



Business Unit Advanced Industrial Intermediates

A strong and stable player in chemical intermediates

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Agenda

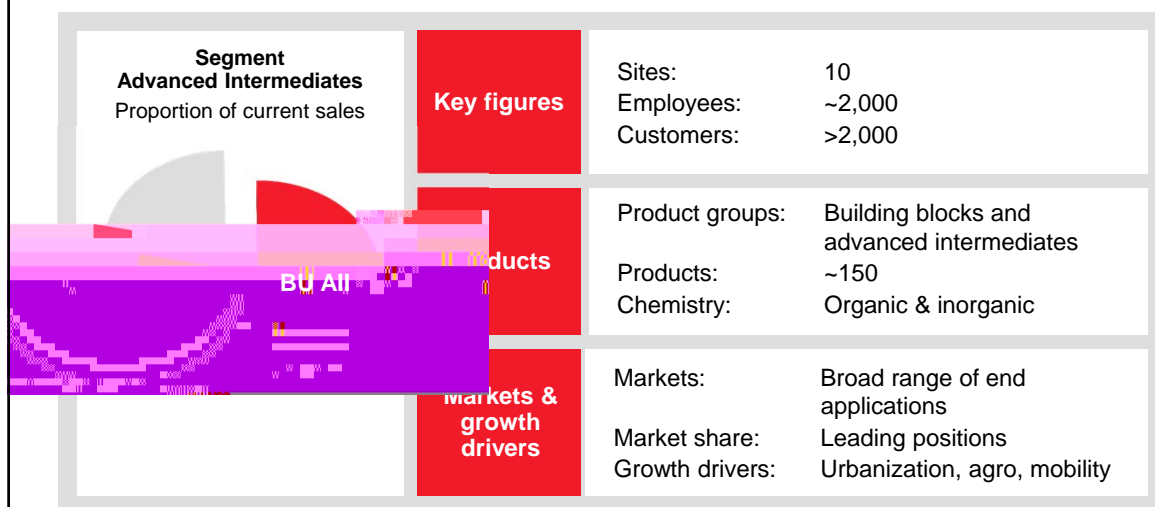
Business Unit Advanced Industrial Intermediates (BU AII) one of the world's most important suppliers of high-quality industrial chemical intermediates

A strong and stable player in chemical intermediates contributing to LANXESS' future

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Advanced Industrial Intermediates: A leading supplier of chemical intermediates



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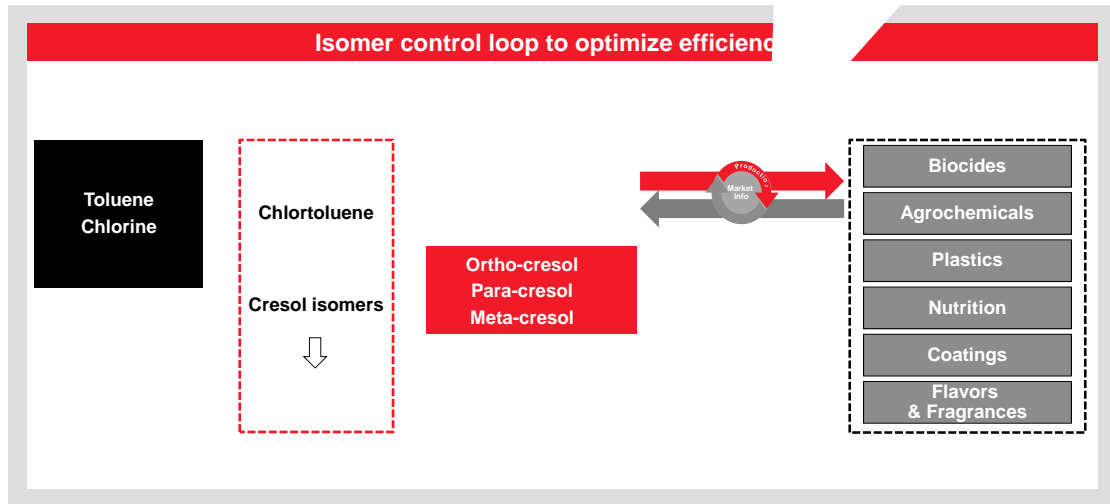
Providing chemical intermediates for a wide range of applications

	Aromatic Network	Benzyl Products and Inorganic Acids	Polyols and Oxidation Products	Antioxidants and Accelerators
Competitive environment	<p>High level of consolidation in the West Mid-sized Chinese and Indian companies with some product overlap</p>	<p>High level of consolidation in the West Mid-sized Chinese and Indian companies with some product overlap</p>	<p>Solvay Perstorp Radici BASF</p>	<p>Eastman Sinorgchem General Quimica Emerald Nocil</p>
	<p>Agrochemicals Automotive Flavors & fragrances High-tech plastics</p> 	<p>Agrochemicals Coatings Solvents Flavors & fragrances</p> 	<p>Polyester resins Coatings Plasticizers Construction</p> 	<p>Tires Technical rubber & consumer goods Fuel additives</p> 

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Example: Close coordination between prod marketing is essential



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BU All's contribution to a balanced and resilient LANXESS portfolio



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Growth

High asset utilization supports profitability
Flexible management of product streams
across the value chain provides resilience
Competitiveness stems from a strong asset
base and proprietary technologies

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The business generates consistently high cash flow

Stable cash flow generated throughout the business cycle	
Excellent underlying profitability based on: economies of scale highly efficient set up high utilization rates	
Strict inventory management	
Modest capex levels	

External growth in advanced intermediates could be achieved in two ways

Resilience
Cash generation
Growth

<p>Within our current portfolio</p>		<p>Looking outside of our portfolio</p>
<p>Acquire players active in the same types of organic and inorganic chemistry (e.g., Chinese and Indian companies)</p>		<p>Add to our existing portfolio by considering operations with similar business models (e.g., target market size, value chain, technology)</p>



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Strengthening our platform with organic growth

External /TT7TABAgpEppPceQ17abWGAfpaLta/FIRCE&C0inte6be



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