



Business Unit Rhein Chemie Additives

A strong platform for future expansion

Dr. Anno Borkowsky, Head of BU ADD

Capital Markets Day 2015, Cologne November 6th 2015

LANXESS
Energizing Chemistry

Safe harbor statement

The information included in this presentation is being provided for informational purposes only and does not constitute an offer to sell, or a solicitation of an offer to purchase, securities of LANXESS AG. No public market exists for the securities of LANXESS AG in the United States.

This presentation contains certain forward-looking statements, including assumptions, opinions and views of the company or cited from third party sources. Various known and unknown risks, uncertainties and other factors could cause the actual results, financial position, development or performance of LANXESS AG to differ materially from the estimations expressed or implied herein. LANXESS AG does not guarantee that the assumptions underlying such forward-looking statements are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or the actual occurrence of the forecast developments. No representation or warranty (expressed or implied) is made as to, and no reliance should be placed on, any information, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and accordingly, no representative of LANXESS AG or any of its affiliated companies or any of such person's officers, directors or employees accept any liability whatsoever arising directly or indirectly from the use of this document.

Agenda



- Business Unit Rhein Chemie Additives (BU ADD) offers a broad range of additives for various end markets
- Refocusing to serve interesting additive markets



3

The flagship BU ADD was created by combining LANXESS' various additive businesses

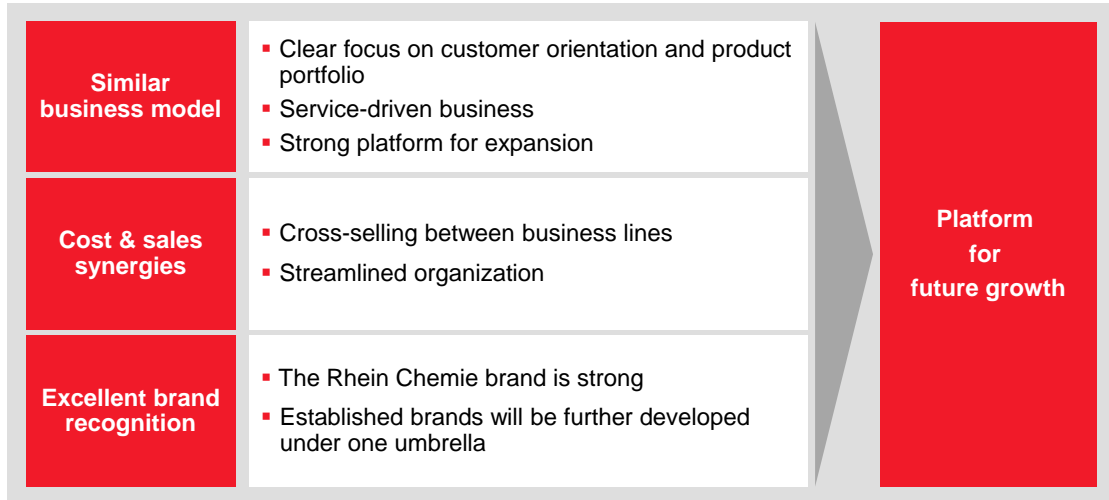
<p>Segment Performance Chemicals Proportion of current sales</p>	<p>Key figures</p> <ul style="list-style-type: none"> ▪ Sites: 20 ▪ Employees: ~1,600 ▪ Customers: >5,000
	<p>Products & brands</p> <ul style="list-style-type: none"> ▪ Products: >4,000 ▪ Business lines: RAB, PAB, LAB, CAB* ▪ Main brand: Umbrella brand
	<p>Markets & growth drivers</p> <ul style="list-style-type: none"> ▪ Market share: Globally leading position ▪ Growth drivers: Urbanization, mobility

*RAB: Rubber Additives Business, PAB: Plastic Additives Business, LAB: Lubricants Additives Business, CAB: Colorants Additives Business



4

Strong rationale to combine LANXESS' additive businesses



5

LANXESS

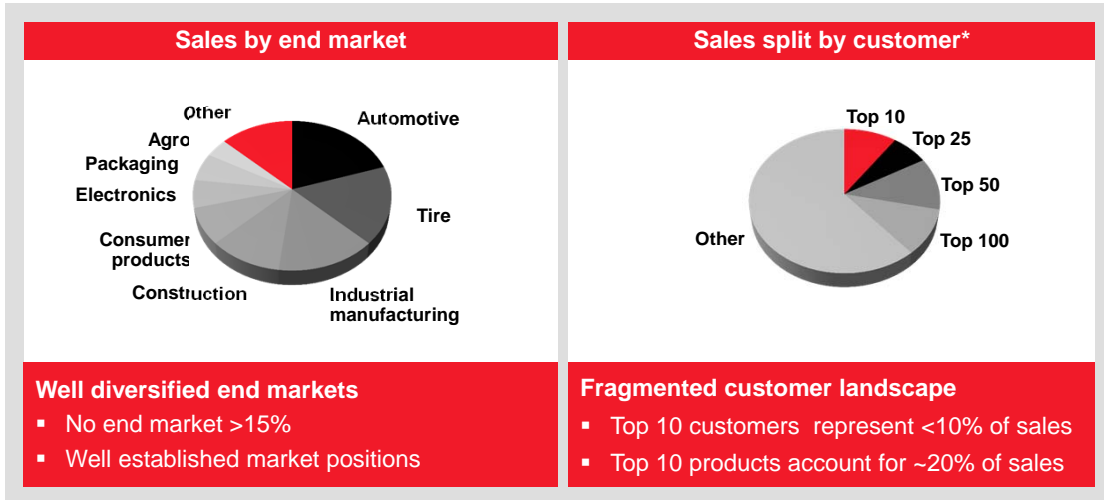
It features four business lines that are clearly focused on relevant additive markets

	Plastic Additives	Rubber Additives	Lubricant Additives	Colorant Additives
% of sales	~45%	~35%	~10%	~10%
Key competitors	<ul style="list-style-type: none"> ▪ Eastman ▪ BASF ▪ ICL 	<ul style="list-style-type: none"> ▪ Struktol ▪ Freudenberg SC ▪ Arkema 	<ul style="list-style-type: none"> ▪ Lubrizol ▪ DIC ▪ Infineum 	<ul style="list-style-type: none"> ▪ Clariant ▪ BASF ▪ DIC
Combined market share of top four	>50%	>50%	>60%	<50%
Main applications				

6

LANXESS

BU ADD offers a broad range of additives for various end markets; its large customer base provides resilience

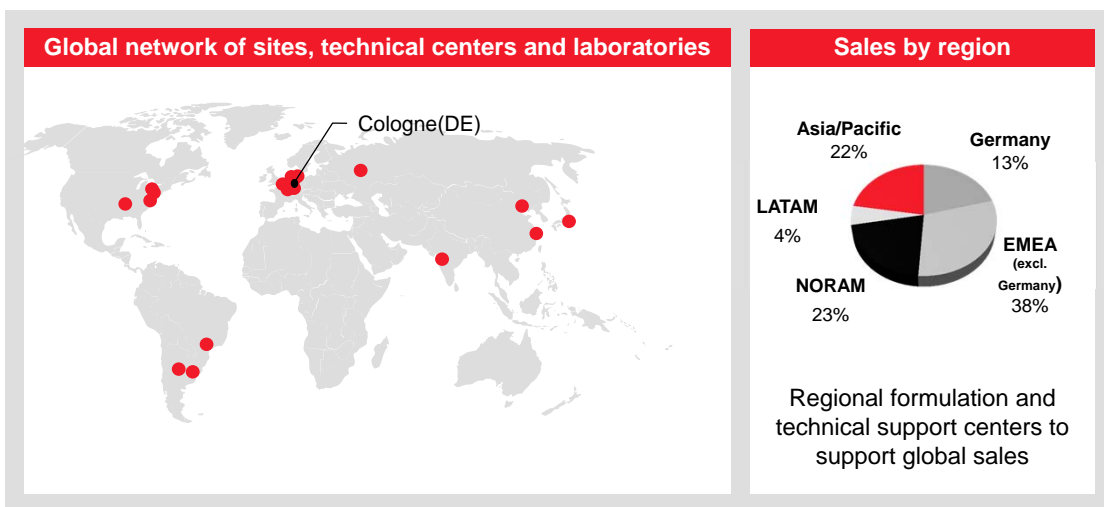


* Segments cumulative

7

LANXESS

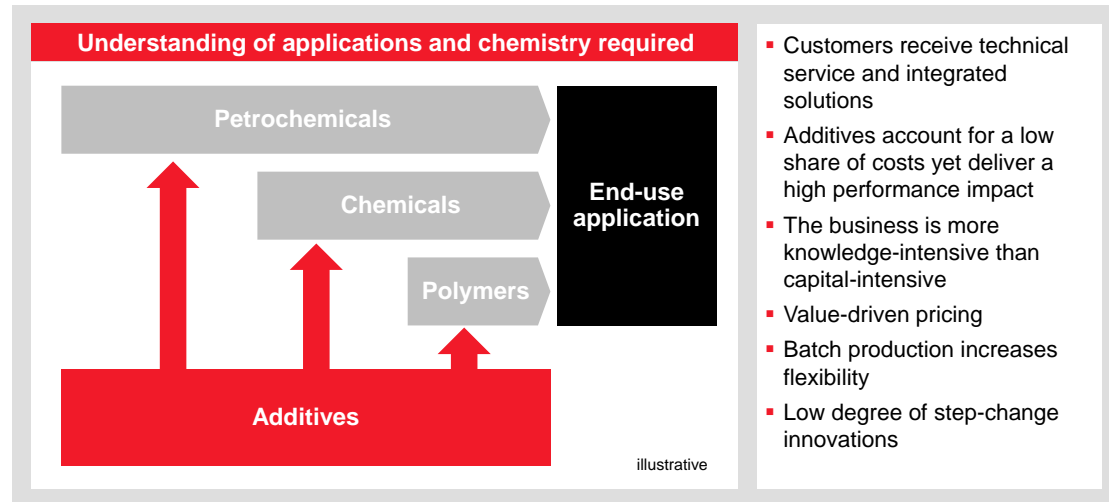
Customer proximity in order to provide customized solutions



8

LANXESS

BU ADD does not simply sell products; it provides solutions across the entire value chain



LANXESS

9

Agenda

- Business Unit Rhein Chemie Additives (BU ADD) offers a broad range of additives for various end markets
- **Refocusing to serve interesting additive markets**

LANXESS

10

BU ADD helps make LANXESS' portfolio more balanced and resilient

Resilience
Cash Generation
Growth

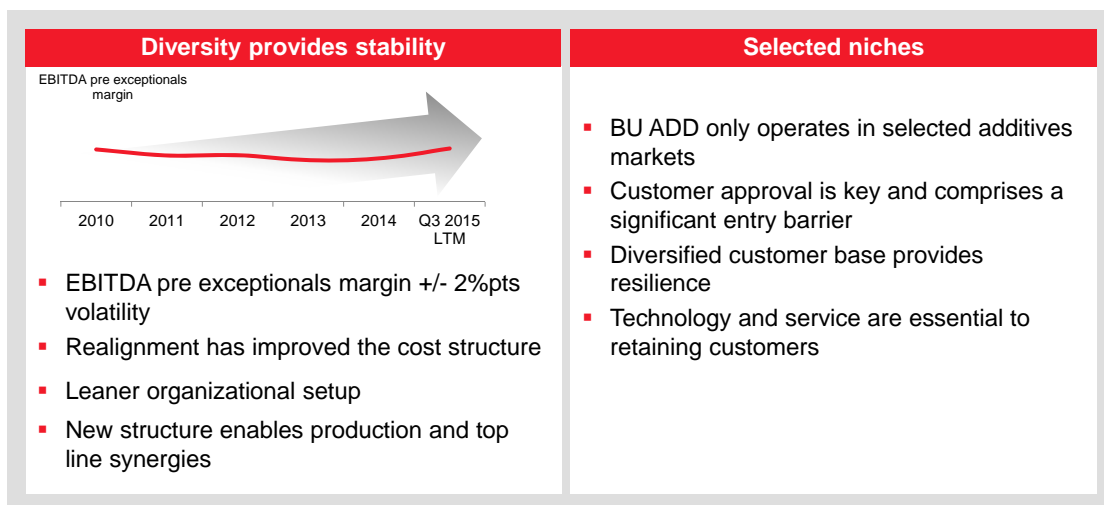


11

LANXESS

Low EBITDA margin volatility at an attractive level

Resilience
Cash Generation
Growth

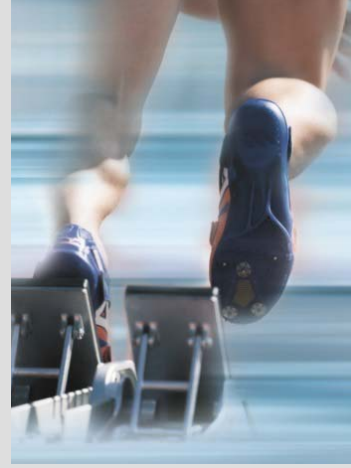
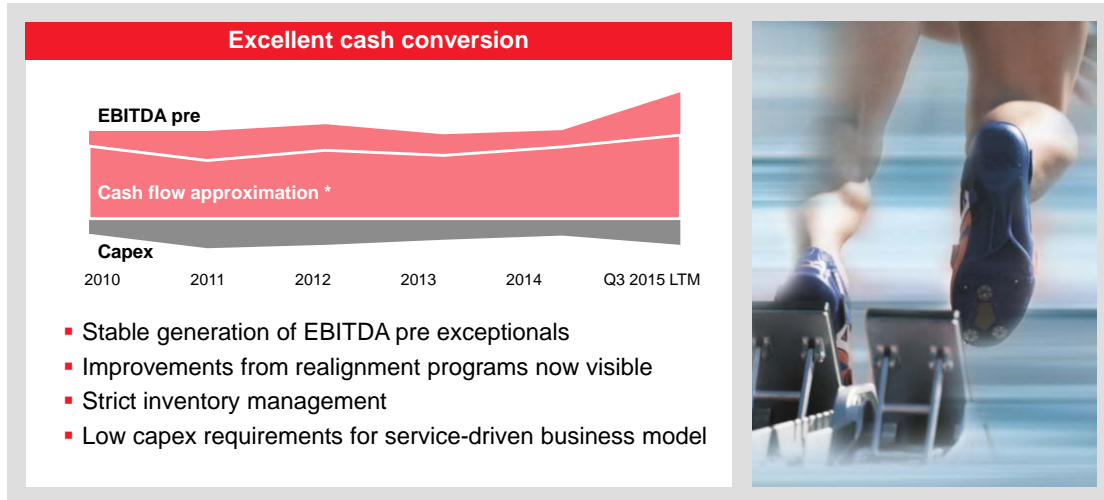


12

LANXESS

Profitable business with low capital intensity

Resilience
Cash Generation
Growth



* Before changes in working capital and M&A

13

LANXESS

BU ADD: An ideal platform for expansion

Resilience
Cash Generation
Growth



14

LANXESS

Key rationale for investments in BU ADD

Resilience ✓	<ul style="list-style-type: none">▪ Diverse end-user markets▪ Broad customer base▪ Less than 10% of sales generated by top 10 customers
Cash generation ✓	<ul style="list-style-type: none">▪ High profitability level▪ Strong cash contribution▪ Low capital intensity
Growth ✓	<ul style="list-style-type: none">▪ Platform allows for growth to be tailored to specific customers▪ New combined organization is ideal for bolt-on acquisitions

15

LANXESS



End of presentation