

Fiscal First Quarter 2017 Earnings Conference Call



May 5, 2017

Forward-Looking Statements

This presentation includes certain statements relating to future events and our intentions, beliefs, expectations, and predictions for the future which are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that the forward-looking information presented in this presentation is not a guarantee of future events or results, and that actual events or results may differ materially from those made in or suggested by the forward-looking information contained in this presentation. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “plan,” “seek,” “comfortable with,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe” or “continue” or the negative thereof or variations thereon or similar terminology. Any forward-looking information presented herein is made only as of the date of this presentation, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

Regulation G: Non-GAAP Measures

The information presented herein regarding certain unaudited non-GAAP measures does not conform to generally accepted accounting principles in the United States (U.S. GAAP) and should not be construed as an alternative to the reported results determined in accordance with U.S. GAAP. Univar has included this non-GAAP information to assist in understanding the operating performance of the company and its operating segments. The non-GAAP information provided may not be consistent with the methodologies used by other companies. All non-GAAP information related to previous Univar filings with the SEC has been reconciled with reported U.S. GAAP results.

First Quarter 2017 Highlights

Improvement actions underway

Q1 GAAP EPS⁽¹⁾

\$0.16 vs. \$0.10 prior year

- Reported net income of \$22.6 million vs. \$14.0 million in the prior year
- Net income included \$4.1 million (\$0.03 per share) of revaluation losses related to foreign currency denominated loans and monetary balances

Q1 Adjusted EBITDA⁽¹⁾

\$142.3 million vs. \$134.1 million in 2016

- 16% growth outside of the USA led by EMEA and Canada
- First quarter of EBITDA growth in USA after eight consecutive quarters of declines

Adjusted Operating Cash Flow⁽²⁾

(\$7.5) million vs. \$111.7 million in 2016

- Seasonal build in working capital
- Cash conversion ratio of (5.3%)⁽³⁾
- Cash operating margin of (0.4%)⁽⁴⁾

(1) Variances to Q1 2016.

(2) Adjusted EBITDA plus cash flows from changes in AR, Inventory, and AP, less cash used to purchase PP&E.

(3) Adjusted Operating Cash Flow / Adjusted EBITDA.

(4) Adjusted Operating Cash Flow / Sales.

Univar – Consolidated Highlights

Growth initiatives drive profitability improvement

- Average selling prices increased 3% due to modest chemical price inflation and commercial initiatives
- Volumes declined 3% due to go to market transition and margin management
- Gross margin expanded 50 bps
- Productivity offset operating expense inflation and growth investments

KEY METRICS			
(In millions)			
Three months ended March 31,	2017	2016	Y/Y %
Net Sales	\$1,998.8	\$1,999.0	—%
Currency Neutral	--	--	0.8%
Gross Profit	\$439.4	\$430.3	2.1%
Currency Neutral	--	--	2.9%
Gross Margin	22.0%	21.5%	+50 bps
Adjusted EBITDA	\$142.3	\$134.1	6.1%
Currency Neutral	--	--	7.5%
Adjusted EBITDA Margin	7.1%	6.7%	+40 bps
Conversion Ratio ⁽¹⁾	32.4%	31.2%	+120 bps

(1) Conversion Ratio defined as Adjusted EBITDA / Gross Profit

USA – Highlights

Commercial initiatives drive return to growth

- Average selling prices increased 2% due to chemical price inflation and sales initiatives
- Volume declines driven by go to market transition, margin management, and soft demand
- Gross profit per lb. increased 6%
- Delivery expense decreased 2%; WS&A⁽¹⁾ flat to prior year
- Adjusted EBITDA grew 1%



(1) Warehousing, selling and administrative

KEY METRICS

(In millions)

Three months ended March 31,	2017	2016	Y/Y %
Net Sales	\$1,150.9	\$1,187.5	(3.1)%
Gross Profit	\$262.9	\$262.9	—%
Gross Margin	22.8%	22.1%	+70 bps
Adjusted EBITDA	\$81.7	\$80.8	1.1%
Adjusted EBITDA Margin	7.1%	6.8%	+30 bps

CANADA – Highlights

Strength in western Canada energy markets drives growth

- Volumes increased 8% due to higher methanol sales into energy markets
- Win/loss ratio improving
- Gross margin decreased 40 bps due to product mix
- Adjusted EBITDA margin increased due to strong expense control



(In millions)

KEY METRICS

Three months ended March 31,	2017	2016	Y/Y %
Net Sales	\$307.3	\$272.7	12.7%
Currency Neutral	--	--	8.7%
Gross Profit	\$55.8	\$50.6	10.3%
Currency Neutral	--	--	6.3%
Gross Margin	18.2%	18.6%	-40 bps
Adjusted EBITDA	\$24.8	\$21.7	14.3%
Currency Neutral	--	--	10.1%
Adjusted EBITDA Margin	8.1%	8.0%	+10 bps

EMEA – Highlights

Mix enrichment and margin management boost profits

- Volumes declined 2% due to a temporary solvent shortage
- Win/loss ratio improving
- Gross margin increased 120 bps from mix enrichment and margin management
- Operating expense declined 3%



KEY METRICS

(In millions)

Three months ended March 31,	2017	2016	Y/Y %
Net Sales	\$439.7	\$437.4	0.5%
Currency Neutral	--	--	6.2%
Gross Profit	\$101.8	\$96.2	5.8%
Currency Neutral	--	--	11.5%
Gross Margin	23.2%	22.0%	+120 bps
Adjusted EBITDA	\$35.9	\$28.3	26.9%
Currency Neutral	--	--	37.1%
Adjusted EBITDA Margin	8.2%	6.5%	+170 bps

REST OF WORLD – Highlights

Executing well in a soft economy

- Soft economy and lower oil & gas demand in Mexico pressured margins
- Brazil performed well, despite a sluggish economy, due to higher mix of specialty products
- Taking cost actions to respond to the economic conditions



KEY METRICS

(In millions)

Three months ended March 31,	2017	2016	Y/Y %
Net Sales	\$100.9	\$101.4	(0.5)%
Currency Neutral	--	--	1.6%
Gross Profit	\$18.9	\$20.6	(8.3)%
Currency Neutral	--	--	(9.2)%
Gross Margin	18.7%	20.3%	-160 bps
Adjusted EBITDA	\$6.7	\$7.9	(15.2)%
Currency Neutral	--	--	(16.5)%
Adjusted EBITDA Margin	6.6%	7.8%	-120 bps

Cash Flow Highlights

(In millions)	Three months ended March 31,		
	2017	2016	Y/Y %
Adjusted Operating Cash Flow ⁽¹⁾	(\$7.5)	\$111.7	(106.7)%
Net Working Capital	(\$128.9)	\$1.1	NM
CapEx ⁽²⁾	(\$20.9)	(\$23.5)	(11.1)%
Cash Taxes	(\$12.1)	\$7.4	(263.5)%
Cash Interest (net)	(\$44.3)	(\$44.1)	0.5%
Pension Contribution	(\$7.2)	(\$7.9)	(8.9)%
Other	(\$12.9)	(\$3.7)	248.6%

(1) Adjusted Operating Cash Flow equals Adjusted EBITDA plus cash flows from changes in AR, inventory, and AP, less cash used to purchase PP&E.

(2) Excludes additions from capital leases.

Balance Sheet Highlights

(In millions)	LTM ended March 31,		
	2017	2016	Y/Y%
Net Debt ⁽¹⁾	\$2,742.5	\$2,968.8	(7.6)%
Leverage ⁽²⁾	4.8x	5.0x	(4.8)%
Interest Coverage ⁽³⁾	3.9x	4.0x	(2.0)%
Return on Assets Deployed ⁽⁴⁾	20.4%	21.0%	-60 bps

(1) Net Debt defined as Total Debt (Long term debt, inclusive of debt discount and unamortized debt issuance costs, plus short term financing) less cash and cash equivalents.

(2) Net Debt divided by trailing 12 month Adjusted EBITDA.

(3) Interest coverage defined as LTM Adjusted EBITDA / LTM Cash Interest (net of interest income).

(4) LTM Earnings before Interest, Taxes and Amortization (EBITA) divided by trailing 13 month average of net PP&E plus net working capital (accounts receivable plus inventory less accounts payable).

OUTLOOK

Q2 2017 & Full Year 2017

Full Year Adjusted EBITDA
mid-to-high single digit growth

Q2 2017 Adjusted EBITDA
mid-single digit growth versus Q2
2016

EXPECTATIONS

2017

Continue to advance our Commercial
Greatness and Operational Excellence
initiatives

Selective commercial and technology
investments

FX translation headwinds

Mid-to-high single digit EBITDA growth in
the first half year

Accelerating Adjusted EBITDA growth in
the second half approaching double
digits by year end

Full Year 2017 Guidance

(In millions)	Year ended December 31,	
	2016	2017
Adjusted EBITDA	\$562.7	mid-to-high single digit growth
Cash Interest (net)	(\$145.2)	~(\$134)
Cash Tax (net)	(\$0.8)	~(\$25)
Effective Tax Rate	14.0%	~20-25%
Pension Contribution	(\$31.6)	~(\$35)
Change in Net Working Capital	\$124.2	~(\$50-100)
Capital Expenditures	(\$90.1)	~(\$110)
Debt Amortization	(\$39.9)	~(\$90)

Appendix A

Q1 2017 Adjusted EBITDA Reconciliation

(In millions)	Three months ended March 31,	
	2017	2016
Adjusted EBITDA	\$142.3	\$134.1
Other operating expenses, net	\$19.8	\$5.5
Depreciation	\$35.9	\$33.5
Amortization	\$16.7	\$22.0
Interest expense, net	\$35.8	\$40.6
Loss on extinguishment of debt	\$0.8	—
Other expense, net	\$9.1	\$13.4
Income tax expense	\$1.6	\$5.1
Net income	\$22.6	\$14.0

Appendix B

Adjusted Operating Cash Flow

(In millions)	Three months ended March 31,	
	2017	2016
Adjusted EBITDA	\$142.3	\$134.1
<i>Change in:</i>		
Trade accounts receivable, net	(\$142.4)	(\$84.8)
Inventories	(\$66.4)	(\$95.1)
Trade accounts payable	\$79.9	\$181.0
Purchase of PP&E	(\$20.9)	(\$23.5)
Adjusted operating cash flow	(\$7.5)	\$111.7

