



LANXESS
Energizing Chemistry

Strong start to an uncertain year

Q1 2022 Telephone press conference

May 5, 2022

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Strong Q1 provides tailwind for 2022

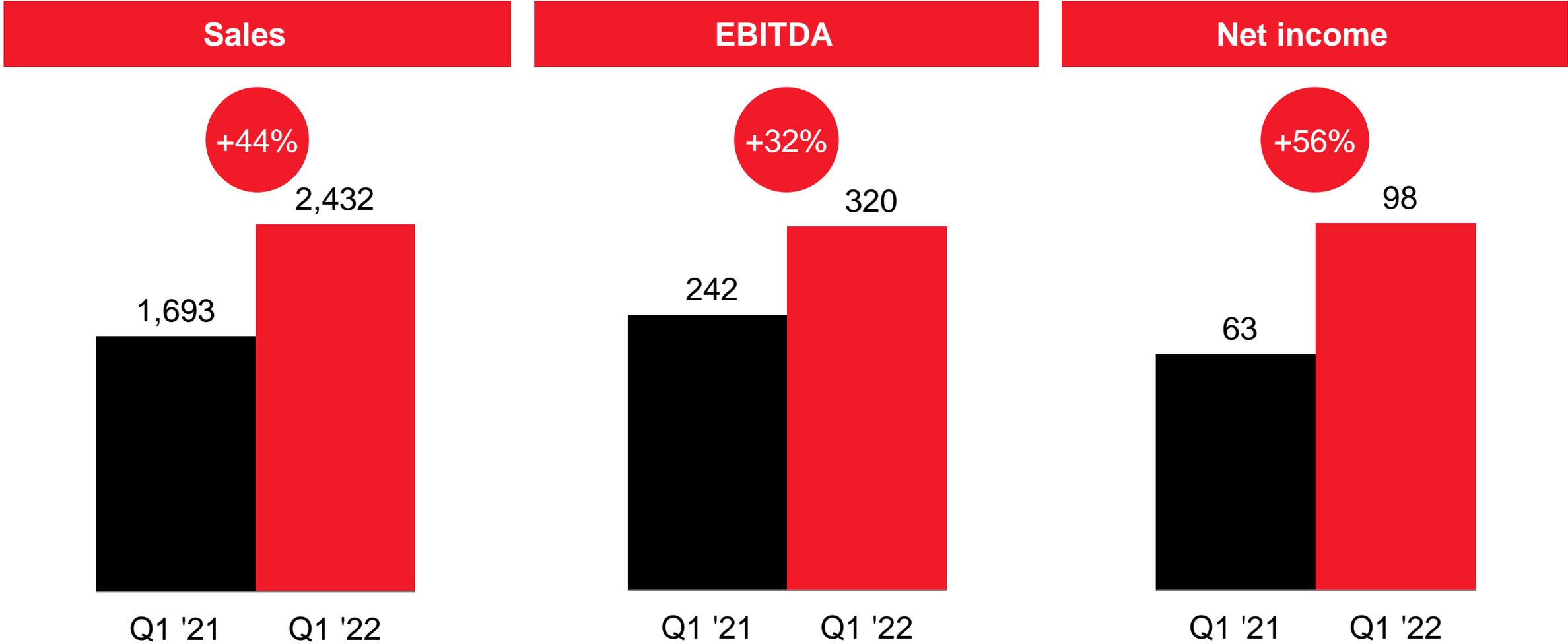
Sales and earnings significantly above previous year

All segments contribute to growth

Sharp rise in costs passed through: Prices increased by 31 %

Ongoing uncertainty due to war in Ukraine

Significant increase in sales and earnings



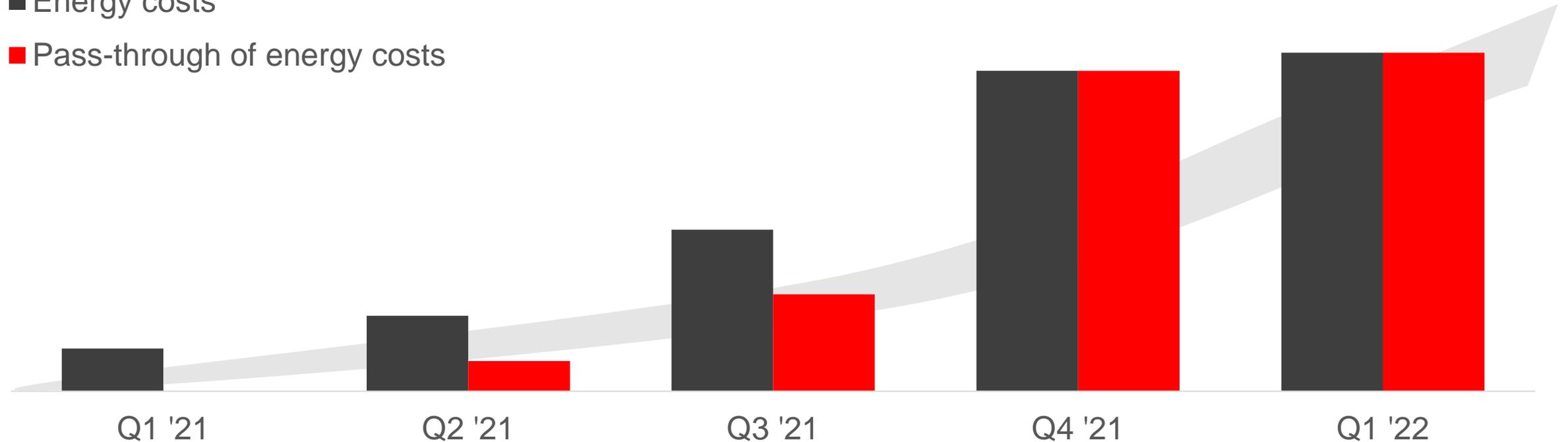
4 All figures in EUR million
All EBITDA figures are pre exceptional
Net income 2021 from continuing operations

Rising energy costs successfully passed through

Energy costs and their pass-through*

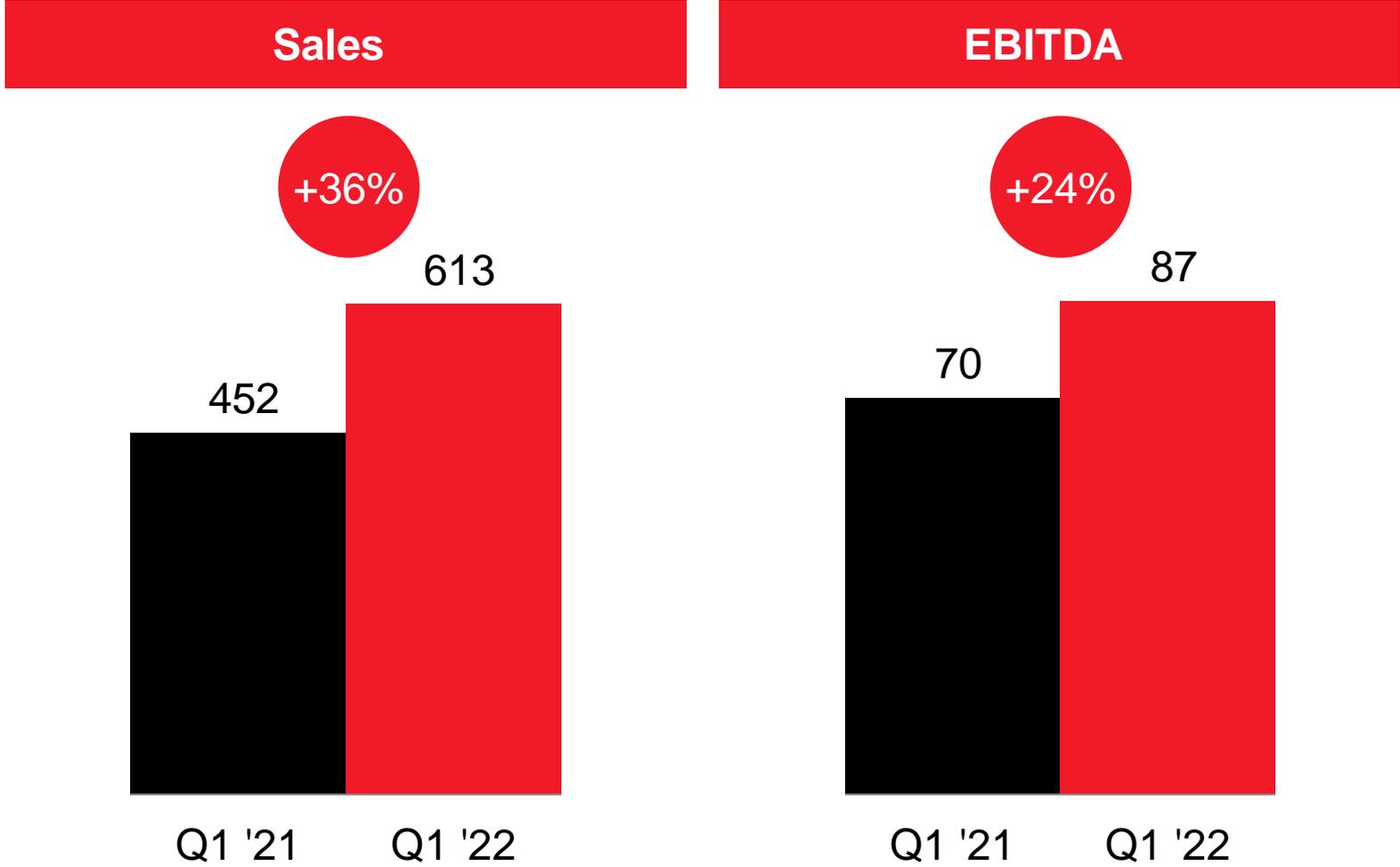
■ Energy costs

■ Pass-through of energy costs

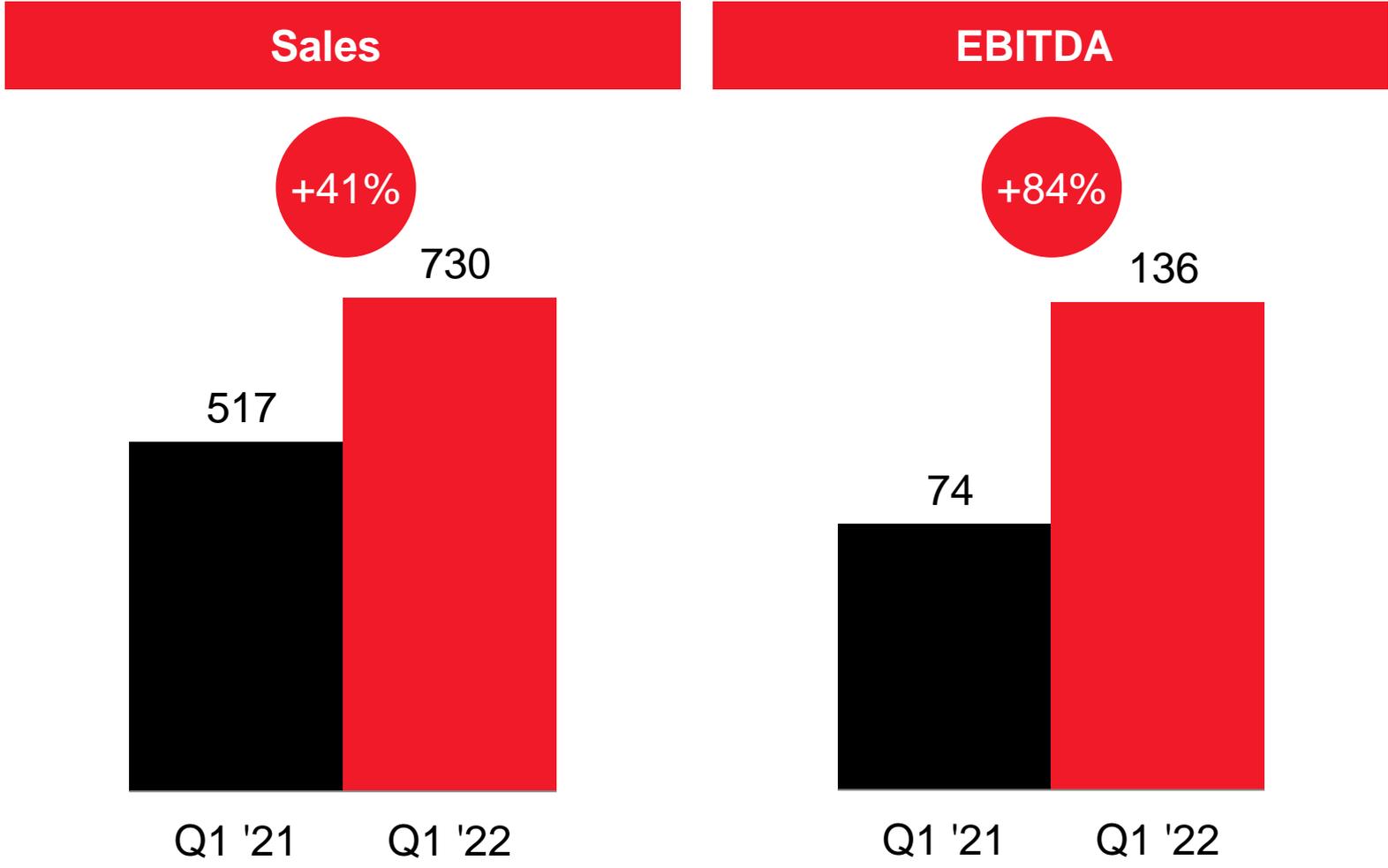


Energy adjustment clauses already implemented in more than 50% of the relevant contracts

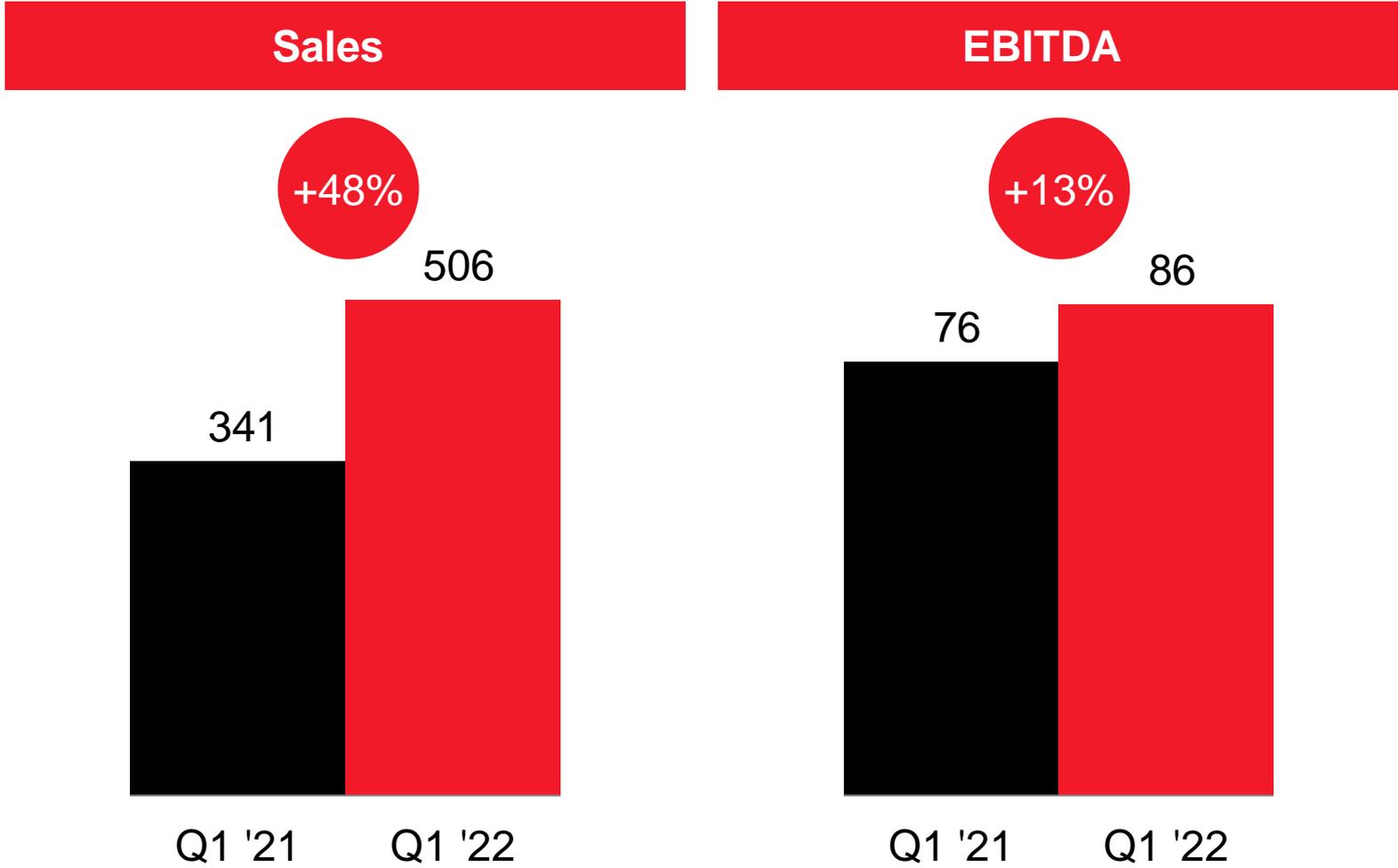
Advanced Intermediates: Costs successfully passed through



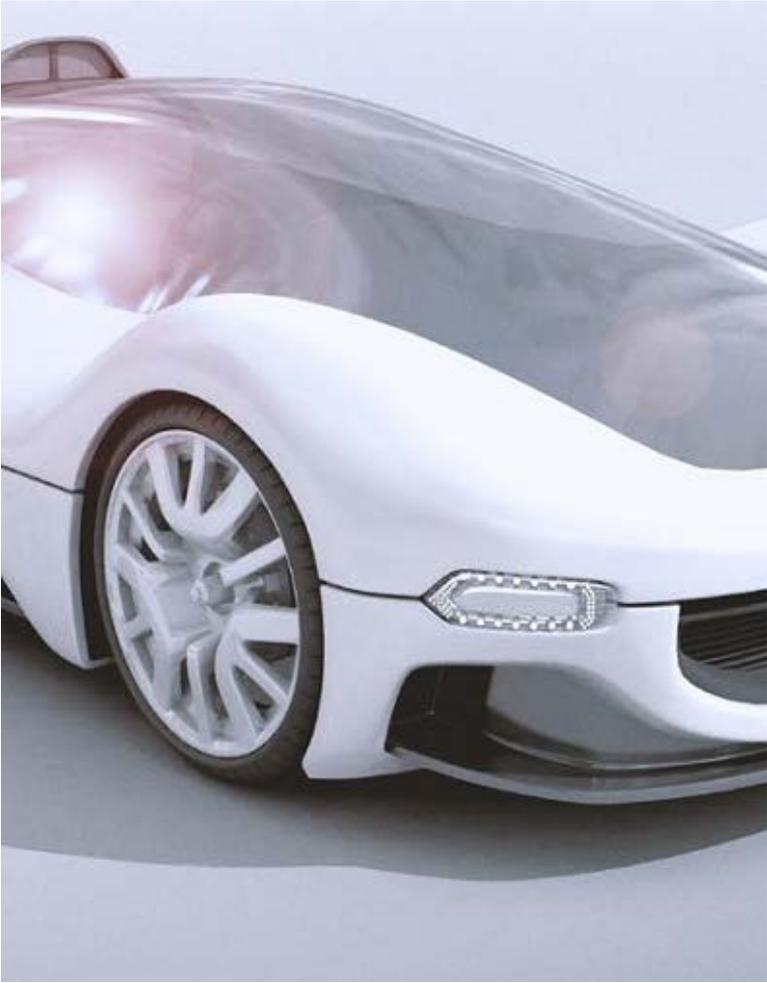
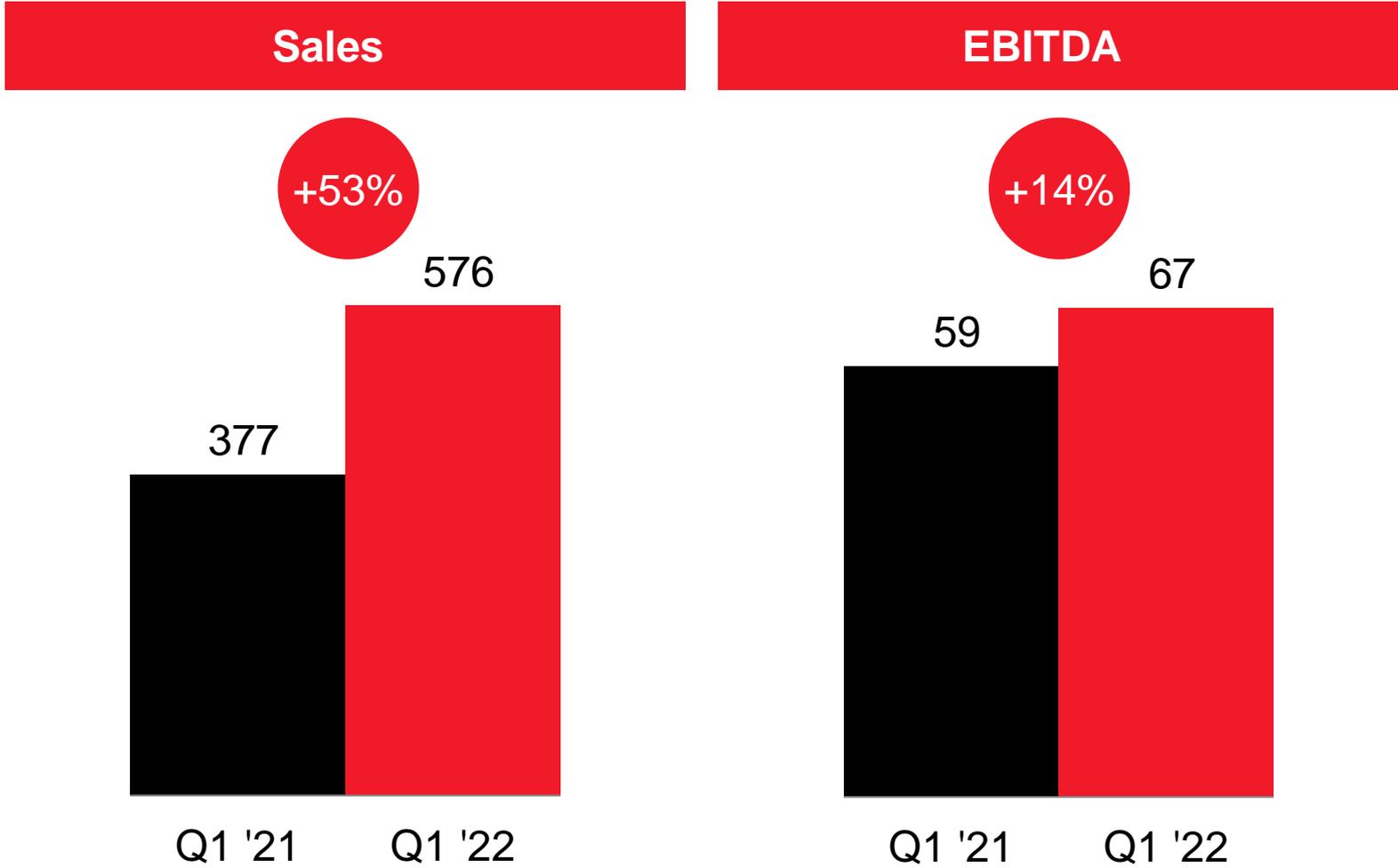
Specialty Additives: Recovery of aviation and oil & gas industries lead to record earnings



Consumer Protection: Growth due to new “Flavors & Fragrances” business unit



Engineering Materials: Significant price increases drive sales



War in Ukraine: LANXESS is prepared

Taskforce

- Continuous analysis of supply chains and energy supply
- Development of scenarios and action plans

Finance

- Additional liquidity (bond, credit lines) secured
- New EUR 600 million bond issued

Raw materials & energy

- Developing concepts for alternative raw material sources
- Reduce or replace gas consumption (where possible)
- Scenarios and measures developed in case of gas shortage



Only in Germany's Lower Rhine region LANXESS is dependent on gas

Energy supply in chemical parks in the Lower Rhine region



converted to



enables
production



Coal and gas

Origin of gas mainly from the Netherlands and Norway

Steam and electricity

generated in power plants operated by chemical park operator Currenta

Chemical products

processed in LANXESS plants in Leverkusen, Krefeld and Dormagen

Direct effects of a gas embargo: EUR 80-120 million EBITDA

Indirect effects in the industrial value chain (e.g. shortage of raw materials): Not quantifiable

LANXESS to invest further in Germany

EUR 130 million investment package in Krefeld

- EUR 50 million for new production plant for sustainable high-performance plastics
- 25 new jobs created
- Production line for, among others, Scopeblue plastics with 92% bio-based and recycled raw materials
- EUR 80 million for capacity expansion of chemical intermediates and disinfectants



Outlook: Guidance confirmed – uncertainty due to war in Ukraine remains

Market development

- Stable development of the global economy becomes more fragile due to war in Ukraine and Corona lockdown in China
- Supply chains remain tight
- Burden from high energy and raw material costs

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- EBITDA guidance for Q2:
EUR 280-350 million (2021: EUR 277 million)
- EBITDA guidance for full year 2022:
Significantly above prior year (IFF microbial control business not yet included, closing expected in Q3)



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