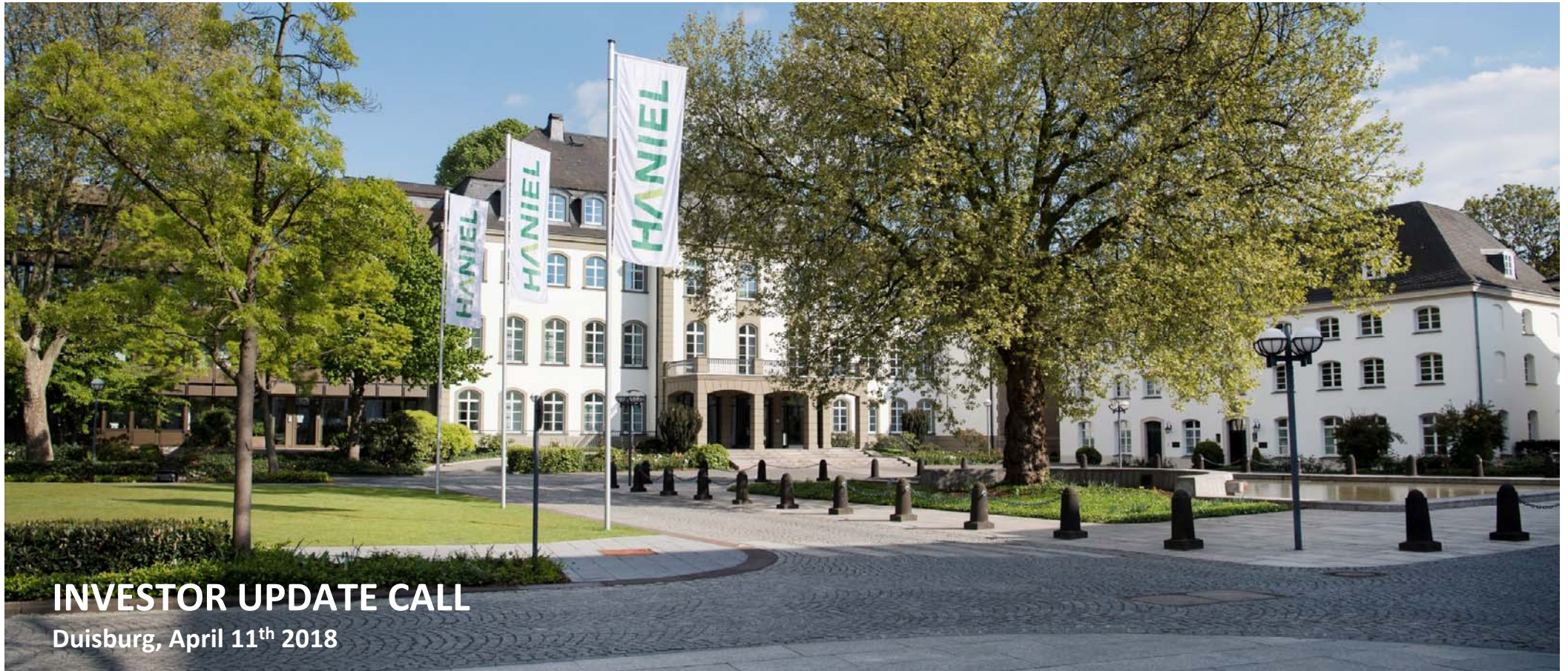


HANIEL



INVESTOR UPDATE CALL

Duisburg, April 11th 2018

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Highlights in FY 2017

Strategy

- Successful buy-and-build strategy with acquisition of Rentokil Initial activities by CWS-boco
- Acquisitions of ROVEMA and OPTIMAR prove Haniel's positioning of Family Equity right
- Demerger of the METRO GROUP enlarges portfolio diversification
- Digital initiative is making progress

Operations

- Positive organic turnover development in all divisions
- Significant increase in revenue and operating profit at ELG
- Higher investment results from CECONOMY and METRO

Finance

- Stable net financial debt on target level of ~EUR 1bn
- Firepower of ~EUR 800m for further portfolio development
- Total cash cover 2017 of 1.5x
- Investment grade rating of Haniel confirmed

Value and Return

- Net Asset Value of Haniel's portfolio increased by 6% to EUR 5.6 billion*
- Total Shareholder Return amounted to 7%

* 3-months-average

Agenda

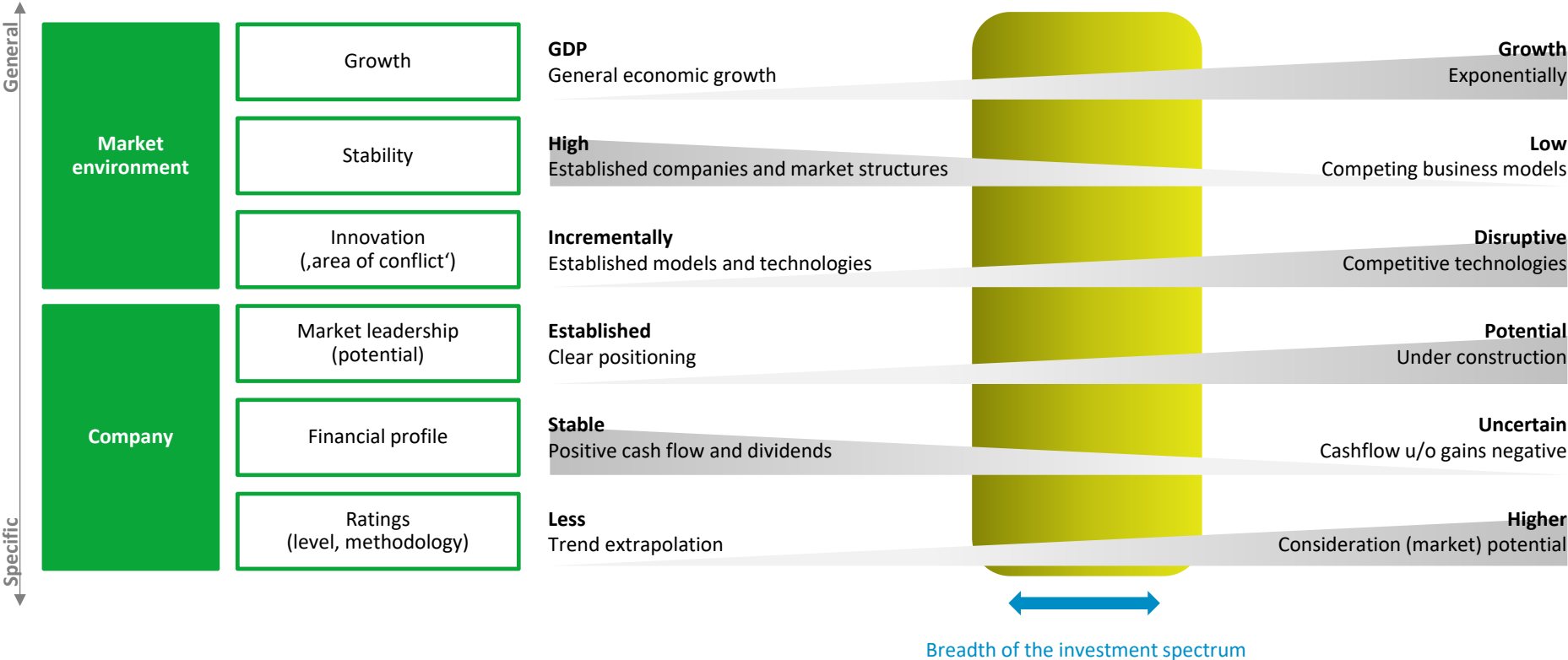
Strategy

Financial Performance

Outlook

Haniel's investment policy prevails and leads to a successful track record

Family equity combines the professionalism of a private equity business with the value system of a family-owned business



① CWS-boco acquires significant activities of competitor Rentokil Initial

Successful takeover of RI's main activities in the areas of laundry room and work-wear in continental Europe

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CWS) boco

Rentokil Initial



Attractive market

- Megatrend-supported business model
- Expected Market growth
- Less cyclical service business

Strengthening of market position

- Strengthening of position in a competitive environment
- Catching up to big European competitors

Achievement of synergies

- Annual synergies of EUR 30-35 million realistic
- Growth synergies through an improved network

Taxes

- Use of loss-carry-forward still possible
- Extending German profit base

Investment philosophy

- Further development of the division (buy & build)
- But: Perspectively increasing the weight within the portfolio

Strategic options

- More attractive size
- Separation of business lines easier due to new size

②+③ Haniel acquires mechanical engineering companies ROVEMA and Optimar

Leading manufacturer of packaging machines from Germany and fast-growing premium provider for the fishing and aquaculture industry from Norway bring further diversification to the Haniel portfolio



④ Metro Group is demerged in CECONOMY and METRO

The demerger diversified Haniel financial investments

Now management of the two distinct business models can each focusing on their core competencies

CECONOMY

Fact Sheet:

- Industry: Retail
- Europe's largest consumer electronics platform with a presence in 15 countries
- Mid-term ambitions:
 - CECONOMY expects a moderate market growth with further increase in market shares in its core markets
 - EBITDA margin of 5% targeted
- Free cashflow conversion of 60-70% planned
- Dividend pay-out ratio of 45-55% targeted

METRO

Fact Sheet:

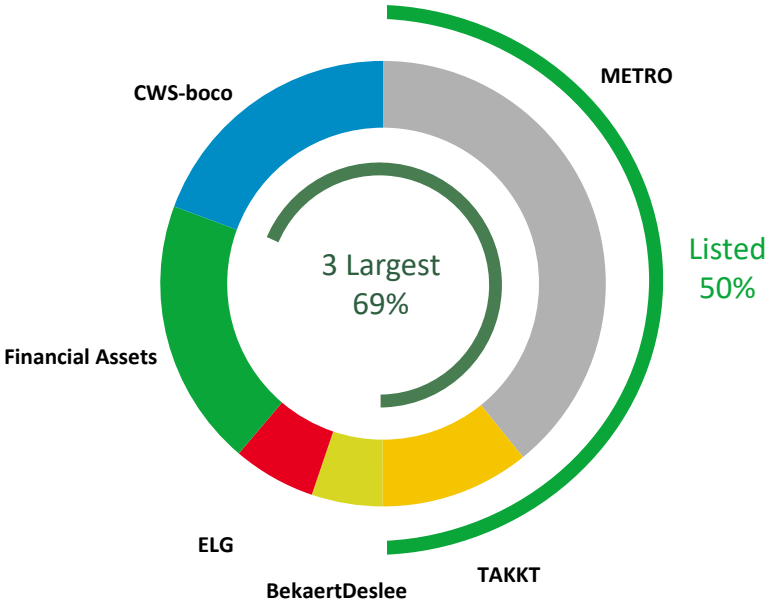
- Industry: Wholesale
- A leading international player in wholesale and food service delivery with a presence in 35 countries
- Mid-term ambitions:
 - METRO aims for +3% reported growth in sales
 - EBITDA margin of 5% targeted
- Free cashflow conversion of >60% planned
- Dividend pay-out ratio of 45-55% targeted

Successful execution of investment policy transforms the portfolio...

Haniel continues to shape its future portfolio step by step

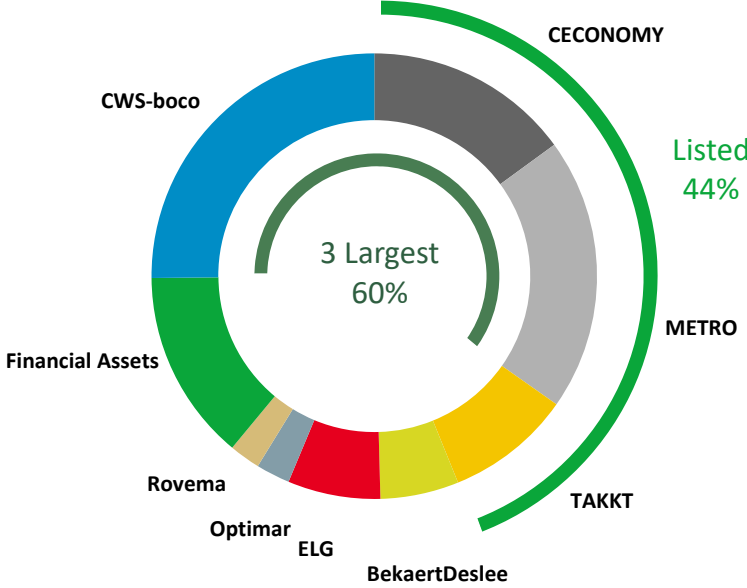
Haniel Portfolio 2016

as of December 31st, 2016





Haniel Portfolio 2017

as of December 31st, 2017





... and enlarges portfolio diversity of business models, sectors and cyclicities

Divisions

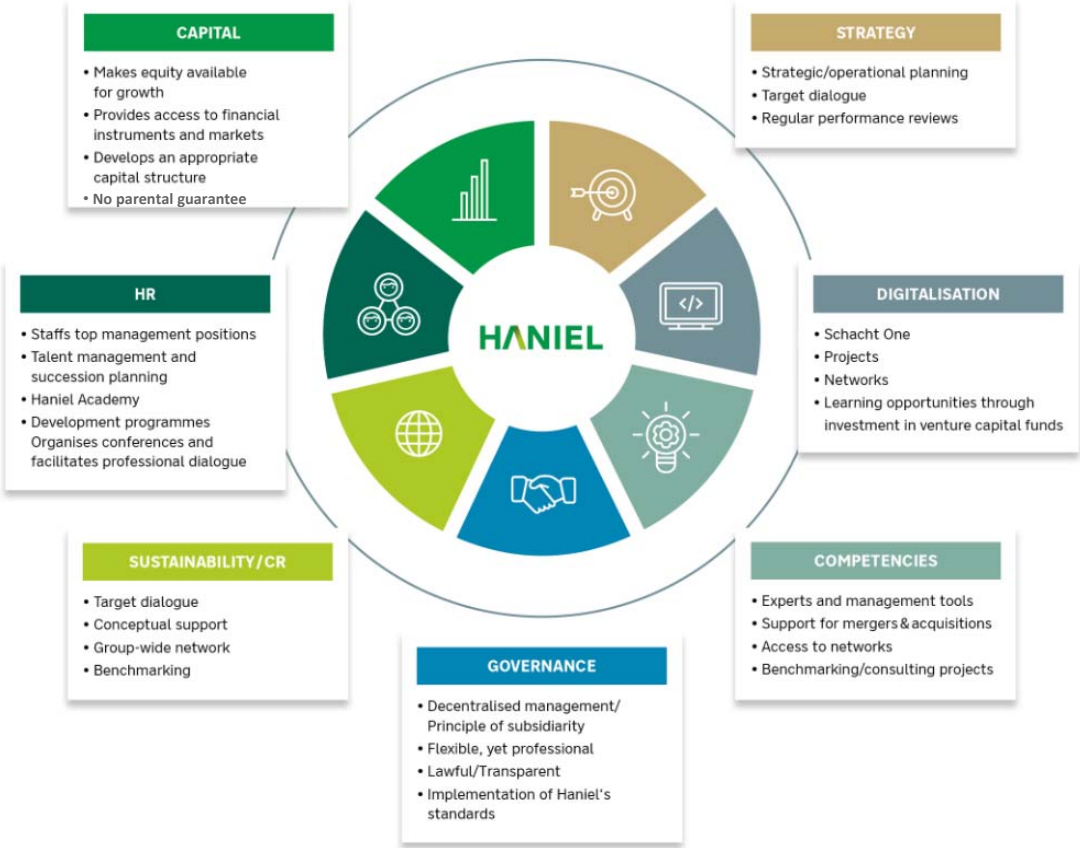
	1		2	3	
BekaertDeslee	CWS-boco	ELG	Optimar	ROVEMA	TAKKT
Equity interest 100 %	Equity interest 82.19 %	Equity interest 100 %	Equity interest 100 %	Equity interest 100 %	Equity interest 50.25 %
					
Light production	Services	Trading	Manufacturing	Manufacturing	B2B Direct Marketing
BekaertDeslee is the leading specialist for the development and manufacturing of woven and knitted mattress textiles.	CWS-boco ranks among the leading international full-service providers of hygiene services and textile services.	ELG is a global leader in trading, processing and recycling of raw materials for stainless steel and high performance materials such as superalloys, titanium, carbon fibres.	Optimar is a global leader for automated fish handling systems. It develops, produces and installs solutions for use on ships, on land and for fish farms.	ROVEMA is an international leading manufacturer of packaging machines and systems for the most different products and applications.	TAKKT bundles a portfolio of B2B direct marketing specialists for business equipment in Europe and North America in a single company.
Cyclicity - medium - early	Cyclicity - low - late	Cyclicity - high - very early	Cyclicity - low - medium	Cyclicity - medium - early	Cyclicity - medium - early
Revenue 2017: EUR 337m (+9% yoy)	Revenue 2017: EUR 970m (+21% yoy)	Revenue 2017: EUR 1,696m (+22% yoy)	<i>to be fully included in Haniel's 2018 FY results</i>	<i>to be fully included in Haniel's 2018 FY results</i>	Revenue 2017: EUR 1,116m (-1% yoy)
Operating profit 2017: EUR 28m (+/- 0% yoy)	Operating profit 2017: EUR 51m (-34% yoy)	Operating profit 2017: EUR 49m (> +100% yoy)		<i>For FY 2017 EUR 20m Rev. and EUR 2m Op. Profit</i>	Operating profit 2017: EUR 123m (-13% yoy)

Financial Investments

	4
CECONOMY	METRO
Equity interest 25.00 %	Equity interest 22.50 %
	
Retail	Wholesale
CECONOMY is Europe's leading platform for companies, concepts and brands in the sector of consumer electronics.	METRO is a leading international company in the wholesale and food service sector.
Cyclicity - high - early	Cyclicity - low - medium
Haniel Investment Result 2017: EUR 80m (+74% yoy) for CECONOMY and METRO	

Haniel's added value approach

Different stages in development require flexible approach for value generation



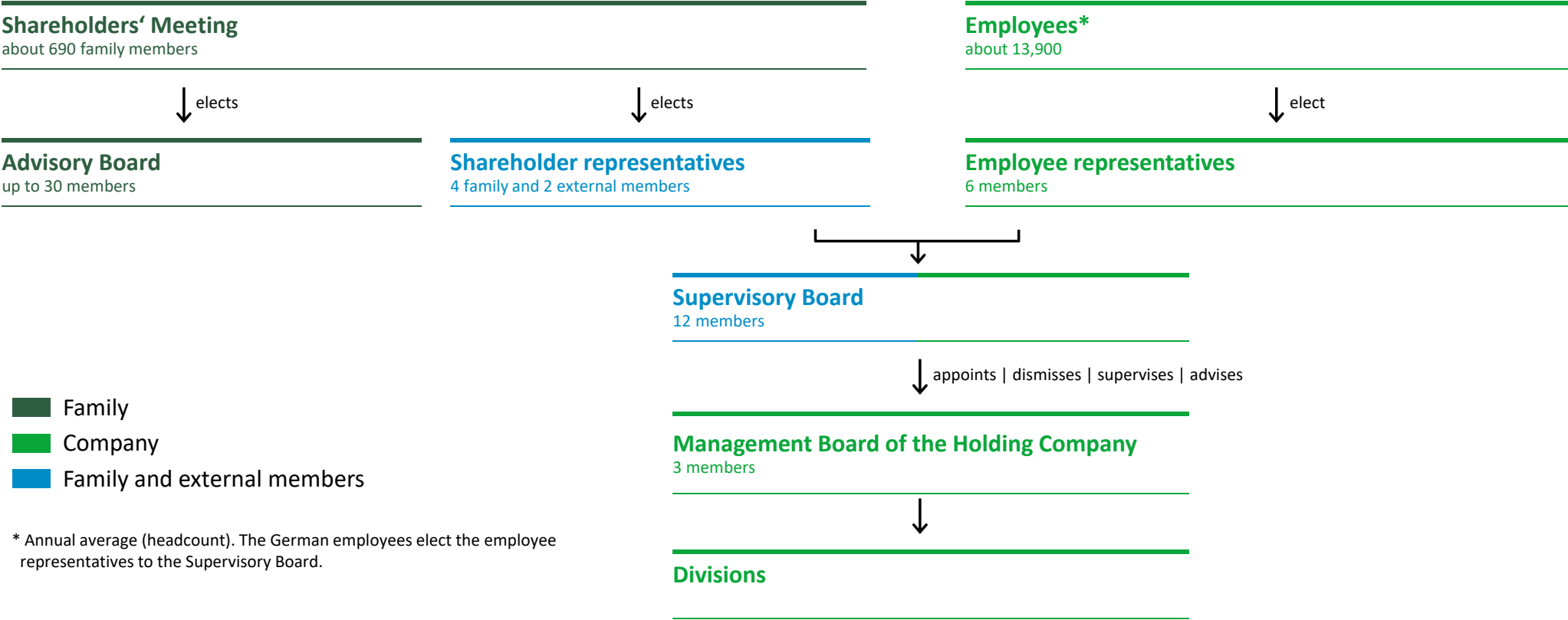
Example
Small Company

Example
Medium-size Company

Example
Big Company

Corporate Governance

Clear responsibility structures and a partnership-based cooperation characterize Haniel's corporate governance

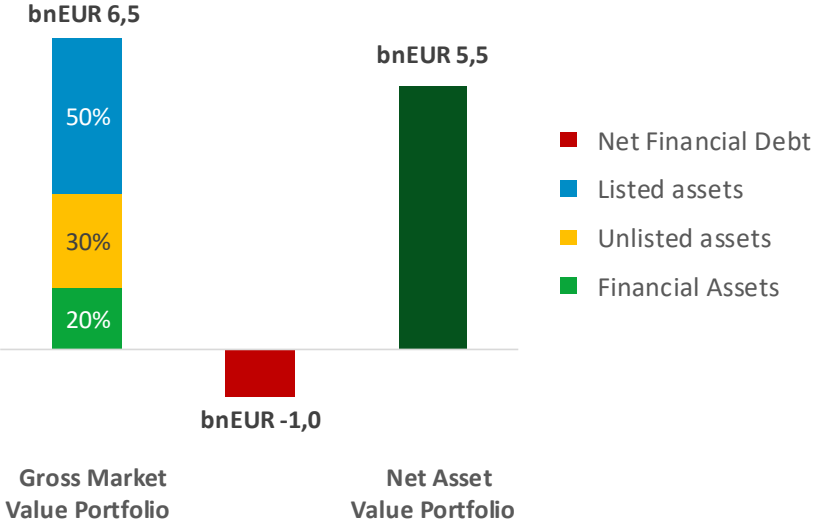


Positive development of Net Asset Value

Increased Net Asset Value, TSR

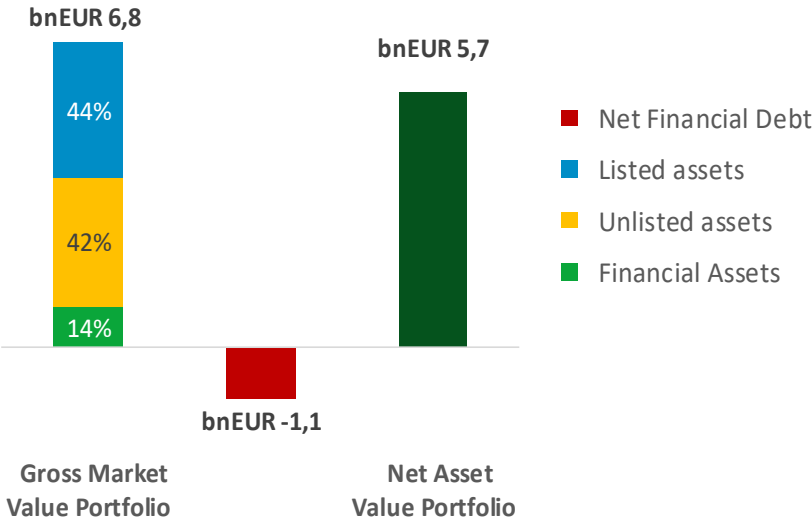
Net Asset Value 2016*

as of December 31st, 2016



Net Asset Value 2017*

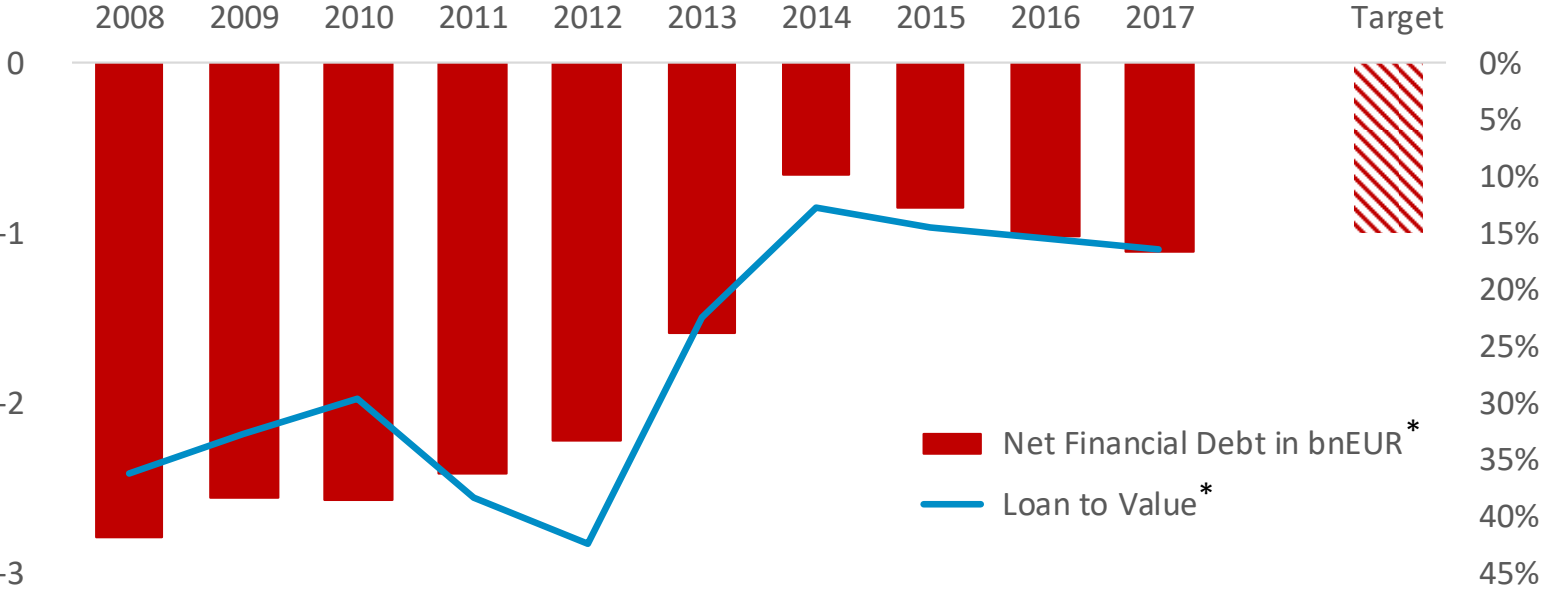
as of December 31st, 2017



* Spot values

Market Value Gearing stable within Investment Grade area

Net financial debt is on target level



* Spot values

Improved and stabilized Total Cash Cover

in EURm

* Adjusted for portion of Interest received above effective yield

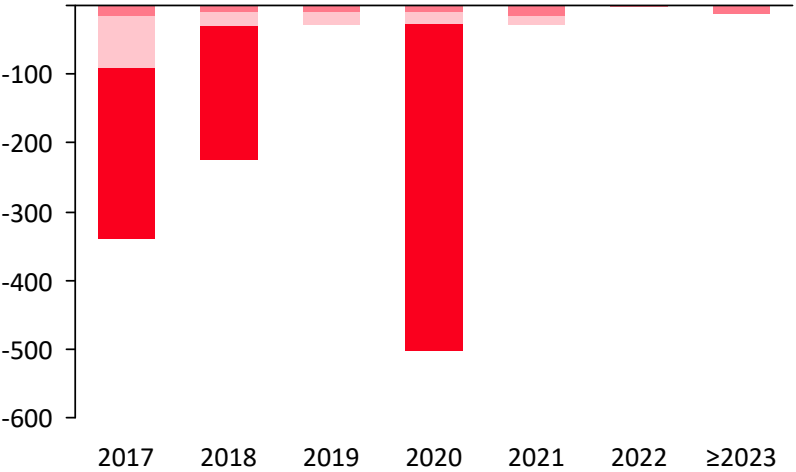
	2016	2017	2018e
Dividends received	159	174	196
Interest received	19	20	8
Interest paid	-48	-42	-28
Interest payments one-off effects	-1	0	0
Holding costs	-42	-43	-45
Cash outflow one-off effects (Kalksandstein)	-16	0	0
Funds from operations*	71	109	131
Dividends paid to shareholders	-50	-50	-60
Share buyback	-4	-4	-5
Total Cash Cover	1,1x	1,5x	1,5x

Maturity profile

Long-term financing needs are secured through equity and subordinated loans from Haniel shareholders
 Haniel is active in the debt capital market, issues Commercial Paper and has long-term bilateral bank facilities in place

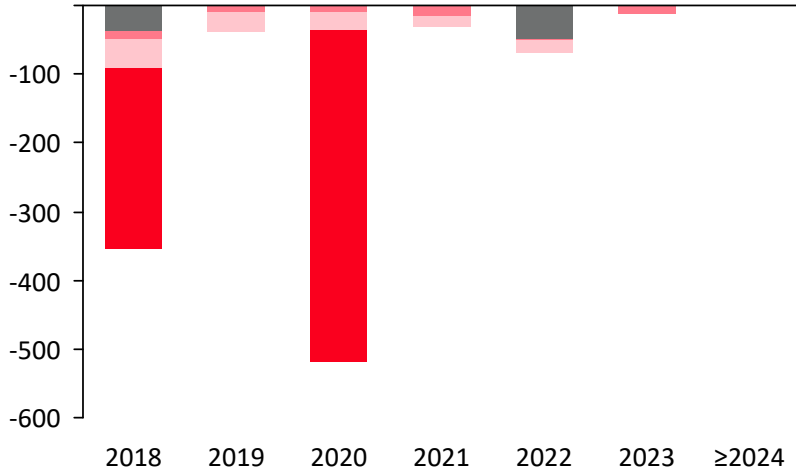
Gross Debt

as of December 31st, 2016



Gross Debt

as of December 31st, 2017



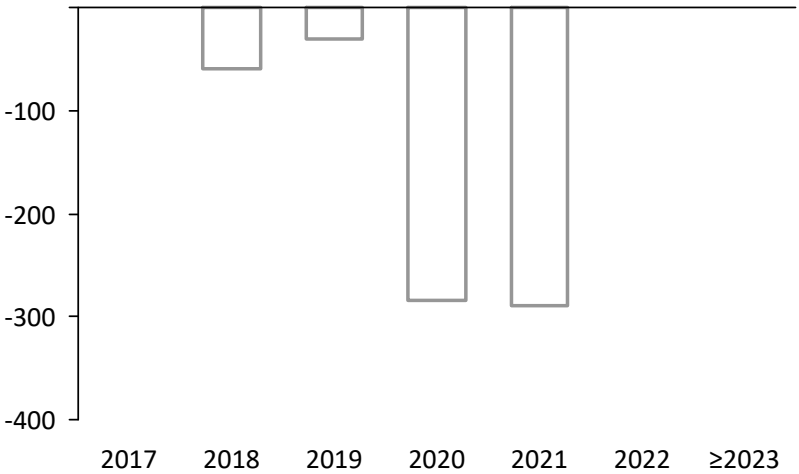
(Un)Committed facilities used
 Liabilities against shareholders (subordinated)
 Other financial liabilities
 Bonds, Commercial Papers and other securities

Excellent liquidity situation in line with financial strategy

Long-term bank facilities do not contain any financial covenants, MAC or rating-related events-of-default

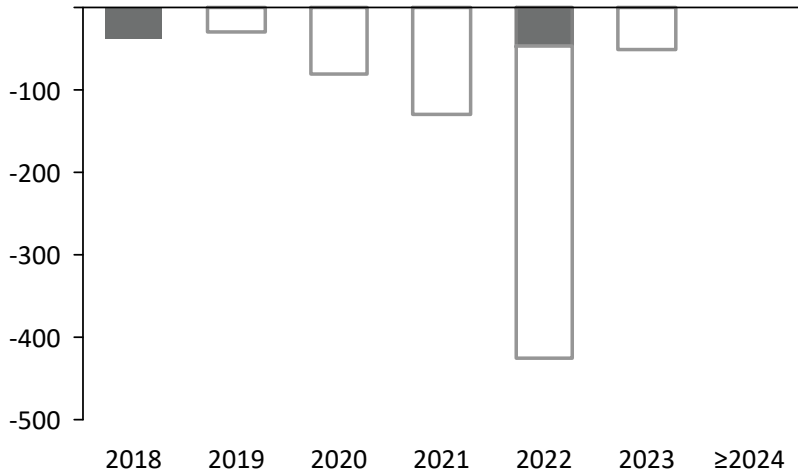
Bank Facilities

as of December 31st, 2016



Bank Facilities

as of December 31st, 2017



■ (Un)Committed facilities used □ Committed facilities unused

Target: Stable Investment-Grade rating

In order to ensure a stable access to the capital markets, Haniel offers its investors external assessments of the creditworthiness as well as appropriate analysis from European and Anglo-Saxon rating agencies

Ba1

Moody's Investors Service

In January 2017 Moody's confirmed Haniel's Ba1 long-term issuer rating and raised the outlook to „positive“.



BBB-

Scope Ratings AG

In February 2016 Scope initially rated Haniel with a BBB- long-term issuer rating and a stable outlook.



BBB-

Standard & Poors Investors Services

In April 2016 S&P raised Haniel's long term issuer rating from BB+/B with a positive outlook to BBB-/A-3 with a stable outlook.



Outlook

		Expected Revenue	Expected Op. Profit
BekaertDeslee	<ul style="list-style-type: none"> – Higher sales volumes of knitted fabrics and further successful expansion of cover business – Operating result expected to follow sales trend and to increase accordingly – BekaertDeslee aims to own the first choice digital selection platform for bed designs and mattress covers for their customers 		
CWS-boco	<ul style="list-style-type: none"> – JV with Rentokil positively impacts both sales and earnings development – Synergies include economies of scale in purchasing as well as an expanded and optimized location and logistics structure – CWS-boco aims to be international market leader in innovative and digital rental service solutions, smart washroom solutions and digital customer communication 		
ELG	<ul style="list-style-type: none"> – Increased output tonnage of stainless steel scrap and for superalloys business – Beside the natural volatility of commodity markets, recovering raw material prices expected – Higher sales volumes and increased operating result – Foundation of the digital unit EIE Services in order to initiate process improvements in core business and develop completely new business models in the secondary commodities sector 		
Optimar	<ul style="list-style-type: none"> – Optimar to be included in the Haniel Group's financial statements for a full year in 2018 – Sales growth of previous years expected to continue – Operating result affected by scheduled amortization from purchase price allocation – Further development of Optimar's existing digital platform as well as setting of a digital agenda with Haniel 		

Outlook – cont’d

		Expected Revenue	Expected Op. Profit
Rovema	<ul style="list-style-type: none"> – Rovema to be included in the Haniel Group's financial statements for a full year in 2018 – Continuing sales growth expected – Operating result affected by scheduled amortization from purchase price allocation – In order to meet the requirements of Industry 4.0 ROVEMA plans to expand the integrated assistance systems and simplify the connection of customer systems 		
TAKKT	<ul style="list-style-type: none"> – In a favorable market environment in Europe, but uncertainties in individual market segments in the USA, sales and operating profit expected to increase – „Vision 2020“ – Digital Transformation : digitalization of the entire value chain, agile corporate structures and innovative business models 		
Financial Investment CECONOMY	<ul style="list-style-type: none"> – Slight organic sales growth for CECONOMY – Operation result to be significantly increased as expenses for restructuring, efficiency measures and other special expenses clearly lower than expected and contribution from Fnac Darty investment included for a full year in 2018 – Haniel’s investment result to be significantly higher 		
Financial Investment METRO	<ul style="list-style-type: none"> – Slight organic sales growth for METRO – Operation result to be significantly increased as expenses for restructuring, efficiency measures and other special expenses clearly lower than expected – Haniel’s investment result to be significantly higher 		

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