



**LANXESS**  
Energizing Chemistry

# LANXESS – Q1 2019 Roadshow

Stable performance despite weakening economy

Investor Relations

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# Agenda

- 1 Resilient in challenging times**
- 2 Q1 – a solid start to 2019
- 3 Back-up



# Q1 2019: EBITDA pre robust despite economic headwinds

## Highlights

- EBITDA pre (€275 m) 2% above strong previous year
- EBITDA pre margin increase to 15.1%
- €111 m\* of €200 m share buy-back program already executed
- Three out of four segments with improved performance



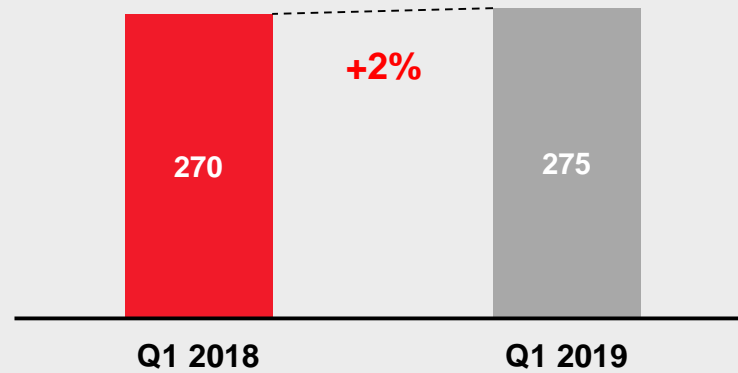
## Challenges

- Volume decline due to softer end markets (e.g. automotive industry) and termination of low margin contracts and site closures (ADD)
- Further increase of freight and energy prices

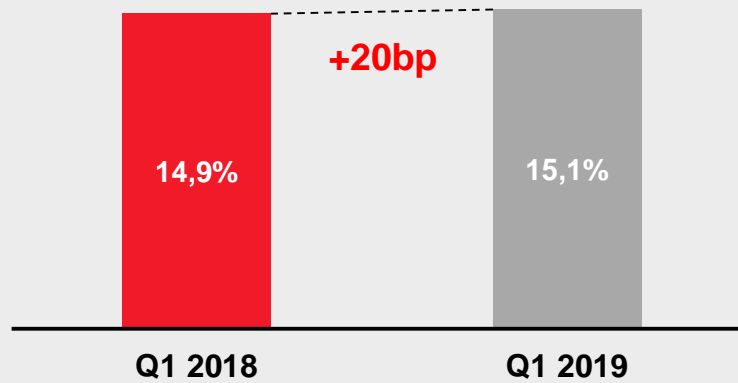


# Q1 2019: Resilience proven again

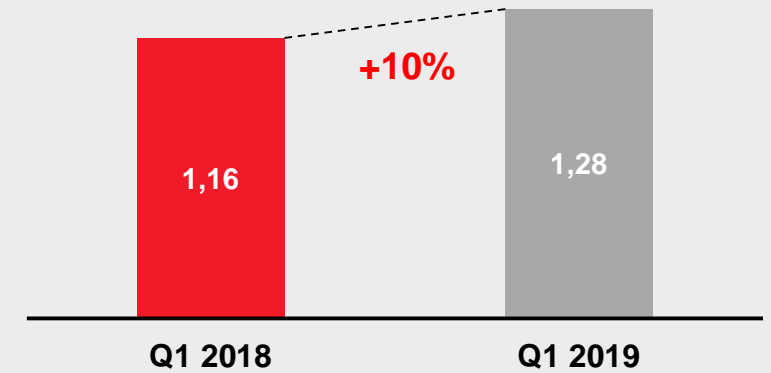
EBITDA pre  
[€m]



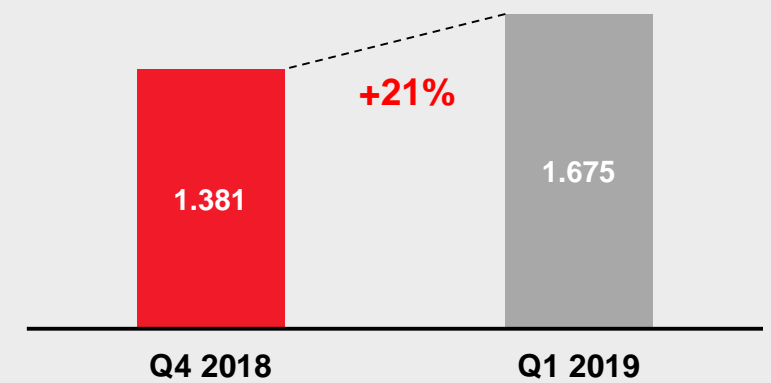
EBITDA pre  
Margin



EPS pre  
[€]

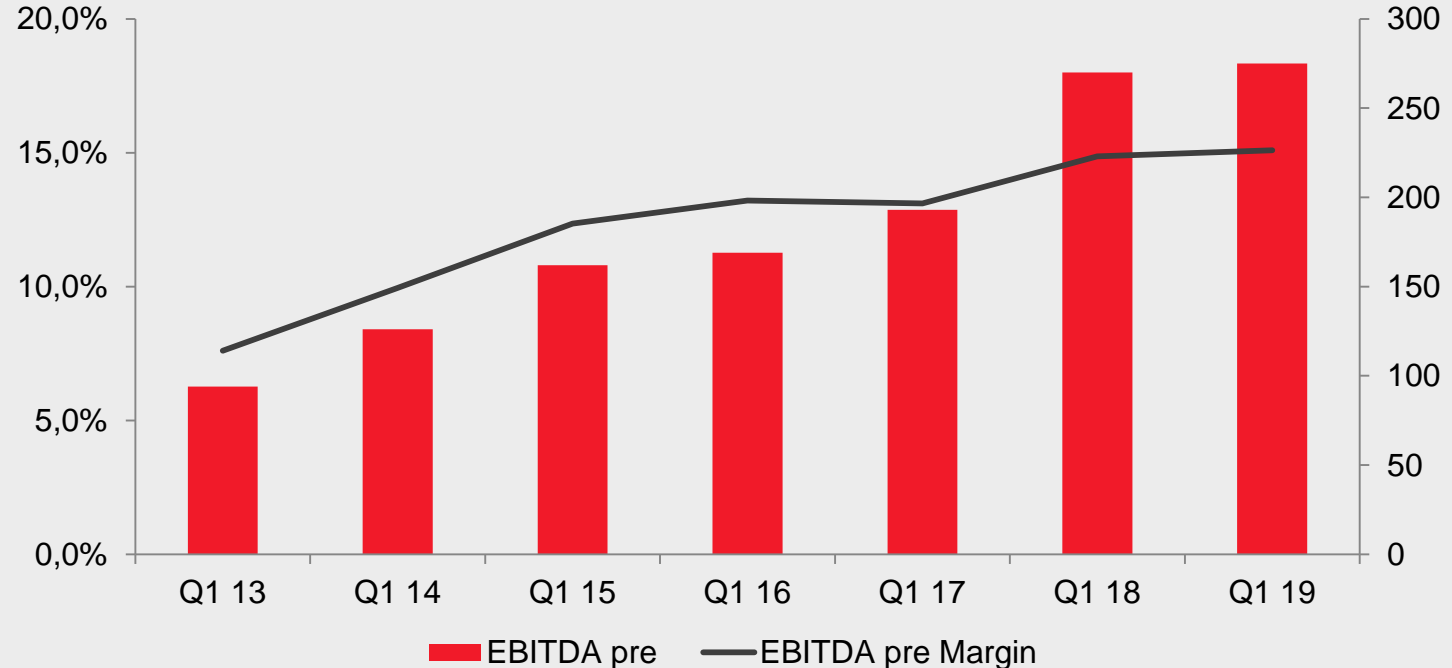


Net financial  
debt  
[€m]



# EBITDA pre and margin continuously improve

## [€m] EBITDA pre and margin development first quarter\*

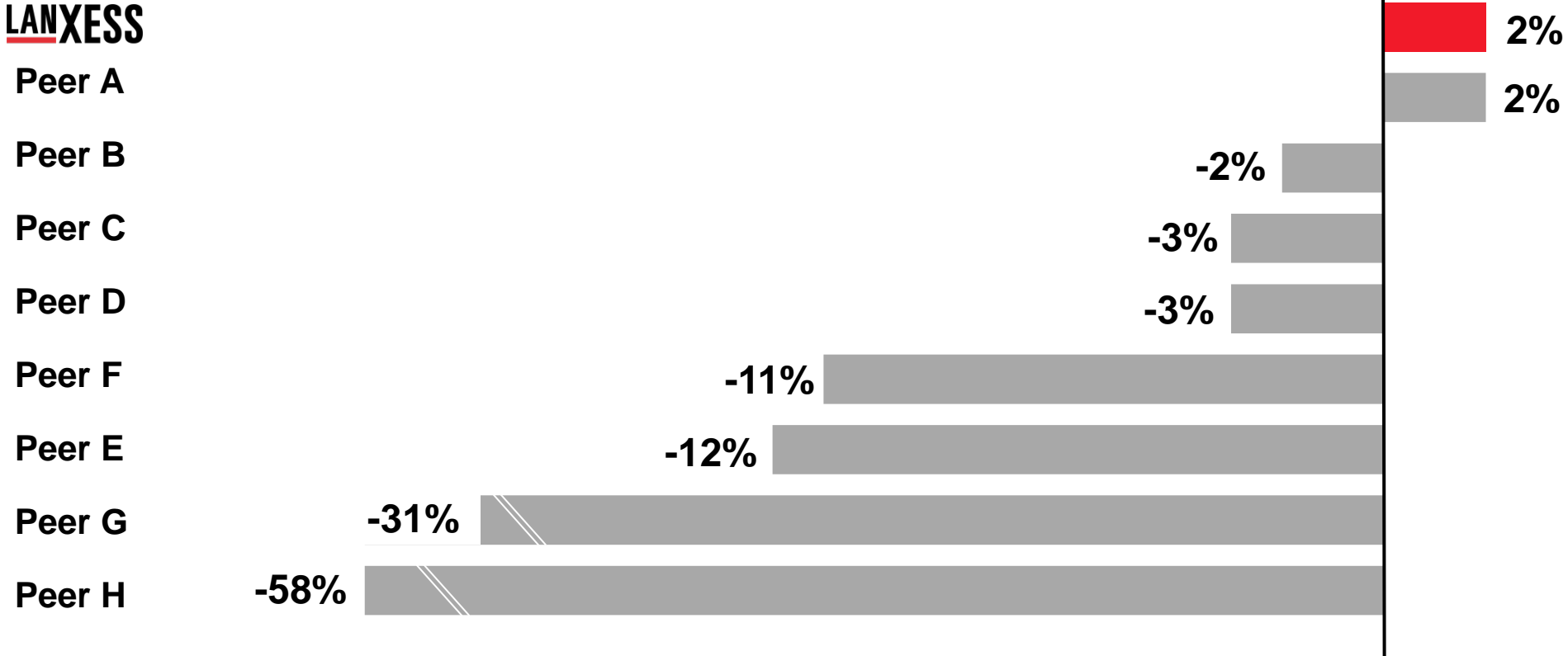


- Q1 EBITDA pre and margin continue to grow
- Improvement - even in more challenging environment - reflects increasing resilience of LANXESS' business setup
- Q1 2017 margin development held back by lagging raw material price pass-through
- Significant increase in Q1 2018 due to acquisition of Chemtura and synergies

\* LANXESS without ARLANXEO, figures 2013 – 2016 indicative / unaudited

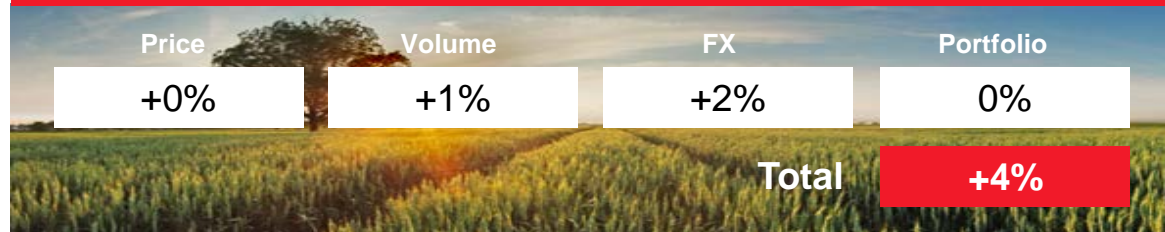
# LANXESS EBITDA pre increases vs. strong prior year despite challenging environment

## EBITDA pre Q1 2018 vs. Q1 2019 [€m]



# Q1 2019: Advanced Intermediates very strong; Specialty Additives again with improved margins

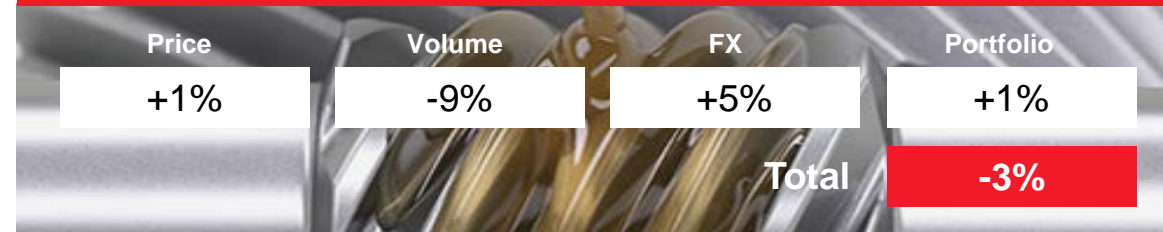
## Advanced Intermediates



- Solid volume growth with improved product mix in BU All and in BU SGO despite still weak agro market
- Considerably improved EBITDA pre and margin versus already high previous-year level due to recovering BU SGO and strong performance in BU All

[€m]	Q1'18	Q1'19
Sales	565	586
EBITDA pre	102	114
Margin	18.1%	19.5%

## Specialty Additives



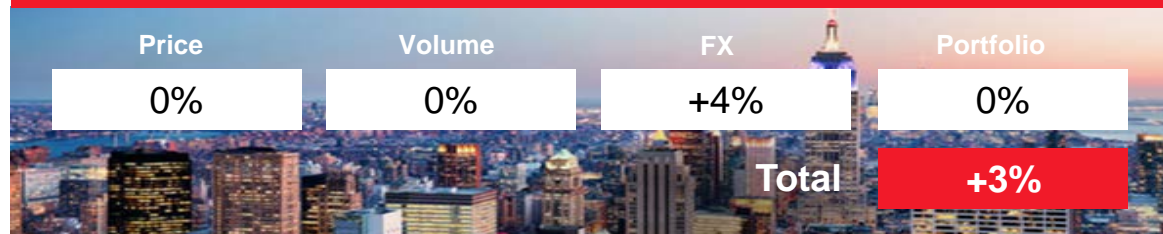
- Sales decline driven by lower volumes
- Volume drop due to termination of margin-dilutive tolling agreements, closure of sites and lower auto demand (especially BU RCH)
- Portfolio reflects Solvay's U.S. phosphorus additives
- Rising EBITDA pre and margin driven by pricing, FX and synergies

[€m]	Q1'18	Q1'19
Sales	500	485
EBITDA pre	81	83
Margin	16.2%	17.1%



# Q1 2019: Performance Chemicals stabilizing, Engineering Materials softer due to lower auto demand

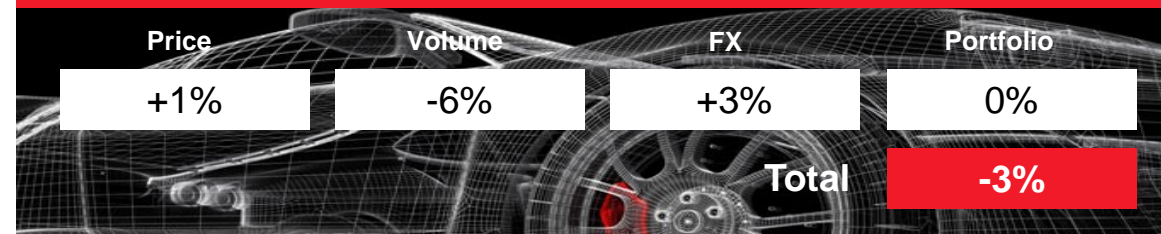
## Performance Chemicals



- Higher sales driven by positive currency effects
- Price increases in BU MPP and BU LPT offset by slightly lower prices in BU IPG and BU LEA
- Improved volumes in all BUs but LEA due to strikes
- EBITDA pre and margin reflect good performance of BUs MPP and LPT and positive FX

[€m]	Q1'18	Q1'19
Sales	336	347
EBITDA pre	52	54
Margin	15.5%	15.6%

## Engineering Materials



- Sales decline resulting from lower volumes, mitigated by USD tailwind and pricing
- Lower volumes mainly in BU HPM due to weaker auto demand
- EBITDA pre burdened by volumes despite favorable pricing and FX
- Margin remains on good level despite end market weakness

[€m]	Q1'18	Q1'19
Sales	392	382
EBITDA pre	73	65
Margin	18.6%	17.0%

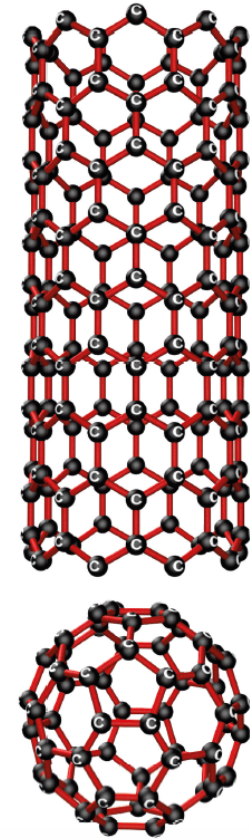
# FY 2019 EBITDA pre guidance between €1,000 m and €1,050 m

## Current view on economy

- General trading environment softer, but not deteriorating
- Auto: Expected to remain weak, especially in Asia
- Agro: Recovery not yet visible
- China: No impulse from governmental stimuli yet

## LANXESS FY 2019

**FY 2019 EBITDA pre expected  
between €1,000 m and €1,050 m**



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# Q1 2019: Again evidence of resilience

[€m]	Q1 2018 <sup>1</sup>	Q1 2019	yoy in %
Sales	1,816	1,822	0%
EBITDA pre margin	270 14.9%	275 15.1%	2%
EPS	0.89	0.93	4%
EPS pre <sup>2</sup>	1.16	1.28	10%
Capex	60	72	20%

[€m]	31.12.2018	31.03.2019	Δ %
Net financial debt <sup>3</sup>	1,381	1,675	21%
Net working capital	1,455	1,636	12%

- Stable sales: positive pricing and FX effect offset by lower volumes
- EBITDA pre and margin reflect successful pricing and favorable FX, partly offset by lower volumes and higher energy and freight costs
- Share buy-back supports EPS increase
- Higher capex resulting from investments in debottleneckings
- Net debt impacted by ongoing share buy-back (~€111 m)<sup>4</sup> and IFRS 16 effect (~€130 m)
- Seasonally higher working capital

1 2018 applies to continuing operations

2 Net of exceptionals and amortization of intangible assets as well as attributable tax effects

3 After deduction of time deposits and securities available for sale

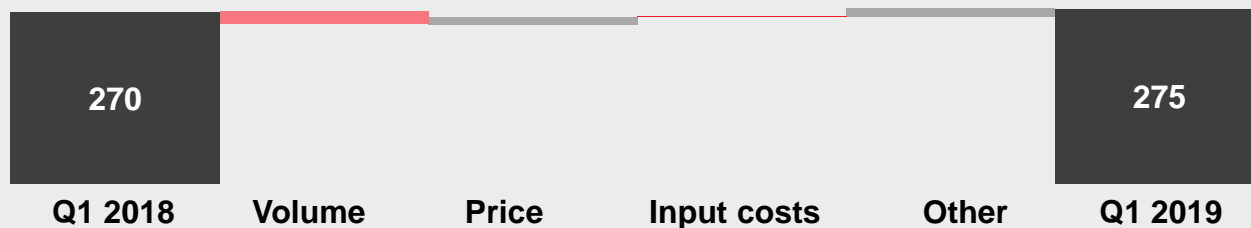
4 Status 31 March 2019

# Q1 2019: Positive price and FX mitigated by lower volumes

Q1 yoy sales variances	Price	Volume	FX	Portfolio	Total
Advanced Intermediates	0%	+1%	+2%	0%	+4%
Specialty Additives	+1%	-9%	+5%	+1%	-3%
Performance Chemicals	0%	0%	+4%	0%	+3%
Engineering Materials	+1%	-6%	+3%	0%	-3%
<b>LANXESS</b>	<b>+1%</b>	<b>-4%</b>	<b>+3%</b>	<b>0%</b>	<b>0%</b>

- Stable sales: Price increase and positive FX effect offset by lower volumes in BUs with auto exposure

## Q1 yoy LANXESS EBITDA pre bridge [€m]



- EBITDA pre increases as lower volumes are offset by positive FX and pricing effects
- “Other“ include IFRS 16 and FX effects

# Q1 2019: Solid performance on high comparable base

[€m]	Q1 2018 <sup>1</sup>		Q1 2019		yoy in %
Sales	1,816	(100%)	1,822	(100%)	0%
Cost of sales	-1,342	(-74%)	-1,351	(-74%)	-1%
Selling	-199	(-11%)	-216	(-12%)	-9%
G&A	-77	(-4%)	-66	(-4%)	14%
R&D	-30	(-2%)	-28	(-2%)	7%
<b>EBIT</b>	<b>154</b>	<b>(8%)</b>	<b>139</b>	<b>(8%)</b>	<b>-10%</b>
<b>Net Income</b>	<b>81</b>	<b>(4%)</b>	<b>84</b>	<b>(5%)</b>	<b>4%</b>
<b>EPS pre<sup>2</sup></b>	<b>1.16</b>		<b>1.28</b>		<b>10%</b>
EBITDA	255	(14%)	253	(14%)	-1%
thereof exceptionals	-15	(-1%)	-22	(-1%)	47%
<b>EBITDA pre exceptionals</b>	<b>270</b>	<b>(14.9%)</b>	<b>275</b>	<b>(15.1%)</b>	<b>2%</b>

- Increase in selling expenses driven by higher freight costs
- Reduced G&A costs due to lower provisions for var. compensation and lower costs of the former Chemtura businesses
- Improved net income driven by better financial result and tax rate
- Increased EPS pre also reflects share buy-back
- Higher exceptionals due to M&A projects, adjustment of production network and digitalization

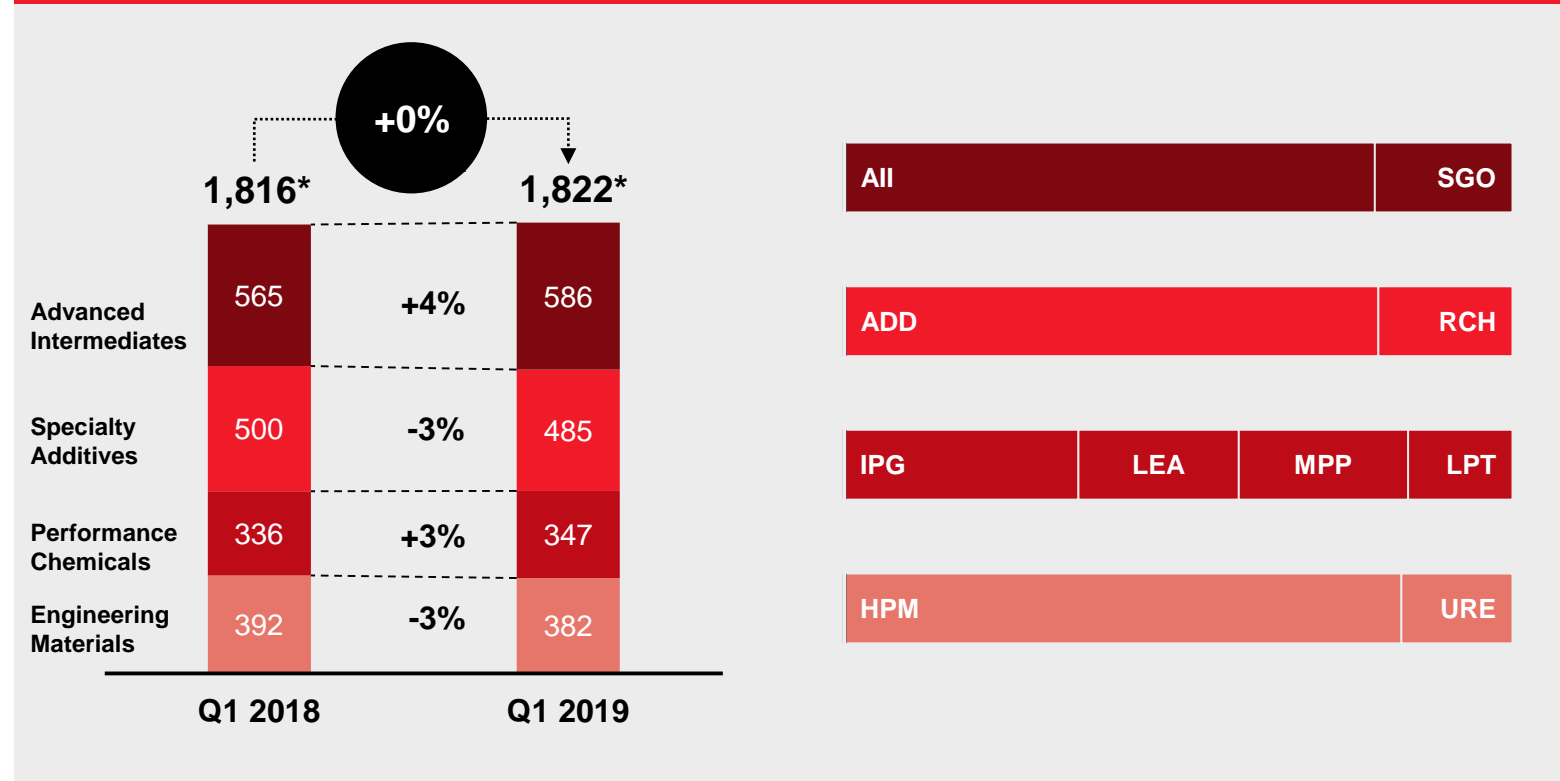
**Figures reflect higher resilience**

1) 2018 applies to continuing operations

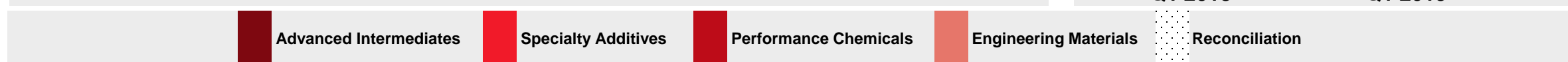
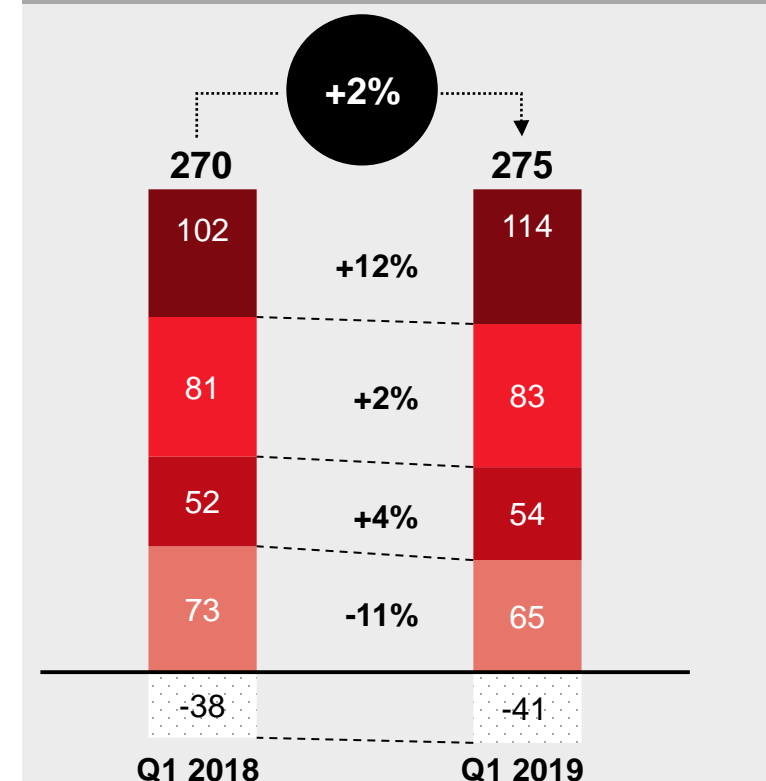
2) Net of exceptionals and amortization of intangible assets as well as attributable tax effects

# Proven stability of portfolio – EBITDA pre decline in Engineering Materials offset by other segments

## [€m] Q1 2019 Sales



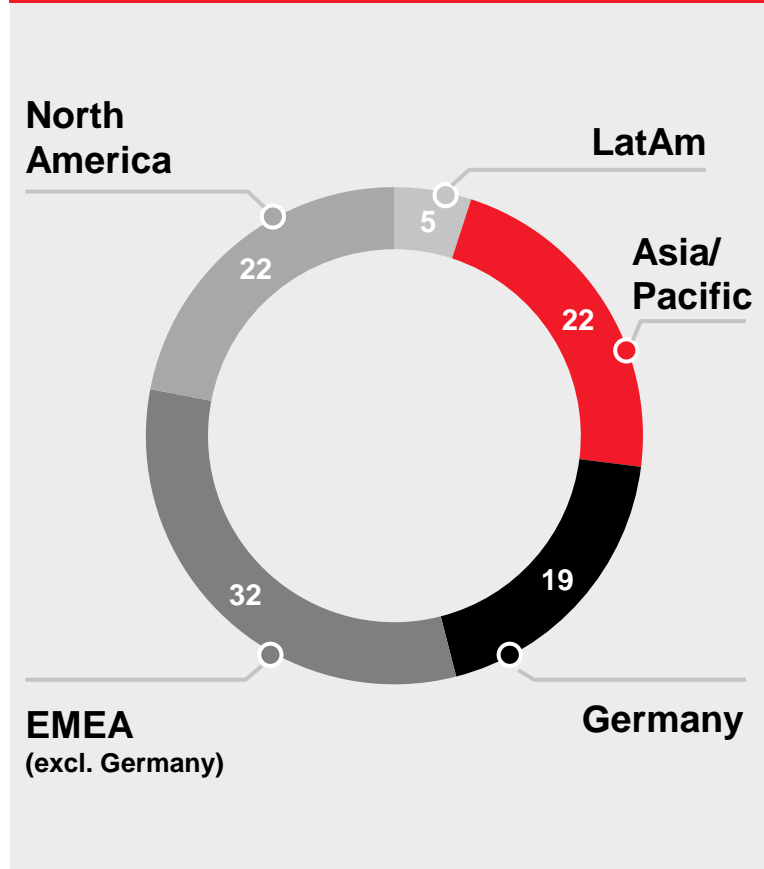
## [€m] Q1 2019 EBITDA pre



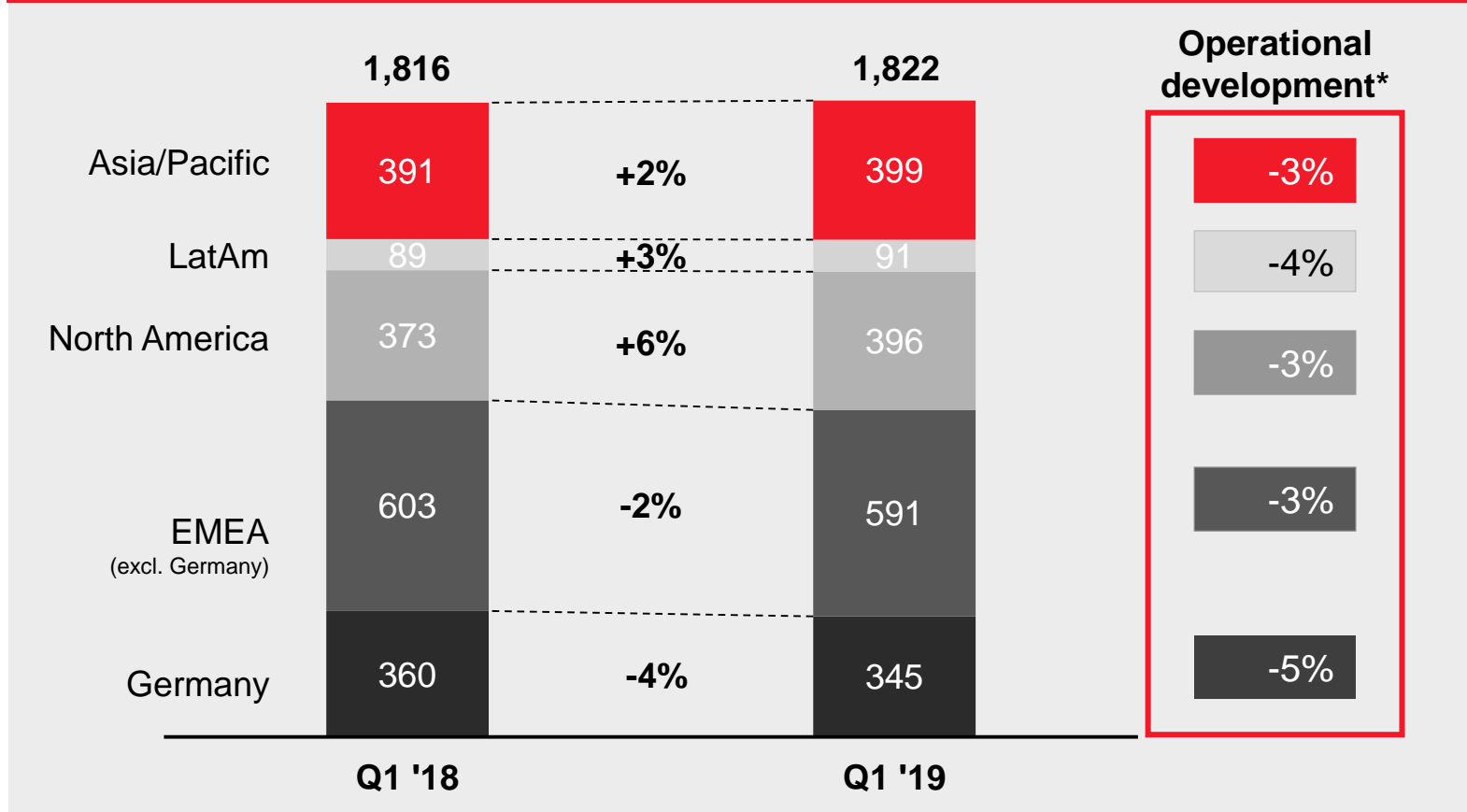
\* Total group sales including reconciliation

# Q1 2019: FX driven sales growth in Americas and Asia offset by decline in EMEA and Germany

**Q1 2019 sales by region [%]**



**Regional development of sales [€ m]**



\* Currency and portfolio adjusted



# Cash flow Q1 2019: Stable operating cash flow

[€m]	Q1 2018 <sup>1</sup>	Q1 2019
<b>Profit before tax</b>	<b>120</b>	<b>118</b>
Depreciation & amortization	101	114
Financial (gain) losses	17	15
Income taxes paid	-31	-39
Changes in other assets and liabilities	27	-14
<b>Operating cash flow before changes in WC</b>	<b>234</b>	<b>194</b>
Changes in working capital	-206	-162
<b>Operating cash flow</b>	<b>28</b>	<b>32</b>
<b>Investing cash flow</b>	<b>-113</b>	<b>-239</b>
Thereof capex	-60	-72
<b>Financing cash flow</b>	<b>11</b>	<b>-157</b>

- Higher depreciation due to IFRS 16 effect
- Changes in other assets and liabilities driven by lower provisions for variable compensation and utilization of provisions, e.g. restructuring
- Changes in working capital reflects normal seasonal pattern
- Investing cash flow comprises investment of liquidity after ARLANXEO divestment
- Capex increase driven by debottlenecking investment program
- Share buy-back reflected in financing CF

<sup>1</sup> 2018 applies to continuing operations

# Balance Sheet: Solid!

[€m]	31.12.2018	31.03.2019
<b>Total assets</b>	<b>8,687</b>	<b>8,837</b>
Equity (incl. non-controlling interest)	2,773	2,813
<b>Equity ratio</b>	<b>32%</b>	<b>32%</b>
<b>Net financial debt</b> (including cash and near cash assets)	<b>1,381</b>	<b>1,675</b>
Near cash, cash & cash equivalents	797	434
<b>Pension provisions</b>	<b>1,083</b>	<b>1,110</b>
<b>Net working capital</b>	<b>1,455</b>	<b>1,636</b>
DSI (in days) <sup>1</sup>	69	69
DSO (in days) <sup>2</sup>	46	48

- Stable total assets and equity ratio
- Net debt impacted by ongoing share buy-back (€111 m)<sup>3</sup> and IFRS 16 effect (~€130 m)
- Cash proceeds from sale of 50% share in ARLANXEO partly included in treasury financial assets
- Higher pension provisions due to declining underlying interest rate in Germany
- Seasonal increase in net working capital

1 Days of sales in inventory calculated from quarterly sales

2 Days of sales outstanding calculated from quarterly sales

3 Status 31 March 2019

# Stable and solid balance sheet

[€ m]	Dec 2018	Mar 2019		Dec 2018	Mar 2019
<b>Non-current assets</b>	<b>4,786</b>	<b>4,977</b>	<b>Stockholders' equity</b>	<b>2,773</b>	<b>2,813</b>
Intangible assets	1,764	1,786	attrib. to non-contr. interests	-7	-8
Property, plant & equipment	2,577	2,717	<b>Non-current liabilities</b>	<b>4,395</b>	<b>4,546</b>
Equity investments	0	0	Pension & post empl. provis.	1,083	1,110
Other investments	2	2	Other provisions	337	351
Other financial assets	25	25	Other financial liabilities	2,686	2,783
Tax receivables	14	14	Tax liabilities	117	129
Other non-current assets	404	433	Other liabilities	83	79
<b>Current assets</b>	<b>3,901</b>	<b>3,860</b>	Deferred taxes	89	94
Inventories	1,347	1,386	<b>Current liabilities</b>	<b>1,519</b>	<b>1,478</b>
Trade account receivables	903	975	Other provisions	465	479
Other current financial assets	598	789	Other financial liabilities	59	78
Other current assets	256	276	Trade accounts payable	795	725
Near cash assets	0	0	Tax liabilities	44	48
Cash and cash equivalents	797	434	Other liabilities	156	148
<b>Total assets</b>	<b>8,687</b>	<b>8,837</b>	<b>Total equity &amp; liabilities</b>	<b>8,687</b>	<b>8,837</b>

**IFRS 16 effect of ~€130 m impacts PP&E and other financial liabilities**

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## LANXESS financial expectations

- **Capex 2019:** ~€500 m
- **Operational D&A 2019:** ~€450 m
- **Reconciliation 2019:** ~€150 m - €160 m including remnant costs
- **Tax rate:** Around 30%
- **Exceptionals 2019:** €30 m - €60 m based on current initiatives
- **FX sensitivity:** one cent change of USD/EUR resulting in ~€7 m EBITDA pre impact before hedging



- **IFRS 16 effects 2019:**
  - Reclassification of ~€35 m from operating result to depreciation and interest expense (low single-digit € millions) leading to EBITDA pre improvement
  - Rise in fair value of leasing liabilities by ~€130 m burdening net debt

# New Board member responsible for additives business

## Anno Borkowsky

- Responsibility for all businesses in the Specialty Additives segment
- New position underpins importance of additives business at LANXESS
- Start on June 1, 2019
- Roughly 30 years of experience in the chemical industry
  - Since 1990: working at Bayer / LANXESS
  - 2004-2017: Head of RheinChemie (additives) business unit
  - 2017-2019 Head of Additives business unit



# Reorganization of Specialty Additives segment

## Advanced Intermediates



- Advanced Industrial Intermediates
- Saltigo

## Specialty Additives



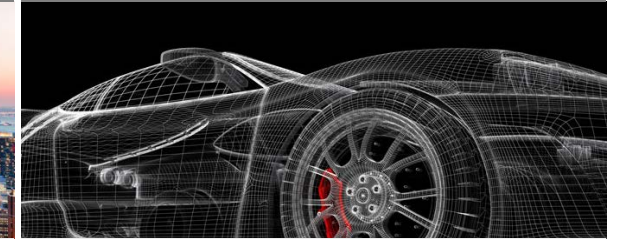
- **Polymer Additives (new)**
  - Flame retardants / other plastics additives
  - Head of BU: Karsten Job
- **Lubricant Additives Business (new)**
  - Lubricants / lubricant additives
  - Head of BU: Martin Saewe
- **Rhein Chemie**
  - Rubber additives / colorants
  - Head of BU: Philipp Junge

## Performance Chemicals



- Material Protection Products
- Inorganic Pigments
- Leather
- Liquid Purification Technologies

## Engineering Materials



- High Performance Materials
- Urethane Systems

# Improving portfolio of businesses

## Organic growth

- Several projects of manageable size underway
- Attractive, return-improving project ROCE (~20%)



## Portfolio management

- Acquisitions executed at reasonable prices strengthen portfolio and add resilience
- Divestments prove diligent approach to portfolio management





# Self-help measures in execution

## Restructuring

- Site closures where restructuring is necessary
- Continuous evaluation of businesses



## Synergies

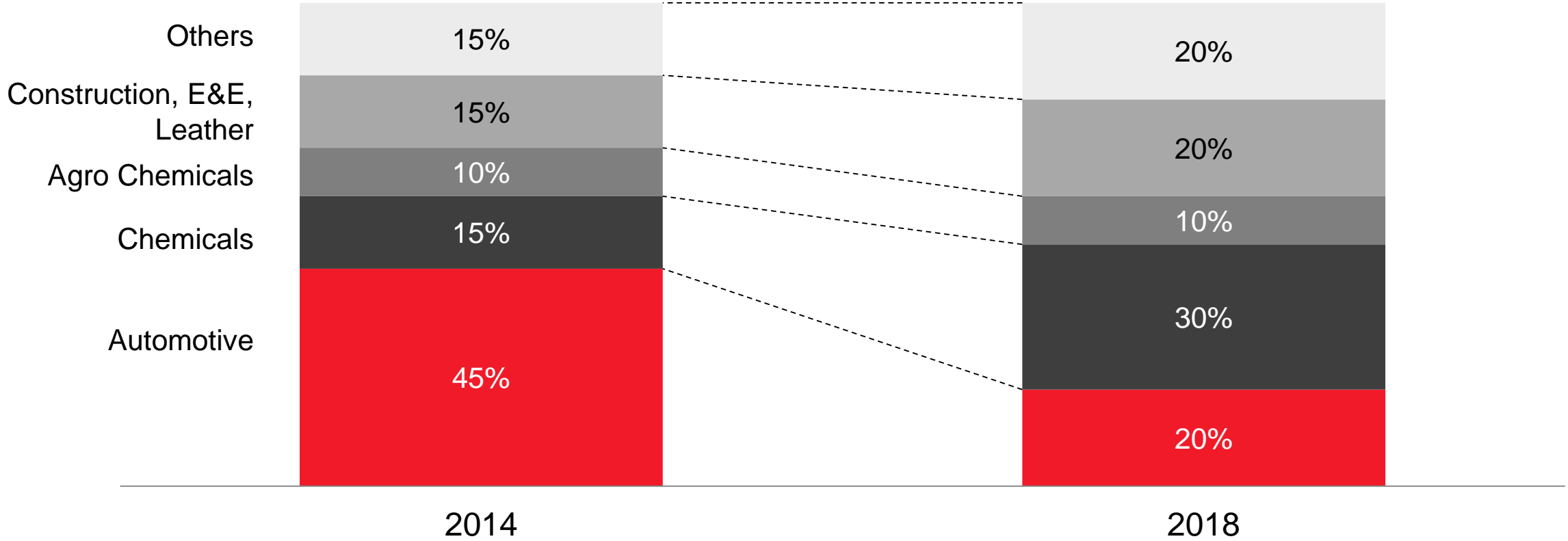
- Realization of Chemtura synergies ahead of plan
- Sales synergies not included, providing further cushion in softening environment



**Solid foundation for the LANXESS platform**

# More diversified and resilient end market exposure...

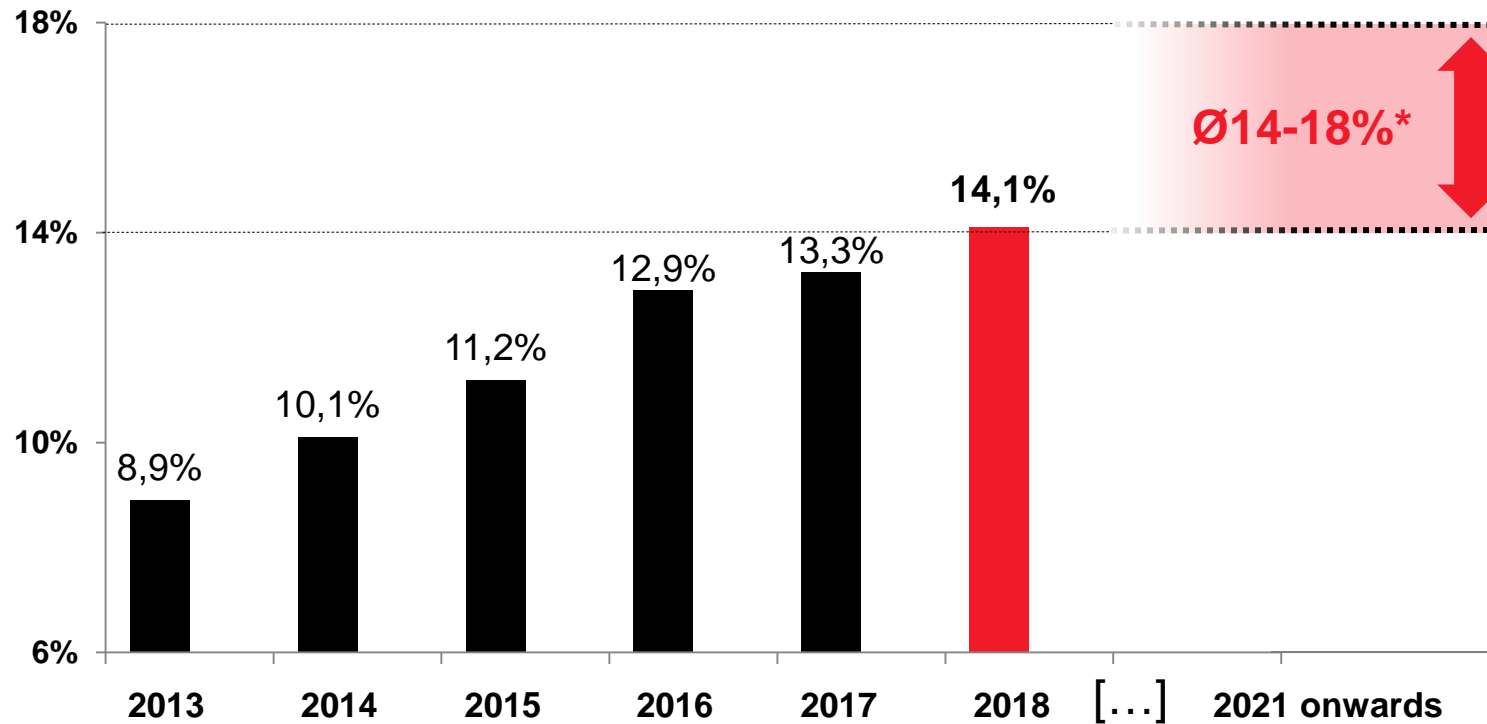
End market split by sales



# ...and EBITDA-margin in targeted corridor

## Trajectory to mid-term target

[EBITDA pre margin]



# Self-help measures in place to achieve goals and become more resilient

## Self-help measures

- Debottlenecking and brownfield growth capex (ROCE of ~20%)
- Implementation of remaining €30 m synergies from Chemtura until 2020
- Saltigo improvement
- Take Organometallics' margin to industry level (~15%)
- Further portfolio alignment

## On track to reach financial goals for 2021

**EBITDA pre margin**  
(group, Ø through the cycle)

**14-18%**

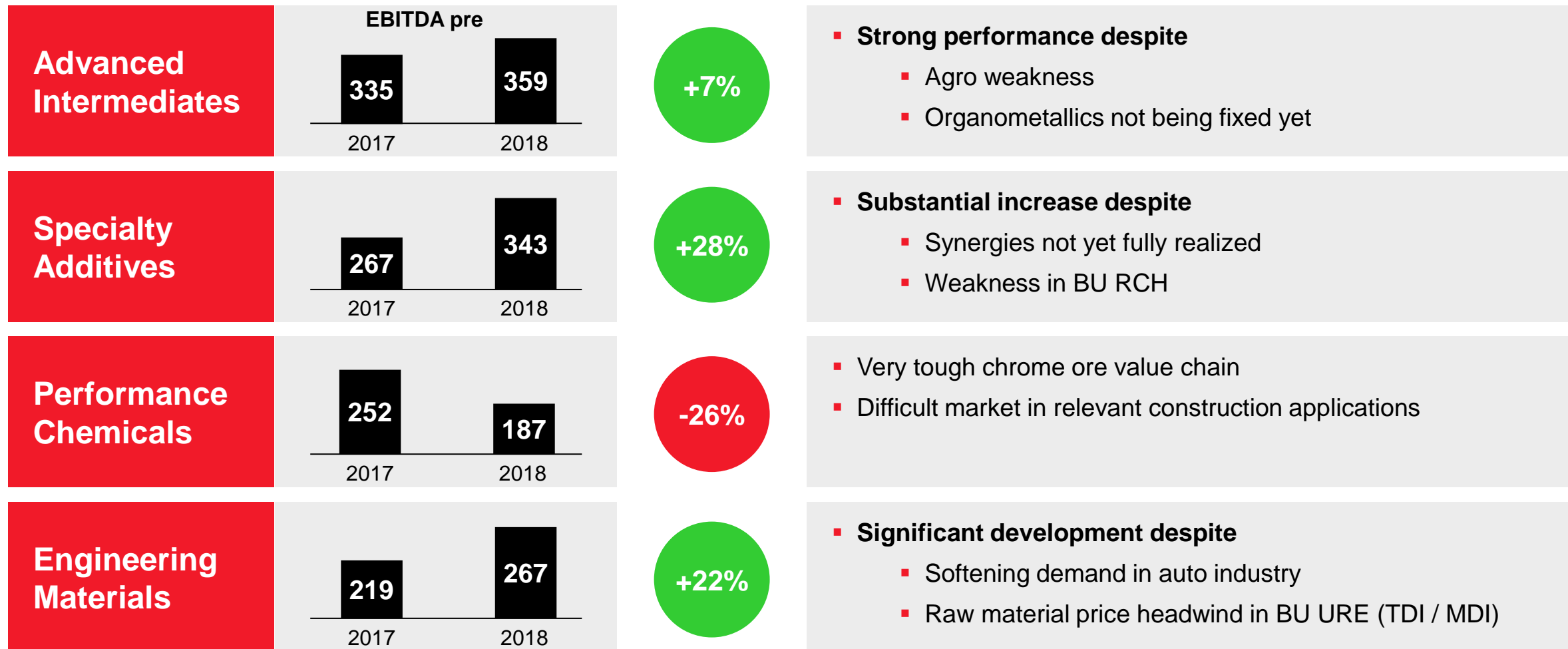
**Cash conversion\***

**>60%**

**EBITDA pre margin volatility**

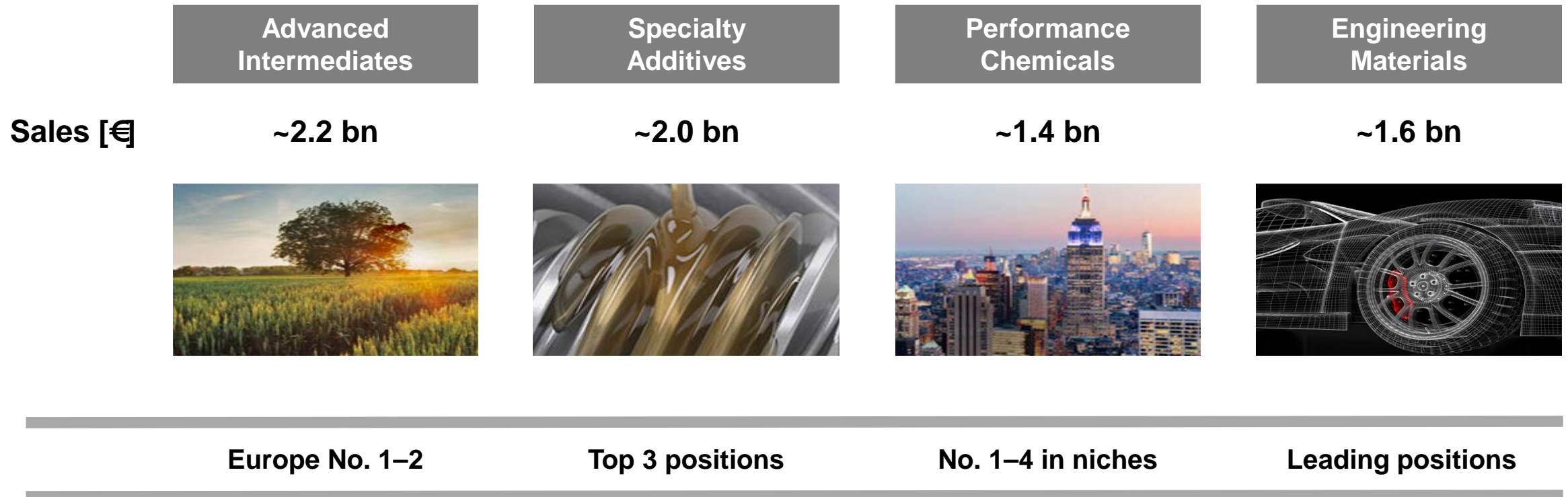


# FY 2018: Improved results in three segments drive performance in tougher environment



# LANXESS is transforming into a more resilient and less volatile company

## LANXESS' more balanced setup



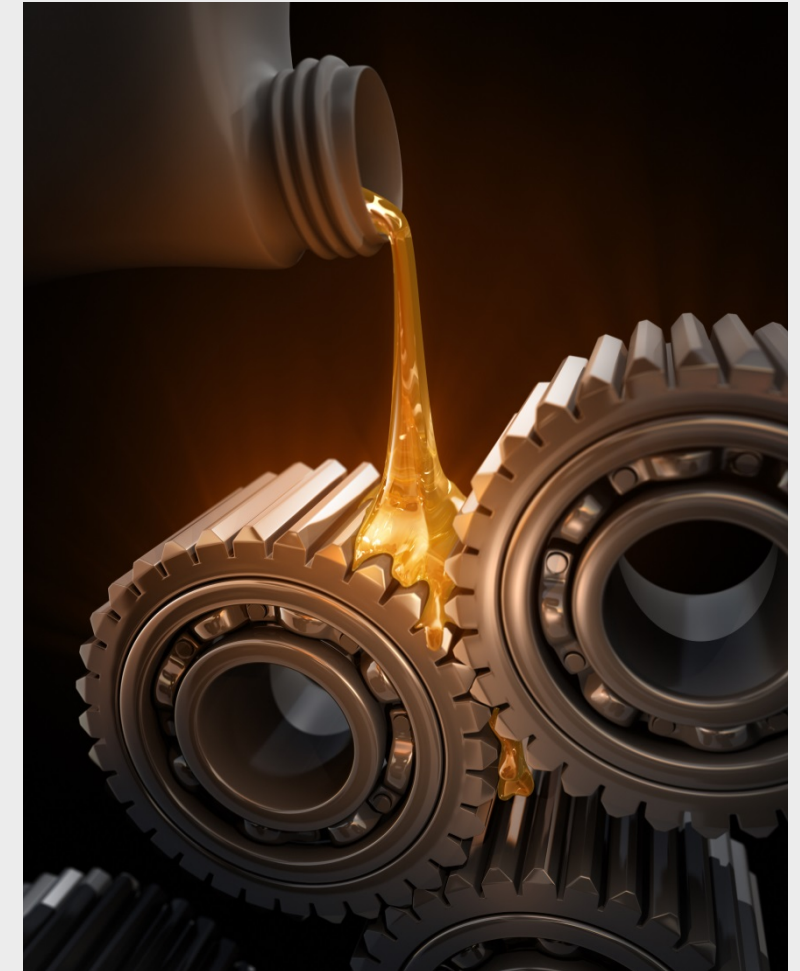
# Advanced Intermediates: Solid backbone with focus on organic growth

	All	SGO
Market positions <sup>1</sup>	TOP 3	# 1
Expected growth	~3-4%	Recovery in 2019
Development focus	Rather organic	Organic & External
Growth drivers	<ul style="list-style-type: none"> <li>Invest €100 m into debottleneckings</li> <li>Ramp up profitability of Organometallics to peer level (around 15%)</li> </ul>	<ul style="list-style-type: none"> <li>Best prepared for agro recovery</li> <li>Expand fine chemicals business</li> </ul>



# Specialty Additives: Leading additives platform with broad expansion opportunities

	ADD	RCH
Market positions <sup>1</sup>	TOP 3	# 1
Expected growth	~4%	~3%
Development focus	Organic & External	Organic & External
Growth drivers	<ul style="list-style-type: none"> <li>▪ Generate synergies until 2020</li> <li>▪ Leverage position in dynamic markets</li> <li>▪ Push product innovations (next generation FR) and synthetic base lubricants</li> </ul>	<ul style="list-style-type: none"> <li>▪ Use unique global scale to penetrate market</li> <li>▪ Leverage innovations</li> <li>▪ Streamline product portfolio</li> </ul>





# Performance Chemicals: Expect structural changes!

	IPG	LEA	MPP	LPT
Market positions <sup>1</sup>	# 1	TOP 2	TOP 3	TOP 3
Expected growth	~ 2%	1 - 2%	3%	4 - 10%
Development focus	Organic	Restructuring	Organic & external	Organic & External
Growth drivers	<ul style="list-style-type: none"> <li>▪ Benefit from industry consolidation</li> <li>▪ Further penetrate and develop North American market</li> </ul>	<ul style="list-style-type: none"> <li>▪ Trimmed chrome value chain</li> <li>▪ Potential partnerships</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expand and enrich regulatory organization to penetrate global markets</li> <li>▪ Benefit from disinfection trends</li> </ul>	<ul style="list-style-type: none"> <li>▪ Option to build-up production footprint (new assets) in North America or China</li> <li>▪ Further develop high-value market applications</li> </ul>

# Engineering Materials: Leading players with clear strategy for market independent growth

	HPM	URE
Market positions <sup>1</sup>	# 2 Europe	# 1
Expected growth	~5%	~3%
Development focus	Organic	Organic & external
Growth drivers	<ul style="list-style-type: none"> <li>▪ Lightweight trend and e-mobility</li> <li>▪ Capital light compounding investments</li> <li>▪ Continuous consumer product innovation in E&amp;E</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expand market share in Europe and Asia</li> <li>▪ Leverage further product innovations (esp. on low-free isocyanate products)</li> <li>▪ Benefit from automation trends</li> </ul>



# Capital allocation priorities after ARL exit: Focus on deleveraging and building a superior growth platform

## Capital allocation after receipt of cash

### Attractive growth

- M&A following our communicated financial matrix
- Investments into new and already announced brownfield & debottlenecking projects (until ~2021)

€400 – €X m

### Deleveraging

- Funding of German pension liabilities
- New funding ratio improved to ~57%\*

€200 m  of ~ €400 m - €500 m

### Share buy-back

- Share buy-back to be executed between January and year end 2019

up to €200 m

## Use of proceeds in line with investment grade commitment

# Chemtura synergies realized ahead of plan

## Implementation of synergies faster than predicted

## Key Messages

[€m]	2017	2018	2019	2020	Total
<b>Synergies</b>	~30	~40	~20	~10	~100
<b>Expense (one-time costs)*</b>	~80	~30	~20	~10	~140
<b>Cash out</b>	~40	~50	~40	~10	~140
<b>Capex</b>	~20	~20	~10		~50

- Synergies confirmed
  - €100 m of “hard” costs
  - Earlier realization
  - Topline synergies not included
- OTCs and cash-outs confirmed
- Capex confirmed, mainly related to Manufacturing Excellence

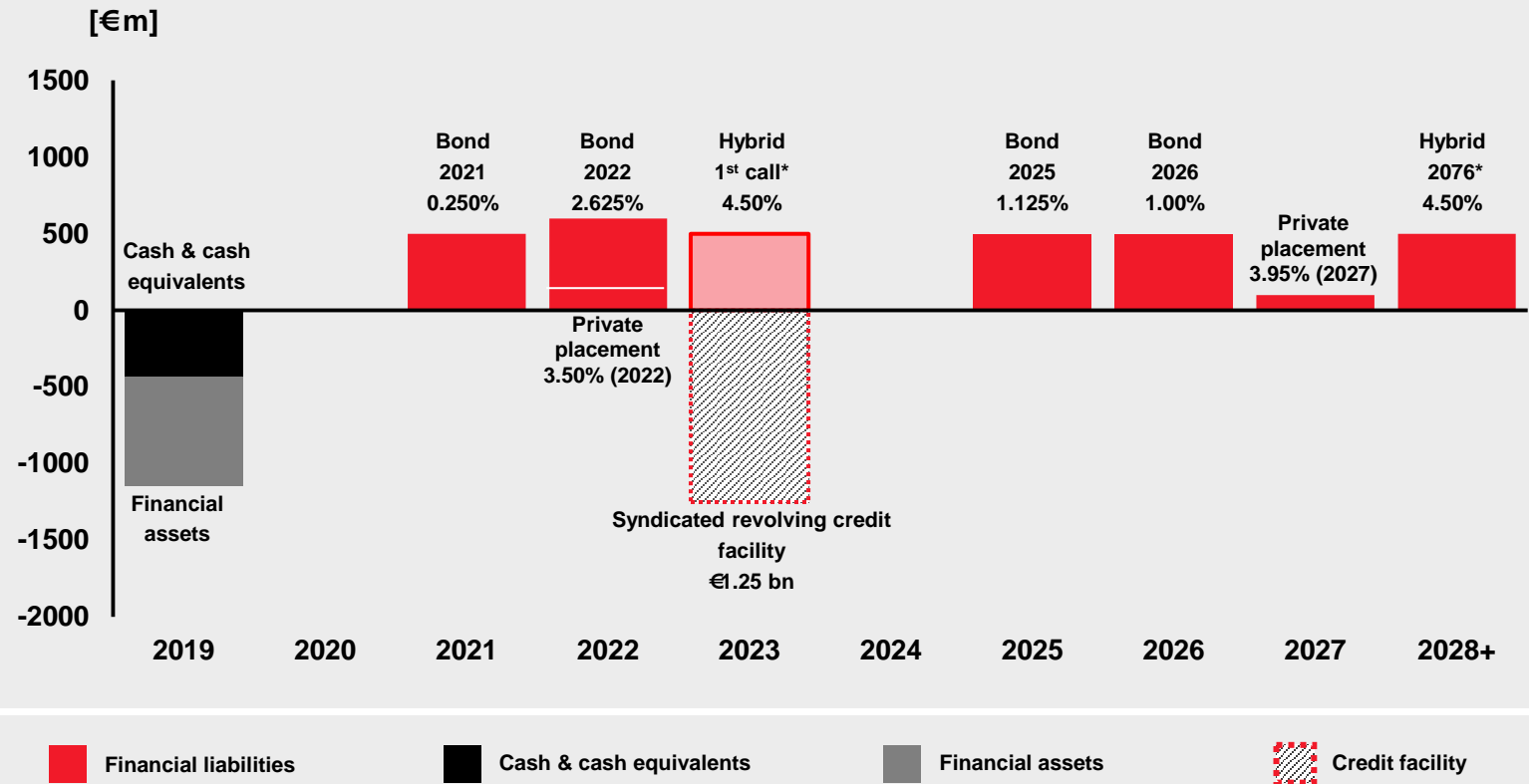
\* Does not include ~€65 m PPA charges from inventory step-up in opening balance sheet. Transaction related charges were recognized in opening balance sheet

# Maturity profile actively managed and well balanced

## Long-term financing secured

- Diversified financing sources
  - Bonds & private placements
  - Syndicated credit facility
- Average interest rate of financial liabilities ~2%
- Next bond maturity in 2021
- All group financing executed without financial covenants

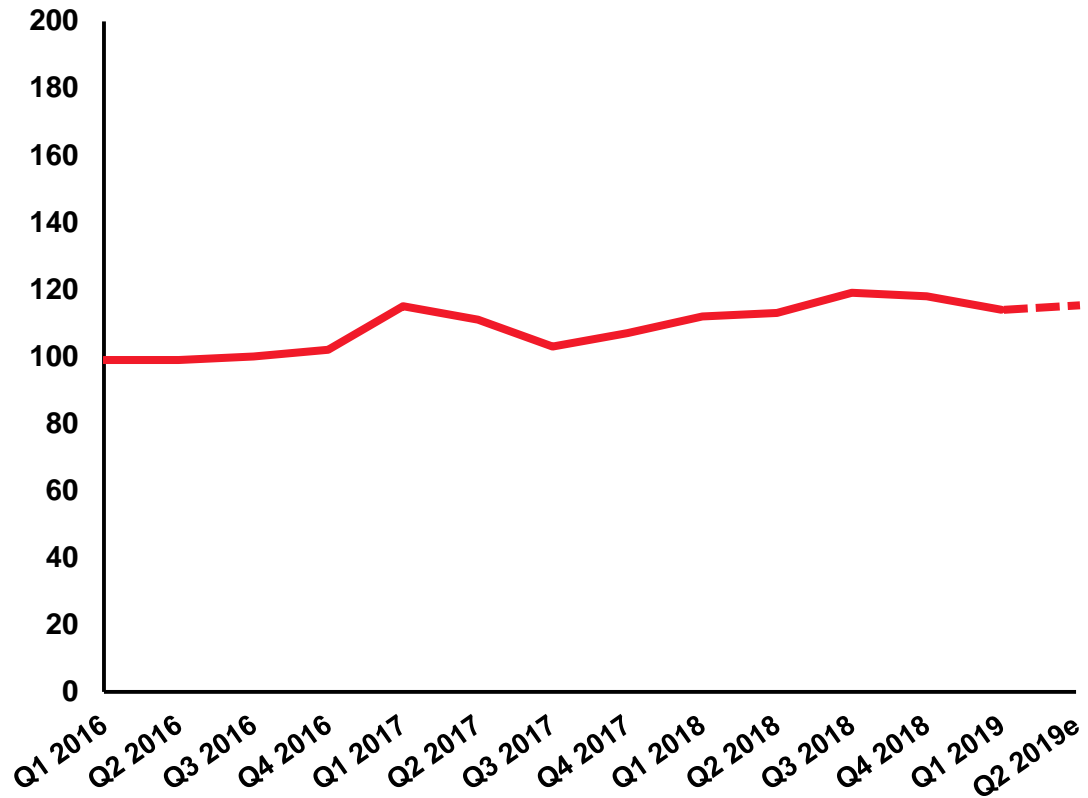
## Liquidity and maturity profile as per March 2019



\* Hybrid bond with contractual maturity date in 2076 has a first optional call date in 2023.

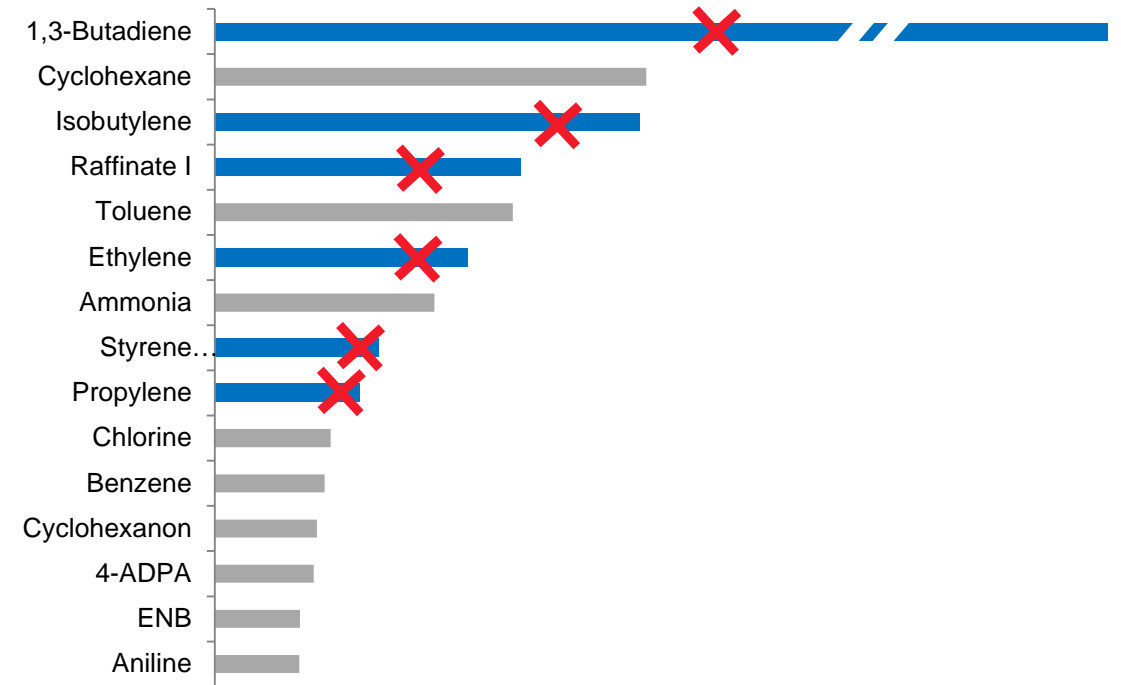
# Substantially reduced dependency on volatile raw materials

## LANXESS global raw materials index\*



\* Average 2013 = 100%

## Total raw material expenses (2017)

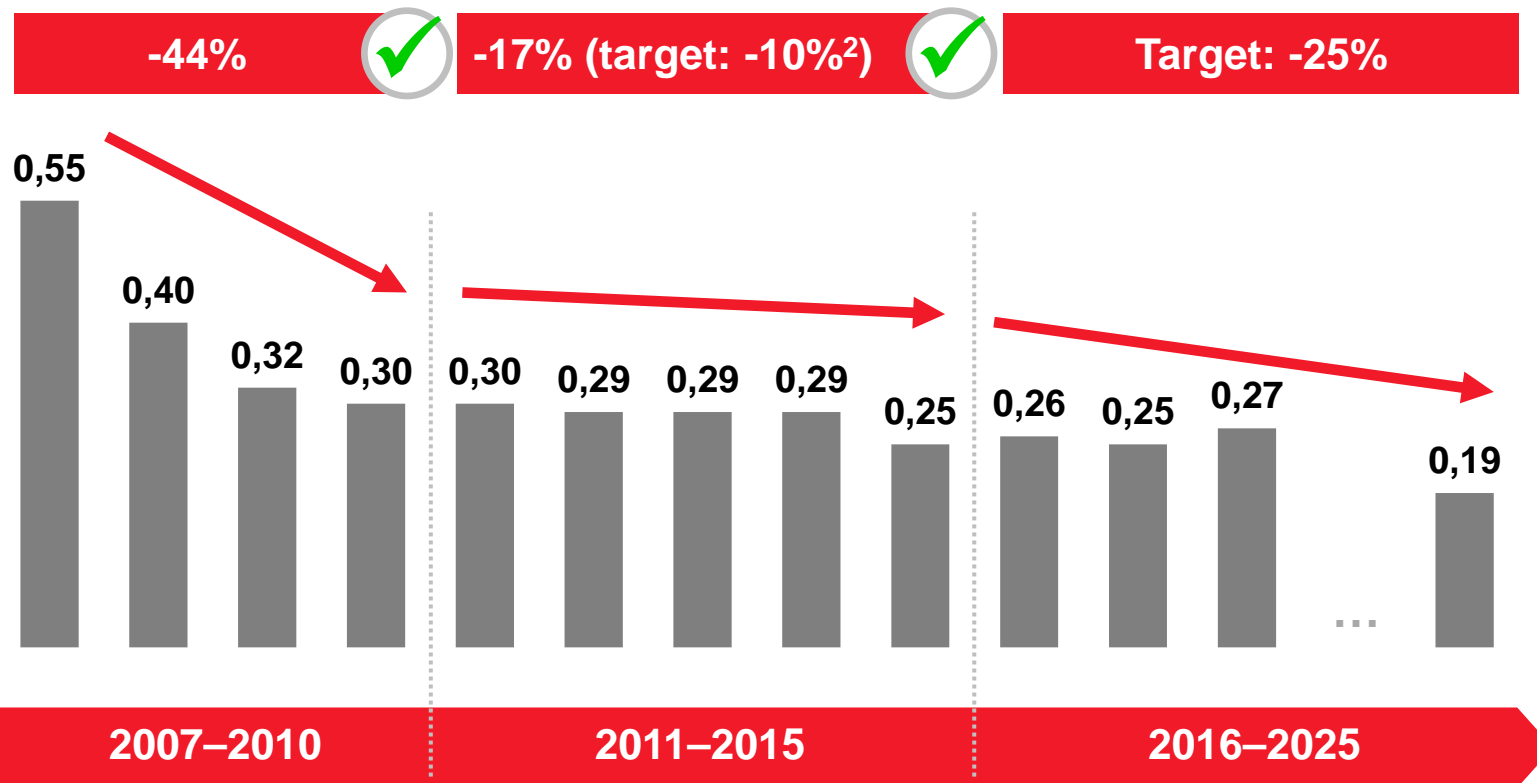


**LANXESS no longer dependent on few raw materials**

# Climate protection: Target of specific CO<sub>2</sub> emissions (scope 1+2)<sup>1</sup> of -25% by 2025

## Greenhouse gas emissions (Scope 1) on track for 2025 targets

[t CO<sub>2</sub>e/t of product]



## 2018 development

- ARLANXEO divestment and linked changes to portfolio led to higher specific Scope 1 emissions (generation and use in ongoing operations comparatively more energy from primary energy sources)
- Chemtura acquisition (2018 FY full contribution) with impact on scope 1 emissions whereas positive on scope 2+3
- Mitigating effect from reduced use of coal (China) and higher use of biomass (India & Brazil)

<sup>1</sup> Reduction of specific CO<sub>2</sub> emission (scope 1) by 25% until 2025; reduction of specific energy consumptions (scope 2) by 25% until 2025; Reduction of volatile organic compounds (NMVOC3, scope 3) emissions by 25% until 2025; <sup>2</sup> Reduction of specific greenhouse gas emissions (scope 1) by 10% per reporting segment achieved

# Awards in ratings and indices reflect high sustainability standards

## Commitment and entitlement



**THE GLOBAL GOALS**  
For Sustainable Development



**Responsible Care®**  
OUR COMMITMENT TO SUSTAINABILITY



## Awards in ratings and indices

MEMBER OF  
**Dow Jones**  
**Sustainability Indices**  
In Collaboration with RobecoSAM

Member DJSI World and Europe



EcoVadis „Gold Recognition Level“



Klimascore A-



**FTSE4Good**

Index Member



# Sustainability as core element of our strategy

## Corporate Responsibility – Material topics and goals\*



LANXESS: Leading, stable, sustainable and profitable

<p><b>Resilient sourcing</b></p>	<p><b>Safe and sustainable sites</b></p>	<p><b>Climate protection and energy efficiency</b></p>	<p><b>Motivated employees and performing teams</b></p>	<p><b>Business-driven innovation</b></p>	<p><b>Sustainable product portfolio</b></p>	<p><b>Valuing customer relations</b></p>

**Good Corporate Governance**

<p>Permanently increase the proportion of evaluated suppliers</p>	<p>Reduction of occupational accidents by &gt;50% by 2025</p>	<p>-25% Energy consumption and emissions until 2025**</p>	<p>20% women in management by 2020</p>	<p>Keeping customer loyalty at a high level</p>
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\* Selection from all goals shown \*\* Specific emissions, base year 2015

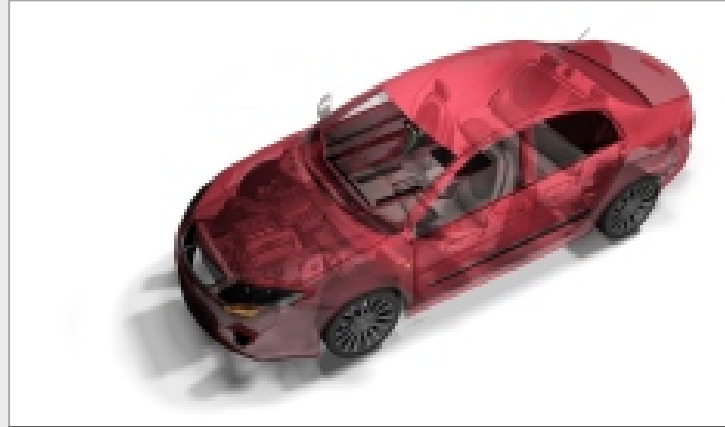
# LANXESS products enable sustainable solutions in key areas of application

## Quality you can drink



With its Lewabrane® membrane elements and Lewatit® ion exchange resins, the Liquid Purification Technologies business unit offers a high-performance solution for ensuring a reliable supply of drinking and purified water.

## Lightweight solutions



High-performance plastics from LANXESS, such as Durethan®, Pocan® and Tepex®, can replace many of the metal parts in cars to help reduce weight and fuel consumption, without compromising on vehicle safety.

## Protection against diseases



Saltidin® is an insect repellent proprietary to LANXESS subsidiary Saltigo. It is used in insect repellents and lowers the risk of contracting malaria, dengue fever, Zika virus, borreliosis or encephalitis.

# ...and LANXESS keeps innovating to meet present and future sustainability demands

## ULP membranes



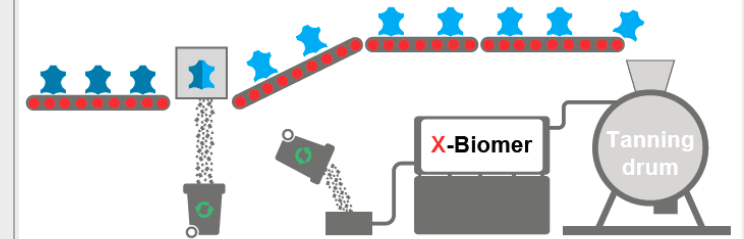
LANXESS' new ultra-low pressure (ULP) membranes have the ability to remove trace elements originating for instance from drugs, chemicals, cosmetic products and crop protection agents almost entirely even at low operating pressures.

## Components for e-scooters



Pocan AF 4110 enables light housing components for bike and scooter batteries and combines low warpage with excellent mechanical properties – only one example of the wide-ranging product portfolio for electric mobility.

## Circular leather production



With the X-Biomer INSITU technology, retanning agents can be produced from by-products on site in the tannery. This means less chemical use, less logistics costs, less waste and less CO<sub>2</sub> emissions.

# Adding value to business and society – various concepts to assess and measure our impacts

## Societal Added Value

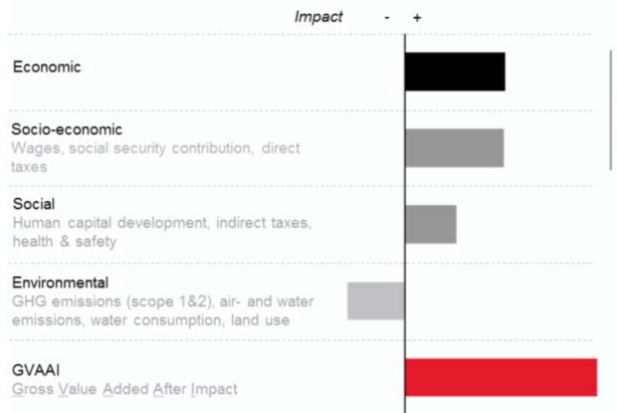
Sustainability profile and societal impacts of our products

The quantified impact of our gate-to-gate business operations on society

Our contribution to the Agenda 2030 goals to overcome society challenges



Product Portfolio Assessment



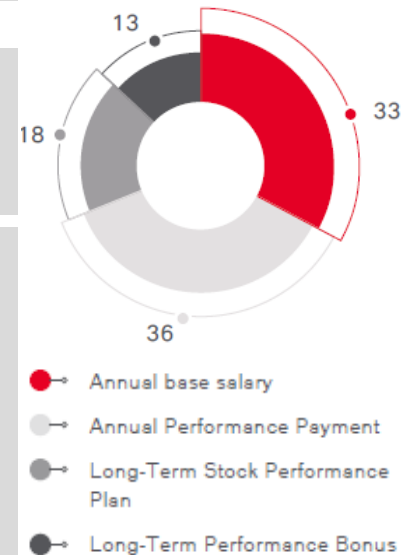
Impact Valuation Concept



Sustainable Development Goals Analysis

# Management compensation

Fix	Annual base salary	Fixed annual base salary Compensation in kind (mainly tax value of perquisites)
	Annual Performance Payment (APP)	Based on: Targets for EBITDA pre exceptionals Cap: 200% of individual budget Deduction in case of serious safety and/or environmental problems
Variable	<b>Long-term orientation</b>	
	Long-Term Performance Bonus (LTPB)	Based on: Individual APP target for 2 successive fiscal years Cap: 45% of annual base salary (Ø APP target attainment of 100%)
	Long-Term Stock Performance Plan (LTSP)*	Based on: LXS stock performance vs. MSCI World Chemicals Index* Cap: 30% of annual base salary Vesting period: 4 years** Until 2017: Personal investment in LXS shares (5% of annual base salary) Since 2018: Share performance rights plus share ownership guidelines (investment in LXS shares: CEO 1.5x and board members 1x of base salary)



\*LTSP 2014–2017; Dow Jones STOXX 600 Chemicals<sup>SM</sup> serves as a reference index for the LTSP 2010–2013

\*\* Five year vesting period applies to LTSP 2010–2013

# Slightly higher exceptional items (on EBIT) due to plant closure in Jinshan and projects

[€m]	Q1 2018		Q1 2019	
	Excep.	Thereof D&A	Excep.	Thereof D&A
Advanced Intermediates	0	0	0	0
Specialty Additives	0	0	1	0
Performance Chemicals	1	0	4	0
Engineering Materials	0	0	0	0
Reconciliation	14	0	17	0
<b>Total</b>	<b>15</b>	<b>0</b>	<b>22</b>	<b>0</b>



# Upcoming events 2019

## Proactive capital market communication

▪ <b>Q1 2019 results</b>	<b>May 14</b>	
▪ Citi's Chemicals Conference	May 16	London
▪ <b>Annual Stockholders' Meeting</b>	<b>May 23</b>	Cologne
▪ mBank Chemicals Day	June 4	Warsaw
▪ dbAccess Berlin Conference	June 5/6	Berlin
▪ Exane BNP Paribas 21 <sup>st</sup> CEO Conference	June 11/12	Paris
▪ J.P. Morgan Cazenove European Materials Conference	June 12	London
▪ Morgan Stanley Cannon Ball Run	June 25	Cologne
▪ <b>Q2 2019 results</b>	<b>August 2</b>	
▪ Goldman Sachs & Berenberg German Corporate Conference	September 23-25	Munich
▪ <b>Q3 2019 results</b>	<b>November 13</b>	
▪ <b>Meeting the Management</b>	<b>November 15</b>	Cologne

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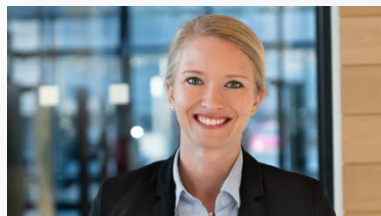
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Visit the IR  
website





# Abbreviations

## Advanced Intermediates

- **All** Advanced Industrial Intermediates
- **SGO** Saltigo

## Performance Chemicals

- **IPG** Inorganic Pigments
- **LEA** Leather
- **MPP** Material Protection Products
- **LPT** Liquid Purification Technologies

## Specialty Additives

- **ADD** Additives
- **RCH** Rhein Chemie

## Engineering Materials

- **HPM** High Performance Materials
- **URE** Urethane Systems