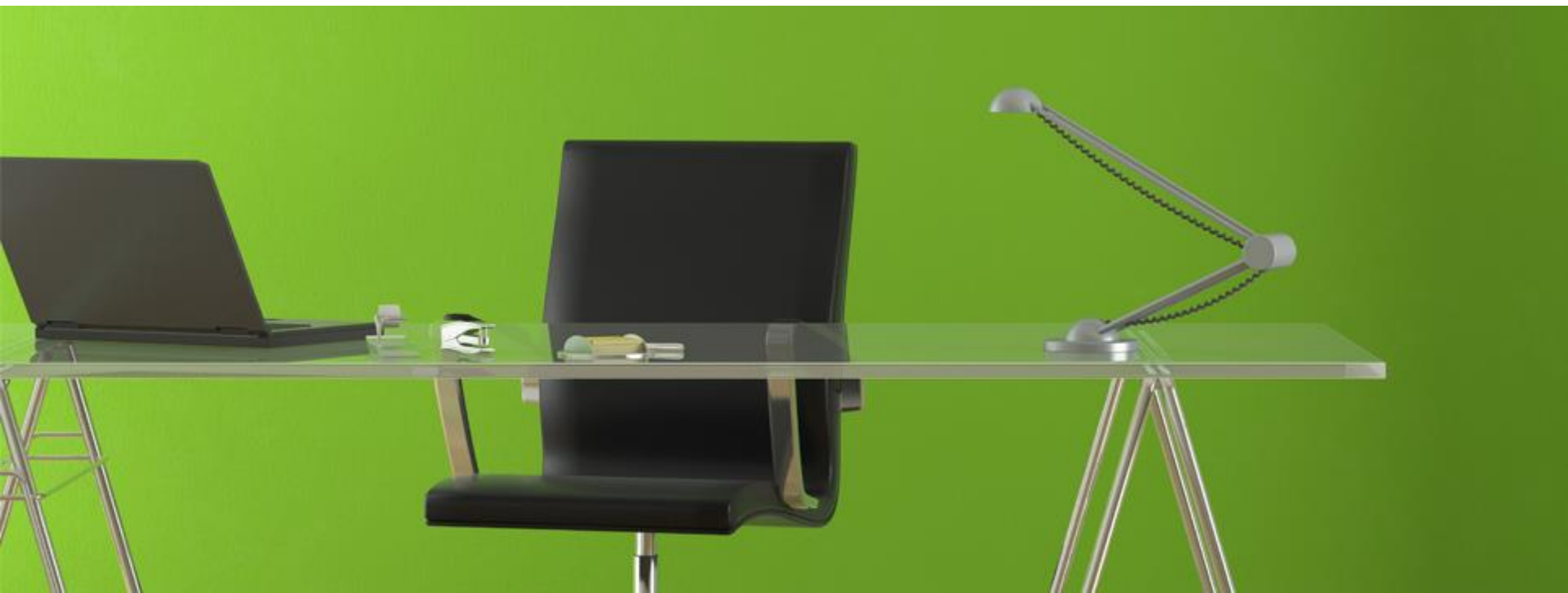


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Important notice

- ➔ 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

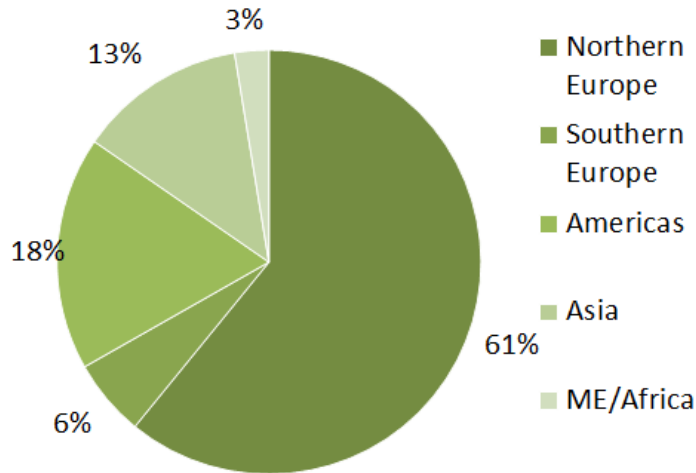


Executive summary

- ➔ 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

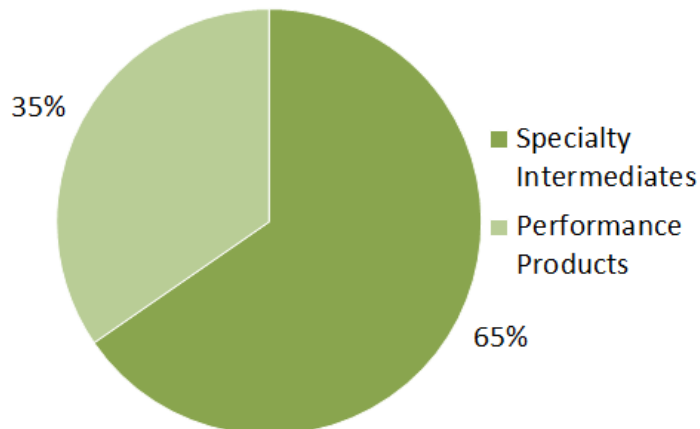
Revenue overview

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, %

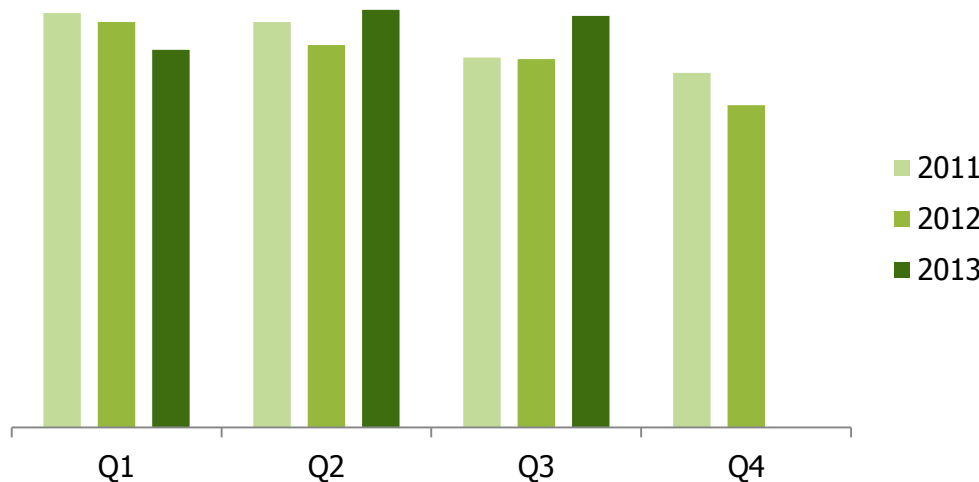


Key revenue drivers during Q3/2013

- ➔ 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

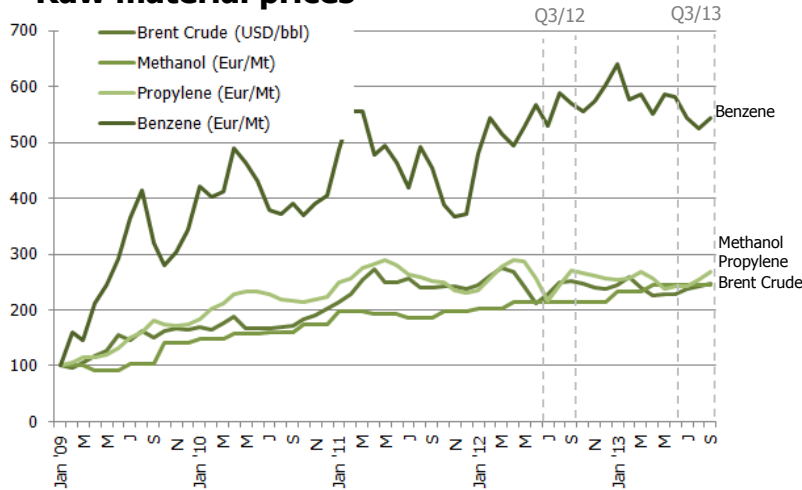
- ➔ Average selling prices on par with last quarter, but slightly lower than Q3/12
 - Most products show stable prices vs. Q2/13
 - The competitive market situation affects market prices slightly negative when comparing with Q3/12
 - Only minor currency effects

Volumes by quarter



Raw materials and margins

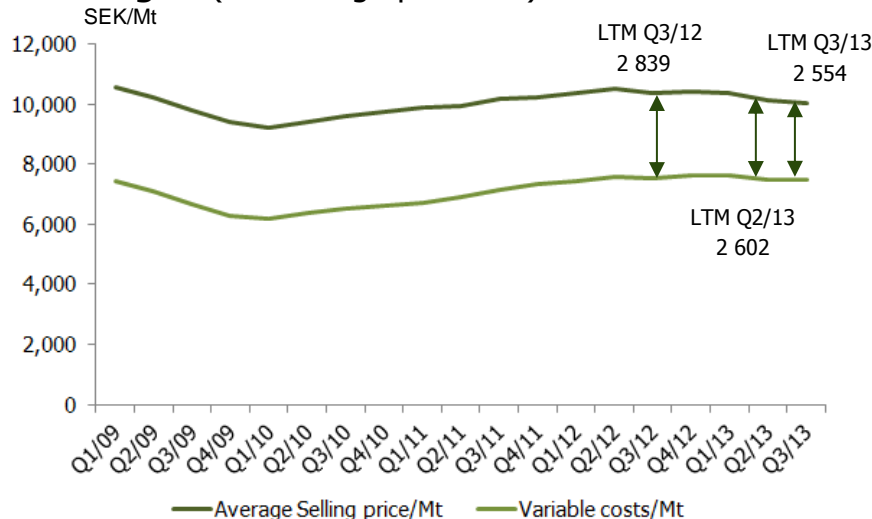
Raw material prices



➔ 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

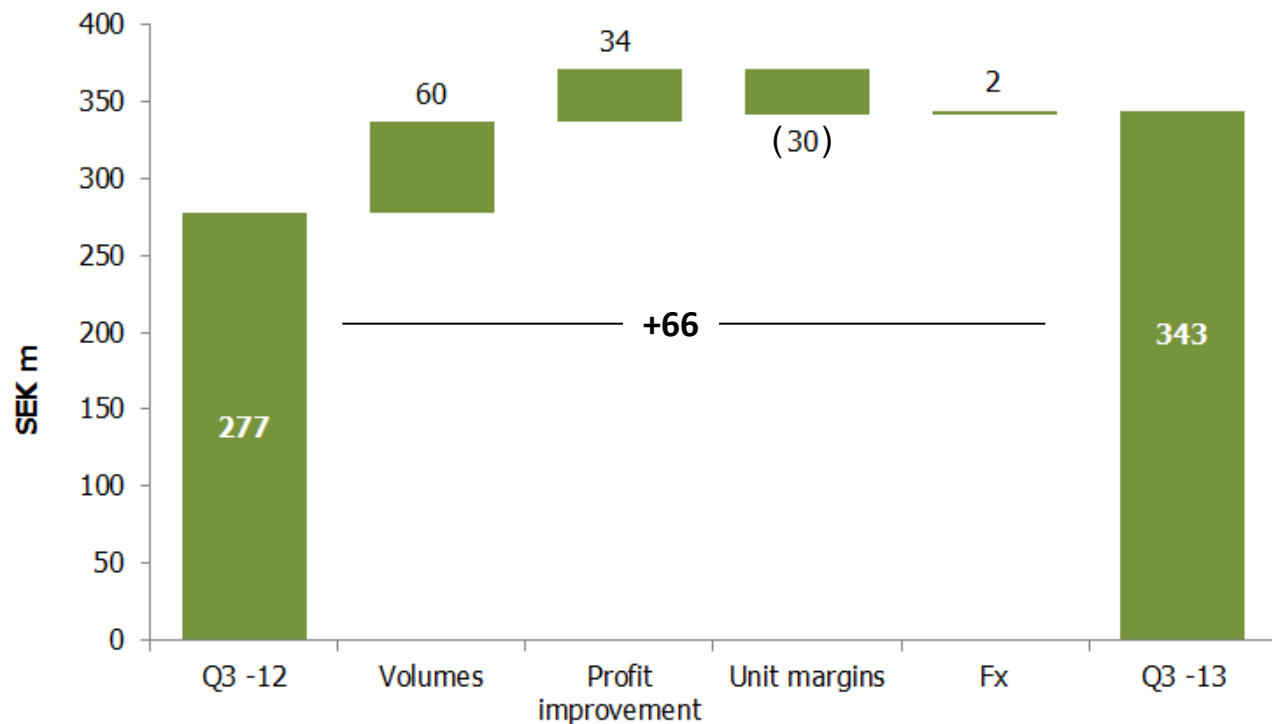
Q3 2013

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



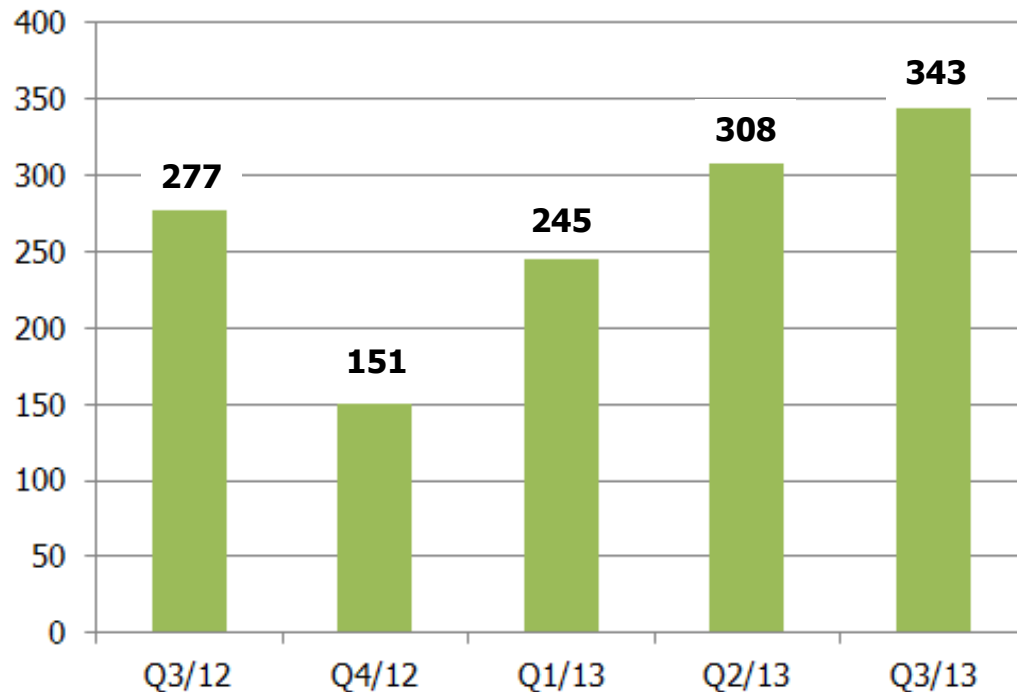
- ➔ Q3/13 EBITDA improved SEK 66 m vs. previous year, driven by higher volumes and profit improvement measures. Earnings negatively affected by lower sales prices due to a competitive market sentiment for some product lines



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

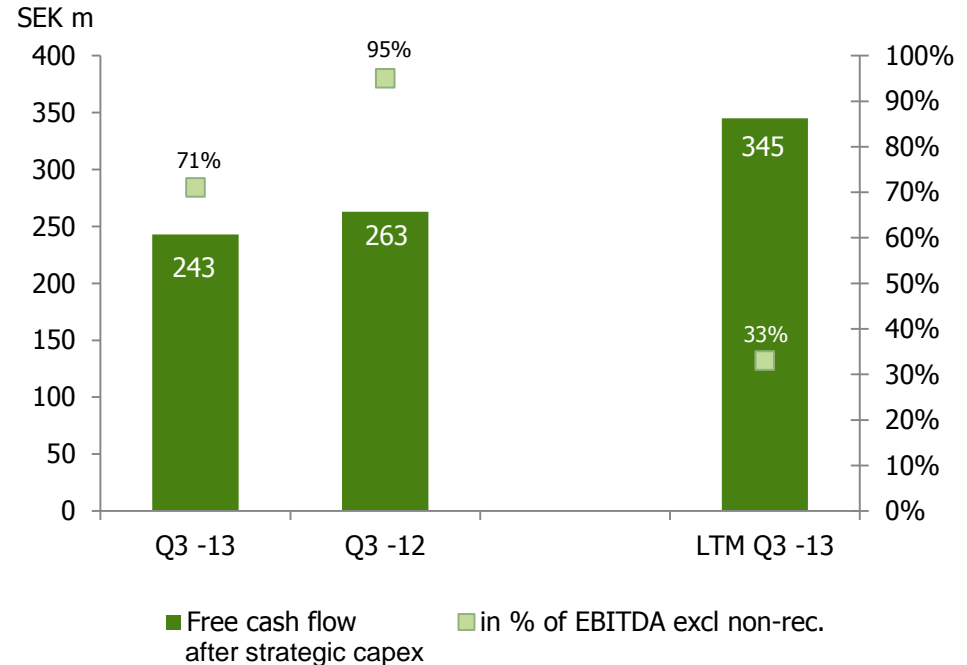
SEK m	YTD Q3 -13	YTD Q3 -12	LTM Q3 -13
Net Sales	7,828	7,858	10,006
% growth (y-o-y)	-0.4%		
Marginal Contribution	2,003	2,159	2,544
% of sales	26%	28%	25%
EBITDA, reported	889	1,122	1,044
% of sales	11.4%	14.3%	10.4%
EBITDA, excl non- recurring items	896	1,037	1,047
% of sales	11.4%	13.2%	10.5%



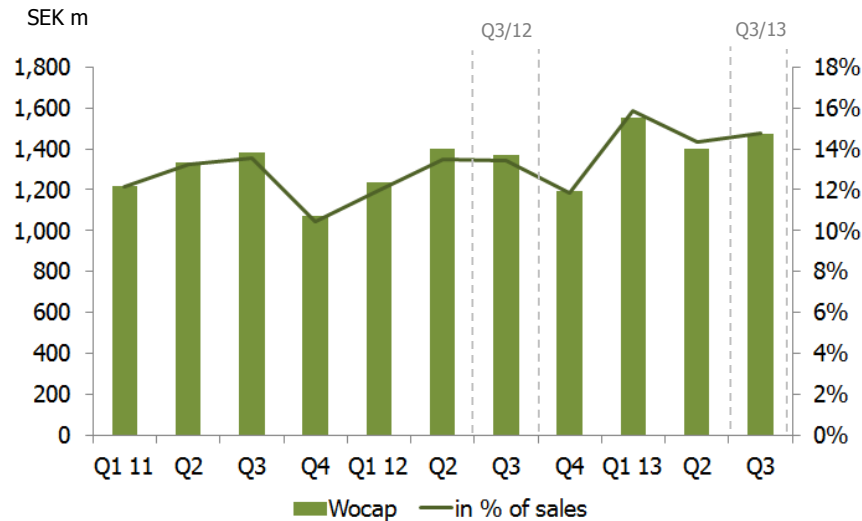
- ➔ Sales were on par with last year's numbers, whereas the drop in earnings primarily can be explained by lower prices following a competitive market in combination with negative currency effects from the strong Swedish krona
- ➔ LTM numbers show a slight improvement vs. last quarter, and are expected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

Free cash flow

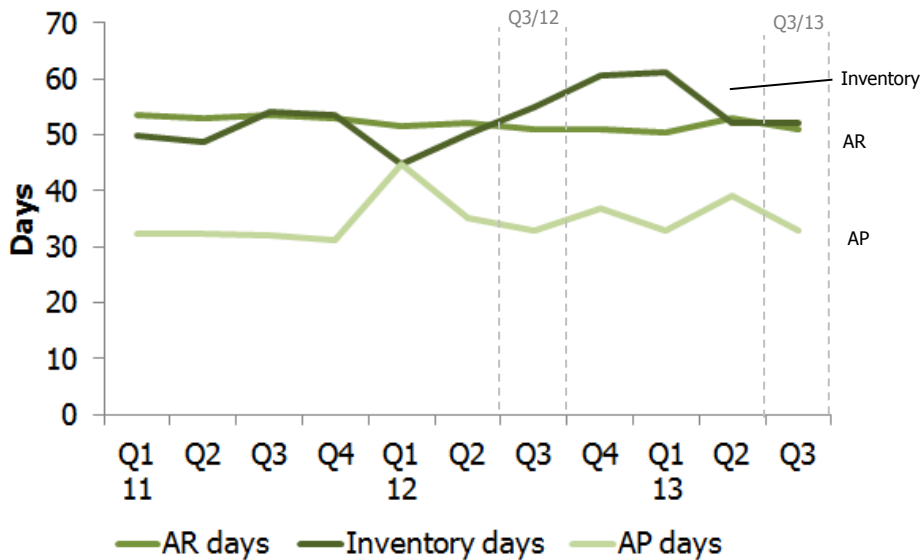
- ➔ Strong Q3/13 free cash flow based on improved earnings and only minor changes in working capital
- ➔ Strong free cash flow conversion of 90% or 308m in Q3/13 before strategic capex
- ➔ Q3/12 free cash flow and cash flow conversion slightly higher than Q3/13 given high release of working capital during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



Working capital

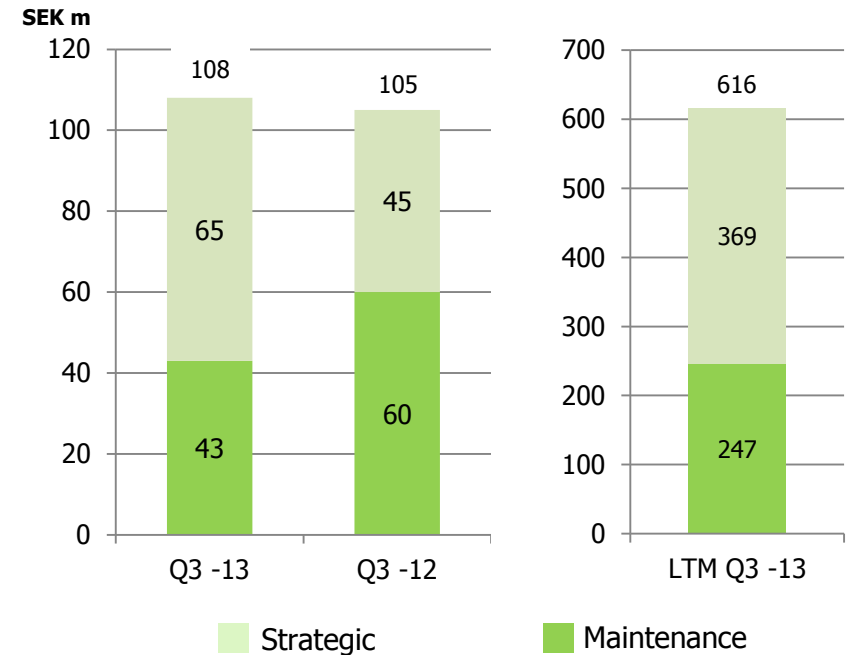


- ➔ Working capital increased during Q3 primarily driven by changes in other current liabilities
- ➔ Inventory remains on the same level as Q2/13
- ➔ Year-end working capital typically somewhat lower than preceding quarter



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

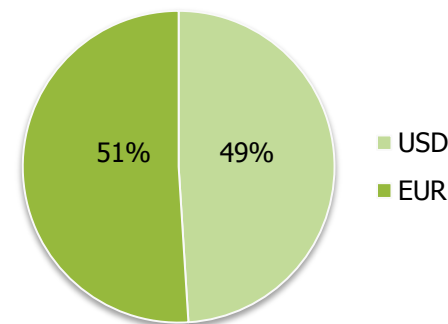
	USDm equiv.	SEKm	x EBITDA excl non-rec.
Cash	-184	-1,180	
Senior secured notes (€)	364	2,342	
Senior secured notes (\$)	380	2,443	
Net senior secured debt	561	3,605	3.4 x
Second lien notes (\$)	370	2,379	
Net second lien debt	931	5,984	5.7 x
Mezzanine loans (€)	404	2,598	
Other debt	2	15	
Net debt, excl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

