Q3 2025 Results
LANXESS Group

LANXESS Energizing Chemistry

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Uncertainties continue to weigh on demand; counteracted by self-help measures

	Q3 2024	Q3 2025	Δ vs. PY		Comments on Q3
Sales	€1,598 m	**€1,338 m**	-16%	↓	Lower prices reflect raw material cost deflation; lower volumes on ongoing weak demand and competitive headwinds from Asia; lower utilization and supplier's chlorine FM burden earnings and margins; FX effect & Urethane Systems' divestment additionally drag
EBITDA pre	€173 m	**€125 m**	-28%	↓	EBITDA pre and margin decrease due to lower volumes and Urethane Systems divestment; mitigated by release of variable compensation provisions, self-help measures and restructuring efforts
Margin	10.8%	**9.3%**	-1.5 pp.	↓	
Adjusted EPS	€0.86	**-€0.07**	-	↓	Lower operating and financial result
Operating cash flow	€59 m	**€50 m**	-15%	↓	Stable despite lower operating result
Free cash flow	-€14 m	**-€14 m**	-	→	
Net financial debt*	Dec 2024 €2,381 m	**Sep 2025** **€2,072 m**	-13%	↓	Net financial debt significantly reduced with proceeds from divestment of Business Unit Urethane Systems in Q2 2025
Capex	€73 m	**€64 m**	-12%	↓	Capex remains on tightly managed level

		Price	Volume	FX	Portfolio
Sales	**- 16 %**	- 2 %	- 7 %	- 3 %	- 4 %

* Deducting cash, cash equivalents, near cash assets

Consumer Protection

Stable earnings level

- ○ Pass-through of lower raw material prices amid low demand
- – Lower volumes in consumer related markets, construction and agro
- \+ Positive contribution from a take-or-pay-contract (~€10 m)
- \+ Continuing cost savings (FORWARD!) and release of variable compensation provisions

Sales YoY

Price	Volume	FX	**Total**
- 3 %	**- 7 %**	**- 3 %**	**- 13 %**

	Q3 2024	**Q3 2025**
EBITDA pre	€71 m	**€72 m**
margin	13.6%	**15.9%**

Specialty Additives

Weak demand and currency effects impact earnings

- ○ Slightly lower prices due to pass-through of lower raw material prices
- – Decreased volumes in most businesses leading to lower utilization and higher idle costs
- – Negative FX effect from weaker USD
- \+ Strict capex discipline

Sales YoY

Price	Volume	FX	**Total**
- 1 %	**- 2 %**	**- 5 %**	**- 8 %**

	Q3 2024	**Q3 2025**
EBITDA pre	€61 m	**€45 m**
margin	11.1%	**8.9%**

Advanced Intermediates

Tough market environment

- – Lower prices due to pass-through of raw material prices
- – Significantly lower volumes due to low demand in most end industries and persisting competition from Asia
- – Lower utilization, respective idle costs and a supplier's FM weigh on earnings
- – Higher energy costs in a more asset intensive business burden additionally

Sales YoY

Price	Volume	FX	**Total**
- 3 %	**- 12 %**	**- 2 %**	**- 17 %**

	Q3 2024	**Q3 2025**
EBITDA pre	€68 m	**€26 m**
margin	14.9%	**6.9%**

FY 2025 guidance specified: Challenging market environment persists

Our view on economic environment

- Macroeconomic uncertainties have increased
- Positive effect from German infrastructure stimulus program expected to start in the course of 2026
- Excess capacity from Asian competitors persists

LANXESS outlook

- **FY 2025 EBITDA pre guidance: Around lower end of €520 - 580 m range**
- Considerations for Q4:
  - Absence of EBITDA contribution from Urethane Systems business yoy
  - Q4 EBITDA pre seasonally lower than Q3

EBITDA pre decline in line with market expectations; cash discipline in tough environment

EBITDA pre (€ m)

Lower volumes and portfolio effect main driver

Working capital (€ m)

- €21 m

Mainly driven by lower receivables

Net financial debt (€ m)

stable

due to tight cash management

Right to offer the stake in Envalior was exercised

Initiating monetization of Envalior stake

FORWARD! savings program on track – additional measures initiated

- Further cost reduction program of ~€100 m in preparation
- Streamlining of admin functions ongoing

Immediate measures:

- Global hiring freeze until further notice
- Release of variable compensation provisions supports earnings

Continuously working on improving cost structure

Housekeeping items 2025

Capex:	**~€330 m**
Operational D&A	**~€370 m** (excluding **~€150 m** of intangible amortization)
All other segments:	**~-€130 m** (previously -€150 to -160 m)
Except. expenses:	**~€100 m** (on EBIT)
FX sensitivity:	One cent change of EUR/USD resulting in **~€3 m** EBITDA pre impact after hedging
Remnant Costs:	**2025:** ~€15 m **2026:** ~€10 m **2027:** ~€5 m

Mainly from termination of Envalior services and Urethane divestment

Actively adjusting our cost structures in response to current environment

FORWARD!	Production efficiencies	Additional measures in preparation
Personnel, Processes	Personnel, Production	Personnel, Processes
~€150 m	~€50 m	~€100 m
by the end of 2025	by the end of 2027	Details to follow

Sustainably reducing cost base

Today, we are still in multi-crisis mode but see various levers to benefit midterm

We expect benefits in several Business Units

Tariff stabilization	H2/2026	all BUs	
German stimulus	H2/2026	e.g. All, IPG, PLA, MPP	
Anti-dumping	2027 +	e.g. Cases in execution: Several BUs; Positively decided cases: All, PLA	
Market consolidation	2027 +	e.g. All, RCH	Supply chain consolidation: e.g. Envalior (Capro-lactam)

Actively striving to identify all levers to steer through current market conditions

Financial Overview Q3 & 9M 2025

in € million	LANXESS			Consumer Protection			Specialty Additives			Advanced Intermed.			All other Segments		
	Q3/2024	Q3/2025	Chg. in %	Q3/2024	Q3/2025	Chg. in %	Q3/2024	Q3/2025	Chg. in %	Q3/2024	Q3/2025	Chg. in %	Q3/2024	Q3/2025	Chg. in %
Sales	**1.598**	**1.338**	*-16%*	**521**	**453**	*-13%*	**550**	**505**	*-8%*	**455**	**377**	*-17%*	**72**	**3**	*-96%*
Price*			*-2,4%*			*-3,1%*			*-1,3%*			*-3,3%*			*-1,4%*
Volume*			*-6,5%*			*-7,1%*			*-2,4%*			*-11,6%*			*-1,4%*
Currency*			*-3,2%*			*-2,9%*			*-4,5%*			*-2,2%*			*0,0%*
Portfolio*			*-4,2%*			*0,0%*			*0,0%*			*0,0%*			*-93,0%*
EBIT	**24**	**-28**	*n.m.*	**27**	**27**	*0%*	**15**	**2**	*-87%*	**43**	**-8**	*n.m.*	**-61**	**-49**	*20%*
Deprec. & amortizat.	**139**	**133**	*-4%*	44	44	*0%*	46	43	*-7%*	28	31	*11%*	21	15	*-29%*
EBITDA	**163**	**105**	*-36%*	**71**	**71**	*0%*	**61**	**45**	*-26%*	**71**	**23**	*-68%*	**-40**	**-34**	*15%*
exceptionals in EBITDA	**-10**	**-20**	*100%*	0	-1	*>100%*	0	0	*n.m.*	3	-3	*n.m.*	-13	-16	*23%*
EBITDA pre excep.	**173**	**125**	*-28%*	**71**	**72**	*1%*	**61**	**45**	*-26%*	**68**	**26**	*-62%*	**-27**	**-18**	*33%*
normalized D&A	**137**	**136**	*-1%*	44	45	*2%*	46	45	*-2%*	27	31	*15%*	20	15	*-25%*
EBIT pre excep.	**36**	**-11**	*n.m.*	27	27	*0%*	15	0	*-100%*	41	-5	*n.m.*	-47	-33	*30%*
exceptionals in EBIT	**-12**	**-17**	*42%*	0	0	*0%*	0	2	*n.m.*	2	-3	*n.m.*	-14	-16	*14%*

in € million	LANXESS			Consumer Protection			Specialty Additives			Advanced Intermed.			All other Segments		
	9M/2024	9M/2025	Chg. in %	9M/2024	9M/2025	Chg. in %	9M/2024	9M/2025	Chg. in %	9M/2024	9M/2025	Chg. in %	9M/2024	9M/2025	Chg. in %
Sales	**4.883**	**4.405**	*-10%*	**1.591**	**1.455**	*-9%*	**1.684**	**1.578**	*-6%*	**1.398**	**1.299**	*-7%*	**210**	**73**	*-65%*
Price*			*-2,8%*			*-4,3%*			*-1,4%*			*-3,1%*			*-1,9%*
Volume*			*-2,6%*			*-2,6%*			*-2,8%*			*-2,9%*			*0,0%*
Currency*			*-1,6%*			*-1,6%*			*-2,1%*			*-1,1%*			*1,0%*
Portfolio*			*-2,8%*			*0,0%*			*0,0%*			*0,0%*			*-64,3%*
EBIT	**-5**	**-80**	*n.m.*	**63**	**34**	*-46%*	**38**	**-16**	*n.m.*	**82**	**21**	*-74%*	**-188**	**-119**	*37%*
Deprec. & amortizat.	420	485	*15%*	137	181	*32%*	141	170	*21%*	85	85	*0%*	57	49	*-14%*
EBITDA	**415**	**405**	*-2%*	**200**	**215**	*8%*	**179**	**154**	*-14%*	**167**	**106**	*-37%*	**-131**	**-70**	*47%*
exceptionals in EBITDA	-40	-3	*-93%*	0	-17	*>100%*	0	-1	*>100%*	4	-4	*n.m.*	-44	19	*n.m.*
EBITDA pre excep.	**455**	**408**	*-10%*	**200**	**232**	*16%*	**179**	**155**	*-13%*	**163**	**110**	*-33%*	**-87**	**-89**	*-2%*
normalized D&A	415	402	*-3%*	137	137	*0%*	141	136	*-4%*	83	85	*2%*	54	44	*-19%*
EBIT pre excep.	40	6	*-85%*	63	95	*51%*	38	19	*-50%*	80	25	*-69%*	-141	-133	*6%*
exceptionals in EBIT	-45	-86	*91%*	0	-61	*>100%*	0	-35	*>100%*	2	-4	*n.m.*	-47	14	*n.m.*
Capex	**174**	**174**	*0%*	**53**	**47**	*-11%*	**63**	**61**	*-3%*	**50**	**58**	*16%*	**8**	**8**	*0%*
Net financial debt	2.381	2.072	*-13%*												

* approximate numbers

Cash Flow Statement Q3 & 9M 2025

in € million	Q3/2024	Q3/2025	9M/2024	9M/2025
Income before income taxes	**2**	**-68**	**-129**	**-184**
Amortization, depreciation and write-downs of intangible assets and property, plant and equipment	139	133	420	485
Gains/losses on disposals of intangible assets and property, plant and equipment	–	–	-1	-76
Income from investments accounted for using the equity method	36	32	109	91
Financial losses (gains)	-13	2	3	6
Income taxes refunded/paid	-14	-11	-31	-34
Changes in inventories	-40	-6	-65	-94
Changes in trade receivables	56	85	-102	79
Changes in trade payables	-52	-63	9	-91
Changes in other assets and liabilities	-55	-54	-57	-102
Net cash provided by (used in) operating activities	**59**	**50**	**156**	**80**
Cash outflows for purchases of intangible assets and property, plant and equipment	-73	-64	-174	-174
Cash inflows from sales of intangible assets and property, plant and equipment	–	–	1	1
Cash outflows for financial and other assets held for investment purposes	–	-10	-125	-37
Cash inflows from financial and other assets held for investment purposes	171	54	342	312
Cash inflows from the sale of subsidiaries and other businesses, less divested cash and cash equivalents	–	2	–	443
Interest and dividends received	3	5	6	10
Net cash provided by / used in investing activities	**101**	**-13**	**50**	**555**
Proceeds from borrowings	14	–	16	9
Repayments of borrowings	-14	-26	-44	-562
Interest paid and other financial disbursements	-3	-3	-30	-29
Dividend payments	–	–	-9	-10
Net cash provided by /used in financing activities	**-3**	**-29**	**-67**	**-592**
Change in cash and cash equivalents	**157**	**8**	**139**	**43**
Cash and cash equivalents as of beginning of period	131	323	146	299
Exchange differences and other changes in cash and cash equivalents – total	-5	-2	-2	-13
Cash and cash equivalents as of end of period	**283**	**329**	**283**	**329**
Less cash and cash equivalents of assets held for sale	–	–	–	–
Cash and cash equivalents as of end of period (balance sheet)	**283**	**329**	**283**	**329**

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:

AII Advanced Industrial Intermediates
IPG Inorganic Pigments

Income Statement Q3 & 9M 2025

in € million	Q3/2024	Q3/2025	Chg. in %	9M/2024	9M/2025	Chg. in %
Sales	1.598	1.338	-16%	4.883	4.405	-10%
Cost of sales	-1.249	-1.084	13%	-3.890	-3.502	10%
Gross profit	349	254	-27%	993	903	-9%
Selling expenses	-221	-199	10%	-674	-642	5%
Research and development expenses	-27	-22	19%	-82	-75	9%
General administration expenses	-68	-44	35%	-199	-172	14%
Other operating income	25	16	-36%	63	128	>100%
Other operating expenses	-34	-33	3%	-106	-222	>-100%
Operating result (EBIT)	**24**	**-28**	n.m.	**-5**	**-80**	>-100%
Income from investments accounted for using the equity method	-36	-32	11%	-109	-91	17%
Interest income	1	1	0%	4	4	0%
Interest expense	-13	-9	31%	-36	-31	14%
Other financial income and expense	26	0	-100%	17	14	-18%
Financial result	**-22**	**-40**	-82%	**-124**	**-104**	16%
Income before income taxes	**2**	**-68**	n.m.	**-129**	**-184**	-43%
Income taxes	0	-8	n.m.	17	6	-65%
Income after income taxes	**2**	**-76**	n.m.	**-112**	**-178**	-59%
of which attributable to non-controlling interests	1	1	0%	1	1	0%
Net income (attributable to LANXESS AG stockholders)	**1**	**-77**	n.m.	**-113**	**-179**	-58%
EPS total (in €)	**0,01**	**-0,89**	n.m.	**-1,31**	**-2,07**	-58%
EPS adjusted (in €)	0,86	-0,07	n.m.	1,37	0,75	-45%