



LANXESS AG
Investor Relations
51369 Leverkusen
Germany



Q3 2012 Cash flow statement:

- **Good cash flow on the basis of reduced working capital**
- Lower profit before tax due to weaker business environment in Q3 2012
- Cash tax payments increase on differing timing patterns in both periods
- Cash inflow from changes in working capital due to lower receivables
- Financing cash flow mirrors repayment of short term financial liabilities

Q3 Business Overview

Performance Polymers

- **Solid year-to-date growth despite weaker Q3**
- Sales deviation yoy: Price -12%, Volume -11%, Currency +6%, Portfolio 0% (approximate numbers)
- Selling prices decrease in line with lower input costs
- BU BTR with lower volumes mainly in Asia
- BU PBR resilient in HP rubbers, lower volumes in ESBR, especially in LATAM
- BU TRP weaker due to slow down in automotive industry
- BU HPM with European demand weakness while Asia and US mitigate; one-offs burden additionally
- Maintenance expenses and idle costs in all BUs additionally burden earnings and margin

Advanced Intermediates

- **Solid agro-driven growth**
- Sales deviation yoy: Price +4%, Volume +2%, Currency +4%, Portfolio 0% (approximate numbers)
- Pricing offsets raw material price increases (benzene, toluene)
- Positive volumes and FX add to strong performance
- BUs All and SGO with improved product mix due to good contribution from a strong and resilient agro business
- BU All with higher volumes in flavour & fragrances helps offset lower volumes in construction
- Consistent performance underlines resilience

Performance Chemicals

- **Stable performance in a demanding environment**
- Sales deviation yoy: Price -2%, Volume 0%, Currency +5%, Portfolio +2% (approximate numbers)
- A stable quarter with support from currency and portfolio
- BU IPG with good pricing and slightly higher volumes; construction in Asia positive, while Europe still weak
- BU LEA burdened by CO₂ supply instability, additionally decreasing chrome prices weigh on EBITDA
- BUs RUC and RCH with negative volumes due to pronounced summer weakness and customers destocking
- BU MPP with good pricing but lower volumes

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Oliver Stratmann, Head of IR
Phone +49 214 30-49611
Fax +49 214 30-959-49611
Oliver.Stratmann@lanxess.com

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Business environment:

LANXESS actively manages demand fluctuations

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Financial Overview Q3 2012

in € million

	LANXESS			Perf. Polymers			Advanced Intermed.			Performance Chem.			Others/ Cons.		
	Q3 '11	Q3 '12	Chg. in %	Q3 '11	Q3 '12	Chg. in %	Q3 '11	Q3 '12	Chg. in %	Q3 '11	Q3 '12	Chg. in %	Q3 '11	Q3 '12	Chg. in %
Sales	2336	2159	-8%	1433	1192	-17%	371	403	9%	523	555	6%	9	9	0%
Price*			-7%			-12%			4%			-2%			0%
Volume*			-6%			-11%			2%			0%			0%
Currency*			5%			6%			4%			5%			0%
Portfolio*			1%			0%			0%			2%			0%
EBIT	223	156	-30%	166	98	-41%	52	58	12%	55	54	-2%	-50	-54	-8%
Deprec. & amortizat.	83	95	14%	45	53	18%	16	17	6%	20	21	5%	2	4	100%
EBITDA	306	251	-18%	211	151	-28%	68	75	10%	75	75	0%	-48	-50	-4%
exceptionals in EBITDA	5	4	-20%	2	1	-50%	0	0	0%	0	0	0%	3	3	0%
EBITDA pre excep.	311	255	-18%	213	152	-29%	68	75	10%	75	75	0%	-45	-47	-4%
normalized D&A	83	95	14%	45	53	18%	16	17	6%	20	21	5%	2	4	100%
EBIT pre excep.	228	160	-30%	168	99	-41%	52	58	12%	55	54	-2%	-47	-51	-9%
exceptionals in EBIT	5	4	-20%	2	1	-50%	0	0	0%	0	0	0%	3	3	0%
Capex	148	152	3%	88	93	6%	26	22	-15%	31	29	-6%	3	8	>100%
Net financial debt**	1515	1606	6%												

* approximate numbers

**previous year value as per Dec. 31



Financial Overview 9M 2012





Income Statement Q3 2012 and 9M 2012

in € million	Q3 2011	Q3 2012	Chg. in %	9M 2011	9M 2012	Chg. in %
Sales	2336	2159	-8%	6652	6971	5%
Cost of sales	-1805	-1698	-6%	-5060	-5327	5%
Gross profit	531	461	-13%	1592	1644	3%
Selling expenses	-183	-183	0%	-540	-564	4%
Research and development expenses	-40	-49	23%	-105	-147	40%
General administration expenses	-77	-80	4%	-221	-236	7%
Other operating income	39	45	15%	140	129	-8%
Other operating expenses	-47	-38	-19%	-142	-142	0%
Operating result (EBIT)	223	156	-30%	724	684	-6%
Income from investments accounted for using the equity method	7	-3	n.m.	19	3	-84%
Interest income	5	1	-80%	10	5	-50%
Interest expense	-27	-25	-7%	-74	-76	3%
Other financial income and expense	-8	-7	-13%	-28	-17	-39%
Financial result	-23	-34	48%	-73	-85	-16%
Income before income taxes	200	122	-39%	651	599	-8%
Income taxes	-46	-28	-39%	-149	-135	-9%
Income after income taxes	154	94	-39%	502	464	-8%
of which attributable to non-controlling interests	0	0	n.m.	1	1	0%
of which attributable to LANXESS AG stockholders (net income)	154	94	-39%	501	463	-8%



Abbreviations:

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