

FINANCIAL STATEMENTS OF LANXESS AG

A summarized version of the balance sheet and income statement from the individual financial statements of LANXESS AG, Leverkusen, as per 31 December 2004, which were prepared in accordance with the principles of commercial law, is reproduced below. It is not part of the Combined Financial Statements. A copy of the complete financial statements and management report of LANXESS AG is available on request.

INCOME STATEMENT OF LANXESS AG

	2003	2004
€k		
Sales	0	4,787
Costs of goods sold and services provided	0	4,787
Gross profit	0	0
Other operating expenses	1	34
Operating result	-1	-34
Interest expense – net	1	-1,874
Other financial expenses and income	0	172
Financial result	1	-1,702
Loss before income tax	0	-1,736
Income tax	0	0
Net loss	0	-1,736
Loss carried forward from the previous year	-2	-2
Accumulated net loss	-2	-1,738

BALANCE SHEET OF LANXESS AG

	31.12.2003	31.12.2004
€k		
ASSETS		
Fixed assets		
Property, plant and equipment	0	23
Financial assets	0	738,909
	0	738,932
Current assets		
Receivables and other assets		
Receivables from affiliated companies	0	283,136
Other assets	0	14,315
	0	297,451
Cash and cash equivalents		
Bank balances	49	50
	49	297,501
Prepaid expenses	0	2,045
Balance sheet total	49	1,038,478
EQUITY AND LIABILITIES		
Equity		
Subscribed capital	50	73,034
Capital reserve	0	763,267
Accumulated net loss	-2	-1,738
	48	834,563
Provisions		
Provisions for pensions and similar commitments	0	2,757
Other provisions	1	1,158
	1	3,915
Liabilities		
Other liabilities	0	200,000
	0	200,000
Balance sheet total	49	1,038,478