

LANXESS Q2 2010 Financial Summary for Investors and Analysts

- Strong sales growth at 48% year over year
- EBITDA pre at €269 m in Q2 2010, margin at 14.7%
- Strategic positioning yields strong results
- Substantially higher raw material prices (mainly Butadiene, Cyclohexane) could be fully offset thanks to underlying trends, good product quality and market positions
- EPS rise from €0.20 to €1.57; H1 2010 with €2.82
- 2010 guidance: EBITDA pre exceptionals roughly €300 million

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Overview Financials

Q2 Profit and Loss Statement:

Substantial sales increase driven by both, prices (+19%) and volumes (+22%), supported by foreign currencies (+5%)

Strong EBITDA pre due to good demand as well as flexible and adjusted cost base

Q2 Balance Sheet:

Overall, foreign currencies with inflationary influence on balance sheet positions (USD and Brazilian Real)

Increase in pension provisions due to lowered discount rates for Germany (5.25% to 5.00%)

Net financial debt increased on cash outs for dividend, interest and working capital build-up

Working capital increase

- in line with business expansion and
- due to planned shut down preparation
- due to higher prices and
- due to FX effect

Q2 Cash flow Statement:

Significantly better profit before tax on stronger business activity Cash outflow for working capital as expected, in-line with business recovery and higher raw material prices

Operating cash flow finances working capital increase and capex payout Investing cash flow reflects conversion of near cash assets to cash



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2010 Business environment and guidance: LANXESS is optimistic for 2010

Macro-economic environment:

Global markets have further stabilized, growth momentum in emerging markets while other regions improve with less momentum

Positive business environment will continue, however the macroeconomic recovery remains fragile

Raw material prices are expected to increase, albeit at a lower pace

Guidance:

EBITDA pre FY 2010 is expected to be at roughly €800 m assuming a continued positive macroeconomic development

Capex* : ~€450-470 m

Hedging 2010 $\,$: ~40% at 1.30-1.40 USD / EUR

2011 : ~25% at 1.30-1.40 USD / EUR

Exceptionals : ~€20 m P&L expenses / one time costs

Cash outs : ~€40 m for restructuring

*without projects financed by customers and finance lease

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Leverkusen, August 6, 2010

Forward-Looking Statements

This news release contains forward-looking statements based on current assumptions and forecasts made by LANXESS AG management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.



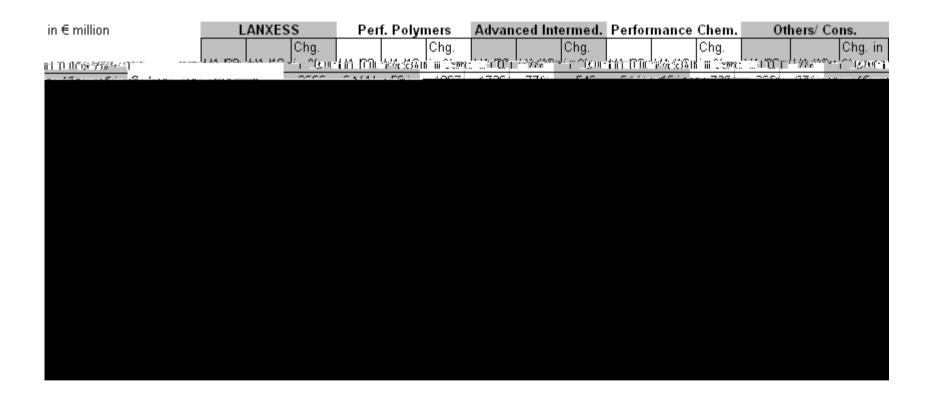
Financial Overview Q2 2010

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794** 955 20%	794** 955 20% Net financial debt					
		* approximate numbers				
					**ne	r Dec. 31

^{**}per Dec. 31



Financial Overview H1 2010





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