

LANXESS expects business to pick up in the second half of 2026 at the earliest

- **Revenue declines by 10.9 percent to EUR 5.673 billion in fiscal year 2025**
- **EBITDA pre exceptionals at EUR 510 million, down 16.9 percent year-over-year**
- **Net financial debt further reduced**
- **Additional permanent cost reductions of around EUR 100 million initiated**
- **Guidance for full-year 2026: EBITDA pre exceptionals expected to be between EUR 450 and 550 million**

Cologne, March 19, 2026 – A market environment that remained weak and high levels of geopolitical uncertainty characterized the 2025 fiscal year for specialty chemicals company LANXESS. At EUR 5.673 billion, revenue was down 10.9 percent from the previous year's figure of EUR 6.366 billion. EBITDA pre exceptionals decreased by 16.9 percent, falling from EUR 614 million in the previous year to EUR 510 million. The EBITDA margin pre exceptionals for the full year was 9.0 percent, compared with 9.6 percent in the prior year.

This development was primarily driven by persistently weak demand in nearly all customer industries, coupled with correspondingly lower sales volumes. Lower purchase prices for raw materials and ongoing price pressure from the Asian region in some businesses led to a reduction in selling prices. Additionally, the decline in operating results was due to the absence of earnings from the Urethane Systems business unit after its sale on April 1, 2025, as well as adverse currency effects.

“2025 was an extremely tough year for the entire chemical industry and for LANXESS as well. For 2026, we expect to see positive momentum in the second half of the year at the earliest, for example through the German government's infrastructure stimulus program,” said Matthias Zachert, LANXESS CEO. “For us, therefore, the guiding principle for 2026 remains: We control the things we can

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control. That means continuing to cut costs, streamline processes, and create new market opportunities.”

For the full year 2026, the company expects EBITDA pre exceptionals to be between EUR 450 and 550 million.

Further cost-cutting measures

LANXESS has launched additional cost-cutting measures for 2026 aimed at generating permanent annual savings of around EUR 100 million by the end of 2028. To achieve this goal, the company plans to cut 550 additional jobs—about two-thirds of them in Germany—in addition to maintaining strict cost discipline at all levels.

Administrative functions are primarily affected. The job cuts are to be implemented as socially responsible as possible through natural staff turnover and demographic effects.

LANXESS had already announced optimizations in its production network in August 2025. These optimizations are expected to generate permanent annual savings of approximately EUR 50 million, resulting in total structural cost savings of around EUR 150 million planned by the end of 2028.

Additionally, the company is reducing labor costs in the short term. For employees covered by collective bargaining agreements, LANXESS has agreed to a 35-hour workweek through the end of the year. For management and employees who are not covered by a collective bargaining agreement, there will be no raise in base salaries.

Through the “FORWARD!” action plan initiated in 2023, LANXESS has already been achieving permanent annual savings of around EUR 150 million since the end of 2025.

Debt reduced

LANXESS has further reduced its net financial liabilities, primarily through proceeds from the sale of the Urethane Systems business. These liabilities amounted to EUR 2.023 billion at the end of 2025,

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which is a 15.0 percent decrease from EUR 2.381 billion recorded at the end of 2024.

Business performance in the segments

The **Consumer Protection** segment generated sales of EUR 1.889 billion in fiscal year 2025, a 9.2 percent decline compared to the prior-year figure of EUR 2.081 billion. EBITDA pre exceptionals remained stable at EUR 290 million, which was 1.4 percent higher than the prior-year figure of EUR 286 million. Cost savings from the “FORWARD!” action plan had a positive effect and offset the impact of lower selling prices and weak demand. The EBITDA margin pre exceptionals rose to 15.4 percent from 13.7 percent in the prior year.

The **Specialty Additives** segment recorded revenue of EUR 2.056 billion in fiscal year 2025, down 6.9 percent from the 2024 figure of EUR 2.209 billion. EBITDA pre exceptionals decreased by 11.5 percent, falling from EUR 227 million in the prior year to EUR 201 million. Adverse exchange rates effects, combined with continued weak demand and the resulting lower capacity utilization led to a decline in earnings and margin. The EBITDA margin pre exceptionals was 9.8 percent, compared to 10.3 percent in the previous year.

In the **Advanced Intermediates** segment, revenue fell to EUR 1.653 billion in the fiscal year 2025, an 8.4 percent decline from the prior-year figure of EUR 1.804 billion. EBITDA pre exceptionals reached EUR 128 million, down 39.0 percent from EUR 210 million in the prior-year period. Weak demand, ongoing competitive pressure from Asia, and exceptionally low plant utilization negatively impacted earnings and margins. The EBITDA margin pre exceptionals fell to 7.7 percent from 11.6 percent in the prior year.

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EUR million	2024	2025	Change in %
Sales	6,366	5,673	-10.9
EBITDA pre exceptionals	614	510	-16.9
EBITDA margin pre exceptionals	9.6%	9.0%	
Net income	-177	-577	<-100
Net financial liabilities*	2,381	2,023	-15.0
Employees*	12,338	11,709	-5.1

*as of December 31.

LANXESS is a leading specialty chemicals company with sales of EUR 5.7 billion in 2025. The company currently has about 11,700 employees in 32 countries. The core business of LANXESS is the development, manufacturing and marketing of chemical intermediates, additives and consumer protection products. LANXESS has achieved leading positions in the Dow Jones Best-in-Class Index and the MSCI ESG and ISS ESG ratings, among others, for its commitment to sustainability.

Forward-Looking Statements

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