

# LANXESS Q2 2008 Financial Summary for Investors and Analysts

Strong operational sales growth (+14.0%)
EBITDA pre exc. increased to €23 m, offsetting negative currency effects and risen raw material costs
EBITDA margin at 12.6% vs. 12.2% Q2 2007
Net debt increases to €87 m after acquisition of Petroflex and quadrupled dividend payout
Outlook FY 2008 confirmed:

EBITDA pre exceptionals expected to be above €700 m

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#### **Overview Financials**

#### **Q2 Profit and Loss Statement:**

Sales Deviation: Price: +7.3%, Volume +6.7%, Currency -5.8%,

Portfolio -6.0% (approximate numbers)

Sales rose as price and volume increases offset negative currency effects. Consolidation of Petroflex mitigates negative portfolio effect due to absence of BU LUP

EBITDA pre exceptionals rose by around 6% mainly due to Performance Polymers' operational result and Petroflex' contribution

Net income rose to €53 m despite burden of further LUP write-down of ~€30 m Other changes in operational costs mainly reflect the consolidation of Petroflex

#### Q2 Cash flow Statement:

Operating cash flow in Q2 2008 contains ~€15 m restructuring cash out Increased outflow for working capital mirrors risen raw material costs in inventory, seasonal development as well as preparation for maintenance turnarounds and shift of production (RUC)

Investing cash flow mirrors acquisition payment for Petroflex



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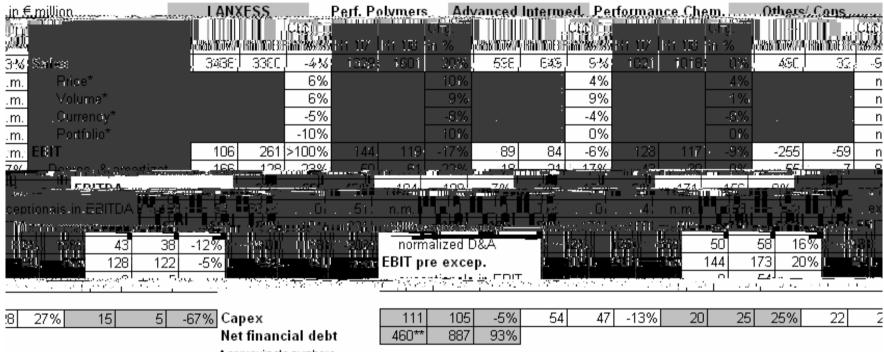
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# **Financial Overview Q2 2008**



## Financial Overview H1 2008



<sup>\*</sup> approximate numbers

<sup>\*\*</sup>per Dec. 31



## **Abbreviations:**

**BAC Basic Chemicals** 

BTR Butyl Rubber

**FCC** Functional Chemicals

ION Ion Exchange Resins

**IPG** Inorganic Pigments

**LEA** Leather

**LUP** Lustran Polymers

**MPP Material Protection Products** 

**PBR** Performance Butadiene Rubbers

**RCH RheinChemie** 

**RUC Rubber Chemicals** 

**SCP Semi-Crystalline Products** 

SGO Saltigo

**TRP** Technical Rubber Products

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