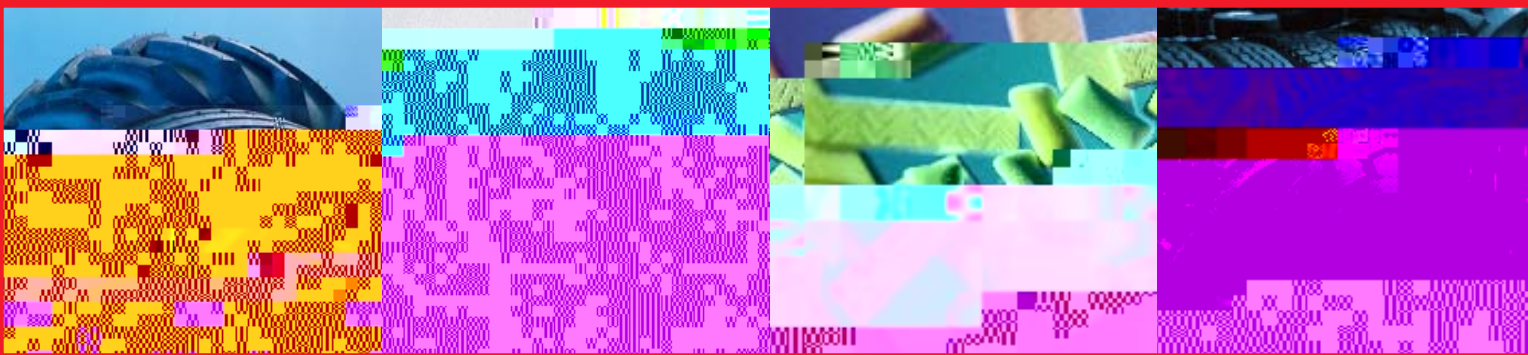


Business Unit Butyl Rubber



“In BTR, Rubber Rocks”

Ron Commander

1st LANXESS Investor Conference

September 15, 2006



The Business Unit Butyl Rubber is part of the LANXESS Performance Rubber segment

- § BTR is one of 3 Business Units in the Performance Rubber segment
- § Sales: > €500 million per year
- § Two product groups: Halobutyl and Regular Butyl
- § Production sites: Antwerp, Belgium and Sarnia, Canada
- § Selling into 45 countries



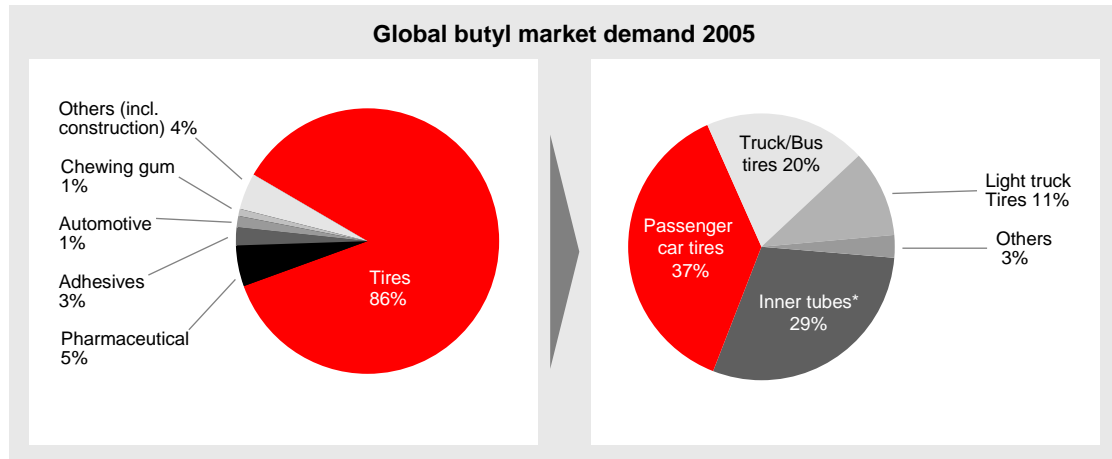
LANXESS

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LANXESS

Tires are the core application of butyl rubber consuming about 86% of the global supply



Source: LANXESS Butyl Market Research Study, * Thereof, 47% in Truck/Bus Inner Tubes

4

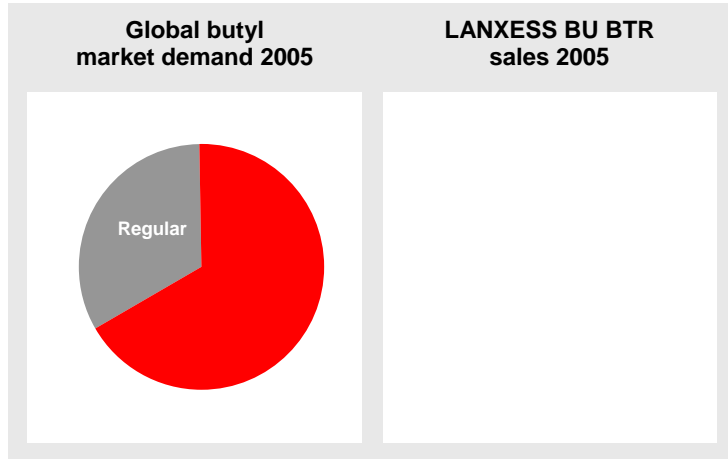
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LANXESS

Halobutyl is the predominant butyl type according to market demand and LANXESS sales

- § Halobutyl is the strategic product for LANXESS BU BTR
- § From 2010 onwards, we expect an accelerated increase in halobutyl supported by a gradual decrease in regular butyl due to increased radialization, especially in China and India



Source: LANXESS Butyl Market Research Study

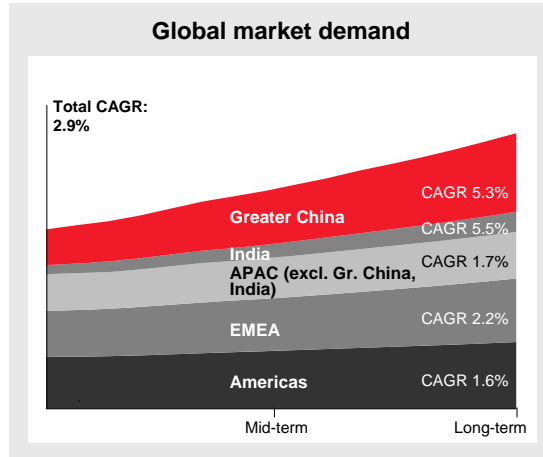
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LANXESS

The butyl market will grow over the next 15 years and LANXESS expansions will be needed

Key drivers & trends

- § Strong tire growth in emerging economies
- § Increasing tire sizes (improved tire design)
- § Continuous radialization particularly in China and India drives demand for halobutyl rubber



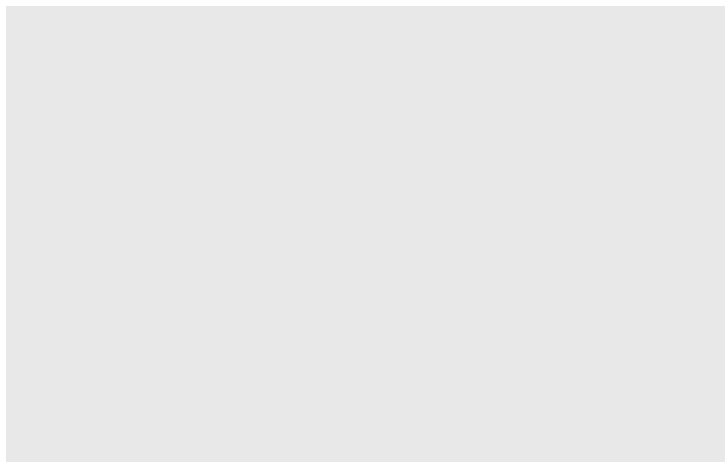
Source: LANXESS Butyl Market Research Study

8



LANXESS Butyl business moves to Asia

- § General Purpose Tire production



9



Addressing market needs, LANXESS expands its butyl plants

Antwerp (Belgium)	Sarnia (Canada)
<ul style="list-style-type: none"> § Capacity increase by 10% § Expansion in two phases was fully completed earlier this year 	<ul style="list-style-type: none"> § Capacity increase by 42% § Expansion steps are currently under way and will be completed in 2007

- § Total capacity increase of 25% to 265 kt per year by 2007 at a cost of ~€50 M
- § Significant positive effect on EBITDA*
- § Possibility of further debottlenecking at both plants will allow for a fast reaction to market needs

Source: LANXESS Butyl Market Research Study; * pre exceptionals

10

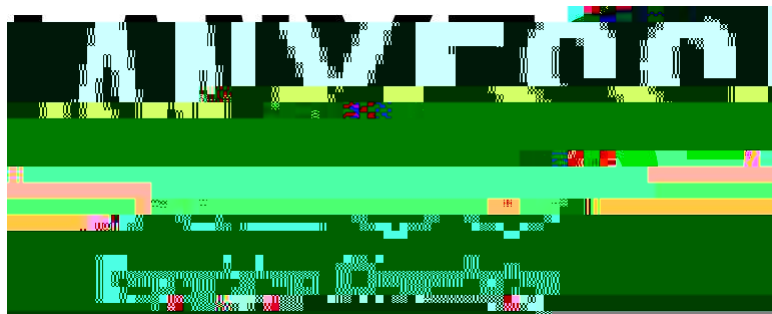


Butyl Rubber is well prepared for growth in the market

Strong Market Position	LANXESS is one of the leaders in a growing market, particularly in Asia
World-scale Assets	Strong asset base with two world-scale plants
Strategic Product Portfolio	Halobutyl is the strategic product of LANXESS, new product developments are underway
Profitable Growth	Butyl Rubber is increasing capacities at its existing plants to meet rising demand

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Safe Harbor Statement

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