

LANXESS Full Year 2004 Summary for Investors and Analysts

- Sales increased by 7.3% to €6,773 million
- Rise in EBITDA pre exceptionals by €136 million to €447 million
- Higher raw material costs were partly (~80%) passed through
- First steps on restructuring have been taken

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Financial Overview

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in € million

	LANXESS			Perf. Rubber			Eng. Plast.			Chem. Intern.			Perf. Chem.			Recon.		
	FY '03	FY '04	Chg. in %	FY '03	FY '04	Chg. in %	FY '03	FY '04	Chg. in %	FY '03	FY '04	Chg. in %	FY '03	FY '04	Chg. in %	FY '03	FY '04	Chg. in %
Sales	6315	6773	7%	1375	1431	4%	1401	1722	23%	1411	1487	5%	1925	1910	-1%	203	223	10%
EBITDA pre excep.	311	447	44%	36	117	>100%	22	44	100%	153	178	16%	125	123	-2%	-25	-15	-40%
EBITDA	180	387	>100%	4	105	>100%	-14	44	n.m.	119	178	50%	96	75	-22%	-25	-15	-40%
thereof exceptionals	131	60	-54%	32	12	-63%	36	0	-100%	34	0	-100%	29	48	66%	0	0	0%
EBIT	-1297	59	n.m.	-246	44	n.m.	-488	7	n.m.	-344	65	n.m.	-176	-20	-89%	-43	-37	-14%
thereof exceptionals	1178	99	-92%	191	12	-94%	408	-3	n.m.	366	22	-94%	200	68	-66%	13	0	-100%
Capex	312	279	-11%	78	76	-3%	85	45	-47%	79	89	13%	63	57	-10%	7	12	71%
Net financial debt	1429	1135	-21%															

in € million

	LANXESS			Perf. Rubber			Eng. Plast.			Chem. Intern.			Perf. Chem.			Recon.		
	Q4 '03	Q4 '04	Chg. in %	Q4 '03	Q4 '04	Chg. in %	Q4 '03	Q4 '04	Chg. in %	Q4 '03	Q4 '04	Chg. in %	Q4 '03	Q4 '04	Chg. in %	Q4 '03	Q4 '04	Chg. in %
Sales	1487	1726	16%	337	385	14%	341	441	29%	331	385	16%	424	451	6%	54	64	19%
EBITDA pre excep.	-14	62	n.m.	-12	8	n.m.	-20	6	n.m.	14	46	>100%	-10	7	n.m.	14	-5	n.m.
EBITDA	-120	62	n.m.	-33	8	n.m.	-46	6	n.m.	-20	46	n.m.	-35	7	n.m.	14	-5	n.m.
thereof exceptionals	106	0	-100%	21	0	-100%	26	0	-100%	34	0	-100%	25	0	-100%	0	0	0%
EBIT	-1220	-17	-99%	-195	2	n.m.	-431	-9	-98%	-377	19	n.m.	-227	-12	-95%	10	-17	n.m.
thereof exceptionals	1136	18	-98%	176	0	-100%	398	9	-98%	366	9	-98%	196	0	-100%	0	0	0%
Capex	119	121	2%	30	33	10%	32	19	-41%	30	36	20%	24	24	0%	3	9	>100%

Business Overview

Lanxess Group

- Sales Deviation: Price: +3%, Volume +7%, Currency –3%
- Working Capital comprises €130 million improvement due to payment term negotiation with Bayer
- Capex reduced to €279 million
- Net financial debt at €1,135 million

Performance Rubber

- Sales Deviation: Price: +4%, Volume +3%, Currency –3%
- Higher selling prices after increased raw material and energy costs as well as higher volumes in all BUs, especially in TRP more than offset negative currency effects
- Q4 impacted by costs for planned maintenance shutdowns
- Exceptionals of €12 million provision in TRP for anti-trust litigation

Engineering Plastics

- Sales Deviation: Price: +4%, Volume +22%, Currency –3%
- Sales increased on higher volumes and to some extent prices in SCP and partly STY. Sales in FIB were lower due to continuing overcapacities and corresponding price pressure
- EBITDA improved on higher sales and a partial pass-through of higher raw material prices
- Continued prudent Capex approach
- Exceptionals of €3 million: €24 million amendment to Impairment in STY, €21 million depreciation of capex in STY

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Chemical Intermediates

- Sales Deviation: Price: +2%, Volume +6%, Currency –2%
- Sales growth in BAC and IPG due to higher volumes and increased prices after risen raw material costs
- FCH sales were lower since improved sales in agrochemicals did not offset effects from continued difficult market conditions especially in photo chemicals
- Exceptionals of €22 million: €27 million impairment and €5 million write-back

Performance Chemicals

- Sales Deviation: Price: -1%, Volume +3%, Currency –3%
- Total sales were slightly lower - increases in RCH, LEA, ION and MPP almost offset decreases in the remaining BUs, mainly FCC and TPC
- Positive volume effects offset unfavorable currency impacts - sales however slightly decreased due to pricing pressure
- Exceptionals of €68 million: goodwill impairment of €20 million incurred in RCH, €8 million increase of provisions relating to rubber antitrust matters at RUC, €40 million increase in provisions for environmental matters

2005 Outlook

- Raw material prices expected to remain high
- First quarter started reasonably good
- Restructuring expected to impact Cash Flow in 2005 and 2006
- Technical adjustment in first quarter will lead to reduction of shareholders' equity

Leverkusen, April 26, 2005

Forward-Looking Statements

This news release contains forward-looking statements based on current assumptions and forecasts made by LANXESS AG management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.