

Q1 2026 Results LANXESS Group

LANXESS Group: Weak start of the year gained momentum in March

	Q1 2025	Q1 2026	Δ vs. PY		Comments on Q1
Sales	€1,601 m	€1,378 m	-14%	↓	Lower sales mainly due to unfavorable FX and portfolio effect (Urethanes business)
EBITDA pre	€133 m	€94 m	-29%	↓	Earnings and margin decrease mainly as a result of unfavorable FX development, absence of Urethane Systems business and lower volumes
Margin	8.3%	6.8%	-1.5 pp.	↓	
Adjusted EPS	€0.23	-€0.50	n.m.	↓	Decrease driven by lower earnings, Envalior at-equity result and shareholder loan valuation
Operating cash flow	-€66 m	€12 m	n.m.	↑	Increase reflects disciplined NWC management despite seasonal NWC build-up in uncertain times
Free cash flow	-€111 m	-€29 m	74%	↑	
Net financial debt	Dec 2025 €2,023 m	Mar 2026 €2,085 m	3%	↑	Net financial debt slightly up versus year end 2025
Capex	€45 m	€41 m	-9%	→	Capex remains on tightly managed level

Sales - 14 %
 Price - 3 %
 Volume - 2 %
 FX - 5 %
 Portfolio - 4 %

Contact: Eva Husmann
 Head of Investor Relations
 M: +49 151 74612969

Consumer Protection

Q1 still challenged; prior-year quarter supported by one-time effect

- Lower prices due to pass-through of input cost deflation and ongoing price pressure particularly in agro; effects from price increases and anti-dumping measures to come
- Lower volumes in most businesses (i.e agro and construction); strong contribution from water treatment
- Utilization remained low affecting earnings and margin; first increases of customer orders towards end of quarter
- Negative FX effect biggest driver for sales decline (mainly USD)
- Last year's Q1 earnings supported by insurance compensation (high single-digit € m)

Sales YoY

Price	Volume	FX	Total
- 2 %	- 4 %	- 5 %	- 11 %

	Q1 2025	Q1 2026
EBITDA pre	€73 m	€62 m
margin	14.2%	13.5%

Specialty Additives

Positive volumes but negative FX effect held back earnings development

- Slightly lower prices in line with pass-through of lower raw material costs for all businesses
- + Increased volumes mainly in lubricants and brominated flame retardants
- + Positive volume momentum in all businesses started in March
- Significant FX effect (mainly weaker USD) overcompensated volume increase
- Earnings held back by impacts from US winter storms

Sales YoY

Price	Volume	FX	Total
- 2 %	+ 5 %	- 7 %	- 4 %

	Q1 2025	Q1 2026
EBITDA pre	€52 m	€44 m
margin	9.5%	8.4%

Advanced Intermediates

Weak quarter as expected

- Lower prices due to pass-through of lower input costs and competitive pressure from Asia
- + Positive effects from recent price increases expected to materialize especially in BU All in Q2
- Lower volumes due to persistently weak demand, Asian competition and closure of CXO plant
- Ongoing low utilization, intensified by major turnaround in aromatic network, weighed on results

Sales YoY

Price	Volume	FX	Total
- 4 %	- 9 %	- 3 %	- 17 %

	Q1 2025	Q1 2026
EBITDA pre	€40 m	€27 m
margin	8.4%	6.8%



FY 2026 guidance confirmed: EBITDA pre expected in €450 – 550 m range



Our view on economic environment

- Significant macro-economic uncertainties persist, intensified by Middle East conflict
- Positive effect from German infrastructure program on construction end industry expected to start earliest in H2 2026
- FX headwinds throughout the year vs. PY



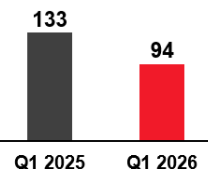
LANXESS outlook

- **Considerations for FY:**
 - Continued cost streamlining to mitigate inflation, savings back-end loaded
- **Considerations for Q2:**
 - Momentum for improved performance gained traction starting in March
 - Shift in competitive landscape due to Iran conflict beneficial but might be temporary
 - Price increases expected to counteract raw material price inflation
 - **Q2 EBITDA pre expected in €130-150m range**

Weak start of the year but focus on cashflow remains

[in € m]

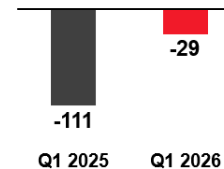
Q1 EBITDA pre



Main drivers:

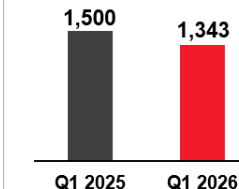
- Lower volumes
- Adverse FX effect
- Negative portfolio effect

Q1 Free cash flow



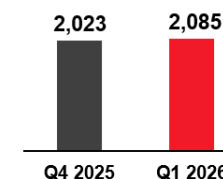
Improved
Seasonally negative

Net working capital



Improved
yoy with seasonal sequential increase

Net financial debt



Minimal increase
vs. Q4 2025

Iran conflict: Immanent risks and chances hard to predict

LANXESS assumption on (short-term) segment impact is heterogeneous



Consumer Protection

Lower upside potential



Specialty Additives

Moderate upside potential



Advanced Intermediates

Moderate to high upside potential

Housekeeping items 2026

Outlook FY 2026 (in € m)

Capex	~330	
Operational depreciation	~340	▪ excluding ~€130 m of intangible amortization
All other segments (EBITDA pre)	-140 to -150	
Exceptional expenses	~40 to 60	▪ on EBIT, based on current projects
FX sensitivity	~3	▪ EBITDA pre impact after hedging per cent change of EUR/USD
Savings	~65	▪ Back-end loaded

Financial Overview

Q1 2026

in € million

	LANXESS			Consumer Protection			Specialty Additives			Advanced Intermed.			All other Segments		
	Q1/2025	Q1/2026	Chg. in %	Q1/2025	Q1/2026	Chg. in %	Q1/2025	Q1/2026	Chg. in %	Q1/2025	Q1/2026	Chg. in %	Q1/2025	Q1/2026	Chg. in %
Sales	1.601	1.378	-14%	513	458	-11%	545	521	-4%	476	396	-17%	67	3	-96%
Price*			-2,6%			-2,3%			-1,8%			-4,2%			0,0%
Volume*			-2,4%			-3,9%			4,8%			-9,4%			0,0%
Currency*			-4,9%			-4,5%			-7,4%			-3,2%			0,0%
Portfolio*			-4,0%			0,0%			0,0%			0,0%			-95,5%
EBIT	-23	-40	-74%	27	19	-30%	5	4	-20%	13	-3	<i>n.m.</i>	-68	-60	12%
Deprec. & amortizat.	135	121	-10%	46	43	-7%	47	40	-15%	27	28	4%	15	10	-33%
EBITDA	112	81	-28%	73	62	-15%	52	44	-15%	40	25	-38%	-53	-50	6%
exceptionals in EBITDA**	-21	-13	-38%	0	0	-100%	0	0	0%	0	-2	>100%	-21	-11	-48%
EBITDA pre excep.	133	94	-29%	73	62	-15%	52	44	-15%	40	27	-33%	-32	-39	-22%
normalized D&A	135	120	-11%	46	43	-7%	47	40	-15%	27	28	4%	15	9	-40%
EBIT pre excep.	-2	-26	>-100%	27	19	-30%	5	4	-20%	13	-1	<i>n.m.</i>	-47	-48	-2%
exceptionals in EBIT**	-21	-14	-33%	0	0	-100%	0	0	<i>n.m.</i>	0	-2	>100%	-21	-12	-43%
Capex	45	41	-9%	10	10	0%	13	12	-8%	18	18	0%	4	1	-75%
Net financial debt	1.762	1.840	4%												

* approximate numbers

** + = expense

Cash Flow Statement

Q1 2026

in € million

Q1/2025

Q1/2026

	Q1/2025	Q1/2026
Income before income taxes	-61	-136
Amortization, depreciation and write-downs of intangible assets and property, plant and equipment	135	121
Income from investments accounted for using the equity method	31	64
Financial losses (gains)	7	25
Income taxes refunded/paid	5	7
Changes in inventories	-88	-49
Changes in trade receivables	-127	-96
Changes in trade payables	34	19
Changes in other assets and liabilities	-2	57
Net cash provided by (used in) operating activities	-66	12
Cash outflows for purchases of intangible assets and property, plant and equipment	-45	-41
Cash inflows from sales of intangible assets and property, plant and equipment	1	-
Cash outflows for financial and other assets held for investment purposes	-15	-
Cash inflows from financial and other assets held for investment purposes	150	62
Interest and dividends received	2	3
Net cash provided by / used in investing activities	93	24
Proceeds from borrowings	5	34
Repayments of borrowings	-19	-77
Interest paid and other financial disbursements	-14	-14
Net cash provided by /used in financing activities	-28	-57
Change in cash and cash equivalents	-1	-21
Cash and cash equivalents as of beginning of period	299	419
Exchange differences and other changes in cash and cash equivalents – total	-3	1
Cash and cash equivalents as of end of period	295	399
Less cash and cash equivalents of assets held for sale	-57	-
Cash and cash equivalents as of end of period (balance sheet)	238	399

Income Statement

Q1 2026

in € million	Q1/2025	Q1/2026	Chg. in %
Sales	1.601	1.378	-14%
Cost of sales	-1.279	-1.116	13%
Gross profit	322	262	-19%
Selling expenses	-226	-208	8%
Research and development expenses	-29	-26	10%
General administration expenses	-64	-56	13%
Other operating income	16	18	13%
Other operating expenses	-42	-30	29%
Operating result (EBIT)	-23	-40	-74%
Income from investments accounted for using the equity method	-31	-64	<-100%
Interest income	2	2	0%
Interest expense	-12	-11	8%
Other financial income and expense	3	-23	n.m.
Financial result	-38	-96	<-100%
Income before income taxes	-61	-136	<-100%
Income taxes	4	-5	n.m.
Income after income taxes	-57	-141	<-100%
of which attributable to non-controlling interests	0	0	0%
Net income (attributable to LANXESS AG stockholders)	-57	-141	<-100%
EPS total (in €)	-0,66	-1,63	<-100%
EPS adjusted (in €)	0,23	-0,50	n.m.

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Abbreviations:

Consumer Protection

F&F	Flavors & Fragrances
LPT	Liquid Purification Technologies
MPP	Material Protection Products
SGO	Saltigo

Specialty Additives

LAB	Lubricant Additives Business
PLA	Polymer Additives
RCH	Rhein Chemie

Advanced Intermediates:

All	Advanced Industrial Intermediates
IPG	Inorganic Pigments