



LANXESS – Q3 2010 Results Conference Call

A solid growth story

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Chart 2

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Agenda

- § Highlights and business update Q3 2010
- § Business and financial review Q3 2010
- § Outlook/Guidance

Chart 3

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Highlights Q3 2010

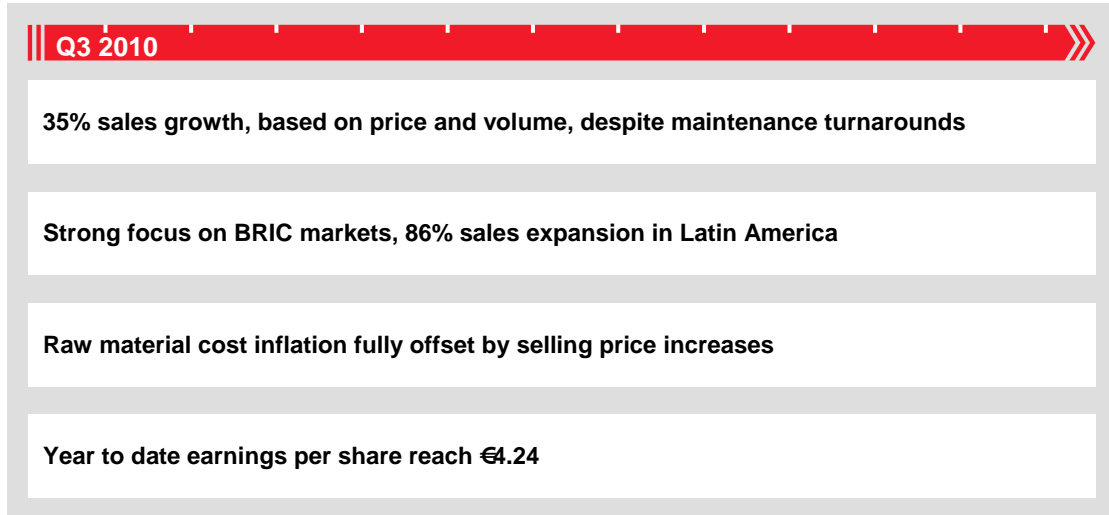


Chart 4

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Price-before-volume strategy successful

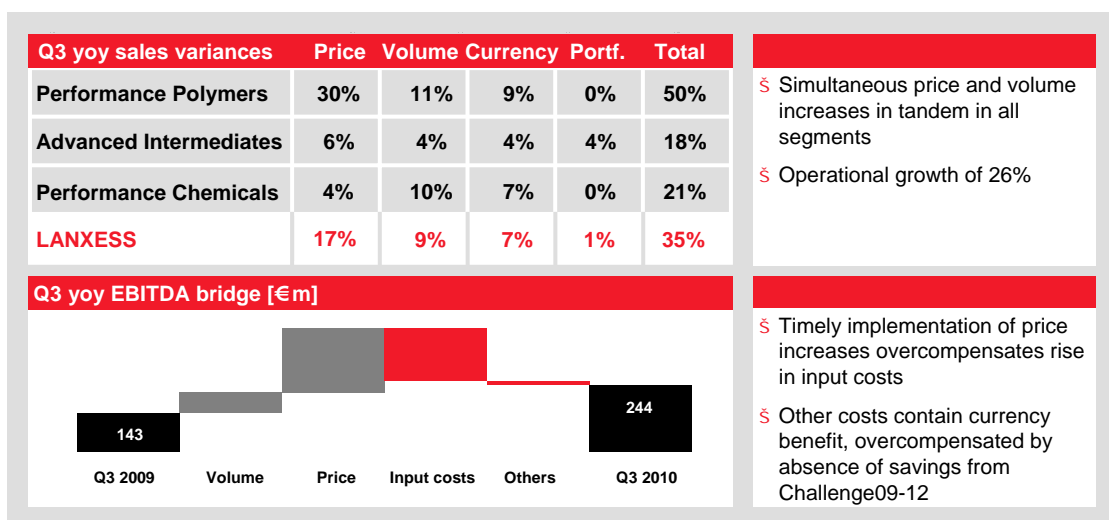


Chart 5

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Chart 6

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Q3 2010 financial overview: another growth quarter

[€m]	Q3 2009	Q2 2010	Q3 2010	yoy in %	
Sales	1,373	1,828	1,847	34.5%	§ Q3 sales on Q2 level and increased 35% year on year
EBITDA pre except. margin	143 10.4%	269 14.7%	244 13.2%	70.6%	§ EBITDA held back vs. Q2 due to maintenance turnarounds and reduced Challenge09-12 support
Net income	23	131	118	>100%	§ Working capital increase in line with current business activity, inventory pricing and currency development
Capex*	52	60	107	>100%	
[€m]	31.12.2008	31.12.2009	30.09.2010	% vs. FY	
Net financial debt	864	794	865	8.9%	§ Slight rise in headcounts due to announced growth projects
Net working capital	1,289	1,096	1,485	35.5%	
Employees	14,797	14,338	14,539	1.4%	
Literally no summer softening leads to a solid and continued performance					

* Net of projects financed by customers and finance lease

Chart 7

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Lean cost structure maintained amid higher business activity

[€m]	Q3 2009	Q3 2010	yoy in %	
Sales	1,373 (100%)	1,847 (100%)	35%	§ Sales increased yoy on higher prices (+17%) and volumes (+9%) as well as currency (+7%) and portfolio (+1%) effects
Cost of sales	-1,050 (76%)	-1,387 (75%)	32%	
Selling	-135 (10%)	-166 (9%)	23%	
G&A	-57 (4%)	-70 (4%)	23%	
R&D	-26 (2%)	-34 (2%)	31%	§ Cost of sales, selling and G&A expenses show effects of ongoing cost discipline in a recovery environment
EBIT	64 (5%)	169 (9%)	>100%	
Net income	23 (2%)	118 (6%)	>100%	§ Strong improvement in EBITDA pre due to ongoing healthy demand in all segments
EPS	0.28	1.42	>100%	
EBITDA	130 (10%)	238 (13%)	83%	
thereof exceptionals	-13 (1%)	-6 (0%)	-54%	
EBITDA pre exceptionals	143 (10%)	244 (13%)	71%	

Strong Q3 sales - on Q2 level, withstanding typical seasonal pattern

Chart 8

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Performance Polymers: strong price increases and solid volumes – EBITDA held back by maintenance turnarounds

[€m]	Q3 2009	Q3 2010	
Sales	656	986	
EBIT	32	107	
Depr. / Amort.	34	36	
EBITDA	66	143	
EBITDA pre exceptionals	76	144	
Margin	11.6%	14.6%	
Capex*	25	54	

Sales by BU

Sales bridge year on year [€m]

(approximate numbers)

Q3 2009 Price Volume Currency Portfolio Q3 2010

Chart 9

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Advanced Intermediates: strong performance despite agro weakness

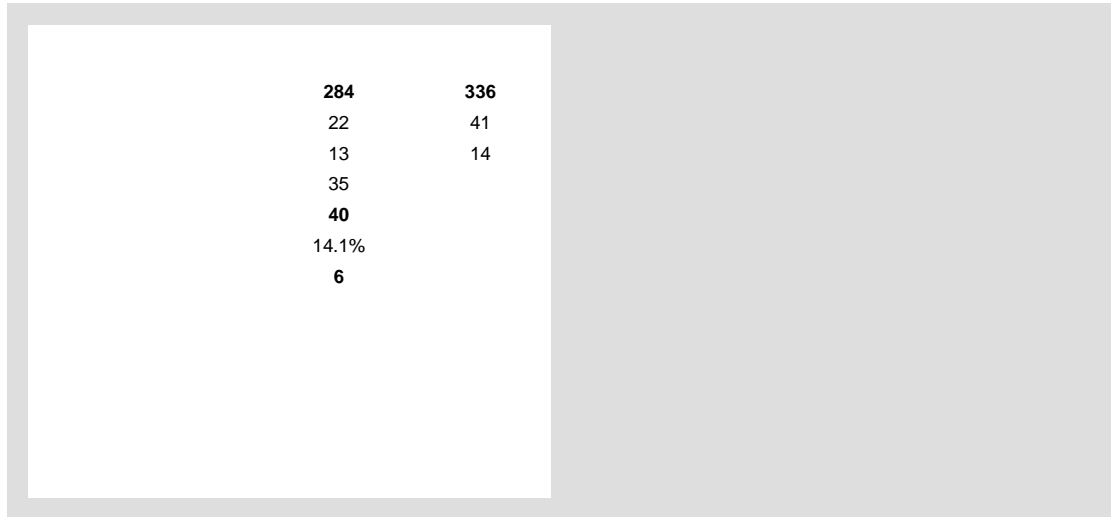


Chart 10

Solid business performance provides strong cash flow

[€ m]	9M 2009	9M 2010	
Profit before Tax	33	461	§ Profit before tax above previous year due to significantly improved demand situation
Depreciation & amortization	194	204	
Gain from sale of assets	-18	0	§ Cash outs for tax payments due to higher profit before tax
Result from equity investments	-12	-23	
Financial (gains) losses	49	65	§ Outflow for working capital in line with business recovery and higher raw material prices
Cash tax payments / refunds	53	-76	
Changes in other assets and liabilities	-54	-12	§ Almost unchanged net working capital and business activity versus Q2 2010
Operating cash flow before changes in WC	245	619	
Changes in working capital	187	-352	§ PY investing cash flow contains investment in near cash assets
Operating cash flow	432	267	
Investing cash flow	-651	-119	
thereof capex	-161	-206	
Financing cash flow	415	-201	
Solid cash generation			

Chart 14

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Chart 15

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Full year guidance increased to ~ €900 m EBITDA pre


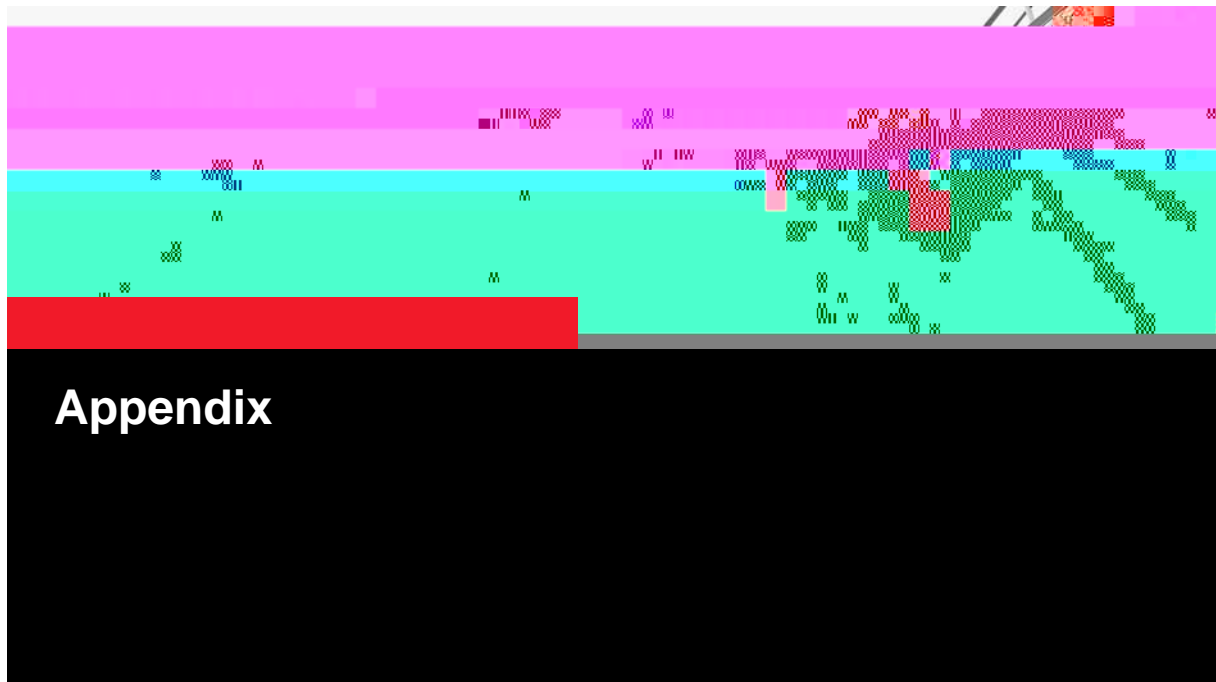
Current macro view	
<ul style="list-style-type: none">§ Global markets continue their recovery, highest momentum remains in emerging markets§ Good business environment expected to continue, however macroeconomic risks from high fiscal debt levels and currency volatilities remain	
LANXESS expects 2010 well ahead of pre-crisis year 2008	
<p>"Challenge09-12" compensation payment to workforce for exceptional 2010 recovery (~€20 m)</p> <p>EBITDA pre FY 2010 is expected to be roughly €900 m assuming continued positive macroeconomic development</p>	

Chart 16

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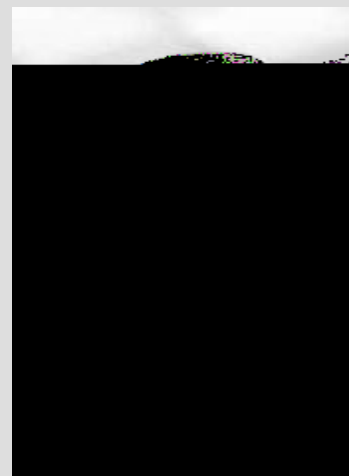




Appendix

Additional financial guidance

Additional financial information for 2010	
§ Capex	: ~€450-470 m
§ Hedging 2010	: ~40% at 1.30-1.40 USD / EUR
2011	: ~30% at 1.30-1.40 USD / EUR
§ Tax rate	: 20 to 25%
§ Exceptionals	: ~€20 m P&L expenses / one time costs
§ Cash outs	: ~€40 m for restructuring
§ Challenge09-12	: additional expenses of ~€20 m in H2 2010, ~€50 m in 2011 vs. 2010



A solid year of business recovery

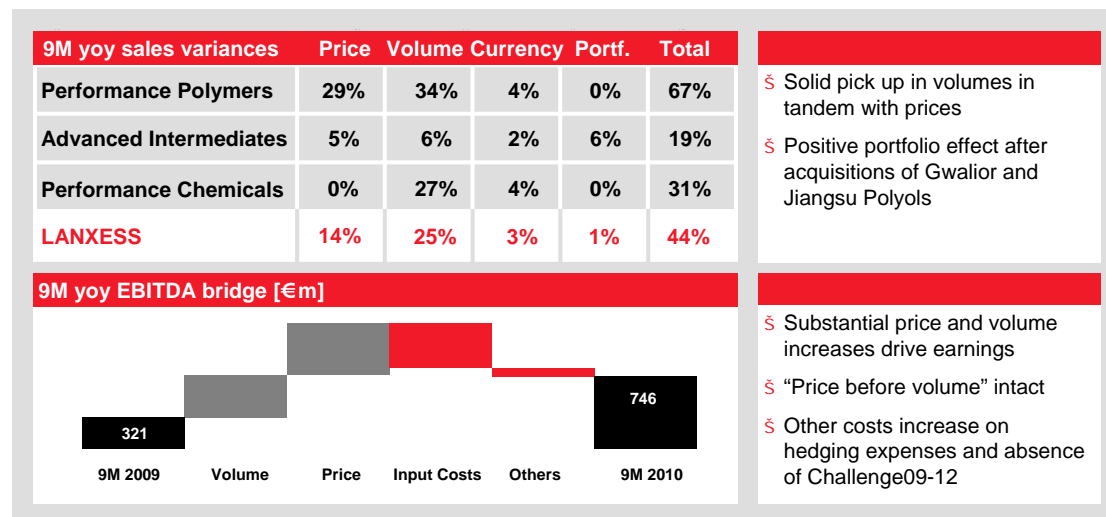
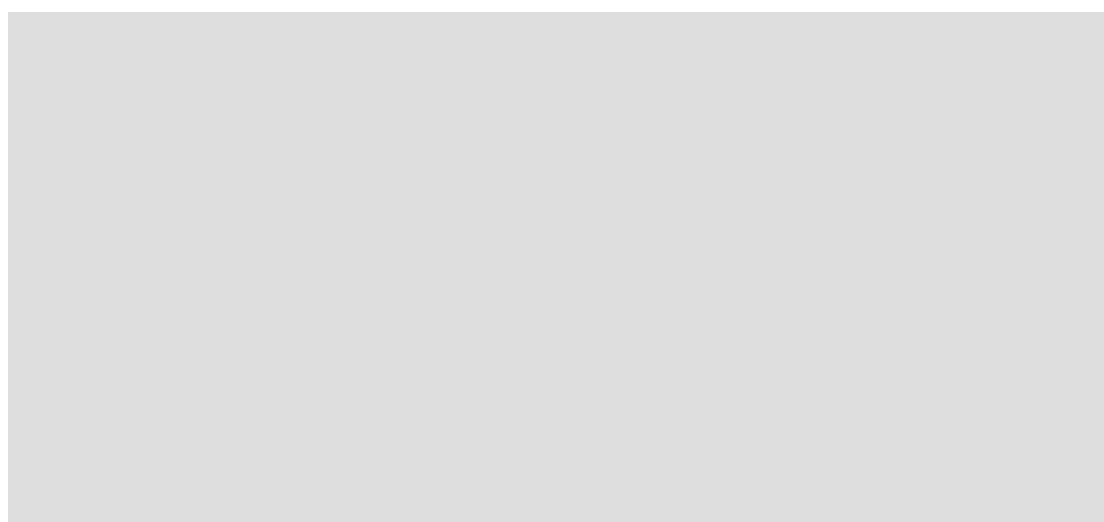


Chart 20

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Strong demand meets a flexible and adjusted cost structure

[€ m]	9M 2009	9M 2010	yoy in %	
Sales	3,665 (100%)	5,288 (100%)	44%	§ Strong sales increase on the back of significant volumes (+25%) and good pricing (+14%) as well as supporting currency (+3%) and portfolio (+1%) effects
Cost of sales	-2,884 (79%)	-3,960 (75%)	37%	
Selling	-386 (11%)	-470 (9%)	22%	
G&A	-171 (5%)	-197 (4%)	15%	§ Operational expenses increase with risen business activity but disproportionately to sales
R&D	-75 (2%)	-89 (2%)	19%	
EBIT	106 (3%)	529 (10%)	>100%	§ Strong EBITDA pre due to good demand as well as flexible and adjusted cost base
Net income	26 (1%)	353 (7%)	>100%	
EPS	0.31	4.24	>100%	
EBITDA	300 (8%)	733 (14%)	>100%	
thereof exceptionals	-21 (1%)	-13 (0%)	-38%	
EBITDA pre exceptionals	321 (9%)	746 (14%)	>100%	

Delivering a solid performance

Chart 22

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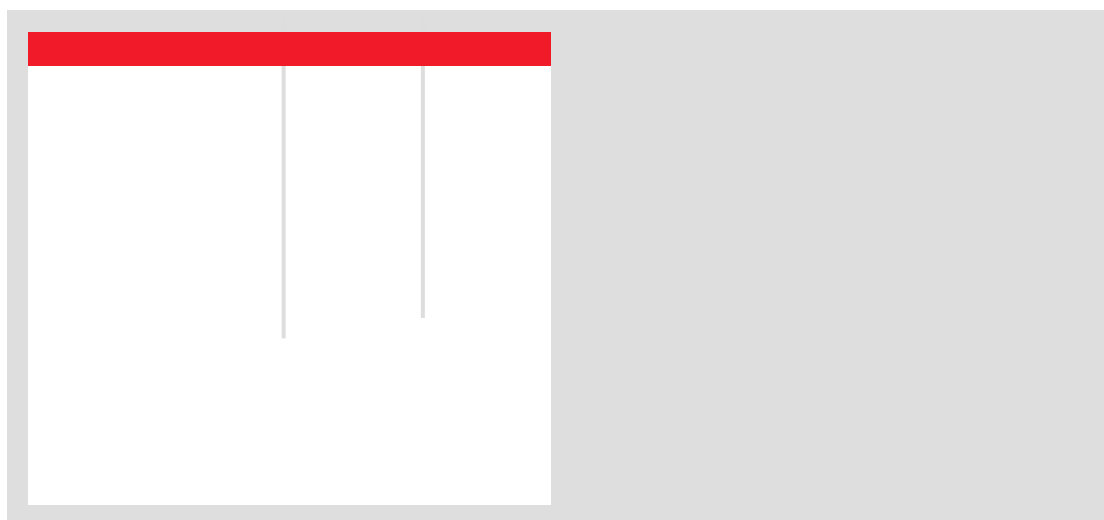


Chart 23

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- § Sales increase on the back of positive effects from volume, portfolio and pricing
- § Portfolio effect reflects acquisitions in BU BAC
- § Demand from agro end-markets remains soft albeit with some light at the end of the tunnel, however no relief before beginning of next year
- § New BAC cresol capacities contribute to earnings
- § Segment EBITDA and margins continue stable development
- §

Chart 24

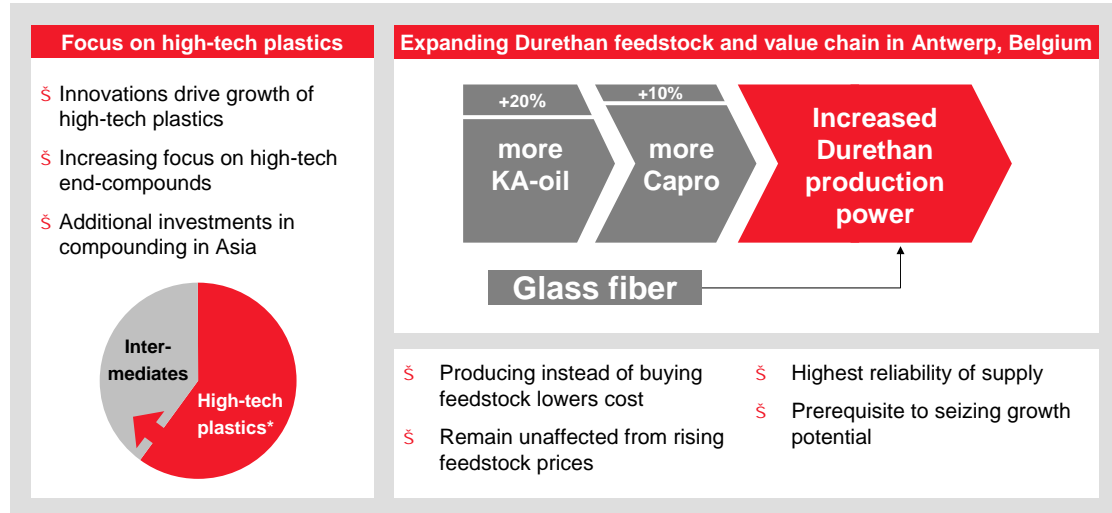
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Strong cash flow based on solid business performance

Profit before Tax	32	145	<p>§ Profit before tax above previous year due to significantly improved demand situation</p> <p>§ Cash outs for tax payments from higher profit before tax</p> <p>§ No significant effects from working capital due to unchanged business activity versus Q2 2010</p> <p>§ PY investing cash flow contains investment in near cash assets</p>
Depreciation & amortization	66	69	
Gain from sale of assets	0	0	
Result from equity investments	-7	-11	
Financial (gains) losses	22	25	
Cash tax payments / refunds	7	-48	
Changes in other assets and liabilities	45	29	
Operating cash flow before changes in WC	165	209	
Changes in working capital	-12	-2	
Operating cash flow	153	207	
Investing cash flow	-629	-220	
thereof capex	-52	-107	
Financing cash flow	-23	46	

Chart 26

Getting ready for additional demand: BU SCP investments in backward integration



* Durethan, Pocan

Chart 28

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Debottlenecking in EVM allows for continued growth in specialty rubber applications

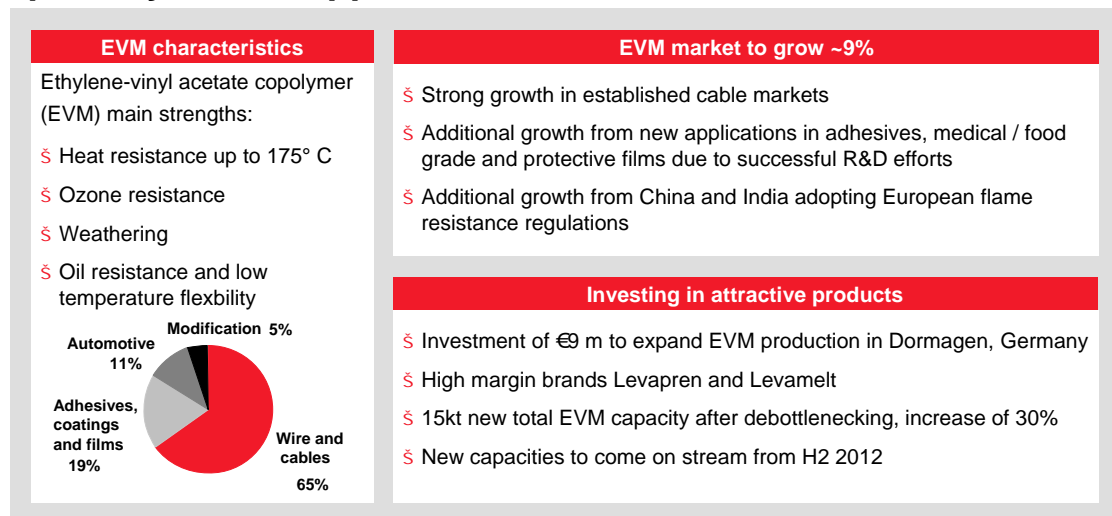


Chart 29

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Exceptional items incurred in Q3 2009 and Q3 2010

[€m]	Q3 2009		Q3 2010	
	Exceptional	thereof D&A	Exceptional	thereof D&A
Performance Polymers	10	0	1	0
Advanced Intermediates	5	0	0	0
Performance Chemicals	5	0	0	0
Reconciliation	-7	0	5	0
Total	13	0	6	0

Chart 30

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Exceptional items incurred in 9M 2009 and 9M 2010

[€m]	9M 2009		9M 2010	
	Exceptional	thereof D&A	Exceptional	thereof D&A
Performance Polymers	11	0	3	0
Advanced Intermediates	5	0	0	0
Performance Chemicals	5	0	0	0
Reconciliation	3	3	10	0
Total	24	3	13	0

Chart 31

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Abbreviations

Performance Polymers		Advanced Intermediates	
§ BTR	Butyl Rubber	§ BAC	Basic Chemicals
§ PBR	Performance Butadiene Rubbers	§ SGO	Saltigo
§ TRP	Technical Rubber Products		
§ SCP	Semi-Crystalline Products		

Performance Chemicals	
§ MPP	Material Protection Products
§ IPG	Inorganic Pigments
§ FCC	Functional Chemicals
§ LEA	Leather
§ RCH	Rhein Chemie
§ RUC	Rubber Chemicals
§ ION	Ion Exchange Resins

Chart 32

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Upcoming events 2011

Upcoming events	
§ FY results 2010	March 17, 2011
§ Q1 results 2011	May 11, 2011
§ AGM	May 18, 2011
§ Q2 results 2011	August 11, 2011
§ Q3 results 2011	November 10, 2011

Chart 33

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