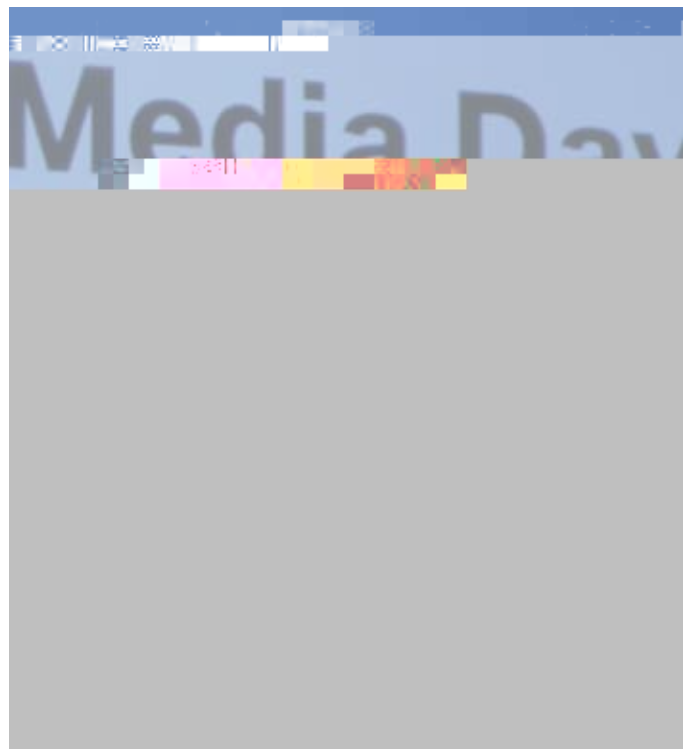


JANuAry 1 to sePtember 30, 2010

**LANXESS ANNOUNCES NEW  
MEDIUM-TERM EARNINGS TARGET**

LANXESS plans to considerably increase its leading earnings indica-



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? ANXess will provide the "teach First" education program in Germany with initial funding totaling €600,000 through mid-2013. This non-profit organization, which is already established in numerous countries, helps educationally disadvantaged young people by deploying personally suitable and highly qualified university graduates of all disciplines on two-year assignments to schools in socially deprived areas as "fellows." A special focus in the future will be on fellows with mathematical and scientific expertise. Assignments in these fields to schools in the state of North rhine-westphalia, for example, will start in 2011.

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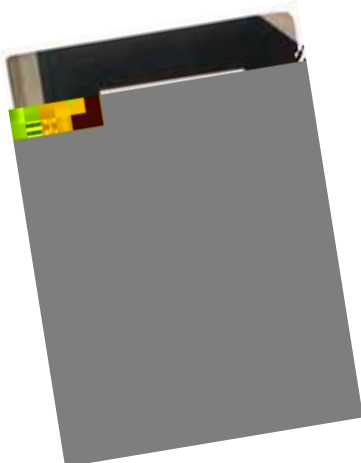
**G**he inorganic Pigments business unit is equipping the bayferrox iron oxide color pigment production plant at its krefeld-uerdingen site with new pre-filter units. Apart from optimizing the safety of the plant, this will also enhance internal logistics processes, thereby improving the reliability of supply. It will also lower energy consumption by approximately 5%. The capital expenditures will total around €38 million.

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? ANXess held its annual conference for the media and the capital markets on september 15-16, 2010 in Düsseldorf. The board of management explained to some 110 journalists and 80 analysts, investors and bank representatives I ANXess' new medium-term earnings target and the steps the company will take to achieve it based on four principal megatrends. I ANXess also provided extensive insight into a number of its business units, with the heads of the respective units outlining their current and future alignments. The presentations given at both events can be found on the I ANXess website.

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? ANXess is donating €100,000 to the German children's charity kindernothilfe e.v. to provide emergency aid for victims of the flood disaster in Pakistan. Employees have also initiated fund-raising campaigns at numerous sites throughout the world. The money collected in Germany will also go to kindernothilfe e.v. At other I ANXess sites, including those in Belgium and Singapore, employees have established partnerships with national aid organizations to help people in the crisis-hit area. The company has matched the total amount of the employees' donations.



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I ANXess stock continued to perform strongly in the third quarter, gaining 15.4% on the period. between January 1 and september 30, 2010, the price rose by 52.6%. in the current quarter it already reached €52.88, the highest level since I ANXess' initial listing.

s stock markets remained nervous and volatile at the start of the third quarter. economic and labor market data from the united s tates disappointed investors and pushed even the German indices into loss territory. Growing concern about a possible slowing of the global economy also caused the indices to decline. on the other hand, good economic data from europe and encouraging corporate results in the u.s. and Germany provided positive impetus. Against this background, Germany's blue-chip index DAX displayed marked volatility, ranging from a new year-to-date high of nearly 6,400 points to further lows of under 6,000.

varying predictions about global economic performance remained a focus of stock market attention throughout the third quarter. s tating yin early september, however, È se n È s0' t q,

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| I ANXess | DJ stoXX 600 chemicals<sup>sm</sup> | mDAX | DAX



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€ million	D&`%##,	D&`%##\$#	c hange %	Proportion of Group sales %	, @`%##,	, @`%##\$#	c hange %	Proportion of Group sales %
Performance Polymers	656	986	50.3	53.4	1,663	2,772	66.7	52.4
Advanced intermediates	284	336	18.3	18.2	827	980	18.5	18.5
Performance chemicals	425	515	21.2	27.9	1,148	1,507	31.3	28.5
reconciliation	8	10	25.0	0.5	27	29	7.4	0.6
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The Performance Polymers segment experienced the strongest sales growth, at 50.3%. Higher raw material prices, which the segment quickly passed along in full to the market, gave a positive price effect. Volumes were also noticeably higher compared with the prior-year period. The Advanced intermediates segment, too, saw a positive price-volume effect during the period under review. In addition, Idg t

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the operating result (ebit) for the third quarter of 2010 came in at €169 million, against €64 million for the prior-year period. the exceptional charges included in other operating expenses totaled €6 million and fully impacted ebit DA. they arose mainly for efficiency improveh an bi h an c r i h yn i R



major role. t he Performance Polymers and Performance c

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**CXelbe TaVX`Cb\_l` Xef**

	D&##,		D&##\$#		change	, @##,		, @##\$#		change
	€ million	margin %	€ million	margin %	in %	€ million	margin %	€ million	margin %	in %
sales	656		986		50.3	1,663		2,772		66.7
ebit DA pre exceptionals	76	11.6	144	14.6	89.5	136	8.2	459	16.6	>100
ebit DA	66	10.1	143	14.5	>100	125	7.5	456	16.5	>100
operating result (ebit) pre exceptionals	42	6.4	108	11.0	>100	37	2.2	351	12.7	>100
operating result (ebit)	32	4.9	107	10.9	>100	26	1.6	348	12.6	>100
cash outflows for capital expenditures <sup>1)</sup>	25		54		>100	81		106		30.9
Depreciation and amortization	34		36		5.9	99		108		9.1
employees as of september 30 (previous year: as of Dec. 31)	4,375		4,357		(0.4)	4,375		4,357		(0.4)

1) intangible assets and property, plant and equipment

sales in the **CXelbe TaVX`Cb\_l` Xef** segment amounted to €986 million in the third quarter of 2010.

ebit DA pre exceptionals in the Performance Polymers segment advanced by a substantial €68 million to €144 million, illustrating the strong market position of I ANXess. The increase in raw material costs was passed along in full to the market in this segment in addition, volume growth contributed to a tangible improvement in earnings. With capacity utilization much higher than in the prior-year period, idle capacity costs were substantially lower. Despite scheduled maintenance shutdowns, the utilization rate nearly matched the level of the first two quarters of 2010. Favorable exchange rates also had a positive impact in addition, continuing strict cost management and increased sales of high-performance products contributed to the increase in earnings. The ebit DA margin came in at 14.6% for the quarter under review, against 11.6% a year ago.

The segment's exceptional charges, which impacted ebit DA, amounted to €1 million and related to smaller-scale efficiency improvement measures at several of the Group's sites. The exceptional charges in the prior-year period amounted to €10 million and related mostly to costs for personnel adjustments under the challenge09-12 program and secondary costs for previous efficiency improvement programs at the sites in Belgium and Canada.

**4WTaVXWagXe XWTgkf**

	D&%,		D&%,		c hange	, @%,		, @%,		c hange
	€ million	margin %	€ million	margin %		€ million	margin %	€ million	margin %	
sales	284		336		18.3	827		980		18.5
ebit DA pre exceptionals	40	14.1	55	16.4	37.5	124	15.0	159	16.2	28.2
ebit DA	35	12.3	55	16.4	57.1	119	14.4	159	16.2	33.6
o perating result (ebit ) pre exceptionals	27	9.5	41	12.2	51.9	89	10.8	118	12.0	32.6
o perating result (ebit )	22	7.7	41	12.2	86.4	84	10.2	118	12.0	40.5
c ash outflows for capital expenditures <sup>1)</sup>	6		24		>100	23		35		52.2
Depreciation and amortization	13		14		7.7	35		41		17.1
employees as of s eptember 30 (previous year: as of Dec. 31)	2,858		2,805		(1.9)	2,858		2,805		(1.9)

1) intangible assets and property, plant and equipment

sales in the **4WTaVXWagXe XWTgkf** segment in the third quarter of 2010 rose by 18.3% against the prior-year period, to €336 million,

CXelbe TaVX6[X WT\_f

	D&##,		D&%#\$		change	,@##,		,@%#\$		change
	€ million	margin %	€ million	margin %	in %	€ million	margin %	€ million	margin %	in %
sales	425		515		21.2	1,148		1,50	i ar 1,5	
								%		

1,

its principal customer industries, achieved higher selling prices, particularly for chrome ore. while North America and Latin America stood out against all the other regions in terms of business development, demand rose in these regions, too.

ebit DA pre exceptionals increased by 23.9% from the same quarter a year ago to €83 million, mainly on account of price and volume effects. increases in raw material costs were fully passed along to the market in the segment as a whole. capacity utilization was at a high level, and there was a positive effect from shifts in exchange rates. Activities in the Leather, rubber chemicals and Functional chemicals business units made particularly strong contributions to this improvement. the segment's ebit DA margin rose slightly from 15.8% to 16.1%.

the exceptional charges of €5 million in the previous year related mostly to costs incurred in connection with the challenge09-12 package of measures.

Current assets amounted to €3,034 million, up €348 million from December 31, 2009.



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There have been no significant changes in the opportunities or risks of the I ANXess Group compared with December 31, 2009. For more information, readers are therefore referred to the risk report included in the management report for the 2009 fiscal year.

**BHG?BB>~**

I ANXess expects the general economic rebound to endure through the final quarter of 2010, with regional variations persisting as regards the recovery in demand. The Asia-Pacific region, especially China and India, and Latin America, particularly Brazil, will continue to experience above-average growth rates. The recovery in North America and Europe will continue at the current, slower pace. Accordingly, I ANXess anticipates that the global economy is embarking on a more sustainable path of growth. Nevertheless, macroeconomic developments, though positive at this time, remain subject to particular uncertainties that could impact a lasting recovery. I ANXess believes that the principal risks in this regard are the expiration of governments' economic stimulus programs worldwide, exchange-rate volatility and the substantial budget deficits in certain countries.

The favorable economic environment will lead to a gratifying level of demand in I ANXess' principal customer markets even in the final quarter of the year, which is typically weaker due to seasonal effects. The tire and automotive industries, in particular, are expected to continue their positive development. I ANXess believes that while the markets for agrochemicals will experience a fundamentally healthy upturn in the long term, the existing weakness is likely to persist until the end of 2010.

I ANXess expects raw material prices to stabilize at their current high levels for the remaining months of 2010. In addition, ongoing A

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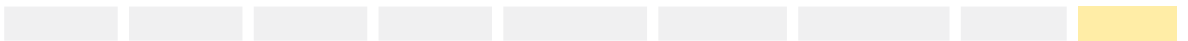
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€ million	Performance Polymers		Advanced intermediates	
	D&%##,	D&%##\$#	D&%##,	D&%##\$#
external sales	656	986	284	336
inter-segment sales	11	8	13	12
segment/Group sales	667	994	297	348
segment result/ebit DA pre exceptionals	76	144	40	55
ebit DA margin pre exceptionals (%)	11.6	14.6	14.1	16.4
ebit DA	66	143	35	55
operating result (ebit) pre exceptionals	42	108	27	41
operating result (ebit)	32	107	22	41
Additions to intangible assets, property, plant and equipment	25	54	18	25
Depreciation and amortization	34	36	13	14



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As of September 30, 2010

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The unaudited, condensed consolidated interim financial statements as of September 30, 2010 were prepared in accordance with the international Financial reporting standards (IFRS) and related interpretations of the international Accounting standards board (IASB) applicable to interim financial reporting, required to be applied in the European Union. The standards and interpretations already mandatory as of January 1, 2010 were observed in preparing the interim financial statements.

In compliance with IAS 34, the company opted for a condensed scope of reporting in the interim financial statements compared with the consolidated annual financial statements. Reference should be made as appropriate to the notes to the consolidated financial statements as of December 31, 2009, particularly with respect to the recognition and valuation principles applied.

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Pursuant to the resolution of the Annual stockholders' meeting on May 28, 2010, the sum of €42 million out of the distributable profit of €106 million reported in the annual financial statements of I ANXess AG as of December 31, 2009 was paid out to the stockholders on May 29, 2010. The dividend per eligible no-par share was €0.50. The remaining amount of €64 million was carried forward to new account.

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The following individuals were elected at the Annual stockholders' meeting held on May 28, 2010 to serve as stockholder representatives on the LANXESS supervisory board:

- Dr. Rolf Stomberg (Chairman of the supervisory board)
- Dr. Friedrich Janssen
- Robert J. Koehler
- Rainer Laufs
- Prof. h.c. (hN) Dr. Ulrich Middelmann
- Theo H. Walthje

The employee representatives on the LANXESS AG supervisory board are:

- Ulrich Freese (Vice Chairman of the supervisory board)
- Axel Berndt
- Wolfgang Blossey
- Dr. Rudolf Fauss
- Hans-Jürgen Schicker
- Gisela Seidel

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