

Sharing values

Growing Together

Group Quarterly Statement
January – September 2016

- *Group sales increase 11 % to € 2,192 million*
- *16 % sales growth at local currency*
- *EBITDAN up 7 % to € 480 million*
- *EBITDAN margin of 21.9 %*

Symrise is pleased to report on a successful first nine months of 2016. In the third quarter the Group seamlessly maintained its strong performance from the first six months and substantially increased sales and earnings. The ongoing high demand in both segments and the acquisition of the Pinova Group at the beginning of 2016 contributed to this. Symrise increased its sales by 11% in the first nine months of the current year to € 2,192.3 million (9M 2015: € 1,977.0 million). Sales increased 16% compared to the same period of the previous year at local currency.

Earnings before interest, taxes, depreciation and amortization as normalized by the deduction of one-time effects from the Pinova acquisition (EBITDAN) were up 7% to € 480.3 million (9M 2015: € 448.5 million). With an EBITDAN margin of 21.9%, Symrise kept its profitability at a high level even after the first-time consolidation of the Pinova Group (9M 2015: 22.7%). The Group increased normalized net income for the period by 3% in the reporting period to € 206.2 million (9M 2015: € 199.3 million).

“After the dynamic expansion of our business and the strong, profitable growth in the first nine months, we are anticipating the final spurt in 2016 with optimism. We will use the remaining weeks to push ahead with our innovations, maintain our market presence and align our products with our customers’ needs. We confirm our aspiration for 2016 to grow faster than the market, to operate our business in a highly profitable way and thus to remain among the industry leaders.”

Dr. Heinz-Jürgen Bertram, CEO of Symrise AG

CURRENT DEVELOPMENTS WITHIN THE GROUP

Symrise AG expanded its Executive Board with two new members against the backdrop of dynamic business development. The Supervisory Board appointed Heinrich Schaper (60) and Dr. Jean-Yves Parisot (52) to the governing body, effective as of October 1, 2016. Both Executive Board members were initially appointed for a period of three years and will be responsible for the operating activities of the Flavor & Nutrition segment: Heinrich Schaper will be responsible for the Flavors division while Jean-Yves Parisot will oversee the Diana division (Nutrition). The CEO of Symrise AG, Dr. Heinz-Jürgen Bertram, had assumed leadership of the segment in addition to his function as CEO as part of the Diana acquisition. The additions to the Executive Board support Symrise's strategy to expand its market position in Flavor & Nutrition in a targeted manner. It also serves the strategy of internationally promoting the segment and accelerates the interconnection of expertise within the Group.

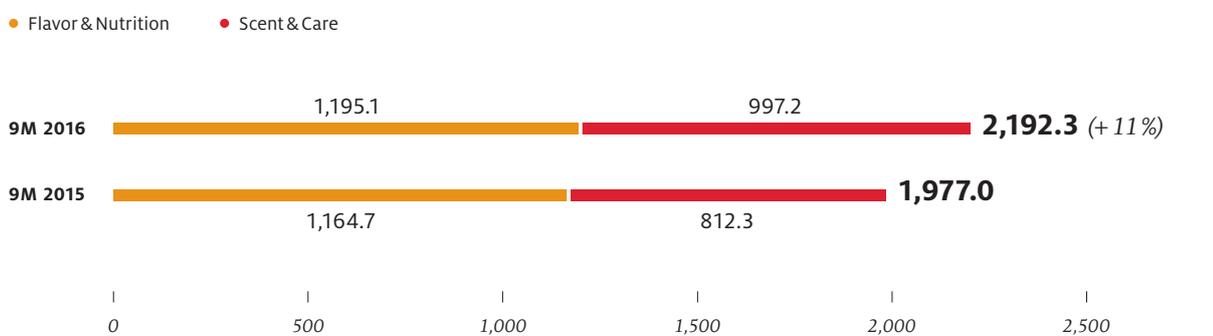
Notable sustainability: For the second time running, EcoVadis has awarded the fragrance and flavoring manufacturer Symrise gold status for its corporate social responsibility. In terms of ecological, social and ethical sustainability, the company based in Holzminden, Germany, is among the top manufacturers of chemical basic materials evaluated by EcoVadis. EcoVadis analyzes and rates the corporate social responsibility (CSR) of companies in the areas of the environment, social aspects, ethics and sustainability in the supply chain. Furthermore, Symrise was nominated for the German Sustainability Award. The German Sustainability Award Foundation awards prizes every year recognizing companies for their excellent efforts in sustainability. Symrise has been nominated in the category "Germany's Most Sustainable Large Corporation 2016" because of its trailblazing work for biodiversity. The Group has developed an intelligent system of measures and processes for preserving the diversity of biological resources over the long term.

In the course of the ongoing optimization of its portfolio, Symrise has decided to sell the industrial activities of the Pinova Holdings. Symrise will continue to operate the holding's former Renessenz entity, which was acquired with the takeover. In the past months, these activities have been fully integrated into the Aroma Molecules division, securing access to strategically important natural ingredients. As a result, Symrise will offer a broader fragrance portfolio for perfume manufacturing going forward, expanding its market leadership in this area.

The unit, which operates under the brand name Pinova, with product solutions for technical applications in adhesives, paint, coatings as well as the tire and construction industries, will be acquired by DRT. The purchase price was set to USD 150.0 million. Estimated sales for 2016 amount to USD 111.0 million. The transaction is due to close at the end of 2016. The industrial applications have only limited points of reference with Symrise's core business. However, Symrise has secured continued access to specific raw materials from renewable sources. DRT and Symrise will cooperate closely in the future under a joint supply agreement.

SALES PERFORMANCE

SALES DEVELOPMENT OF THE SYMRISE GROUP *in € million*



The Symrise Group generated sales of € 2,192.3 million from January to September 2016. Compared to the first nine months of the previous year, sales increased 11% in the reporting currency and 16% at local currency. Adjusted for portfolio effects (additions of Pinova, Scelta Umami and Nutra Canada as well as the sale of CAP pork specialties) and exchange rate effects, Group sales increased organically by 8%.

The **Scent & Care** segment increased sales to € 997.2 million in the first nine months of 2016. Sales were therefore up 23% on the first nine months of the previous year. At local currency, this corresponds to an increase of 27%. This includes Pinova Group sales of € 160.8 million. Without this contribution from Pinova, sales in the segment would have increased by 7% at local currency for the current year.

The **Fragrances** division generated the strongest sales growth at local currency in the Latin America region with notable gains in the Personal Care and Household business units as well as in Brazil, Mexico and Colombia. The regions Asia/Pacific and EAME also posted solid growth dynamics, particularly in India, China, Spain and Nigeria.

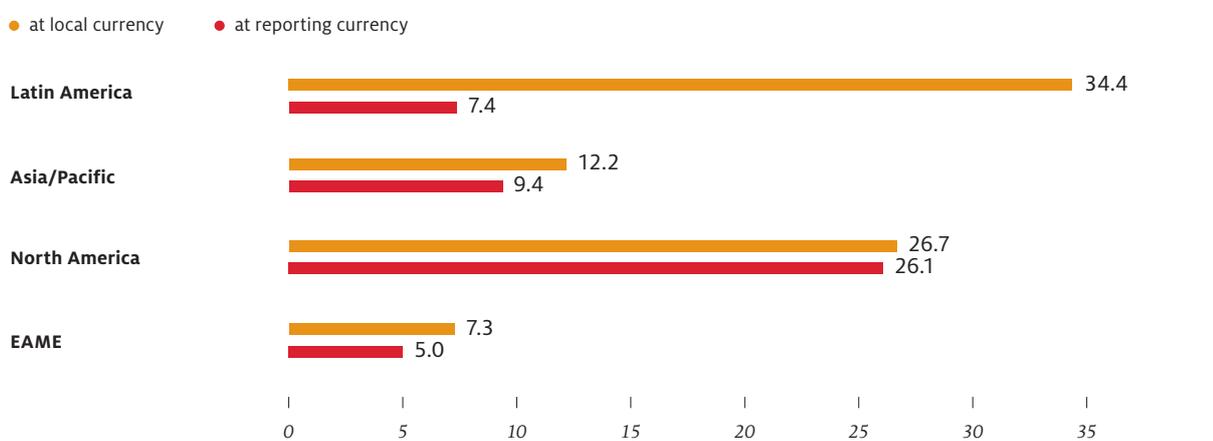
In the **Cosmetic Ingredients** division, the regions of Asia/Pacific and Latin America performed especially well, expanding sales in the Cosmetic Ingredients business unit. Sales development in the **Aroma Molecules** division was primarily impacted by the acquisition of the Pinova Group and the significant expansion of sales in all regions resulting from it. Moreover, the division generated high single-digit growth rates in the Fine Aroma Chemicals business unit, particularly in the EAME and Asia/Pacific regions.

The **Flavor & Nutrition** segment generated sales of € 1,195.1 million in the first nine months of the current year. Compared to the previous year, this represents an increase of 3% in the reporting currency or 9% at local currency. Adjusting further for portfolio effects (additions of Scelta Umami and Nutra Canada as well as the sale of CAP pork specialties), organic growth for the segment amounts to 10%.

For the **Flavors** division, the largest growth impulses came from North America and Asia/Pacific with high levels of growth in the Beverages and Savory business units. The EAME region also showed high dynamics – particularly in the Savory and Sweet business units as well as in Russia, Egypt, Sweden and Turkey. The Latin America region generated high growth rates in the Beverages and Savory business units, especially in Brazil, Mexico and Venezuela.

The **Diana** division posted the highest growth at local currency in the Latin America region, particularly in Argentina and Brazil, and in the Pet Food business unit. Sales in the region EAME benefited slightly from the acquisition of Scelta Umami in the Netherlands, but were simultaneously impacted by the sale of CAP pork specialties in mid-2015. Without taking portfolio effects into account, the EAME region generated high growth rates in France, Germany and Spain. In the Asia/Pacific region, the strongest growth was seen in South Korea and Thailand with product solutions for aquacultures and in the Pet Food business unit.

SALES DEVELOPMENT IN THE SYMRISE GROUP BY REGION *in %*



EARNINGS SITUATION

Operating Result

Earnings development was positive overall in the first nine months. As part of the acquisition of the Pinova Group, acquisition and integration costs of € 17.8 million were incurred during this period. To simplify comparability with the previous periods, the following contains a normalized result (EBITN/EBITDAN) without these one-time, non-recurring specific influences. The **cost of goods sold** increased 14 % to € 1,285 million and therefore rose disproportionately to sales, particularly due to a higher share of cost of goods sold from the Pinova Group. Compared to the same period of the previous year, **gross profit** improved by € 54 million to € 907 million – representing an increase of 6 %. The **gross margin** amounted to 41.4 % in the reporting period, which was 1.8 percentage points lower than in the same period of the previous year. This was mainly due to the higher share of cost of goods sold stemming from the Pinova Group. **Selling and marketing expenses** increased compared to the first nine months of 2015 by 10 %, totaling € 346 million. **R&D expenses** rose 8 % to € 136 million. The R&D ratio therefore amounted to 6.2 % (9M 2015: 6.4 %). **Administration expenses** totaled € 115 million and were therefore 4 % higher than in the previous year.

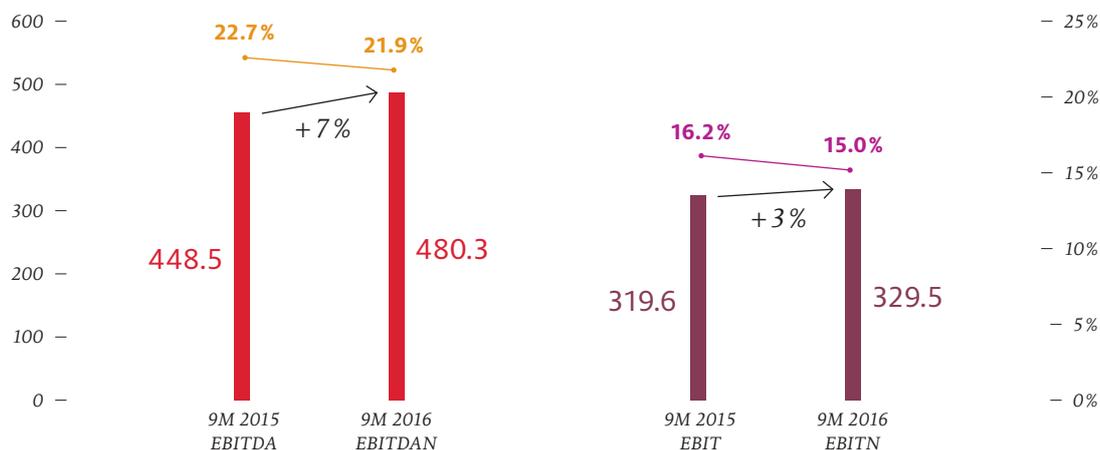
Reconciliation of Specific Influences from the Pinova Acquisition to EBITN/EBITDAN

€ million	EBIT 9M 2015	EBIT 9M 2016	EBITDA 9M 2015	EBITDA 9M 2016
Normalized Presentation (Before Specific Influences from Pinova Acquisition)	319.6	329.5	448.5	480.3
Inventory impairments	-	-4.2	-	-4.2
Integration costs	-	-13.6	-	-13.6
Total specific influences	-	-17.8	-	-17.8
of which cost of goods sold	-	-9.1	-	-9.1
of which selling and marketing expenses	-	-2.3	-	-2.3
of which research expenses	-	-0.2	-	-0.2
of which administration expenses	-	-6.2	-	-6.2
After Specific Influences from the Pinova Acquisition	319.6	311.7	448.5	462.6

Normalized earnings before interest, taxes, depreciation and amortization on property, plant and equipment and intangible assets (EBITDAN) increased in the first nine months of 2016 by 7 % to € 480.3 million (9M 2015: € 448.5 million). The Group's EBITDAN margin amounted to 21.9 % and thus remained at a high level even after the first-time consolidation of the Pinova Group (9M 2015: 22.7 %).

EARNINGS OVERVIEW *in € million*

● EBITDA(N) ● EBIT(N) ● EBITDA(N) margin ● EBIT(N) margin



Financial Result

The financial result for the first nine months of 2016 amounted to € –36.5 million and was therefore € 3 million lower than the value from the previous year, mainly due to an increase in interest expenses related to borrowing in connection with the acquisition of the Pinova Group. Adjusting for the amortization on an investment (€ 2.2 million), this results in a normalized financial result of € –34.2 million.

Taxes

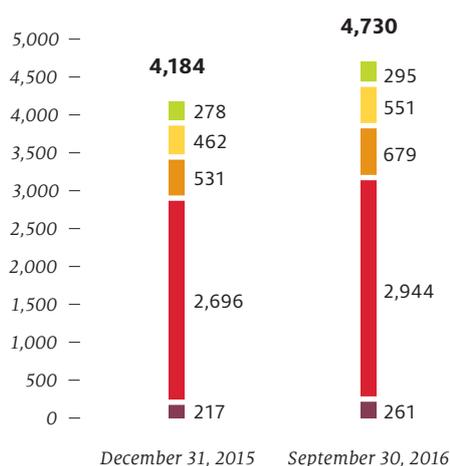
In the first nine months of 2016, income taxes amounted to € 76.0 million or € 83.4 million with regard to normalized net income. This represents a tax rate of 27.6%, or a normalized tax rate of 28.3% (9M 2015: 28.7%).

Net Income for the Period and Earnings Per Share

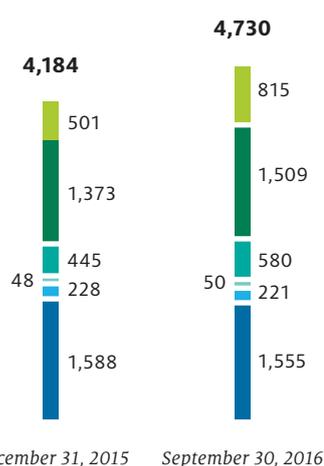
The net income for the period reached € 193.6 million in the first nine months of 2016, while the earnings per share came to € 1.49. After adjusting for one-time effects in connection with the Pinova acquisition, the net income for the period amounts to € 206.2 million, while earnings per share are at € 1.59 and thus € 0.05 higher than in the corresponding period of the previous year.

FINANCIAL POSITION AND NET ASSETS

ASSETS in € million



EQUITY AND LIABILITIES in € million



- Cash and cash equivalents
- Trade receivables
- Inventories
- Intangible assets and property, plant and equipment
- Other assets

- Current liabilities
- Non-current borrowings
- Provisions for pensions and similar obligations
- Other non-current liabilities
- Deferred tax liabilities
- Total equity

As of September 30, 2016, total assets increased by € 546 million to € 4,730 million compared to the end of the 2015 fiscal year (December 31, 2015: € 4,184 million). The increase in total assets is mainly the result of the first-time consolidation of the acquired Pinova Group and the accompanying financing measures. In addition, the change in the discounting factor (Germany September 30, 2016: 1.1%, December 31, 2015: 2.4%) led to an increase in the provisions for pensions.

OPPORTUNITIES AND RISK REPORT

No risks in accordance with Section 91 (2) of the German Stock Corporation Act (AktG) that could endanger the continued existence of the Symrise Group can be identified at present.

A detailed discussion of the opportunities and risks as well as a description of the risk management system can be found in the 2015 financial report on pages 32 et seq. The statements made there remain essentially unchanged.

OUTLOOK

Symrise is confirming its growth and profitability goals for 2016. The Group still expects to grow substantially faster than the relevant market for fragrances and flavors as well as for cosmetic ingredients. According to estimates, this market will grow by 2 to 3% in the current year. The EBITDA margin should remain above 20%.

Symrise expects solid demand and growth dynamics – despite the various political and economic fluctuations seen in individual countries. The constant expansion of the portfolio provides the company with promising growth opportunities beyond the traditional business with fragrances and flavors. Symrise's global presence enhances its direct access to customers, particularly with its focus on quickly developing markets.

The ratio of net debt (including provisions for pensions and similar obligations) to EBITDA should be between 3.2 and 3.5 by the end of 2016, above all due to the acquisition of the Pinova Group. Over the medium term, Symrise aims to bring the figure of this debt indicator to the range of 2.0 to 2.5.

The company continues to hold to its long-term goals: Symrise aims to achieve annual sales growth at local currency (CAGR) of between 5 to 7% and maintain an EBITDA margin between 19 and 22% by 2020.

SUBSEQUENT REPORT

No events subject to reporting occurred after the end of the reporting period.

ABOUT SYMRISE

Symrise is a global supplier of fragrances, flavorings, cosmetic active ingredients and raw materials, as well as functional ingredients. Its clients include manufacturers of perfumes, cosmetics, food and beverages, the pharmaceutical industry and producers of nutritional supplements and pet food.

Its sales of more than € 2.6 billion in the 2015 fiscal year make Symrise a leading global provider in the flavors and fragrances market. Headquartered in Holzminden, Germany, the Group is represented in over 40 countries in Europe, Africa, the Middle East, Asia, the United States and Latin America.

Symrise works with its clients to develop new ideas and market-ready concepts for products that form an indispensable part of everyday life. Economic success and corporate responsibility are inextricably linked as part of this process. Symrise thus takes sustainability into account in every part of its corporate strategy.

Reporting Fact Sheet

€ million	9M 2015	9M 2016	9M 2016 normal- ized ¹	Change in %	Change in % at local currency	Q3 2015	Q3 2016	Q3 2016 normal- ized ¹	Change in %	Change in % at local currency
Symrise Group										
Sales	1,977.0	2,192.3	2,192.3	11	16	646.2	729.8	729.8	13	17
Sales adjusted for portfolio changes	1,963.2	2,027.7	2,027.7	3	8	646.2	677.9	677.9	5	9
Sales related to portfolio changes	-13.8	164.6	164.6	8	8	0.0	51.8	51.8	8	8
Gross profit	853.3	898.1	907.2	6	11	277.3	290.5	294.9	6	9
EBITDA	448.5	462.6	480.3	7	13	148.2	149.9	157.0	6	10
EBITDA margin	in %	22.7	21.1	21.9		22.9	20.5	21.5		
EBIT	319.6	311.7	329.5	3	11	104.8	97.7	104.8	0	5
EBIT margin	in %	16.2	14.2	15.0		16.2	13.4	14.4		
Depreciation	54.0	66.2	66.2			18.0	23.6	23.6		
Amortization	75.0	84.6	84.6			25.4	28.6	28.6		
Financial result	-33.9	-36.5	-34.2			-12.5	-12.2	-12.2		
Earnings before income taxes	285.7	275.3	295.2	3		92.3	85.4	92.5	0	
Net income for the period	199.3	193.6	206.2	3		65.7	59.9	64.3	-2	
Earnings per share	in €	1.54	1.49	1.59	3	0.51	0.46	0.49	-2	
Research and development expenses	125.8	136.5	136.3	8	10	41.2	45.9	45.8	11	11
Investments	112.3	101.6	101.6			31.0	42.1	42.1		
Cash flow from operating activities	252.3	218.4	218.4			166.3	118.4	118.4		
Scent & Care										
Sales	812.3	997.2	997.2	23	27	265.9	329.4	329.4	24	25
Sales adjusted for portfolio changes	812.3	836.4	836.4	3	7	265.9	279.1	279.1	5	6
Sales related to portfolio changes		160.8	160.8	20	20		50.3	50.3	19	19
EBITDA	184.9	185.9	203.6			60.7	56.4	63.5		
EBITDA margin	in %	22.8	18.6	20.4		22.8	17.1	19.3		
Flavor & Nutrition										
Sales	1,164.7	1,195.1		3	9	380.4	400.3		5	11
Sales adjusted for portfolio changes	1,150.9	1,191.3		4	10	380.4	398.8		6	11
Sales related to portfolio changes	-13.8	3.8		-1	-1		1.5		0	0
EBITDA	263.6	276.7				87.5	93.5			
EBITDA margin	in %	22.6	23.2			23.0	23.4			
Group Sales by Region										
EAME	863.1	906.2		5	7	275.8	291.5		6	8
Asia/Pacific	431.4	471.9		9	12	139.7	154.9		11	12
North America	433.2	546.5		26	27	159.8	188.4		18	19
Latin America	249.2	267.7		7	34	71.0	94.9		34	54

Other Key Figures

	December 31, 2015	September 30, 2016
Total assets	4,183.8	4,730.4
Equity	1,588.2	1,555.3
Equity ratio	in %	38.0
Net debt (incl. provisions for pensions and similar obligations)	1,575.7	2,132.2
Net debt (incl. provisions for pensions and similar obligations)/EBITDAN ²	ratio	2.8
Net debt	1,131.1	1,552.2
Net debt/EBITDAN ²	ratio	2.0
Employees (on reporting date)	FTE ³	8,301

¹ adjusted for transaction and integration costs as well as one-time valuation effects related to business combinations

² annualized EBITDAN

³ not including apprentices and trainees; FTE = full-time equivalent

Consolidated Income Statement

T€	Q3 2015	Q3 2016	9M 2015	9M 2016
Sales	646,240	729,753	1,977,008	2,192,273
Cost of goods sold	- 368,914	- 439,250	- 1,123,732	- 1,294,215
Gross profit	277,326	290,503	853,276	898,058
Selling and marketing expenses	- 104,083	- 117,860	- 313,068	- 347,962
Research and development expenses	- 41,228	- 45,926	- 125,789	- 136,518
Administration expenses	- 32,760	- 35,163	- 110,453	- 121,290
Other operating income	6,628	6,742	18,869	21,287
Other operating expenses	- 1,077	- 641	- 3,281	- 1,851
Income from operations/EBIT	104,806	97,655	319,554	311,724
Financial income	954	854	3,512	3,854
Financial expenses	- 13,498	- 13,068	- 37,398	- 40,322
Financial result	- 12,544	- 12,214	- 33,886	- 36,468
Earnings before income taxes	92,262	85,441	285,668	275,256
Income taxes	- 25,276	- 23,580	- 81,932	- 76,049
Net income for the period	66,986	61,861	203,736	199,207
of which attributable to shareholders of Symrise AG	65,728	59,857	199,268	193,634
of which attributable to non-controlling interests	1,258	2,004	4,468	5,573
Earnings per share (€)				
diluted and basic	0.51	0.46	1.54	1.49

Consolidated Statement of Comprehensive Income

T€	Q3 2015	Q3 2016	9M 2015	9M 2016
Net income for the period	66,986	61,861	203,736	199,207
of which attributable to shareholders of Symrise AG	65,728	59,857	199,268	193,634
of which attributable to non-controlling interests	1,258	2,004	4,468	5,573
Items that may be reclassified subsequently to the consolidated income statement				
Exchange rate differences resulting from the translation of foreign operations	- 49,016	- 7,712	- 38,598	- 37,156
Change in fair value of financial assets available for sale	- 11	43	- 33	25
Gains/losses from cash flow hedges (currency hedges)	- 230	- 224	384	- 350
Income taxes payable on these components	4,434	425	3,942	- 1,820
Items that will not be reclassified to the consolidated income statement				
Remeasurement of defined benefit pension plans and similar obligations	- 475	- 21,078	38,964	- 126,723
Income taxes payable on these components	171	6,415	- 11,428	37,746
Other comprehensive income	- 45,127	- 22,131	- 6,769	- 128,278
Total comprehensive income	21,859	39,730	196,967	70,929
of which attributable to shareholders of Symrise AG	21,166	38,036	192,733	66,062
of which attributable to non-controlling interests	693	1,694	4,234	4,867

Consolidated Statement of Financial Position

T€	December 31, 2015	September 30, 2016
ASSETS		
Current assets		
Cash and cash equivalents	278,178	294,615
Trade receivables	461,505	551,253
Inventories	531,446	679,245
Other assets and receivables	74,027	73,497
Financial assets	9,088	22,212
Income tax assets	23,252	19,980
	1,377,496	1,640,802
Non-current assets		
Intangible assets	2,005,489	2,109,718
Property, plant and equipment	690,135	833,946
Other assets and receivables	16,808	25,404
Financial assets	15,694	11,516
Investments in associates	0	2,000
Deferred tax assets	78,210	107,060
	2,806,336	3,089,644
TOTAL ASSETS	4,183,832	4,730,446
LIABILITIES		
Current liabilities		
Trade payables	234,702	235,361
Borrowings	35,995	337,298
Other liabilities	152,223	159,313
Other provisions	7,064	14,340
Other financial liabilities	5,573	12,402
Income tax liabilities	65,869	56,201
	501,426	814,915
Non-current liabilities		
Borrowings	1,373,260	1,509,508
Other liabilities	5,180	7,798
Other provisions	22,208	23,928
Provisions for pensions and similar obligations	444,652	579,960
Other financial liabilities	7,094	6,091
Deferred tax liabilities	227,848	221,010
Income tax liabilities	13,929	11,967
	2,094,171	2,360,262
TOTAL LIABILITIES	2,595,597	3,175,177
EQUITY		
Share capital	129,813	129,813
Capital reserve	1,375,957	1,375,957
Reserve for remeasurements (pensions)	-136,389	-225,366
Cumulative translation differences	-62,707	-101,449
Accumulated profit	259,210	346,843
Other reserves	2,448	2,227
Symrise AG shareholders' equity	1,568,332	1,528,025
Non-controlling interests	19,903	27,244
TOTAL EQUITY	1,588,235	1,555,269
EQUITY AND LIABILITIES	4,183,832	4,730,446

Consolidated Statement of Cash Flows

T€	9M 2015	9M 2016
Net income for the period	203,736	199,207
Income taxes	81,932	76,049
Interest result	33,452	36,431
Amortization, depreciation and impairment of non-current assets	128,960	150,842
Changes in other non-current liabilities	3,685	1,010
Changes in other non-current assets	8,459	-6,879
Other non-cash expenses and income	3,138	-4,858
Cash flow before working capital changes	463,362	451,802
Change in trade receivables and other current assets	-86,363	-67,271
Change in inventories	-24,314	-65,556
Change in trade payables and other current liabilities	15,378	1,051
Income taxes paid	-115,761	-101,590
Cash flow from operating activities	252,302	218,436
Payments for business combinations and subsequent contingent purchase price components as well as for investments in associates	-36,063	-171,654
Payments received from the sale of a subsidiary minus cash sold	11,566	0
Payments for investments in intangible assets and property, plant and equipment as well as for non-current financial assets	-82,127	-111,139
Cash flow from investing activities	-106,624	-282,793
Proceeds from (+)/redemption of (-) bank borrowings	26,361	55,780
Proceeds from (+)/redemption of (-) other borrowings	-203	161,369
Interest paid	-18,676	-18,190
Dividends paid	-99,415	-106,645
Acquisition of non-controlling interests	-2,841	0
Payments for finance lease liabilities	-938	-706
Cash flow from financing activities	-95,712	91,608
Net change in cash and cash equivalents	49,966	27,251
Effects of changes in exchange rates	-27,804	-10,814
Total changes	22,162	16,437
Cash and cash equivalents as of January 1	199,228	278,178
Cash and cash equivalents as of September 30	221,390	294,615

Financial Calendar

March 14, 2017

Corporate and Financial Report 2016

May 9, 2017

Quarterly statement January – March 2017

May 17, 2017

Annual General Meeting

August 10, 2017

Interim Report January – June 2017

November 8, 2017

Quarterly statement January – September 2017

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Forward-Looking Statements

This Group Quarterly Statement contains forward-looking statements that are based on current assumptions and forecasts by Symrise AG. The future course of business and the results actually achieved by Symrise AG and its affiliates are subject to a large number of risks and uncertainties and may therefore differ substantially from the forward-looking statements. Many of these factors are outside of Symrise AG's sphere of influence and cannot be assessed in detail ahead of events. They include, for example, unfavorable development of the global economy, a change in consumer behavior, and changes to laws, regulations and official guidelines. Should one of these uncertainty factors, named or otherwise, occur or should the assumptions on which the forward-looking statements are based prove to be incorrect, the actual results may differ significantly from the results anticipated. Symrise undertakes no obligation to update forward-looking statements continuously and to adjust them to future events or developments.

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