

# LANXESS Q4 / FY 2017 – LANXESS delivers Financial Summary for Investors and Analysts

## FY 2017 Overview

		FY 2017	FY 2016	Comments
<b>Sales</b>	+26%	€9,664 m	€7,699 m	Acquired Chemtura businesses, increase in selling prices driven by raw material prices and sales volumes
<b>EBITDA pre margin</b>	+30% +0.4 pp.	€1,290 m 13.3%		

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Page 1 of 9



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Cologne, March 15<sup>th</sup>, 2018

**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.

**Safe harbor statement**

The information included in this presentation is be



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Page 4 of 9



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## Income Statement Q4 / FY 2017

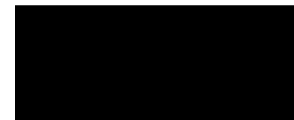
in € million	Q4/2016	Q4/2017	Chg. in %	2016	2017	Chg. in %
Sales	1,915	2,337	22%	7,699	9,664	26%
Cost of sales	-1,545	-1,855	-20%	-5,945	-7,519	-26%
Gross profit	370	482	30%	1,754	2,145	22%
Selling expenses	-204	-256	-25%	-781	-953	-22%
Research and development expenses	-35	-33	6%	-131	-145	-11%
General administration expenses	-91	-123	-35%	-303	-382	-26%
Other operating income	42	49	17%	147	179	22%
Other operating expenses	-47	-70	-49%	-222	-410	-85%
<b>Operating result (EBIT)</b>	<b>35</b>	<b>49</b>	<b>40%</b>	<b>464</b>	<b>434</b>	<b>-6%</b>
Income from investments accounted for using the equity method	0	0	-100%	0	0	-100%
Interest income	4	2	-50%	9	8	-11%
Interest expense	-18	-23	-28%	-72	-93	-29%
Other financial income and expense	-23	-17	26%	-62	-24	61%
<b>Financial result</b>	<b>-37</b>	<b>-38</b>	<b>-3%</b>	<b>-125</b>	<b>-109</b>	<b>13%</b>
<b>Income before income taxes</b>	<b>-2</b>	<b>11</b>	<i>n.m.</i>	<b>339</b>	<b>325</b>	<b>-4%</b>
Income taxes	1	-60	<i>n.m.</i>	-144	-201	-40%
Income after income taxes	-1	-49	<-100%	195	124	-36%
of which attributable to non-controlling interests	-3	0	<i>n.m.</i>	3	37	>100%
<b>Net income (attributable to LANXESS AG stockholders)</b>	<b>2</b>	<b>-49</b>	<i>n.m.</i>	<b>192</b>	<b>87</b>	<b>-55%</b>
<b>EPS (in €)</b>	<b>0.02</b>	<b>-0.54</b>	<i>n.m.</i>	<b>2.10</b>	<b>0.95</b>	<b>-55%</b>
Ergebnis je Aktie vor Sondereinflüssen und Abschreibungen auf immaterielle Vermögenswerte (€)	0.24	0.44	83%	2.69	4.14	54%

## Cash Flow Statement Q4 / FY 2017

€ million

	Q4 2016	Q4 2017	FY 2016	FY 2017	Comments
<b>Income before income taxes</b>	-2	11	339	325	
Amortization, depreciation, write-downs and reversals of impairment charges of intangible assets, property, plant and equipment	127	165	481	638	Q4: D&A higher due to portfolio effects
Gains on disposals of intangible assets and property, plant and equipment	0	1	0	1	
Financial losses (gains)	14	21	56	39	
Income taxes paid	-86	-31	-184	-183	
Changes in inventories	-6	-6	-45	-15	
Changes in trade receivables	-45	-12	-96	-101	
Changes in trade payables	145	158	94	44	
Changes in other assets and liabilities	-52	2	44	120	Q4: Driven by provisions for variable compensation and restructuring
<b>Net cash provided by operating activities</b>	<b>157</b>	<b>333</b>	<b>689</b>	<b>868</b>	
Cash outflows for purchases of intangible assets and property, plant and equipment	-211	-260	-439	-547	
Cash inflows for purchases of intangible assets and property, plant and equipment	0	1	-7	2	
Cash outflows for financial assets	-1,414	0	-2,125	-110	
Cash inflows from financial assets	-164	-50	66	2,226	
Cash outflows for the acquisition of subsidiaries and other businesses, less acquired cash and cash equivalents	0	-21	-198	-1,803	
Cash inflows from sales of intangible assets and property, plant and equipment	0	9	0	9	
Interest and dividends received	5	-1	10	56	
Cash outflows for external funding of pension obligations (CTAs)	0	(0)	-200	0	
<b>Net cash (used in) provided by investing activities</b>	<b>-1,784</b>	<b>-322</b>	<b>-2,879</b>	<b>-167</b>	Q4: Reflects acquisition finance in 2016
Cash inflows from non-controlling interests	0	0	1,194	18	
Proceeds from borrowings	1,485	43	1,529	148	
Repayments of borrowings	-7	-30	-422	-523	
Interest paid and other financial disbursements	-19	-20	-73	-84	
Dividend payments	0	0	-55	-67	





**Abbreviations:**

- ADD Additives**
- All Advanced Industrial Intermediates**
- HPE High Performance Elastomers**
- HPM High-Performance Materials**
- IPG Inorganic Pigments**
- LEA Leather**
- LPT Liquid Purification Technologies**
- MPP Material Protection Products**
- RCH Rhein Chemie**
- SGO Saltigo**
- TSR Tire & Specialty Rubbers**
- URE Urethane Systems**

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