



## LANXESS Q3 2006 Financial Summary for Investors and Analysts

- **EBITDA pre exceptionals up 10.8 %**
- **EBITDA-margin of 9.7 % after 8.3 % in Q3 2005**
- **Further reduction of net financial debt to €503 m**
- **Guidance for FY 2006 confirmed:  
EBITDA pre exceptionals of €660 m to €680 m**
- **Transformation of the company continues with high speed**

### LANXESS AG

Investor Relations  
51369 Leverkusen  
Germany

Michael Pontzen, Head of IR  
Phone +49 214 30-43804  
Fax +49 214 30-959-43804  
Michael.Pontzen@lanxess.com

### Q3 Business Overview

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#### LANXESS Group

- Sales Deviation: Price: +5%, Volume -3%, Currency -2%, Portfolio -5% (approximate numbers)
- Economic environment remains supportive in most regions
- Operationally sound third quarter supported by efficiency improvements
- Continued price push-through in light of peaking raw material and energy costs
- Restructuring programs remain fully on track
- Confirmation of FY guidance of €660-€680 m EBITDA pre exceptionals
- Rubber litigation payments concluded with last payment of ca. €20 m
- Further portfolio measure implemented - divestment of TPC at value enhancing multiples

#### Performance Rubber

- Sales Deviation: Price: +12%, Volume 0%, Currency -3% (approximate numbers)
- Sales growth driven by price increases in all BUs in an effort to offset higher raw material costs. Stable volumes compared to Q3 2005
- B:TR counteracted risen raw material costs with improved cost structures and higher selling prices
- PBR back on track with higher prices and volumes. Asia helped to offset U.S. softness
- TRP shows restructuring results with efficiency improvements and good pricing

#### Engineering Plastics

- Sales Deviation: Price: +7%, Volume -7%, Currency -2%, Portfolio -5% (approximate numbers)
- Sales decline mainly due to divestiture of FIB and lower ABS volumes during the production shift from Dormagen to Tarragona as well as the damage caused by the fire at the Tarragona site
- LUP continues on the road of recovery with price increases to mitigate higher raw material and energy costs
- SCP with strong results based on raw-material-induced price increases supported by improved cost structures
- Absence of FIB-losses backs results as well







**Abbreviations:**

- BTR Butyl Rubber**
- PBR Polybutadiene Rubber**
- TRP Technical Rubber Products**
- LUP Lustran Polymers**
- SCP Semi-Crystalline Products**
- BAC Basic Chemicals**
- SGO Saltigo**
- IPG Inorganic Pigments**
- MPP Material Protection Products**
- FCC Functional Chemicals**
- LEA Leather**
- TPC Textile Processing Chemicals**
- RCH RheinChemie**
- RUC Rubber Chemicals**
- ION Ion Exchange Resins**

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[Michael.Pontzen@lanxess.com](mailto:Michael.Pontzen@lanxess.com)