

LANXESS looks back on successful year and increases dividend again

- **Strong year 2018 – despite weakening economy**
- **Dividend proposal of EUR 0.90 – 12.5 percent more than in the previous year**
- **Share buy-back: almost EUR 186 million of the planned up to EUR 200 million utilized**
- **Good start to fiscal 2019**

Cologne – At this year’s Annual Stockholders’ Meeting, specialty chemicals company LANXESS gave a positive review of the past fiscal year. “2018 was a successful year, strategically, operationally and with regard to our future viability,” said Matthias Zachert, Chairman of the Board of Management of LANXESS AG, in the opening words of his speech. “Our figures show that today we are more profitable, more stable and more competitive than ever.”

In 2018, EBITDA pre exceptionals increased by 9.8 percent to EUR 1.016 billion, compared with EUR 925 million in the previous year. The EBITDA margin pre exceptionals reached a gratifying 14.1 percent. LANXESS group sales rose by 10.2 percent from EUR 6.530 billion to EUR 7.197 billion. At EUR 431 million, net income was considerably higher than the previous year’s figure of EUR 87 million. This was due to the year-on-year improvement in the operating result as well as effects from the sale of the 50 percent stake in ARLANXEO. Moreover, the previous year’s net income was reduced by one-off expenses.

The successful fiscal year is also expected to pay off for LANXESS shareholders. The Board of Management and Supervisory Board therefore proposed a dividend of EUR 0.90 per share to the Annual Stockholders’ Meeting – 12.5 percent more than in the previous year. In terms of the shares currently entitled to dividends, this corresponds to a total dividend payout of around EUR 79 million.

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LANXESS has also made good progress with its share buy-back: by May 17, 2019, the specialty chemicals company had already repurchased its own shares for just under EUR 186 million. LANXESS has earmarked a total of up to EUR 200 million for the share buy-back.

Pressing ahead with realignment

In fiscal 2018, LANXESS achieved another milestone in its realignment when completing the sale of its remaining 50 percent interest in the rubber company ARLANXEO on December 31. “We have successfully put an end to the times of being excessively dependent on specific customer industries or raw materials,” said Zachert. The proceeds had given LANXESS further entrepreneurial freedom and allowed it to maintain its growth course.

Good start to fiscal 2019

Despite the economic slowdown, LANXESS got off to a good start in the new fiscal year. In the first quarter of 2019, EBITDA pre exceptionals rose by 1.9 percent to EUR 275 million compared with EUR 270 million in the previous-year quarter. The EBITDA margin pre exceptionals improved from 14.9 percent to 15.1 percent. Group sales amounted to EUR 1.822 billion, on a par with the previous year’s level. Net income rose by 3.7 percent from EUR 81 million to EUR 84 million.

“I am definitely proud of these figures. Many of our competitors had to put up with falls in earnings, which were significant in some cases, and adjust their expectations,” said Zachert. “In contrast, we are confident that our performance will remain stable. This is because we have taken the right steps in the past to make LANXESS weatherproof.”

For the full year 2019, LANXESS expects EBITDA pre exceptionals to come in between EUR 1.000 billion and EUR 1.050 billion.

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A plea for Europe

At the end of his speech, Zachert spoke out in favor of a strong Europe: “Even as a genuinely globalized company, LANXESS remains a European group at heart. We come from Germany and Europe is our domestic market. It is clear that a stable, strong EU that is capable of acting is very much in our own interest.”

LANXESS operates 34 sites in the EU countries, employs more than 9,000 people and generated sales of around EUR 3.1 billion in the past fiscal year.

“We will continue to invest in Europe as we can rely on fair, reliable conditions for our transactions here – which is unfortunately far from being a matter of course nowadays,” concluded Zachert.

LANXESS is a leading specialty chemicals company with sales of EUR 7.2 billion in 2018. The company currently has about 15,500 employees in 33 countries and is represented at 60 production sites worldwide. The core business of LANXESS is the development, manufacturing and marketing of chemical intermediates, additives, specialty chemicals and plastics. LANXESS is listed in the leading sustainability indices Dow Jones Sustainability Index (DJSI World and Europe) and FTSE4Good.

Cologne, May 23, 2019
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Forward-Looking Statements

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News Release

Information for editors:

All LANXESS news releases and their accompanying photos can be found at <http://press.lanxess.com>. Recent photos of the Board of Management and other LANXESS image material are available at <http://photos.lanxess.com>. TV footage can be found at <http://globe360.net/broadcast.lanxess/>.

You can find further information concerning LANXESS chemistry in our WebMagazine at <http://webmagazine.lanxess.com>.

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