LANXESS remains robust: Guidance for 2020 confirmed
Q2 2020 telephone press conference

August 13, 2020
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Realignment is paying off

Corona crisis more visible, yet EBITDA margin remains stable

Strong business in Consumer Protection segment

Water treatment business realigned, leather business sold

Full-year guidance confirmed
Corona crisis more visible

Sales

<table>
<thead>
<tr>
<th></th>
<th>Q2 '19</th>
<th>Q2 '20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,724</td>
<td>1,436</td>
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</table>

EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Q2 '19</th>
<th>Q2 '20</th>
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</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>281</td>
<td>224</td>
</tr>
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</table>

EBITDA margin

<table>
<thead>
<tr>
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<th>Q2 '19</th>
<th>Q2 '20</th>
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<tbody>
<tr>
<td>Margin</td>
<td>16.3%</td>
<td>15.6%</td>
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</tbody>
</table>

Sales and EBITDA in EUR million
All EBITDA figures are pre exceptionals
Strong increase in net income, substantial reduction in net debt

### Net income

- **Q2 '19**: 96 EUR million
- **Q2 '20**: 803 EUR million

Net income increased by more than 100%.

### Net financial liabilities

- **31.12.2019**: 1,742 EUR million
- **30.06.2020**: 929 EUR million

Net financial liabilities decreased by 47%.

### Strong balance sheet

- Proceeds of Currenta divestment improve equity and reduce net financial debt.
- Strong liquidity secures financial and operating flexibility in uncertain times.

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*All figures in EUR million*

Net income from continuing operations

Net financial liabilities after deduction of short-term money market investments and securities
Weatherproof thanks to new setup

Lehman crisis

-36%

2008  2009
721    465

Corona crisis

-17%

2019  2020
1,019  850*

Better risk profile

- More balanced portfolio
- Reduced auto exposure (2008: 40%, 2020: 20%)
- High liquidity enables financial flexibility

*mid-point of full year 2020 guidance
EBITDA in EUR million
All EBITDA figures are pre exceptional
Robust compared to peers

Changes in EBITDA Q2 2020 vs. Q2 2019

Peer A
Peer B
Peer C
-35%

Peer D
Peer E
Peer F
-30%

Peer G
Peer H
Peer I
-35%

Peer J
Peer K
-77%

-90% -80% -70% -60% -50% -40% -30% -20% -10% 0%
Advanced Intermediates: Profitability remains high

Sales and EBITDA in EUR million
All EBITDA figures are pre exceptionals
Specialty Additives: Lower demand in auto, aviation and oil/gas industries as expected

<table>
<thead>
<tr>
<th>Sales and EBITDA in EUR million</th>
<th>Q2 ’19</th>
<th>Q2 ’20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>506</td>
<td>403</td>
</tr>
<tr>
<td>EBITDA</td>
<td>89</td>
<td>63</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>17.6%</td>
<td>15.6%</td>
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Sales and EBITDA in EUR million
All EBITDA figures are pre exceptionals
**Consumer Protection: Desinfectants and agro chemicals drive sales and earnings**

<table>
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<th>EBITDA margin</th>
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<tr>
<td>Q2 '19</td>
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<tr>
<td>Sales in EUR million</td>
<td>EBITDA in EUR million</td>
<td>EBITDA margin</td>
</tr>
<tr>
<td>247</td>
<td>48</td>
<td>19.4%</td>
</tr>
</tbody>
</table>

- **Sales** increased by **+22%** from Q2 '19 (247) to Q2 '20 (301).
- **EBITDA** increased by **+42%** from Q2 '19 (48) to Q2 '20 (68).
- **EBITDA margin** increased by **+3.2%p** from Q2 '19 (19.4%) to Q2 '20 (22.6%).

*Sales and EBITDA in EUR million. All EBITDA figures are pre exceptionals.*
New study: Rely-On Virkon demonstrates extremely rapid efficacy against coronavirus

- Disinfectant kills coronavirus SARS-CoV-2 in just 60 seconds (dilution ratio 1:100)
- Rapid efficacy confirmed by independent analysis laboratory in accordance with the U.S. Environmental Protection Agency (EPA) compliant test methods
- Disinfection practices remain highly important means in fight against coronavirus
Water treatment business realigned

Growth plans for ion exchange resins

- Focus on high-end specialty applications in biotechnology, semiconductor and battery industries
- Investments: EUR 80-120 million for new production facility, decision on exact location in H2 2020

Sale of membrane business

- SUEZ to take over plant and research facilities with all employees in Bitterfeld, Germany
- Transaction to be completed by the end of 2020
Sale of organic leather chemicals business to TFL

Opening up new prospects for leather business

- TFL to take over all operations with 460 employees
- Purchase price:
  - Fixed component: EUR 80 million
  - Performance related component: up to EUR 115 million
- TFL will assume liabilities (esp. pensions) of EUR 25 million
- Transaction expected to close around mid-2021

LANXESS to become more independent from auto industry
Engineering Materials: Weak auto industry hits business significantly

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<td>365</td>
<td>244</td>
<td>65</td>
</tr>
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Sales and EBITDA in EUR million
All EBITDA figures are pre exceptionals
LANXESS on its path towards a “new normal”

Production running worldwide

- All plants in operation
- Return to 8 hour shift model
- Hygiene concepts remain in place
- Short time work, mostly in auto related production plants

Good balance: work from home and office

- Thoughtfully increasing office presence in admin functions in Europe and East Asia
- Comprehensive hygiene concepts for offices
Full-year guidance confirmed

Market development

- Automotive and aviation industries hit hardest by corona crisis, construction, oil & gas and electronics also suffering
- Government stimuli starting to take effect
- China leads demand recovery

LANXESS

- Forecast for full year 2020 unchanged: EBITDA at EUR 800-900 million

All EBITDA figures are pre exceptionals