

37 Segment reporting

Key Data by Segment

€ million	Performance Polymers		Advanced Intermediates		Performance Chemicals		Reconciliation		LANXESS	
	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
External sales	4,486	4,128	1,647	1,643	2,132	2,193	35	42	8,300	8,006
Inter-segment sales	1	0	51	46	8	9	(60)	(55)	0	0
Segment/Group sales	4,487	4,128	1,698	1,689	2,140	2,202	(25)	(13)	8,300	8,006
Segment result/EBITDA pre exceptionals	389	392	286	303	231	274	(171)	(161)	735	808
Exceptional items affecting EBITDA	(17)	(41)	1	(10)	(50)	(34)	(45)	(79)	(111)	(164)
Segment assets	3,294	3,647	1,026	1,023	1,392	1,455	161	158	5,873	6,283
Segment acquisitions					18				18	0
Segment capital expenditures	405	472	113	94	117	100	41	26	676	692
Depreciation and amortization	253	208	76	84	87	84	22	18	438	394
Write-downs	236	23	1	5	40	2	2	2	279	32
Segment liabilities	817	1,018	577	660	671	816	396	504	2,461	2,998
Employees (December 31)	5,379	5,176	2,854	2,809	5,837	5,613	3,273	2,986	17,343	16,584
Employees (average for the year)	5,419	5,220	2,857	2,813	5,928	5,693	3,226	3,081	17,430	16,807

Key Data by Region

€ million	EMEA (excluding Germany)		Germany		North America		Latin America		Asia-Pacific		LANXESS	
	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
External sales by market	2,404	2,296	1,458	1,440	1,332	1,338	966	859	2,140	2,073	8,300	8,006
Non-current region assets	631	642	1,039	1,029	388	413	319	320	882	1,284	3,259	3,688
Acquisitions									18		18	0
Capital expenditures	135	117	229	158	46	46	50	34	216	337	676	692
Employees (December 31)	3,444	3,267	8,117	7,747	1,526	1,371	1,560	1,467	2,696	2,732	17,343	16,584

Notes to the segment reporting The valuation principles applied in segment reporting correspond to the uniform recognition and valuation principles used for the consolidated financial statements prepared in accordance with IFRS.

On December 31, 2014, the LANXESS Group comprised the following reporting segments:

Segment	Operations
Performance Polymers	Special-purpose rubbers for high-quality rubber products, e.g. for use in vehicles, tires, construction and footwear; engineering plastics; polyamide compounds
Advanced Intermediates	Intermediates for the agrochemicals and coatings industries; fine chemicals as precursors and intermediates for pharmaceuticals, agrochemicals and specialty chemicals; custom manufacturing
Performance Chemicals	Material protection products; inorganic pigments for the coloring of concrete, emulsion paints and other coatings; finishing agents for the leather industry; rubber chemicals; reverse osmosis membrane elements and ion exchange resins for water treatment; plastics additives such as flame retardants and plasticizers

The reconciliation eliminates inter-segment items and reflects assets and liabilities not directly allocable to the core segments including, in particular, those pertaining to the Corporate Center. The reconciliation also includes €0 million (2013: €12 million) relating to Currenta GmbH & Co. OHG, Leverkusen, Germany, which is accounted for using the equity method, and the income of €2 million (2013: €0 million) from this investment (see note [3]).

The transfer prices used for inter-segment business transactions are calculated using the OECD rules as if they had been agreed upon between independent third parties in comparable circumstances (arm's-length principle).

The majority of employees reflected in the reconciliation provide services for more than one segment. They include technical service staff.