



## LANXESS FY/Q4 2012 Financial Summary for Investors and Analysts

### Summary FY 2012

Slight sales growth of 3.6%, largely due to currency and portfolio effects with partly offsetting volume effect  
Substantial sales growth in North America and Asia-Pacific  
EBITDA pre exceptionals up 6.9% to €1,225 million  
EBITDA margin pre exceptionals up to 13.5% from 13.1%  
Net income of €514 million slightly above prior-year level  
Earnings per share of €6.18, up from €6.08  
Balance sheet and financing structure  
P&L reflects solid operational performance in a weaker environment

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## Q4 Business Overview

### Performance Polymers

**Despite weaker demand, EBITDA increases due to absence of ~€35 m inventory devaluation**

Sales deviation yoy: Price -6%, Volume -3%, Currency +2%, Portfolio 0% (approximate numbers)

Raw-material-driven price decline mainly in BU PBR (Butadiene), slightly mitigated by price increases in BU HPM reflecting higher Benzene prices; BU BTR with stable prices

Volume decline driven by BU TRP mainly in automotive/OEM, while all other BUs show slightly positive volumes

EBITDA supported by absence of ~€35 m inventory devaluation, partly offset by scheduled ramp-up cost ~€10 m (in BU BTR)

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### Advanced Intermediates

**Exceptionally strong quarter**

Sales deviation yoy: Price +7%, Volume +14%, Currency +1%, Portfolio 0% (approximate numbers)

Price increases in BU All reflect higher raw material prices (Benzene and Toluene)

BU All volumes driven by higher demand for flavor & fragrances and agro intermediates

BU SGO benefits from strong agro demand as well

EBIT supported by higher utilisation with comparably lower maintenance expenses (BU All) and absence of ~€23 m exceptional items (Pharma realignment in BU SGO)

### Performance Chemicals

**Stable performance in a demanding environment**

Sales deviation yoy: Price 0%, Volume 0%, Currency +1%, Portfolio +1% (approximate numbers)

Prices unchanged as positive effects in BUs IPG, LEA, RCH and ION level negative effects in BUs FCC and RUC

Volume increases mainly in BU IPG from a low base, offset by declines in BUs LEA, RUC and RCH (weak OEM/tire demand)

Effects driving EBITDA: timing of maintenance expenses, cost measures, etc.

Capex increases mainly due to growth activities in BU RCH and various smaller projects across all BUs



## **Business environment:**

### **A weak start of the year – but cautiously optimistic for H2**

#### **Current macro view: Improved demand levels expected for H2**

Overall customer demand remains at low levels in Q1,  
possibly continuing into Q2

No further weakening of economic environment, low visibility persists

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## Financial Overview Q4 2012

in € million

							Advanced Intermed.			Performance Chem.					
	Q4 '11	Q4 '12	Chg. in %	Q4 '11	Q4 '12	Chg. in %	Q4 '11	Q4 '12	Chg. in %	Q4 '11	Q4 '12	Chg. in %	Q4 '11	Q4 '12	Chg. in %
	<b>2.123</b>	<b>2.123</b>	0%	<b>1.261</b>	<b>1.166</b>	-8%	<b>363</b>	<b>443</b>	22%	<b>490</b>	<b>505</b>	3%	<b>9</b>	<b>9</b>	0%
Price*			-2%			-6%			7%			0%			0%
Volume*			1%			-3%			14%			0%			0%
Currency*			1%			2%			1%			1%			0%
Portfolio*			0%			0%			0%			1%			0%
	<b>52</b>	<b>126</b>	>100%	<b>76</b>	<b>89</b>	17%	<b>17</b>	<b>70</b>	>100%	<b>8</b>	<b>21</b>	>100%	<b>-49</b>	<b>-54</b>	-10%
	92	102	11%	44	58	32%	20	17	-15%	21	22	5%	7	5	-29%
	<b>144</b>	<b>228</b>	58%	<b>120</b>	<b>147</b>	23%	<b>37</b>	<b>87</b>	>100%	<b>29</b>	<b>43</b>	48%	<b>-42</b>	<b>-49</b>	-17%
	30	11	-63%	7	6	-14%	19	-6	n.m.	0	2	n.m.	4	9	>100%
<b>EBITDA pre excep.</b>	<b>174</b>	<b>239</b>	37%	<b>127</b>	<b>153</b>	20%	<b>56</b>	<b>81</b>	45%	<b>29</b>	<b>45</b>	55%	<b>-38</b>	<b>-40</b>	-5%
normalized D&A	87	102	17%	44	58	32%	16	17	6%	21	22	5%	6	5	-17%
EBIT pre excep.	87	137	57%	83	95	14%	40	64	60%	8	23	>100%	-44	-45	-2%



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## Income Statement Q4 2012 and FY 2012

in €million	Q4 2011	Q4 2012	Chg. in %	FY 2011	FY 2012	Chg. in %
Sales	2.123	2.123	0%	8.775	9.094	4%
Cost of sales	-1.705	-1.659	-3%	-6.765	-6.986	3%
Gross profit	418	464	11%	2.010	2.108	5%
Selling expenses	-192	-199	4%	-732	-763	4%
Research and development expenses	-39	-45	15%	-144	-192	33%
General administration expenses	-104	-103	-1%	-325	-339	4%
Other operating income	39	57	46%	179	186	4%
Other operating expenses	-70	-48	-31%	-212	-190	-10%
<b>Operating result (EBIT)</b>	52	126	>100%	776	810	4%
Income from investments accounted for using the equity method	-12	-2	-83%	7	1	-86%
Interest income	1	0	-100%	11	5	-55%
Interest expense	-30	-25	-17%	-104	-101	-3%
Other financial income and expense	-7	-29	>-100%	-35	-46	31%
<b>Financial result</b>	<b>-48</b>	<b>-56</b>	17%	<b>-121</b>	<b>-141</b>	17%
<b>Income before income taxes</b>	<b>4</b>	<b>70</b>	>100%	<b>655</b>	<b>669</b>	2%
Income taxes	1	-19				



**Abbreviations:**

- All**    **Advanced Industrial Intermediates**
- BTR**   **Butyl Rubber**
- FCC**   **Functional Chemicals**
- HPM**   **High-Performance Materials**
- ION**   **Ion Exchange Resins**
- IPG**   **Inorganic Pigments**
- LEA**   **Leather**
- MPP**   **Material Protection Products**
- PBR**   **Performance Butadiene Rubbers**
- RCH**   **RheinChemie**
- RUC**   **Rubber(chemicals) Products**

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