



BUSINESS PERFORMANCE ENERGIZED BY

LANXESS
Energizing Chemistry

LANXESS Fact Book – 4th Edition

SAFE HARBOR STATEMENT

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Dear Investors and Analysts,

September 2012

The LANXESS Board of Management is pleased to offer you this publication, which represents a part of our ongoing effort to maintain a high level of transparency and to provide you with all the data and information you may need.

Today, LANXESS is a growth company. Following a period of restructuring, we have shifted gears and begun to grow our business, having announced our first growth target in 2010. Since then, we have initiated and, in some cases, fully implemented a number of highly profitable organic growth projects. We have also started to deliver results through the other component of our growth strategy, acquisitions.

Our company's roots are tied to some of the most dynamic and rapidly expanding sectors of the modern chemical industry. Our Performance Polymers segment continues to benefit significantly from the global increase in vehicle ownership and the growing demand for lightweight materials. Our Advanced Intermediates and Performance Chemicals segments are similarly well-positioned with respect to megatrends involving agriculture, urbanization and water resources. All 13 of our business units are targeting growth, and in this brochure, we have outlined their ongoing growth plans in some detail.

We continue to seek out new opportunities for growth – both organic and external – and are working steadily toward raising the group's EBITDA to new levels. These activities build on our performance since our formation more than seven years ago, which generated an EBITDA increase of about 175 percent, despite the global financial crisis.

In our continuing quest for sustainable growth, we believe in the value of listening to our investors, and we consistently look to the capital markets for feedback. At LANXESS, we believe in providing you with all the information we can, so that your energies and insights can be joined with ours as we lead our company forward. We are confident that this collaboration will continue to stand us in good stead in the coming years.

Sincerely,



Axel C. Heitmann
Chairman of the Board of Management



Bernhard Düttmann
Chief Financial Officer

Investment Highlights

LANXESS is one of the world's leading chemical companies, with a focus on specialty products

ORGANISATIONAL STRENGTH

LANXESS' lean and efficient global structure enables fast decision-making that permits the company to sustain a competitive edge

COMPETITIVENESS

LANXESS has established powerful market positions on a global scale with premium products and strong brands in the fields of synthetic rubber, high-tech plastics, intermediates, fine chemicals and application oriented activities in the field of performance chemicals

GROWTH

The Company serves the key global megatrends associated with mobility, urbanization, agriculture and water. LANXESS is in the process of accelerating its organic and external growth and has set an ambitious new target: EBITDA of ~€1.8 bn in 2018

SUSTAINABLE DIVIDEND STRATEGY

LANXESS first initiated dividend payments in 2006 and is committed to the sustainable profit participation of its shareholders

LANXESS – Energizing Chemistry

Agenda




1. LANXESS – Energizing Chemistry

- Overview
- Strategy
- Innovation
- Corporate Responsibility

2. Business Segments

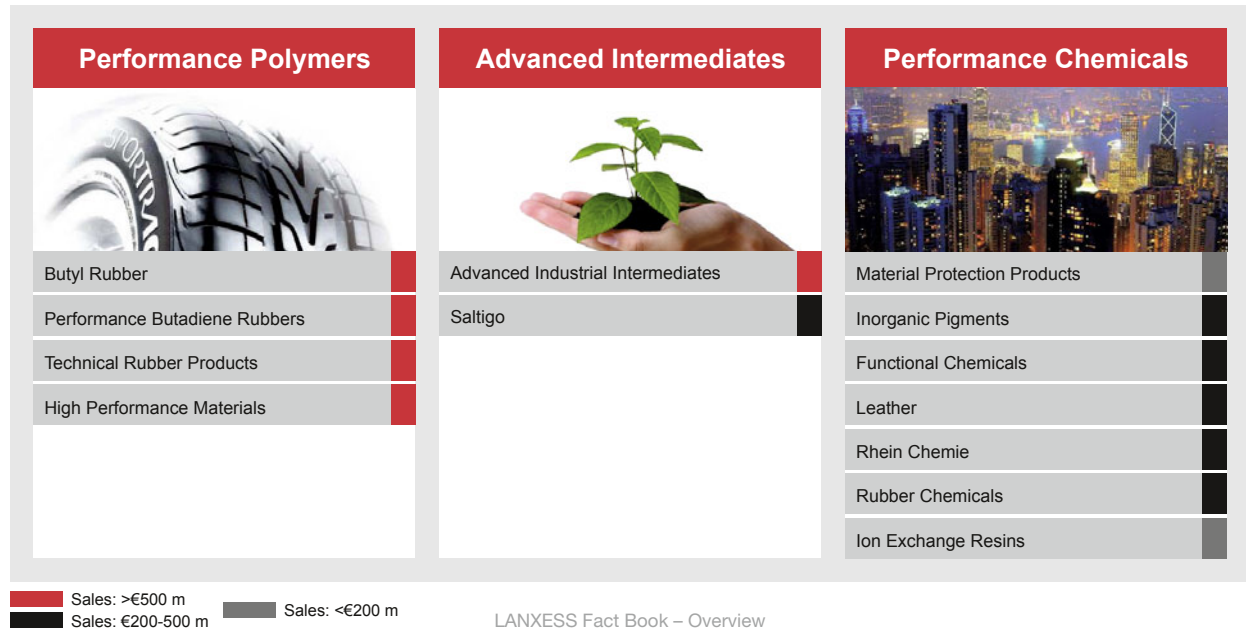
3. Financials

LANXESS – A leading specialty chemicals group

| LANXESS – Energizing Chemistry | | |
|--|---|--|
| <p>Performance Polymers</p>  <p>Globally No. 1-3</p> | <p>Advanced Intermediates</p>  <p>Europe No. 1-2</p> | <p>Performance Chemicals</p>  <p>No. 1-4 in niches</p> |
| <ul style="list-style-type: none"> ▪ Global technology leader in synthetic rubber and polyamide-based plastics ▪ Supporting trends <ul style="list-style-type: none"> - “Green Mobility” - Growing middle class - High-performance tires - Vehicle weight reduction - Tire-labeling, replacement tires | <ul style="list-style-type: none"> ▪ Leading supplier of custom synthesis and basic chemicals (agrochem-related) ▪ Supporting trends <ul style="list-style-type: none"> - Increasing crop demand based on growing world population - Need of farmers to raise yields - Industry consolidation | <ul style="list-style-type: none"> ▪ Application-orientated specialty chemicals ▪ Strong brands, technology leadership ▪ Supporting trends <ul style="list-style-type: none"> - Scarcity of pure water - Rising middle class in emerging markets - Ongoing market consolidation |
| <p>Technology leadership across the portfolio</p> | | |

LANXESS Fact Book – Overview

Business portfolio based on three strong pillars



LANXESS Board of Management: Directly connected to all Group Functions and Business Units

| Axel C. Heitmann (Chairman of the Board) | Werner Breuers (Member of the Board) | Rainier van Roessel (Labour Relations Director) | Bernhard Duettmann (Chief Financial Officer) |
|---|--|--|---|
|  |  |  |  |
| <ul style="list-style-type: none"> Corporate Communications Corporate Development Executive Human Resources Internal Auditing | <ul style="list-style-type: none"> Aliseca Global Procurement & Logistics Industrial & Environmental Affairs Innovation & Technology Business Units: All, BTR, HPM, PBR, SGO, TRP | <ul style="list-style-type: none"> Human Resources Information Technology Business Units: FCC, ION, IPG, LEA, MPP, RCH, RUC | <ul style="list-style-type: none"> Accounting Corporate Controlling Investor Relations Law & Intellectual Property Mergers & Acquisitions Tax Treasury |

LANXESS Fact Book – Overview

2003-2005: Immediate focus on transformation of LANXESS in context of the spin-off

| | | | | |
|---|--|---|---|---|
| 2003-11-07 Decision made on the strategic reorganization of the Bayer Group | 2004-09-22 Signing of the spin-off agreement | 2004-11-17 Extraordinary Stockholders' Meeting of Bayer AG – acceptance of spin-off by Bayer's shareholders | 2005-06-03 Announcement of first phase of restructuring | 2005-06-20 Admission to MDAX |
| 2003-2005 | | | | |
| 2004-03-18 Announcement of the name LANXESS, from a combination of the words "lancer" (to launch) and "success" | 2004-11-25/26 First press and analyst conference | 2005-01-31 Initial listing on the Frankfurt Stock Exchange | 2005-06-06 Buyback of Mandatory Convertible | 2005-06-16 1st Annual Stockholders' Meeting |
| 2005-08-25 Announcement of second phase of restructuring | | | | |

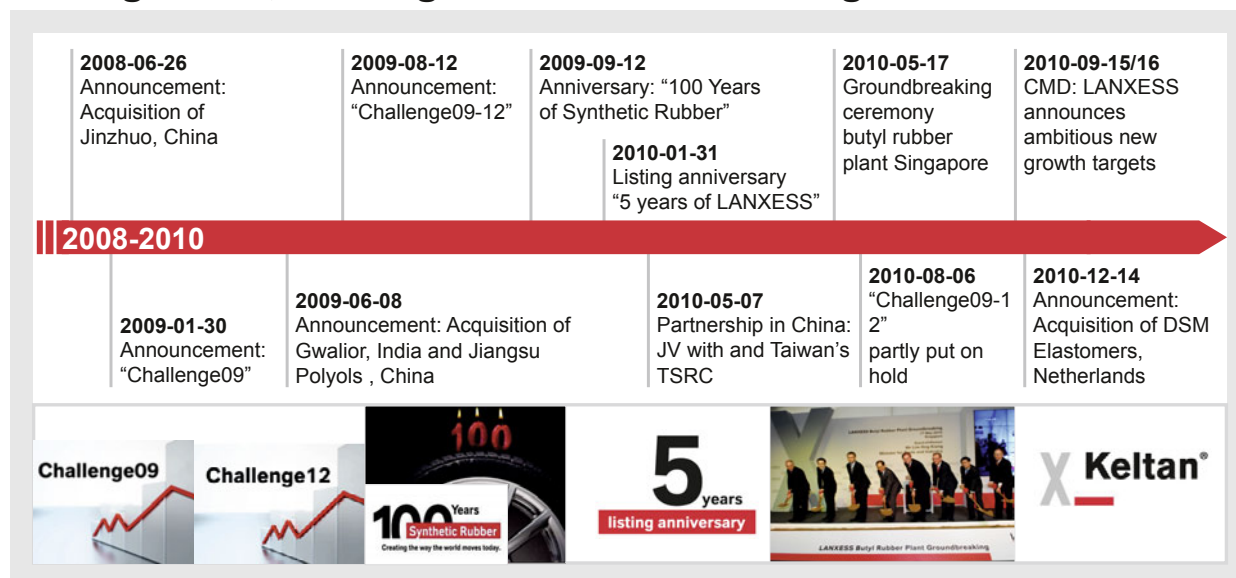
LANXESS Fact Book – Overview

2006-2007: Ratings upgrade to BBB reflects accomplishments of ongoing successful transformation

| | | | | | |
|--|--|--|--|--|---|
| 2006-03-01 Carve-out of the BU FCH to form Saltigo | 2006-04-04 Announcement of third phase of restructuring | 2006-09-15 1st Capital Markets Day (CMD) | 2006-12-14 Announcement: Acquisition of CISA, South Africa | 2007-07-18/31 Ratings upgraded by Moody's to Baa2 and S&P to BBB | 2007-11-13 LANXESS signs new seven-year €1.4 bn credit facility |
| 2006-2007 | | | | | |
| 2006-03-01 Divestment of BU PAP and BU FIB concluded | 2006-07-24 Announcement of fourth phase of restructuring | 2006-12-31 Divestment of TPC concluded | 2007-06-29 Lustran Polymers JV with INEOS announced | 2007-12-13 Announcement: Acquisition of Petroflex, Brazil | |

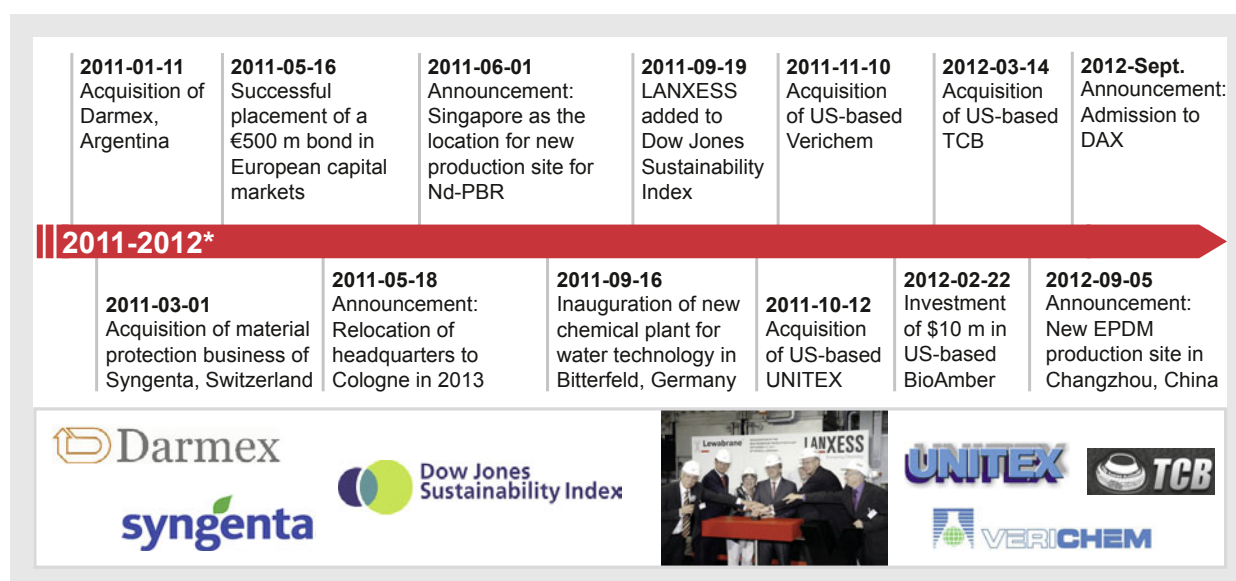
LANXESS Fact Book – Overview

2008-2010: Resuming growth after successful crisis management, looking forward even in rough times



LANXESS Fact Book – Overview





2011-2012: Setting clear goals on a path of strong growth



* As of September 2012

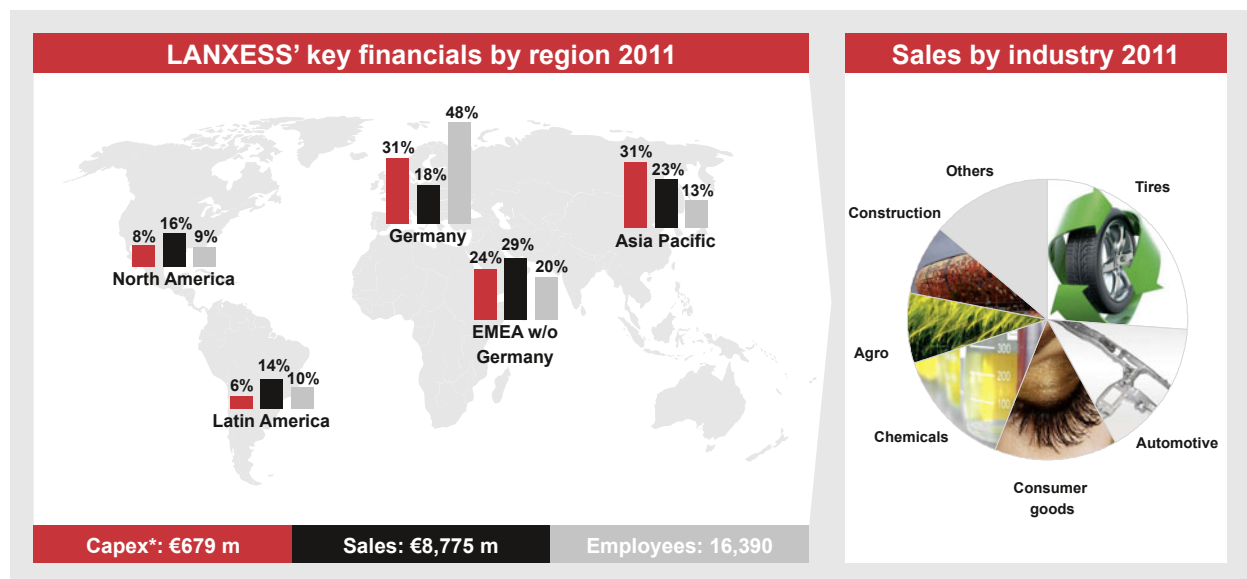
LANXESS Fact Book – Overview

Innovative and consistent HR practice is key advantage for good positioning, cost effectiveness and sustainable growth

| | | |
|---|---|---|
| Leadership & Qualification | <ul style="list-style-type: none"> Global leadership concept emphasizes on behavioral change Extensive investment in qualification, special focus on global sales force |  |
| Demographic management | <ul style="list-style-type: none"> Comprehensive demography programs to enhance productivity Workforce planning aligned with demographic data and succession plan |  |
| Employee / labor relation | <ul style="list-style-type: none"> Staff attrition rate in volatile BRIC countries below sector average Reliable and stable labor relations in countries with strong union traditions |  |
| Compensation | <ul style="list-style-type: none"> Merit-based and flexible compensation schemes Employee stock plan in Germany with over 70% participation over years |  |
| Simplicity, speed and a company culture based on trust | | |

LANXESS Fact Book – Overview


Worldwide presence serving a broad range of customers



* Net of financial lease and net of projects financed by customers

LANXESS Fact Book – Overview

LANXESS: Clear trend of steadily improving financials, based on strategic implementation

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | H1'12 |
|---|-------|------|------|------|------|------|------|-------|--------------|
| EBITDA* [€ m] | 447 | 581 | 675 | 719 | 722 | 465 | 918 | 1,146 | 731 |
| Net financial debt [€ m] | 1,135 | 680 | 511 | 460 | 864 | 794 | 913 | 1,515 | 1,738 |
| Net financial debt / EBITDA* | 2.5x | 1.2x | 0.8x | 0.6x | 1.2x | 1.7x | 1.0x | 1.3x | 1.4x |
| Gearing [%] | 101 | 54 | 36 | 30 | 65 | 55 | 52 | 73 | 77 |
| Underlying EPS (YTD) [€]** | 0.65 | 1.19 | 2.69 | 3.36 | 3.44 | 1.31 | 4.81 | 6.55 | 4.66 |
| Continued performance improvement  | | | | | | | | | |

* pre exceptionals; ** EPS pre exceptionals, based on actual tax rate
2008 data adjusted for change in pension accounting

LANXESS Fact Book – Overview

Agenda

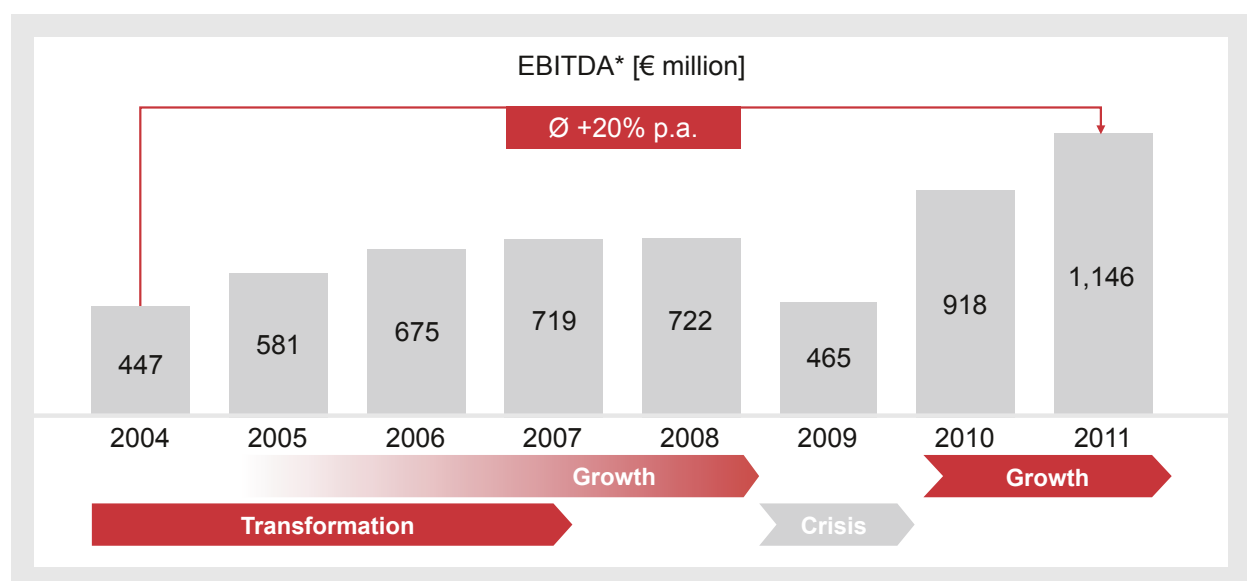
1. LANXESS – Energizing Chemistry

- Overview
- **Strategy**
- Innovation
- Corporate Responsibility

2. Business Segments

3. Financials

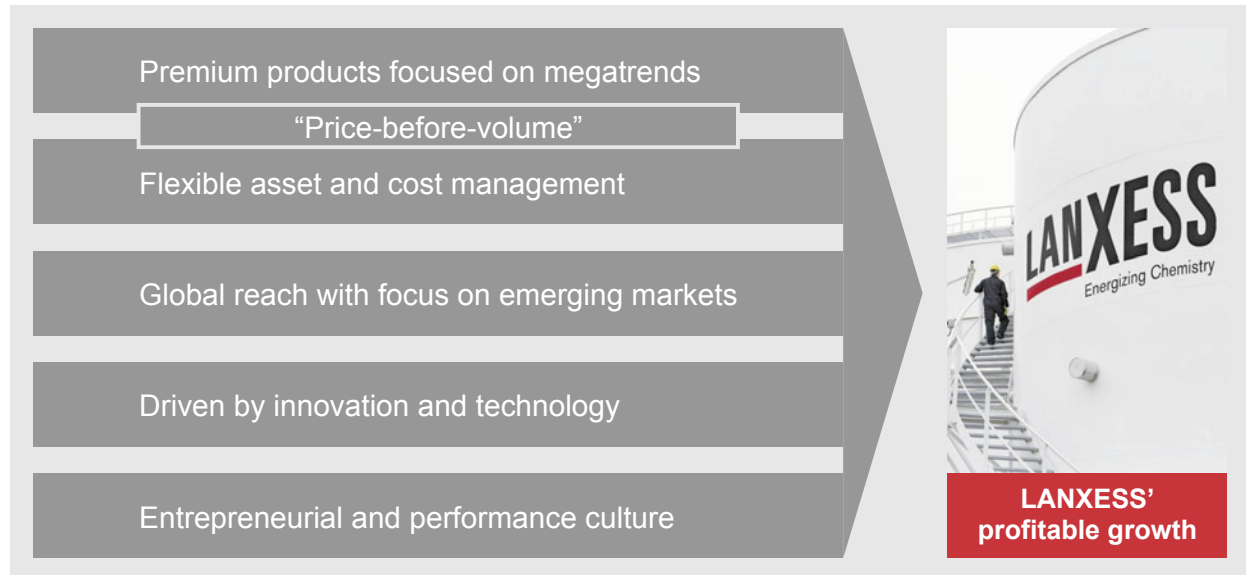
LANXESS – A successful growth story



* pre exceptionals

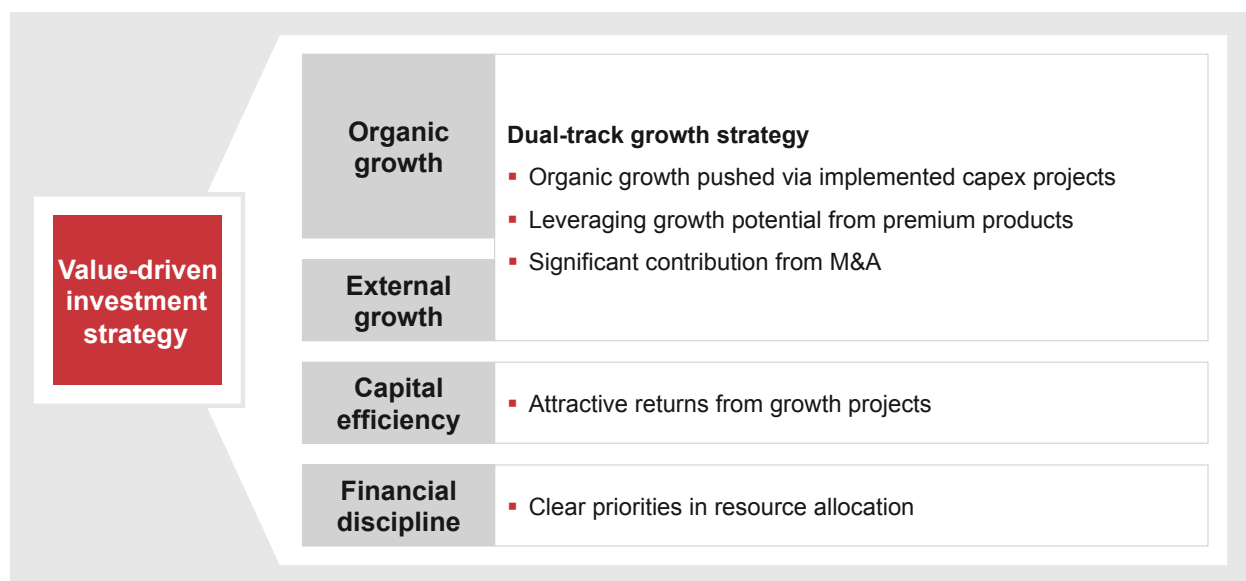
LANXESS Fact Book – Strategy

The five elements of LANXESS’ strategy



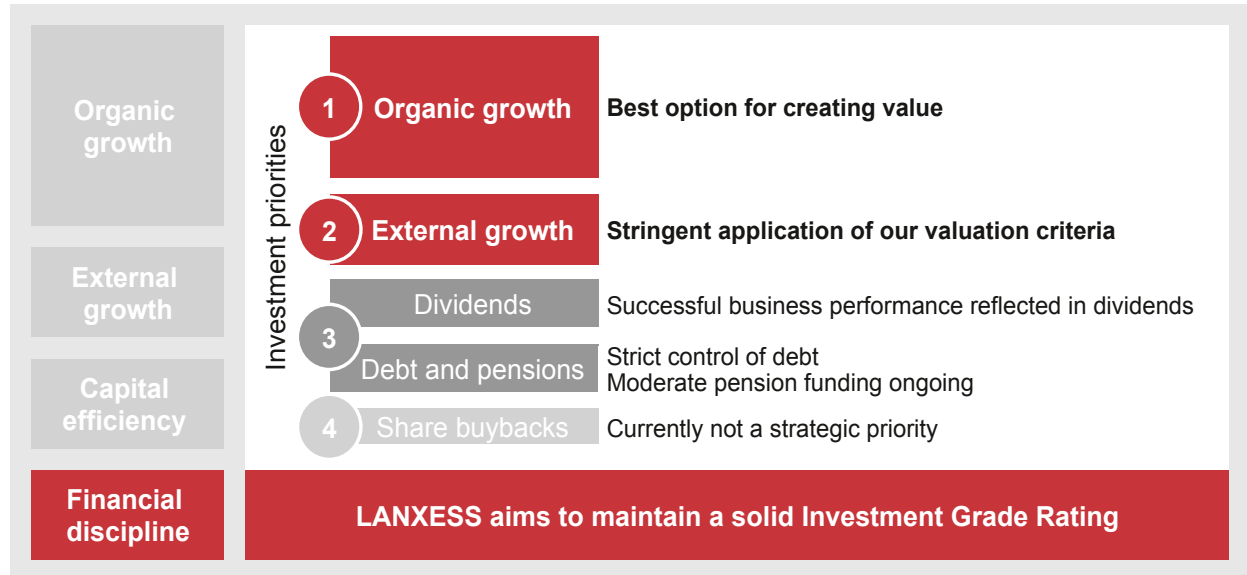
LANXESS Fact Book – Strategy

LANXESS with a disciplined dual track growth strategy



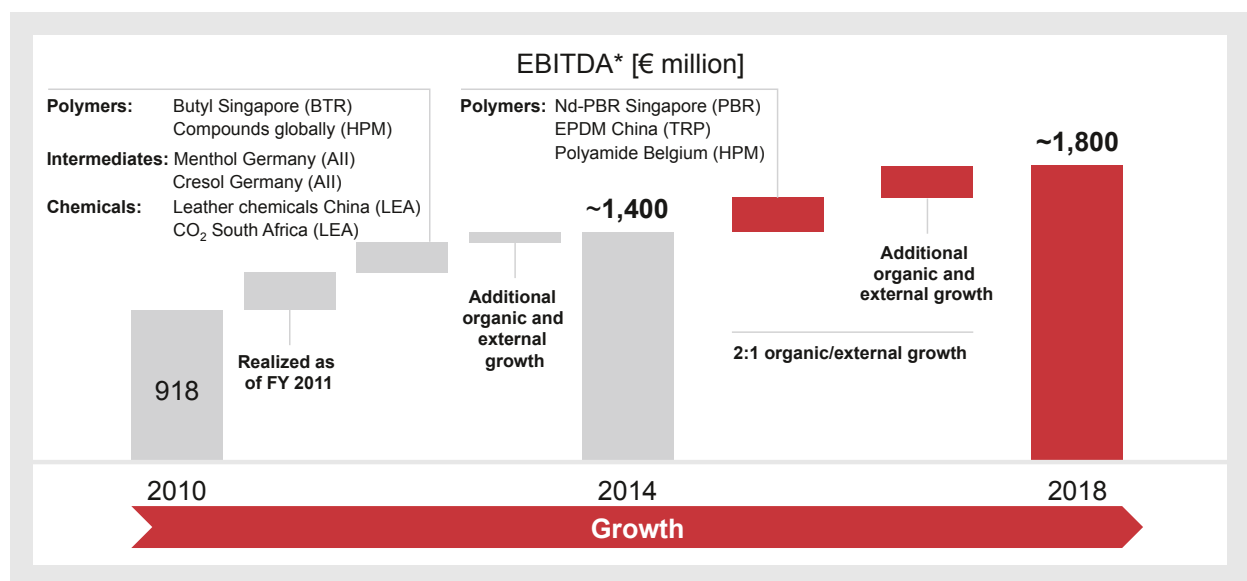
LANXESS Fact Book – Strategy

Capital allocation priorities that ensure further growth



LANXESS Fact Book – Strategy

LANXESS will pursue its successful growth strategy



* pre exceptionals

LANXESS Fact Book – Strategy

GOFOR €1.8 bn – Ambitious growth target for 2018



LANXESS Fact Book – Strategy

Agenda

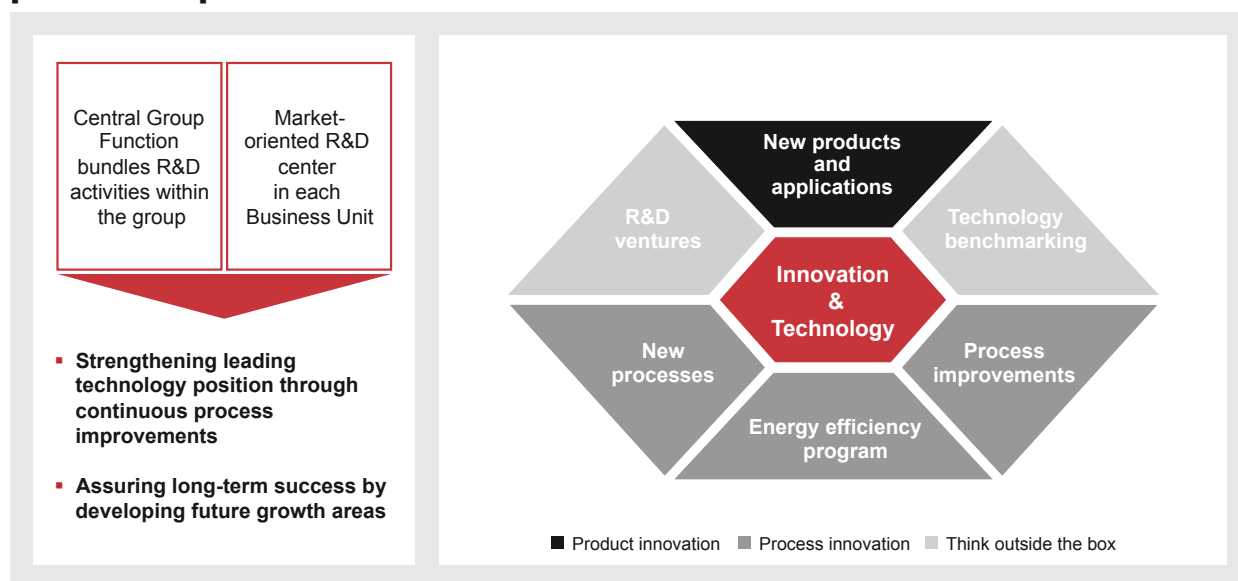
1. LANXESS – Energizing Chemistry

- Overview
- Strategy
- **Innovation**
- Corporate Responsibility

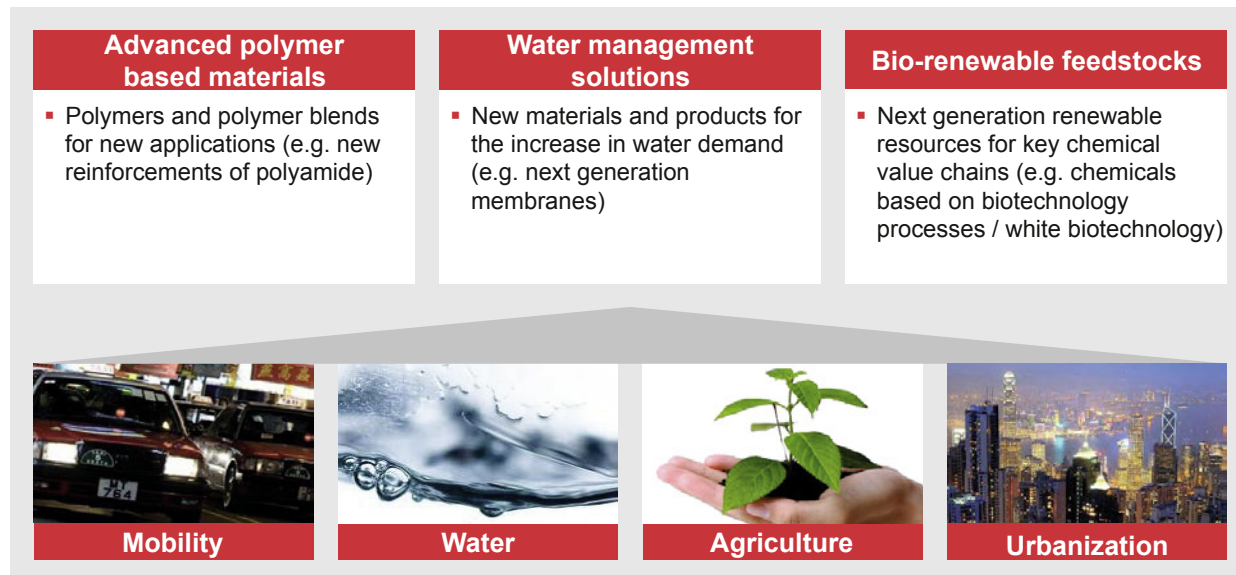
2. Business Segments

3. Financials

Innovations and technologies for the next generation of premium products



Well-defined focus areas for the development of innovative products and solutions – based on four megatrends



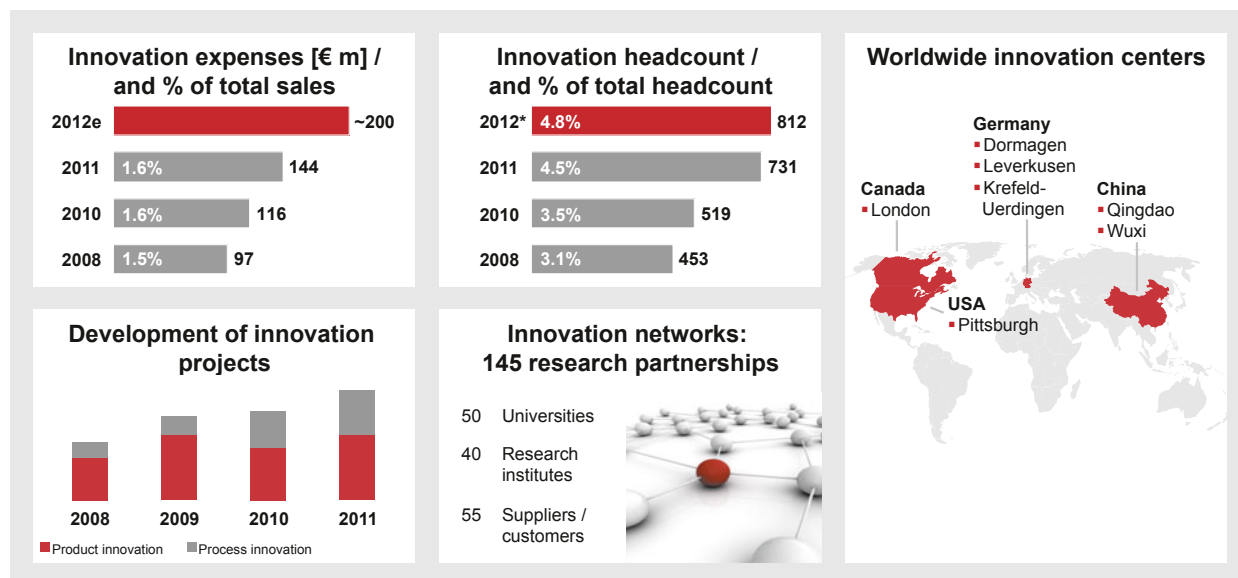
LANXESS Fact Book – Innovation

A culture of innovation that provides the ideal platform to generate outstanding ideas

| | | |
|---|---|--|
|  | <p>LANXESS' innovation culture is based on</p> <ul style="list-style-type: none"> Extensive, global innovation network Close cooperation between interdisciplinary teams Strong senior management commitment Organized innovation processes and proactive project management |  <p>„Our innovative culture, based on trust and entrepreneurial freedom, helps us go the extra mile for product, process and outside the box innovations.“</p> <p><i>Werner Breuers, Member of the Board of Management, responsible for Innovation & Technology at LANXESS</i></p> |
|  | <p>Market-oriented R&D stands for</p> <ul style="list-style-type: none"> Focusing on megatrends to develop innovative products and solutions Interacting closely with customers Maximizing added value while minimizing cost and time to market | |

LANXESS Fact Book – Innovation

Steadily increasing budget and headcount for innovation



* As of June 2012

Agenda

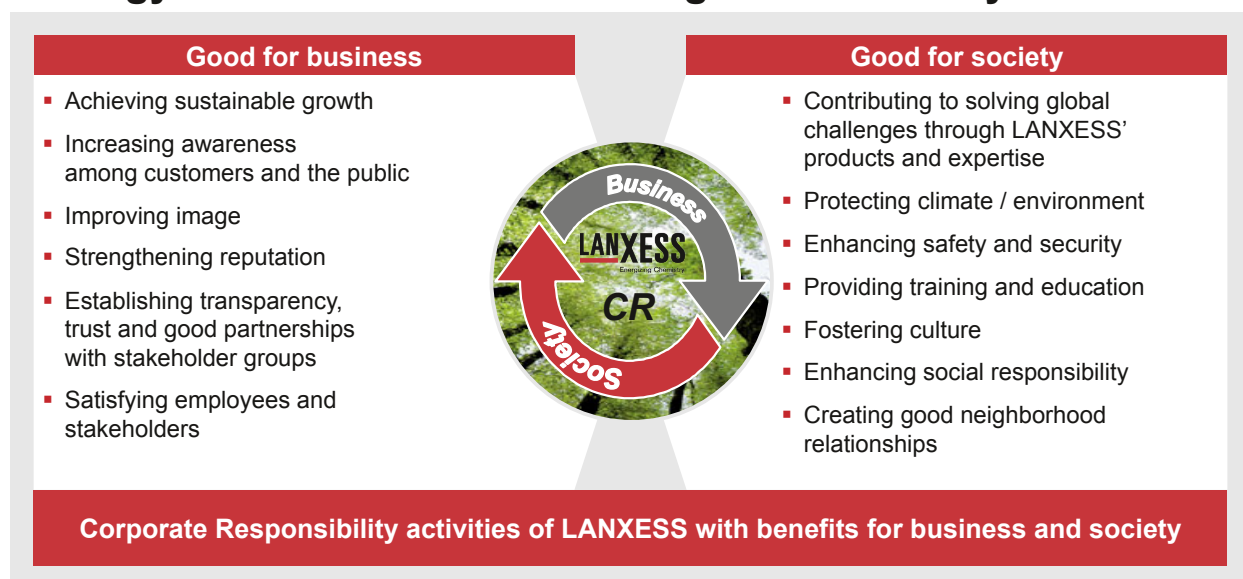
1. LANXESS – Energizing Chemistry

- Overview
- Strategy
- Innovation
- **Corporate Responsibility**

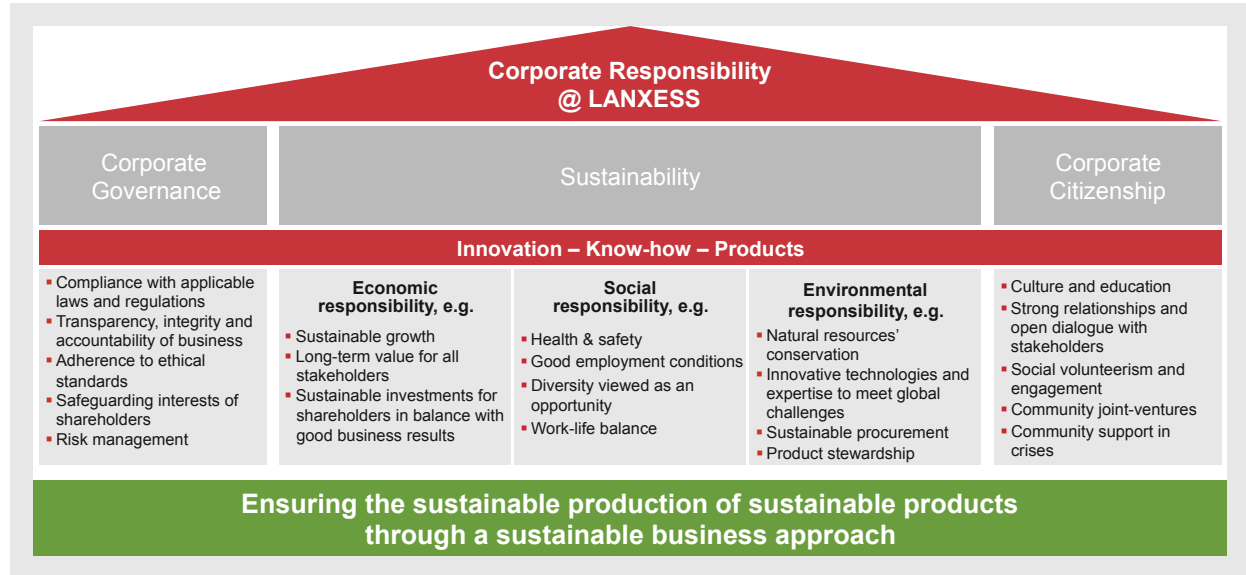
2. Business Segments

3. Financials

Guiding principle of LANXESS' corporate responsibility strategy: “Good for business” & “good for society”

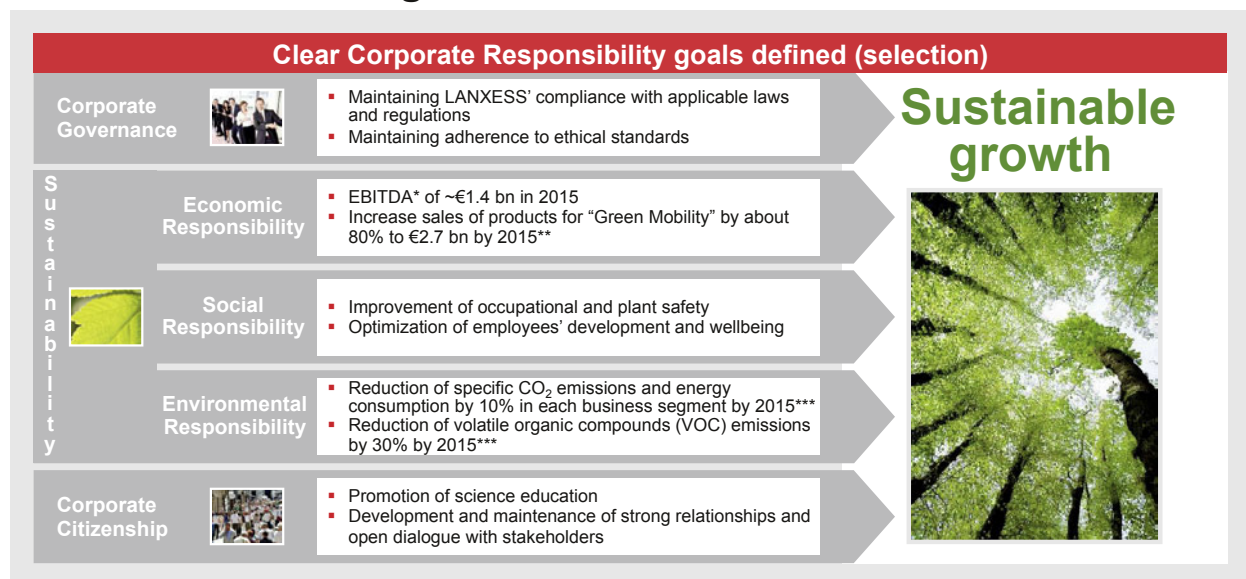


LANXESS' corporate responsibility strategy includes all dimensions of sustainable management



LANXESS Fact Book – Corporate Responsibility

Targeted approach to corporate responsibility goals enables further sustainable growth



* pre exceptionals; ** Base year: 2011; *** Base year: 2010

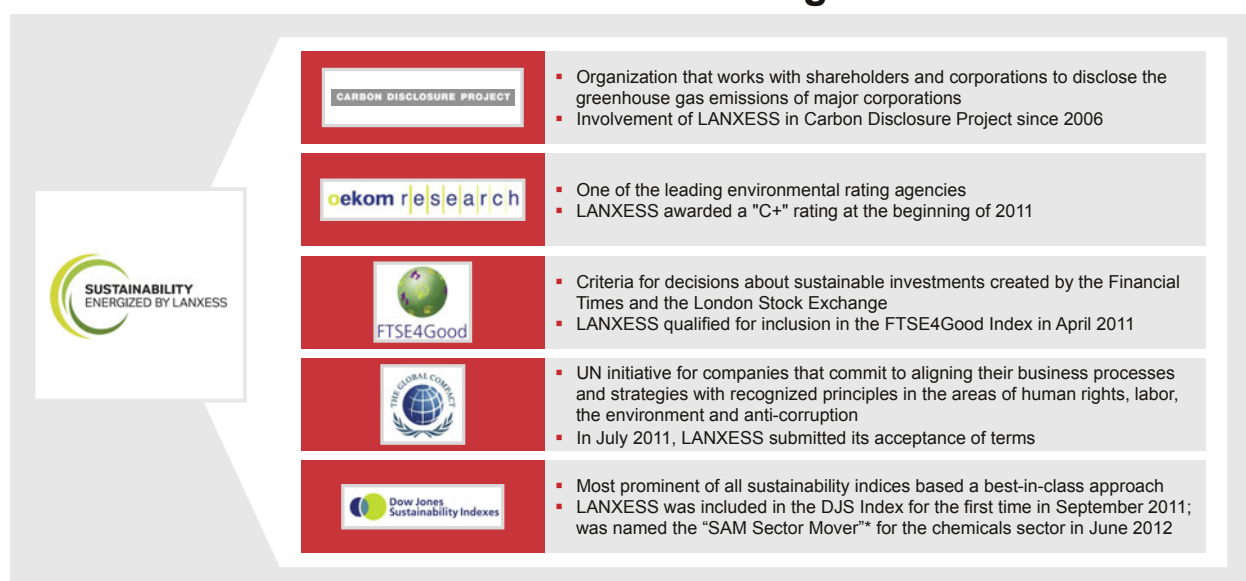
LANXESS Fact Book – Corporate Responsibility

Holistic integration of corporate responsibility into LANXESS' business approach ensures the achievement of goals



LANXESS Fact Book – Corporate Responsibility

LANXESS participates in important external initiatives – relevant indices confirm successful integration of CR



* LANXESS achieved the largest year-on-year sustainability performance improvement of all companies ranked in the top 15% of the chemicals sector

LANXESS Fact Book – Corporate Responsibility

Business Segments – Performance Polymers

Agenda





1. LANXESS – Energizing Chemistry

2. Business Segments

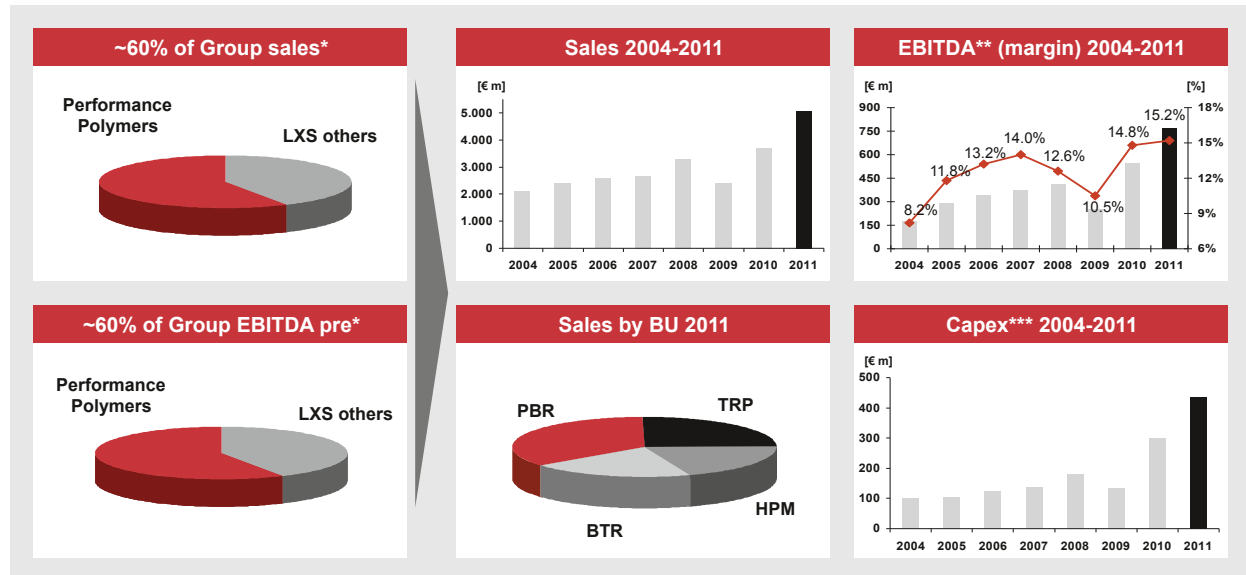
- Performance Polymers
- Advanced Intermediates
- Performance Chemicals

3. Financials

Performance Polymers: Leading market positions with strong and diversified portfolio

| Performance Polymers | | | |
|--|---|--|--|
| Butyl Rubber | Performance Butadiene Rubbers | Technical Rubber Products | High Performance Materials |
|  |  |  |  |
| One of the world's leading manufacturers of high-quality butyl and halobutyl rubbers, which are impermeable to gas and moisture for the tire and rubber industry | One of the leading manufacturers of synthetic rubber (PBR and SBR) which are used in modern, fuel-efficient tires and many other products (e.g. footwear) | Offers five types of high-performance technical rubber products for a wide range of applications (e.g. seals, hoses, profiles, cable sheathing, special films and adhesives) | Provides high-tech plastics for a broad range of customer industries (e.g. automotive, electronics) and is committed to the development of new products and applications |

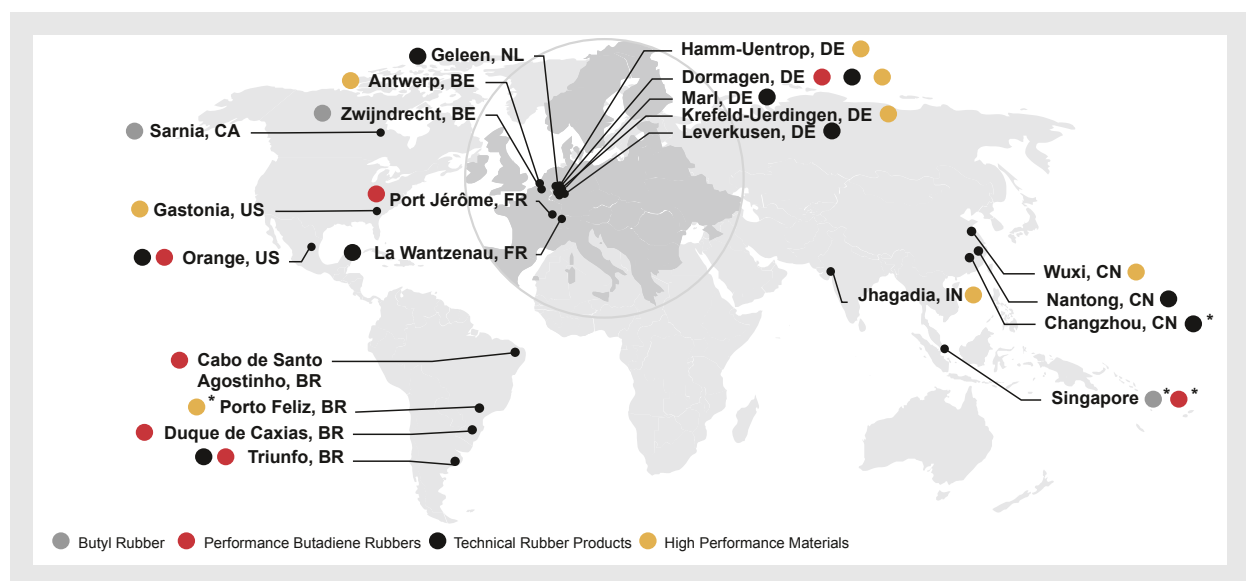
Performance Polymers: A pillar of LANXESS' overall business



* operating segments; ** pre exceptional; *** net of finance lease

LANXESS Fact Book – Performance Polymers

Serving global markets with a world-class manufacturing base



* Under construction

LANXESS Fact Book – Performance Polymers

Agenda

1. LANXESS – Energizing Chemistry

2. Business Segments

- Performance Polymers

Butyl Rubber

Performance Butadiene Rubbers

Technical Rubber Products

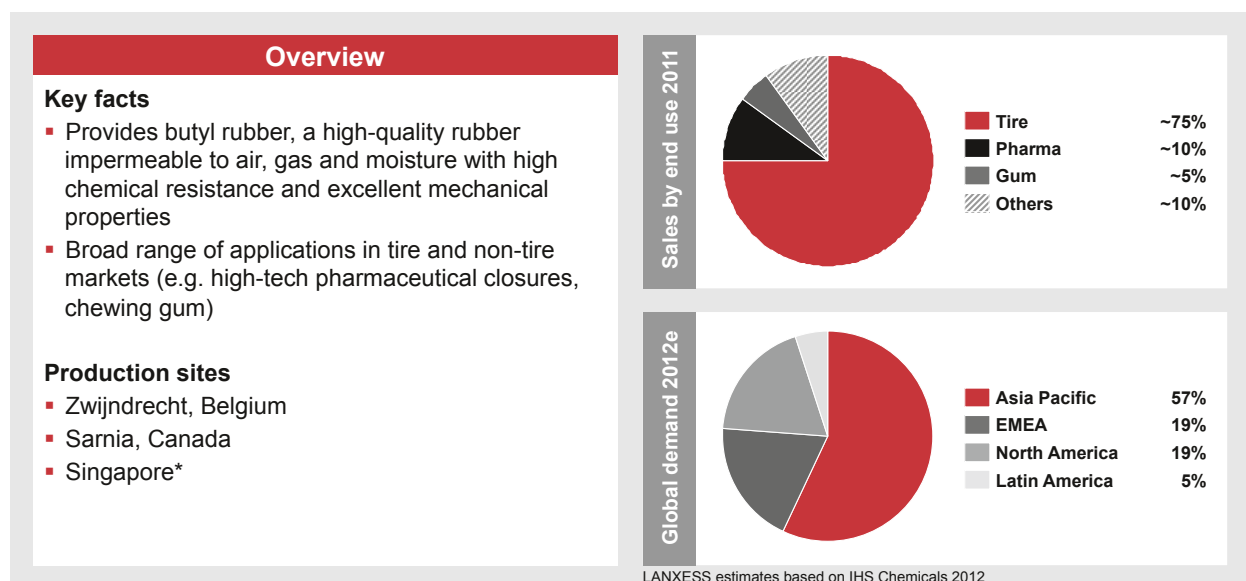
High Performance Materials

- Advanced Intermediates

- Performance Chemicals

3. Financials

LANXESS – A leader in butyl rubber



* Under construction (start-up in Q1 2013)

LANXESS provides regular and halogenated butyl rubber

| Products & brands | Applications |
|--|--------------|
| <p>Products</p> <ul style="list-style-type: none"> ▪ Regular butyl rubber (Butyl) ▪ Halobutyl rubber (Chlorobutyl, Bromobutyl) <p>X Butyl[®]</p> <p>X Chlorobutyl[®]</p> <p>X Bromobutyl[®]</p> | |

LANXESS Fact Book – Performance Polymers: Butyl Rubber

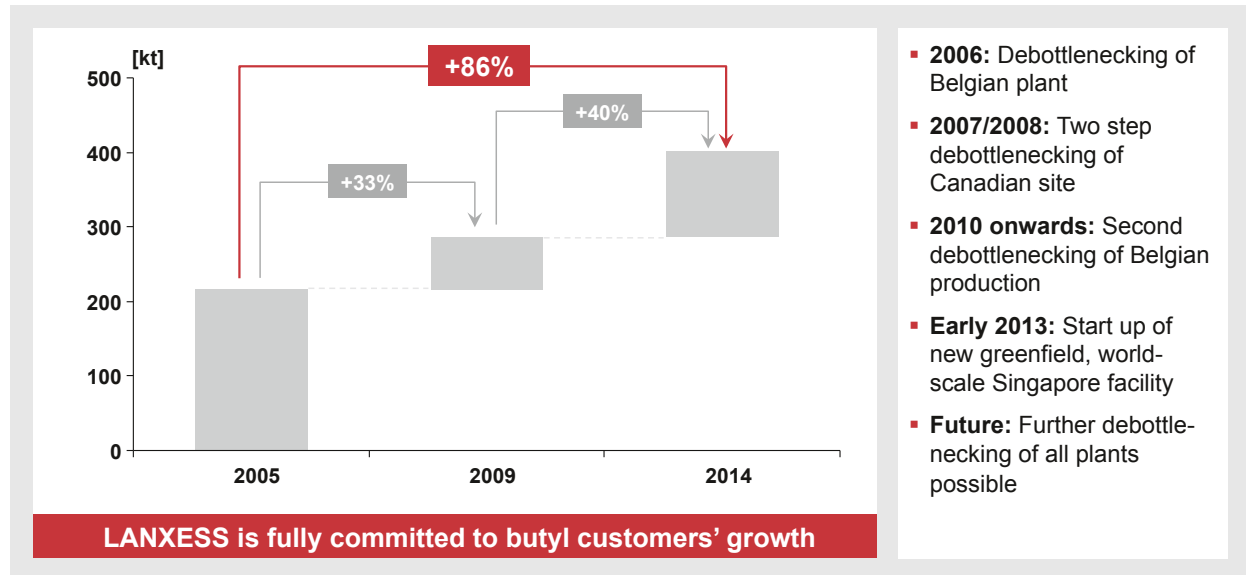
The use of halobutyl rubber in inner liners made modern tires possible

| | |
|-------------------------|---|
| Tread | → influences grip, fuel economy and noise |
| Undertread | → joins the tread to steel belt and carcass |
| Upper steel belt | → influences driving features and shape |
| Sidewall | → protects carcass from damage |
| Lower steel belt | → influences the driving characteristics |
| Carcass | → gives support and shape |
| Innerliner | → replaces the tube |
| Steel wires | → keeps the tire safely attached to wheel rim |

Made of halobutyl rubber

LANXESS Fact Book – Performance Polymers: Butyl Rubber

2005 - 2014: LANXESS has invested over €500 m, adding ~200kt butyl capacity



LANXESS Fact Book – Performance Polymers: Butyl Rubber

Construction of world-scale production facility in Singapore is fully on track

Facts

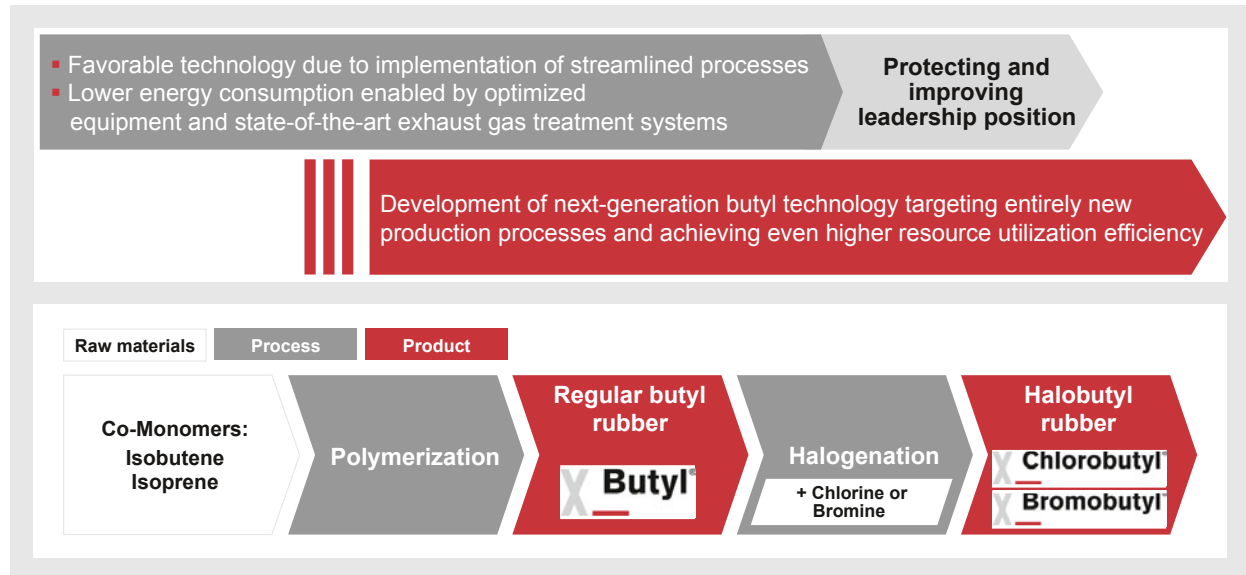
- Greenfield BTR plant, Singapore
- Capex ~€400 m
- Capacity: 100 kt/a

Update on financials

- Expected sales: ~€300 m
- Preparation costs: ~€30 m, mainly Q4 2012
- Depreciation period: 10 years
- Additional annual depreciation: ~€40 m
- Ramp-up 2013: capacity to come on stream in phases in 2013
 - Q1 cold/ hot commissioning
 - Q2 testing and customer approbation
 - Q3 expected start of commercial sales

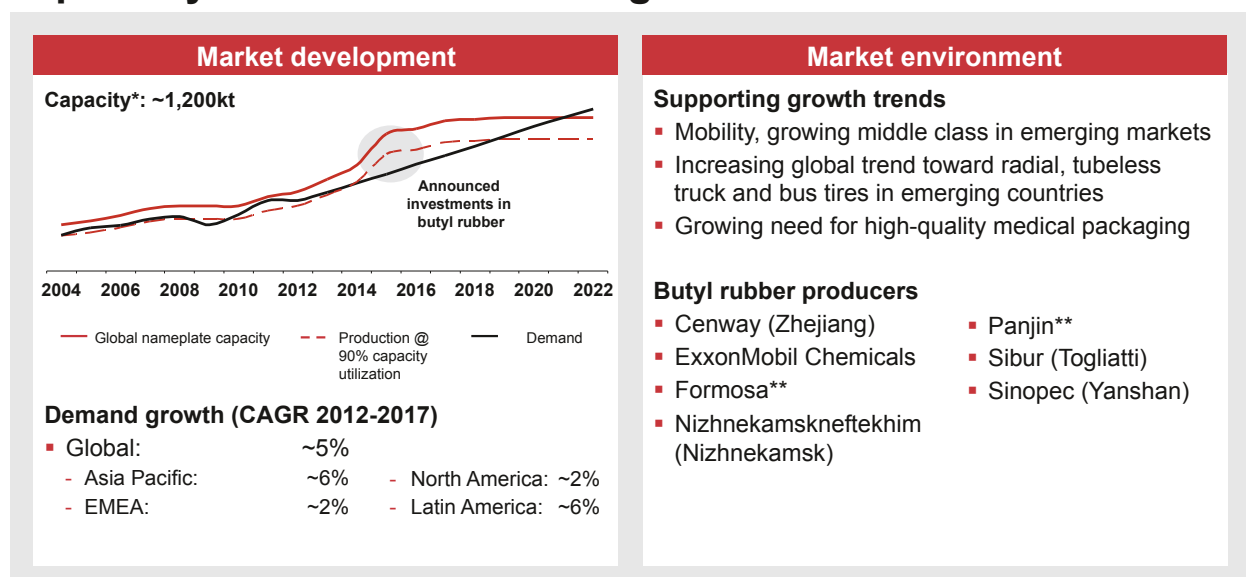
LANXESS Fact Book – Performance Polymers: Butyl Rubber

New plant in Singapore offers best-in-class technology – ongoing drive to implement advanced processes



LANXESS Fact Book – Performance Polymers: Butyl Rubber



Butyl Rubber: Growing markets generate huge demand, especially in the Asia Pacific region



* Source IHS Chemicals 2012; ** potential new entrants

LANXESS Fact Book – Performance Polymers: Butyl Rubber

Leading market and technology position combined with strong customer relationships

|  Strengths / opportunities |  Weaknesses / challenges |
|--|--|
| <ul style="list-style-type: none">▪ Leading technology in halobutyl rubber▪ Leading producer of regular butyl rubber with focus on specialty grades▪ Continuous investment in new technology▪ Cost-efficient world-scale plants▪ Investment in renewable raw material sources▪ Strong customer relationships based on strategic collaboration and reliable supply | <ul style="list-style-type: none">▪ Increasing Asian and Russian competition▪ Potential long-term changes in air-retention-technology for tires▪ Strong dependence on tire / transportation industry |

LANXESS Fact Book – Performance Polymers: Butyl Rubber

Agenda

1. LANXESS – Energizing Chemistry

2. Business Segments

- Performance Polymers

Butyl Rubber

Performance Butadiene Rubbers

Technical Rubber Products

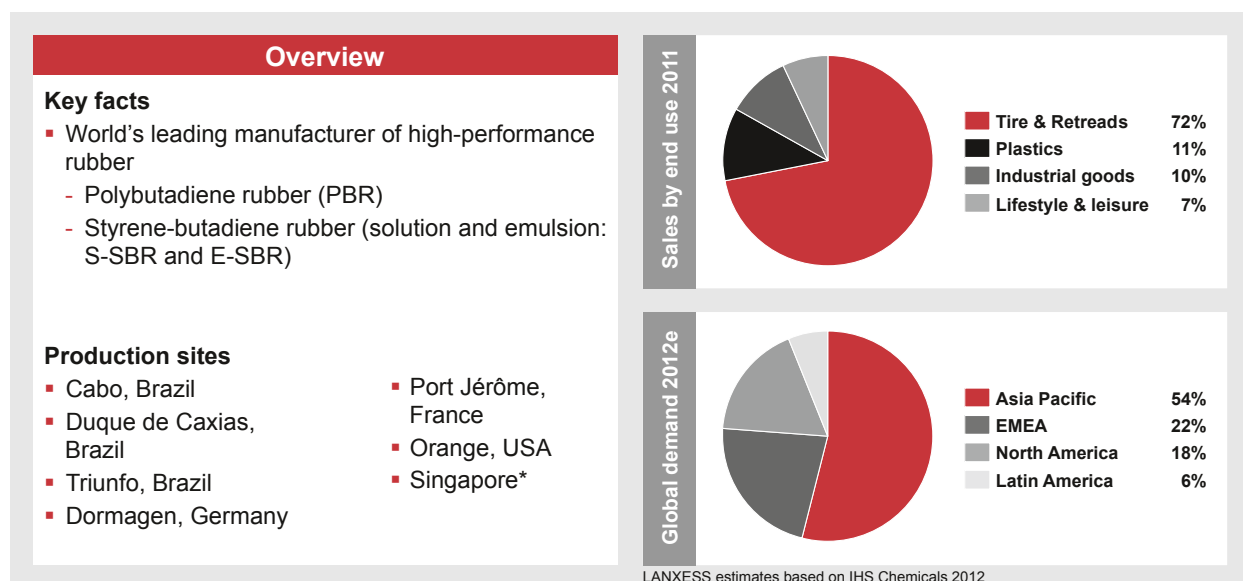
High Performance Materials

- Advanced Intermediates

- Performance Chemicals



3. Financials

Performance Butadiene Rubbers – Leading market position



* Under construction









Performance Butadiene Rubbers offers top products that meet the requirements of today and tomorrow

| Products & brands | Applications |
|---|---|
| <ul style="list-style-type: none"> ▪ PBR: Polybutadiene rubber (Buna™ CB) <ul style="list-style-type: none"> - Nd-PBR - Li-PBR - Co-PBR ▪ S-SBR: Solution styrene-butadiene rubber (Buna™ VSL) ▪ E-SBR: Emulsion styrene-butadiene rubber (Buna™ SE) <div style="text-align: center; margin-top: 20px;">  </div> |  |

LANXESS Fact Book – Performance Polymers: Performance Butadiene Rubbers

A primer to rubber production

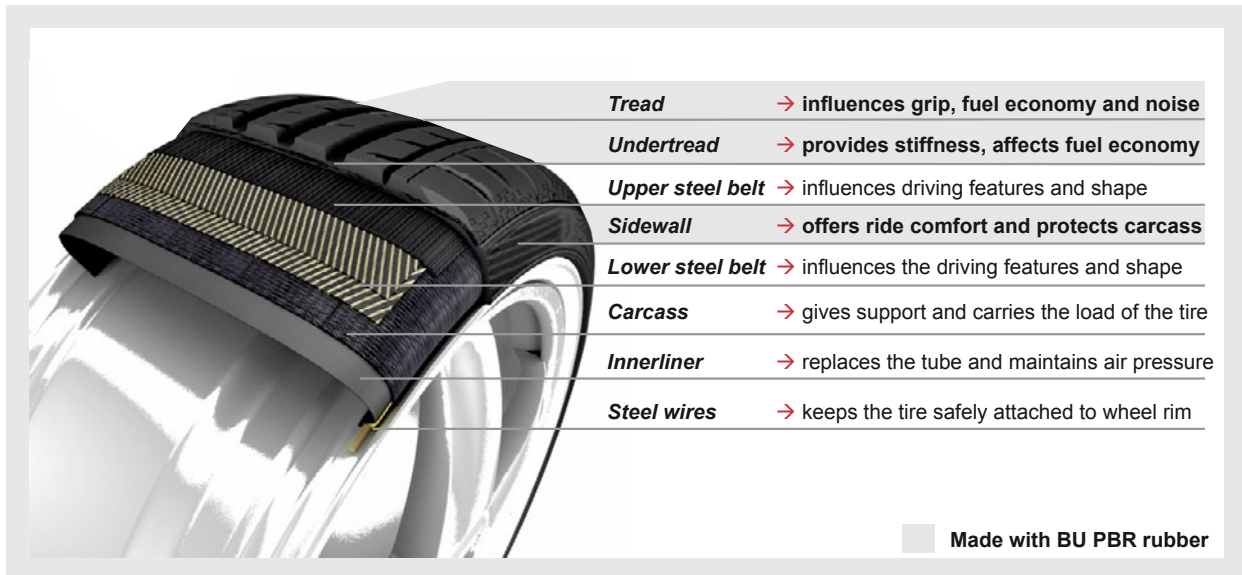
Production of synthetic rubber

| | |
|--|---|
| <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p>1 Extraction from raw material feedstocks</p>  <ul style="list-style-type: none"> ▪ In a refinery, monomers* are extracted from oil ▪ Liquid monomers are generally made from ethyl benzene ▪ Gas monomers are usually obtained by using heat to break up the molecules in the presence of a catalyst </div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p>2 Polymerization</p>  <ul style="list-style-type: none"> ▪ Monomer molecules are brought together through a chemical reaction to form polymer chains </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%; border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p>3 Separation</p>  <ul style="list-style-type: none"> ▪ The polymer is isolated from the solution medium in the form of crumbs </div> <div style="width: 45%; border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p>4 Compression</p>  <ul style="list-style-type: none"> ▪ Crumbs are washed, dried and pressed into bales </div> </div> | <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p style="text-align: center; background-color: #c00000; color: white; font-weight: bold; margin: 0;">Monomers</p> <p style="margin: 5px 0;">Gas </p> <p style="margin: 5px 0;">Liquid </p> </div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p style="text-align: center; background-color: #c00000; color: white; font-weight: bold; margin: 0;">Polymers</p> <p style="margin: 5px 0;">Synthetic rubber </p> </div> <div style="border: 1px solid #ccc; padding: 5px;"> <p style="text-align: center; background-color: #c00000; color: white; font-weight: bold; margin: 0;">Synthetic rubber bales</p>  <p style="margin: 5px 0;">The raw rubber is wrapped in plastic for shipping to tire manufacturers</p> </div> |
|--|---|

Source: International Rubber Study Group (IRSG)
* a molecule that forms the basic unit for polymers

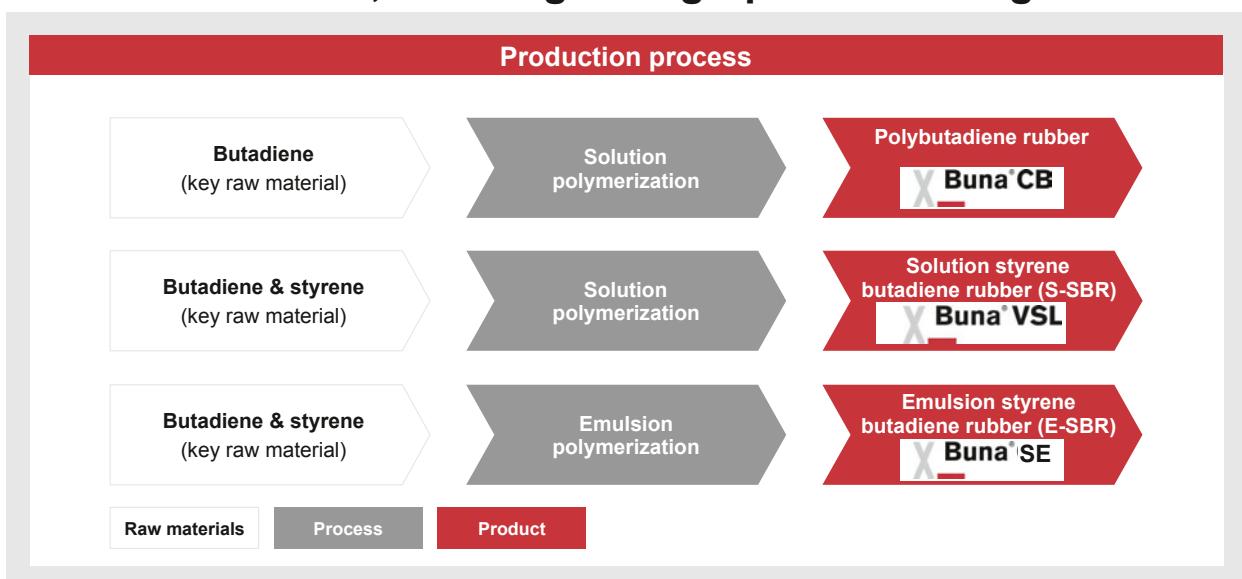
LANXESS Fact Book – Performance Polymers: Performance Butadiene Rubbers

BU Performance Butadiene Rubbers – enabling green mobility



LANXESS Fact Book – Performance Polymers: Performance Butadiene Rubbers

Offering a complete range of polybutadiene and styrene-butadiene rubbers, focusing on high-performance grades



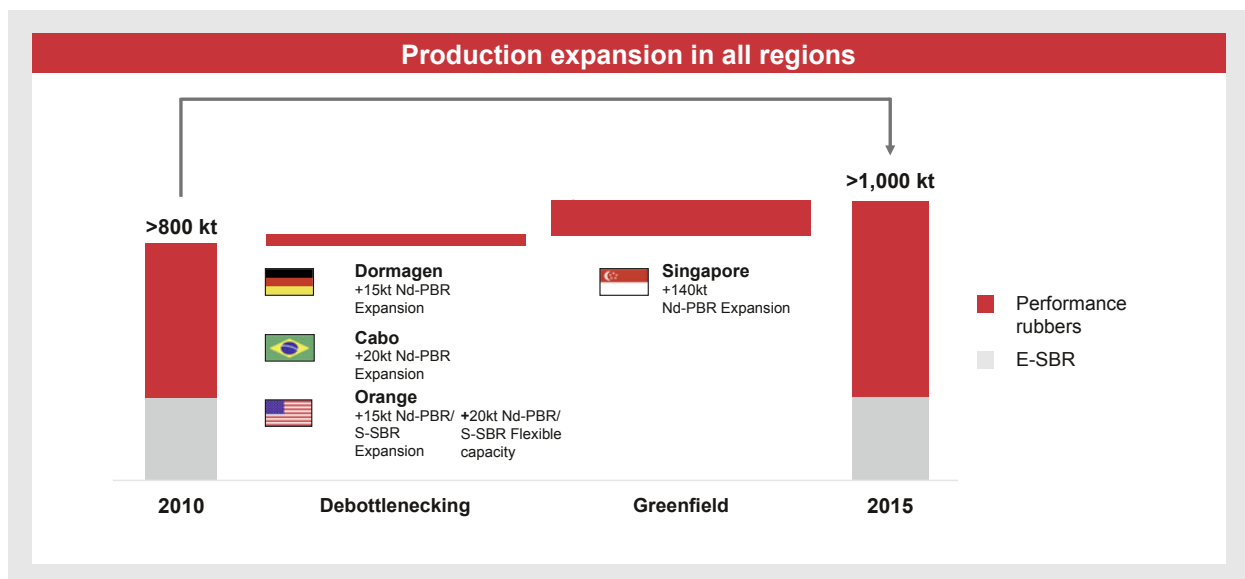
LANXESS Fact Book – Performance Polymers: Performance Butadiene Rubbers

Expanding production footprint for high-performance rubbers: Singapore site

| Announced – Nd-PBR in Singapore | Investment |
|---|---|
|   <p>Contract signing ceremony with key suppliers</p> | <ul style="list-style-type: none"> ▪ A new 140kt/a polybutadiene rubber (Nd-PBR) plant to meet strong demand for “Green Tires” ▪ “Green Tires” is the fastest-growing sector in the tire industry, especially in Asia ▪ World’s largest Nd-PBR plant ▪ €200 m investment ▪ Facility expected to come on stream in the first half of 2015 ▪ Groundbreaking: September 2012 ▪ Engineering work well advanced ▪ Contracts signed with key suppliers ▪ Location: Jurong Island Chemical Park |

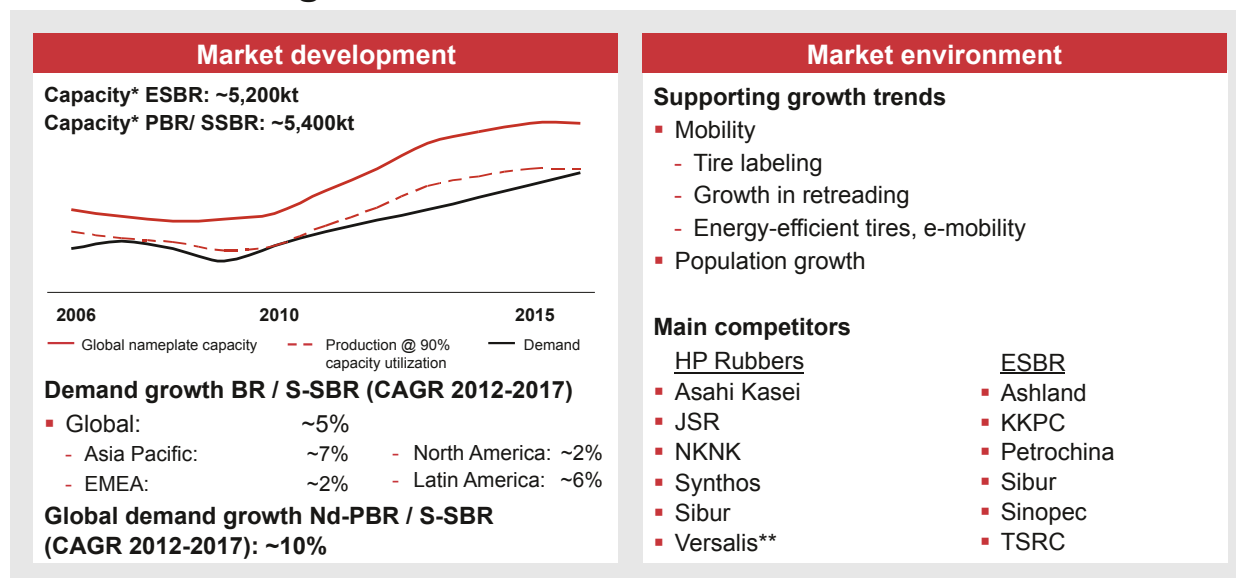
LANXESS Fact Book – Performance Polymers: Performance Butadiene Rubbers

BU PBR has a proven track record of supporting the growth of its customers



LANXESS Fact Book – Performance Polymers: Performance Butadiene Rubbers

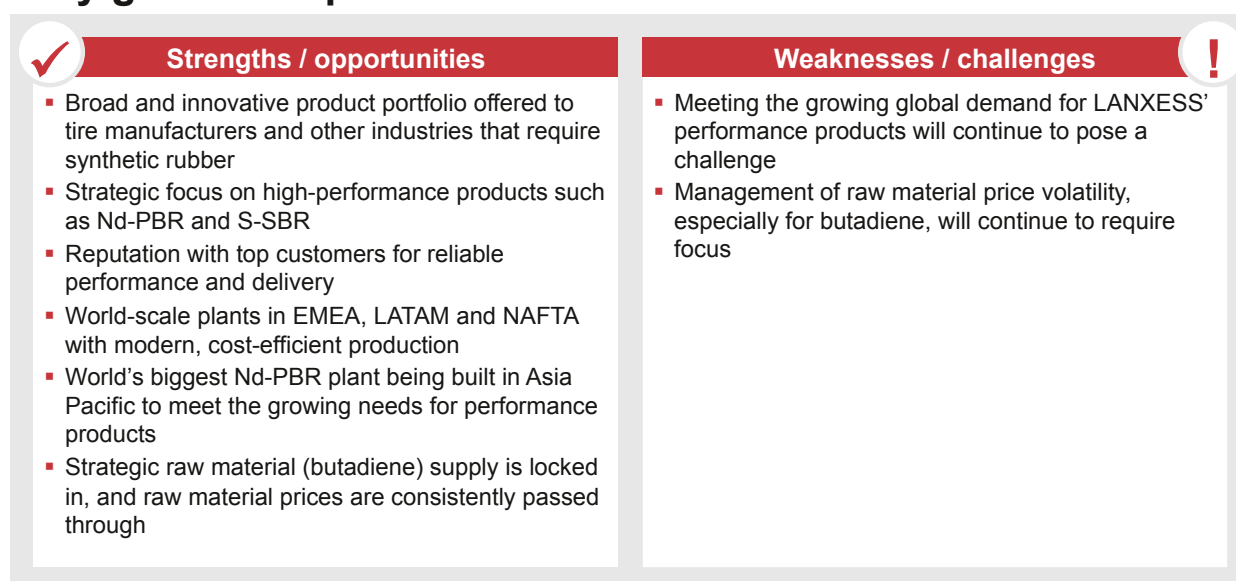
Growing markets generating huge demand, especially in the Asia Pacific region



* Source: IHS Chemicals 2012; ** Versalis formerly Polimeri

LANXESS Fact Book – Performance Polymers: Performance Butadiene Rubbers

Broad and innovative portfolio, an excellent reputation and a truly global footprint



LANXESS Fact Book – Performance Polymers: Performance Butadiene Rubbers

Agenda

1. LANXESS – Energizing Chemistry

2. Business Segments

- Performance Polymers

Butyl Rubber

Performance Butadiene Rubbers

Technical Rubber Products

High Performance Materials

- Advanced Intermediates

- Performance Chemicals

3. Financials

Technical Rubber Products offers a broad range of specialty elastomers

Overview

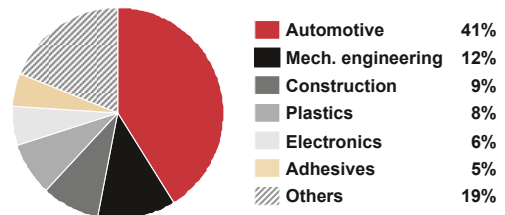
Key facts

- Broad range of specialty elastomers for the rubber processing industry
- Used in automotive, engineering, construction, electronics, oil exploration and aviation industries

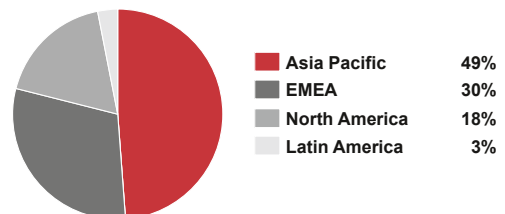
Production sites

- Ethylene propylene diene monomer rubber (EPDM) – Brazil, Germany, Netherlands, USA
- Nitrile butadiene rubber (NBR) – France, China
- Hydrogenated nitrile butadiene rubber (HNBR) – Germany, USA
- Chloroprene rubber (CR) – Germany
- Ethylene vinyl acetate rubber (EVM) – Germany

Sales by end use 2011



Global demand 2012e



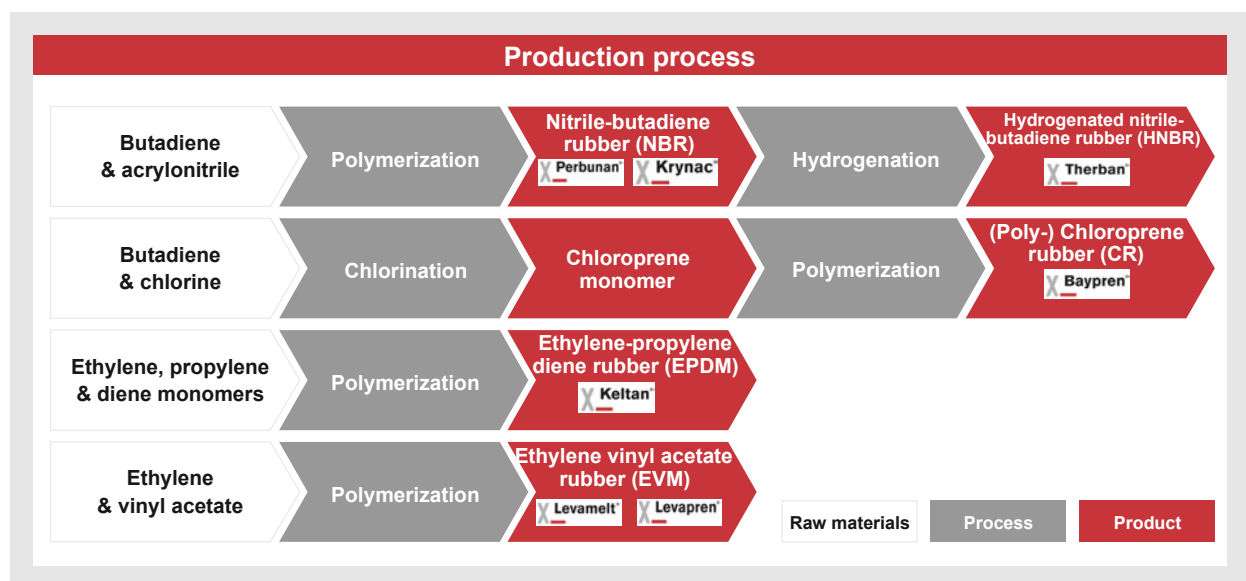
LANXESS estimates based on IHS Chemicals 2012

Extensive portfolio of synthetic rubber for various applications

| Products & brands | Applications |
|--|--------------|
| <p>Products</p> <ul style="list-style-type: none"> EPDM: Ethylene propylene diene monomer rubber (Keltan®) NBR: Nitrile butadiene rubber (Krynac®, Baymod® N, Perbunan®) HNBR: Hydrogenated nitrile butadiene rubber (Therban®) CR: Chloroprene rubber (Baypren®) EVM: Ethylene vinyl acetate rubber (Levapren®, Levamelt®) <p> </p> | |

LANXESS Fact Book – Performance Polymers: Technical Rubber Products

Business supported by state-of-the-art production processes



LANXESS Fact Book – Performance Polymers: Technical Rubber Products

LANXESS Keltan® Eco: High-tech rubber derived from ethanol from sugar cane

LANXESS – World's first producer of EPDM rubber based on renewable raw materials

Keltan® Eco

- Contains up to 70% ethylene from sugarcane
- Reduces overall carbon footprint
- Improves overall energy balance
- One more step towards independency from oil

Sugar-cane

Ethanol

Ethylene

EPDM

$\begin{array}{c} \text{H} & \text{H} & \text{H} \\ | & | & | \\ \text{H}-\text{C}-\text{C}-\text{O}-\text{H} \\ | & | \\ \text{H} & \text{H} \end{array}$

$\begin{array}{c} \text{H} & & \text{H} \\ & \backslash & / \\ & \text{C}=\text{C} \\ & / & \backslash \\ \text{H} & & \text{H} \end{array}$

100%

50-70%

□ share of ethylene from sugarcane

LANXESS Fact Book – Performance Polymers: Technical Rubber Products

Building a very competitive EPDM plant

Facts

- Location: Changzhou, China (next to BU LEA plant)
- Site: highly competitive with best-in-class technology
- Infrastructure: synergies with BU LEA (admin, HSEQ, energy)
- Start of production: 2015
- Capacity: 160kt/a

Market perspective

- Market growth stronger than GDP growth
- Supply / demand tightly balanced

Rationale

- Local production for an undersupplied Chinese market
- Strengthening market position among leaders
- Ideal infrastructure / raw material supply

EPDM plant in China

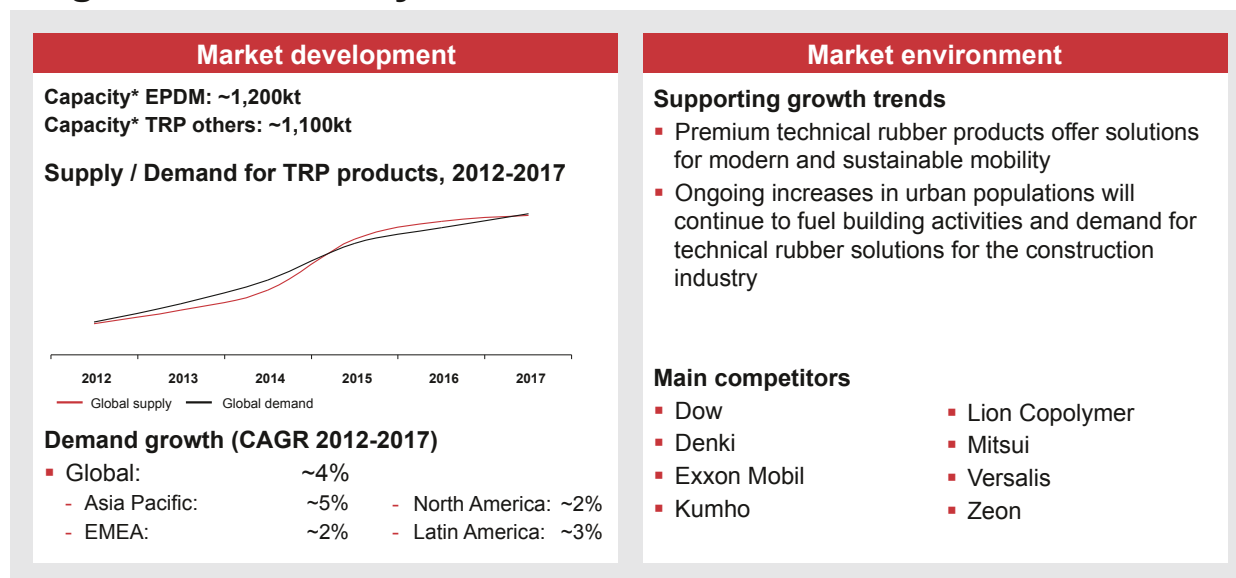
Capex spending [€ m]

| Year | Capex spending [€ m] |
|------|----------------------|
| 2012 | ~5 |
| 2013 | ~100 |
| 2014 | ~120 |
| 2015 | ~5 |

CYRIP: Changzhou Yangtze Riverside Industrial Park

LANXESS Fact Book – Performance Polymers: Technical Rubber Products

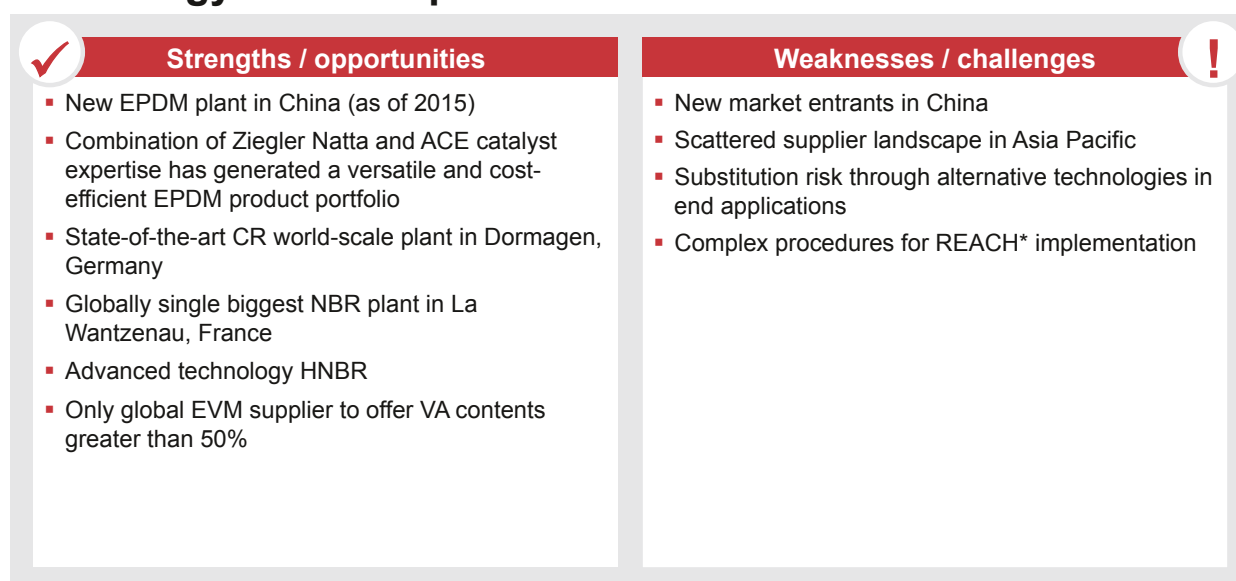
End user markets of Technical Rubber Products are driven by megatrends mobility and urbanization



* Source: LANXESS market intelligence / IHS Chemicals

LANXESS Fact Book – Performance Polymers: Technical Rubber Products

Strong innovation capability – the basis for maintaining technology leadership



* Registration, Evaluation, Authorization of Chemicals

LANXESS Fact Book – Performance Polymers: Technical Rubber Products

Agenda

1. LANXESS – Energizing Chemistry

2. Business Segments

- Performance Polymers

Butyl Rubber

Performance Butadiene Rubbers

Technical Rubber Products

High Performance Materials

- Advanced Intermediates

- Performance Chemicals

3. Financials

High Performance Materials: High-tech plastics with upstream-integration into strategic intermediates

Overview

Key facts

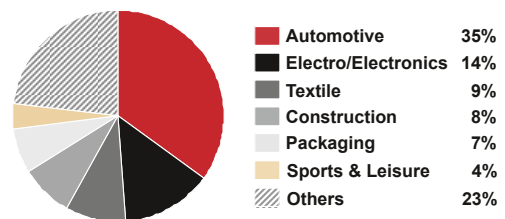
- HPM provides a wide range of high-tech plastics (compounds) to core industries across the world (e.g. automotive, electronics, construction and consumer goods sectors)
- This is supported by a global production and R&D network together with a cost leadership position built on upstream-integration in strategic raw materials like caprolactam and glass fibers in addition to world-scale production assets

Production sites

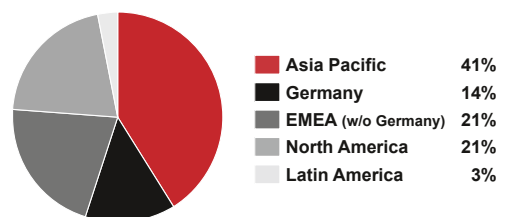
- Antwerp, Belgium
- Porto Feliz, Brazil**
- Wuxi, China
- Dormagen, Germany
- Hamm-Uentrop, Germany
- Krefeld-Uerdingen, Germany
- Jhagadia, India
- Gastonia, USA*

*production starts 2012 **under construction

Sales by end use 2011

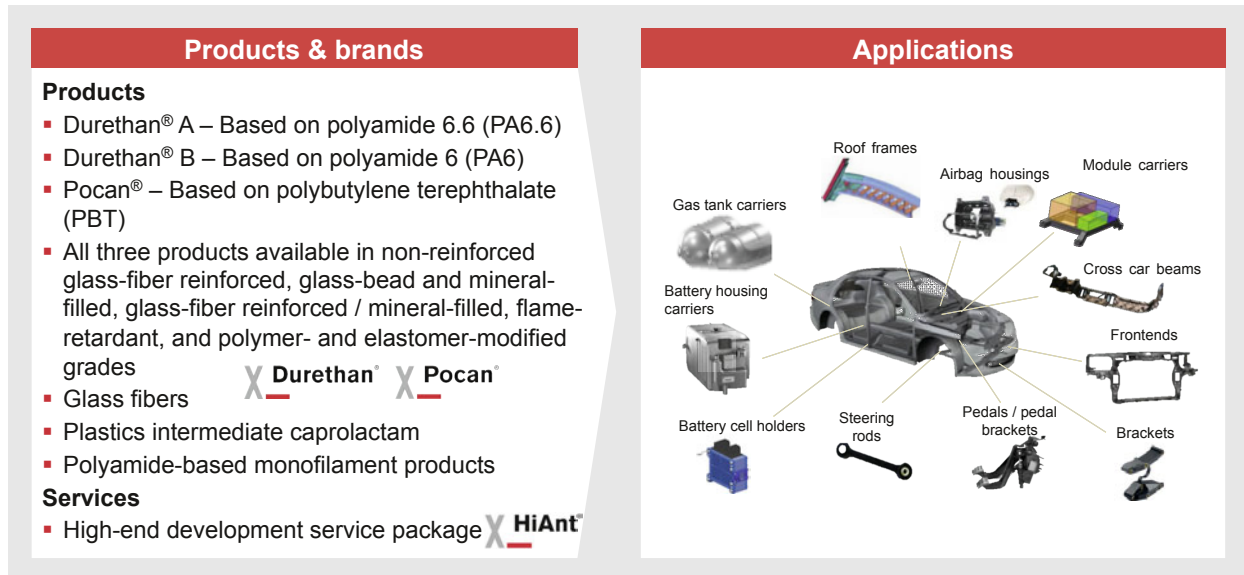


Global demand 2012e*



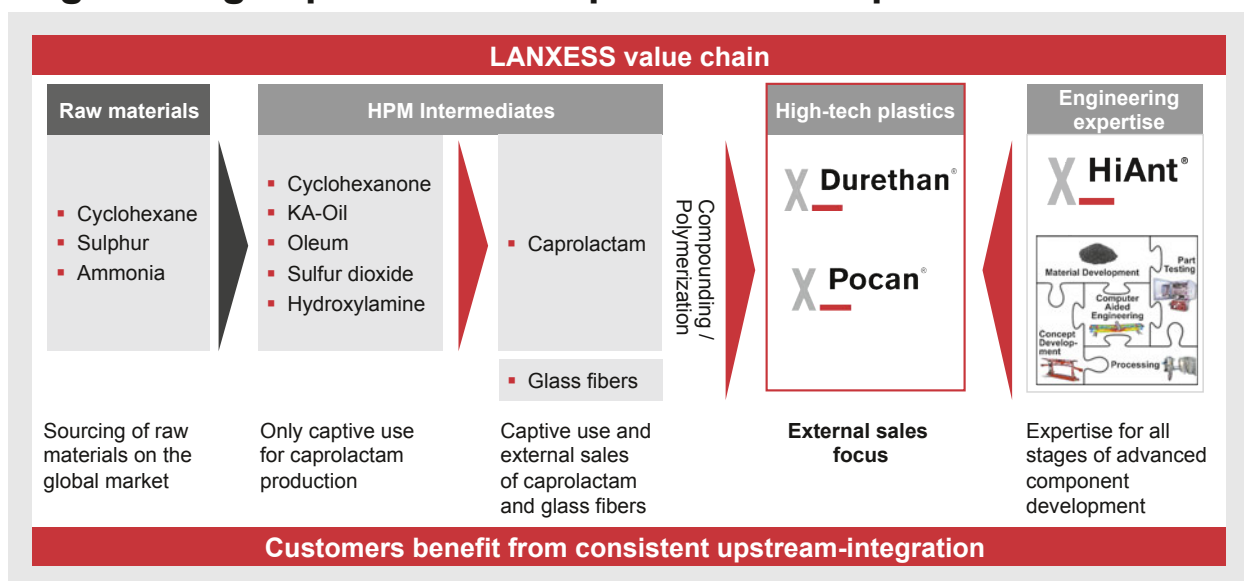
* LANXESS estimates: High-tech plastics by volume

Broad portfolio and strong brands to service core industries



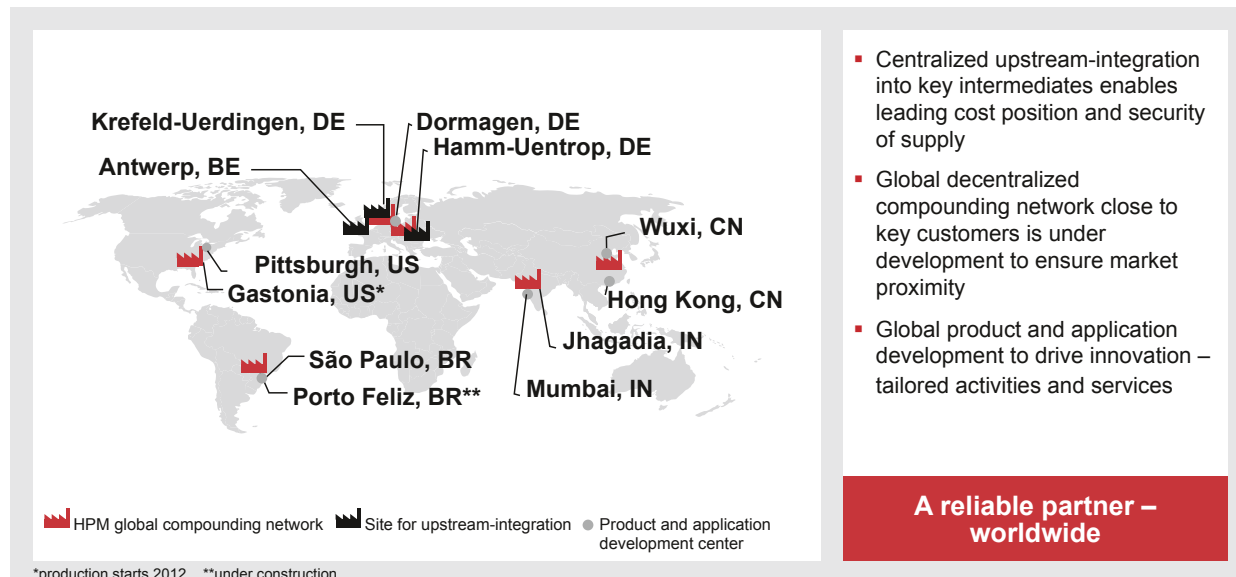
LANXESS Fact Book – Performance Polymers: High Performance Materials

An integrated polyamide value chain, combined with engineering expertise in component development



LANXESS Fact Book – Performance Polymers: High Performance Materials

Strong production and development center designed to serve markets worldwide



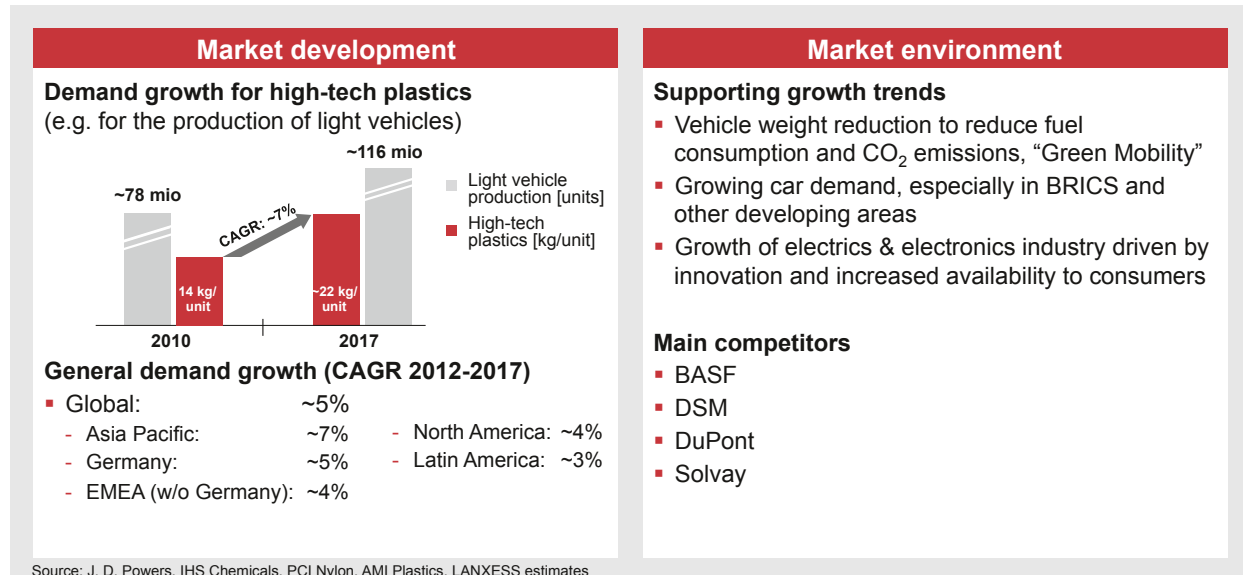
LANXESS Fact Book – Performance Polymers: High Performance Materials

New polymerization plant in Antwerp further strengthens value chain and creates a leading world-scale “Verbund”



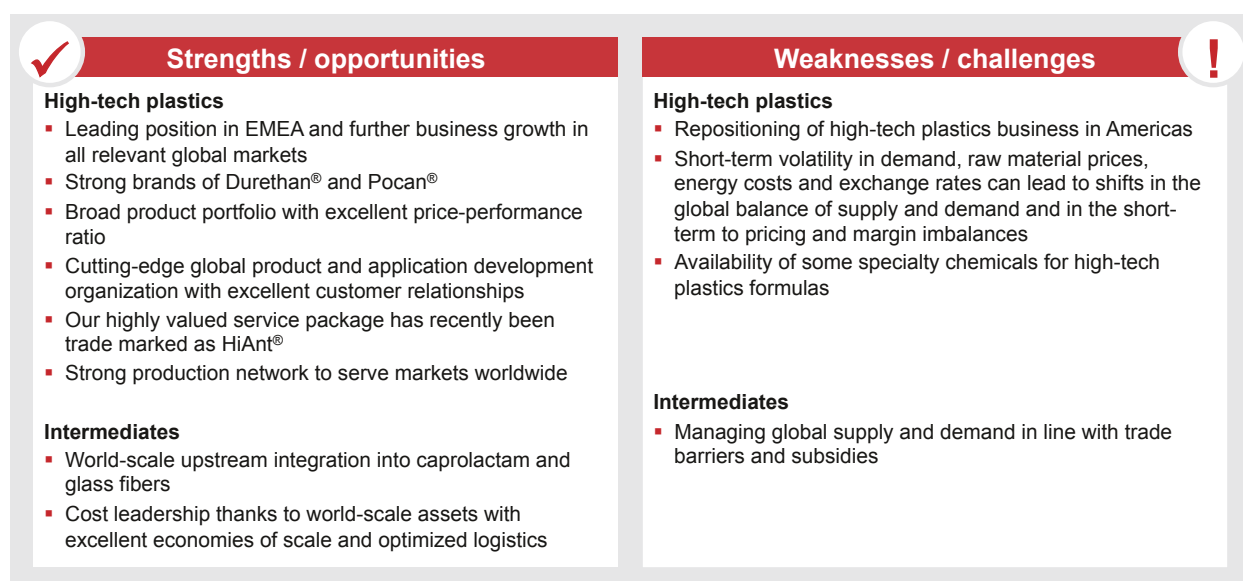
LANXESS Fact Book – Performance Polymers: High Performance Materials

Growth largely driven by the increasing demand for lightweight solutions



LANXESS Fact Book – Performance Polymers: High Performance Materials

High Performance Materials: A solid base for expanding a successful business model worldwide



LANXESS Fact Book – Performance Polymers: High Performance Materials

Business Segments – Advanced Intermediates

Agenda

1. LANXESS – Energizing Chemistry

2. Business Segments

- Performance Polymers
- **Advanced Intermediates**
- Performance Chemicals

3. Financials

The Advanced Intermediates segment comprises our businesses in intermediates and fine chemicals

Advanced Intermediates

Advanced Industrial Intermediates



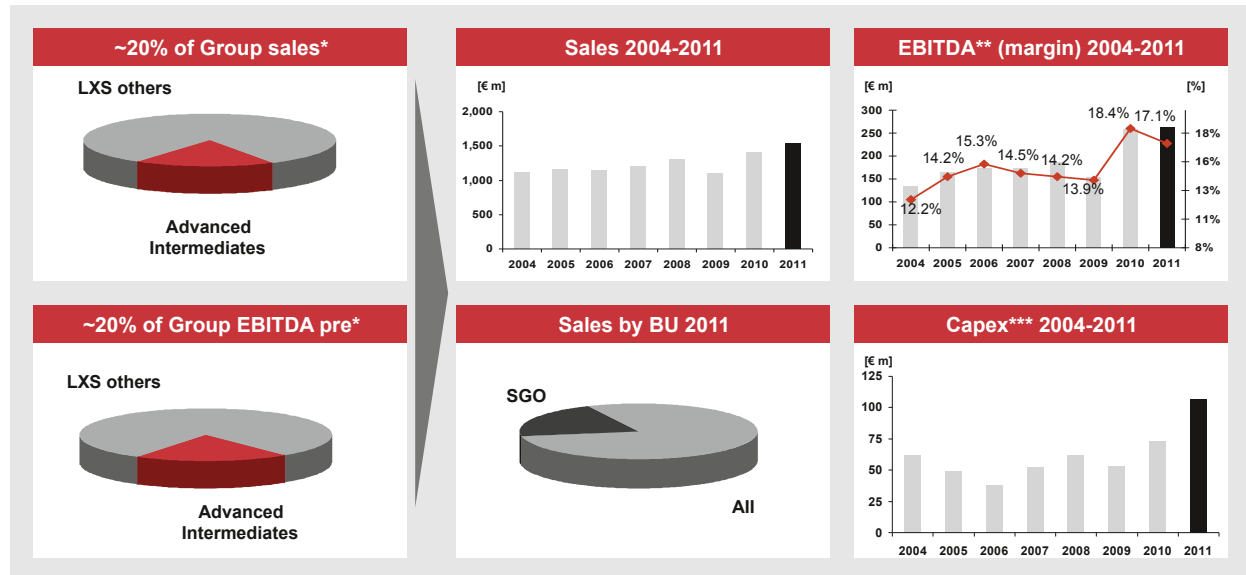
One of the world's leading suppliers of high-quality industrial chemicals (aromatics) which are extremely important for the manufacture of a large number of chemical products, such as agrochemicals, dyestuffs and coatings

Saltigo



A major supplier in the custom synthesis market, providing state-of-the-art services to the agrochemicals, pharmaceuticals, and specialty chemicals industries. Saltigo is committed to support customers throughout the entire lifecycles of their products

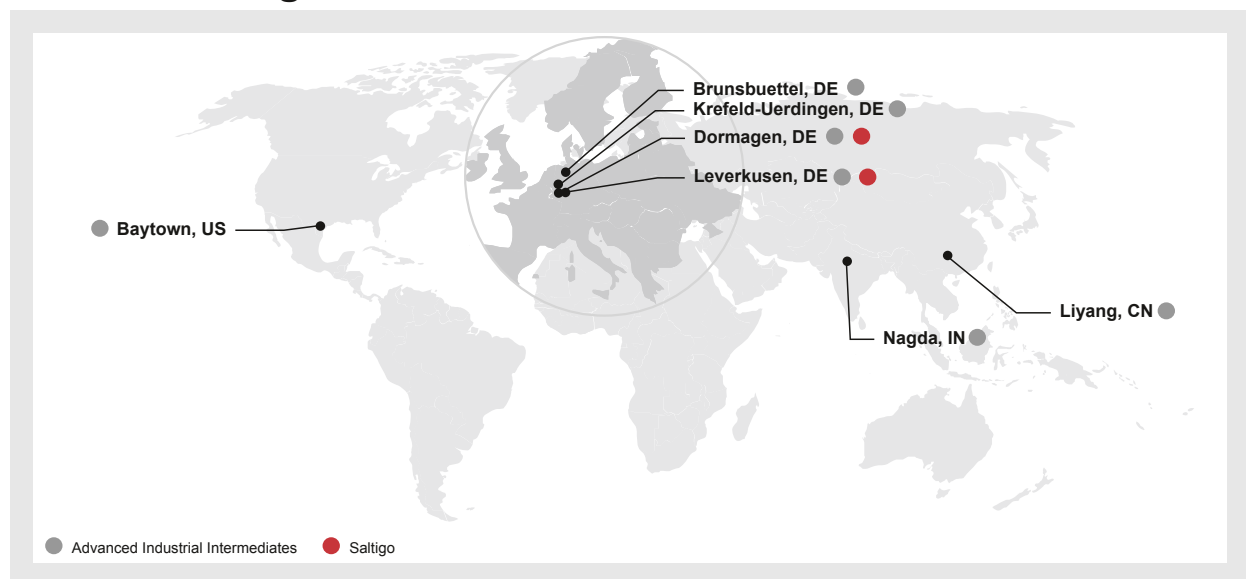
Advanced Intermediates: Financials demonstrate business' resilience



* operating segments; ** pre exceptionals; *** net of finance lease

LANXESS Fact Book – Advanced Intermediates

Advanced Intermediates relies primarily on its European manufacturing base



LANXESS Fact Book – Advanced Intermediates

Agenda

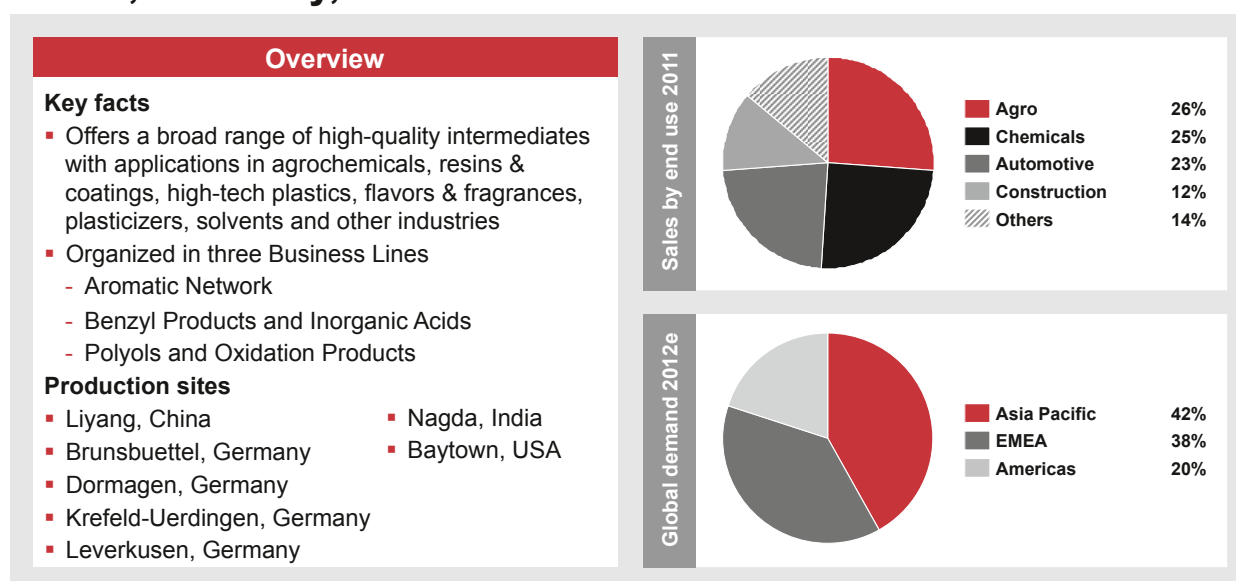
1. LANXESS – Energizing Chemistry

2. Business Segments

- Performance Polymers
- **Advanced Intermediates**
 - Advanced Industrial Intermediates**
 - Saltigo
- Performance Chemicals




3. Financials

Advanced Industrial Intermediates: Global reach with sites in China, Germany, India and the USA



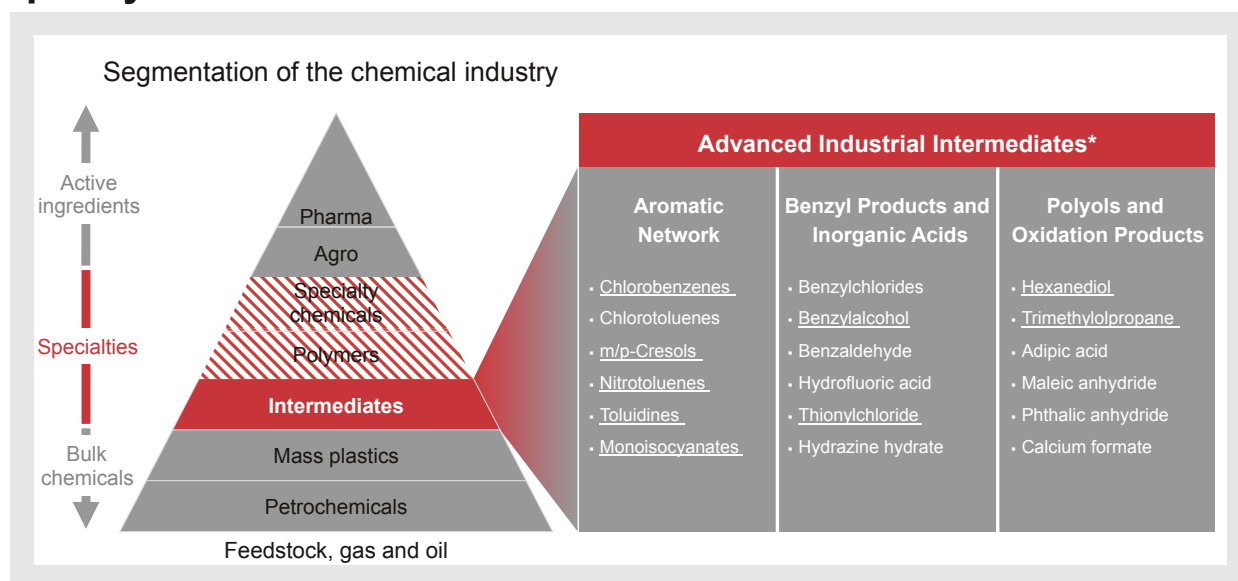
LANXESS Fact Book – Advanced Intermediates: Advanced Industrial Intermediates

The three business lines provide high-quality intermediates for a wide range of applications

| Aromatic Network | Benzyl Products and Inorganic Acids | Polyols and Oxidation Products |
|--|---|--|
| Main intermediates <ul style="list-style-type: none"> Chlorobenzenes Chlorotoluenes Cresols, d/l-menthol Nitrotoluenes Toluidines Monoisocyanates | Main intermediates <ul style="list-style-type: none"> Benzylchlorides Benzylalcohol Benzaldehyde Hydrofluoric acid Thionylchloride Hydrazine hydrate | Main intermediates <ul style="list-style-type: none"> Hexanediol Trimethylolpropane Adipic acid Maleic anhydride Phthalic anhydride Calcium formate |
| Main applications <ul style="list-style-type: none"> Agrochemicals Flavors & fragrances High-tech plastics Antioxidants | Main applications <ul style="list-style-type: none"> Agrochemicals Advanced polymers Solvents Flavors & fragrances | Main applications <ul style="list-style-type: none"> Polyester resins Coatings Plasticizers Building material additives |
|  |  |  |

LANXESS Fact Book – Advanced Intermediates: Advanced Industrial Intermediates

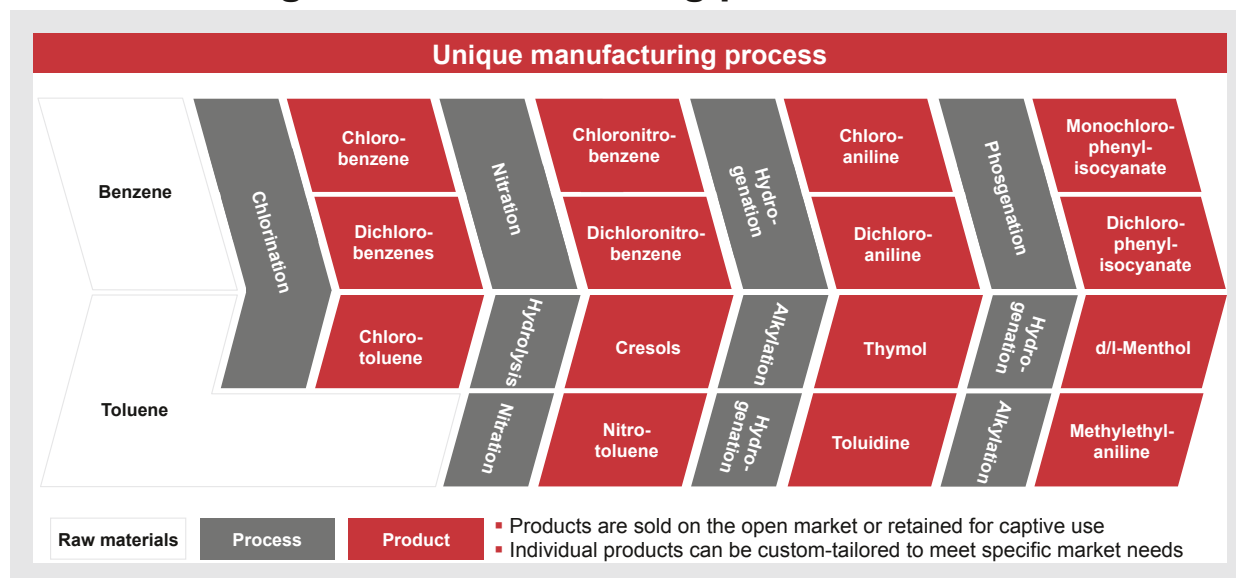
Advanced Industrial Intermediates: Leading positions in high-quality intermediates



* Underlined products: LANXESS holds a leading position

LANXESS Fact Book – Advanced Intermediates: Advanced Industrial Intermediates

Process example Aromatic Network: Competitive advantage based on integrated manufacturing processes



LANXESS Fact Book – Advanced Intermediates: Advanced Industrial Intermediates

Capacity expansions and upstream integration improve positioning of Advanced Industrial Intermediates

Capacity expansions

Expansion of cresol production in Leverkusen

- Cresols are widely used in the manufacture of vitamin E, resins, flame retardants and in the agrochemicals sector
- Completion scheduled for mid 2013

Doubling of menthol plant capacity to meet increasing demand

- Customer (Symrise AG) turns these products into scents and flavorings for the world market
- Completed in Q2 2012

Upstream-integration

Construction of a new formalin plant to gain independence from suppliers

- Formalin needed to make trimethylolpropane
- Improvement of energy efficiency through process optimization measures
- Completed in December 2011



**Investments of ~€60 m
to increase market share**

LANXESS Fact Book – Advanced Intermediates: Advanced Industrial Intermediates

Megatrends creating more end uses for LANXESS' high-quality intermediates

| Market development | Market environment | | | | | | | | | | |
|---|--------------------|---------|--------|---------|-------|--------------------|-----------|----------|----------|------------|---|
| <p>Demand growth* (CAGR 2012-2017)</p> <ul style="list-style-type: none"> ▪ Overall: ~3.5% - Asia Pacific: ~6% - EMEA: ~3% - North America: ~3% - South America: ~4% <p>Main competitors</p> <table border="0"> <tr> <td>▪ Aarti</td> <td>▪ Ihara</td> </tr> <tr> <td>▪ BASF</td> <td>▪ Ineos</td> </tr> <tr> <td>▪ DDF</td> <td>▪ Jiangsu Yangnong</td> </tr> <tr> <td>▪ Emerald</td> <td>▪ Mitsui</td> </tr> <tr> <td>▪ Huaihe</td> <td>▪ Perstorp</td> </tr> </table> | ▪ Aarti | ▪ Ihara | ▪ BASF | ▪ Ineos | ▪ DDF | ▪ Jiangsu Yangnong | ▪ Emerald | ▪ Mitsui | ▪ Huaihe | ▪ Perstorp | <p>Supporting growth trends</p> <ul style="list-style-type: none"> ▪ Agriculture megatrend: Intermediates from the Aromatic Network, together with benzyl products, are key raw materials for agrochemicals produced by LANXESS' customers ▪ Mobility and urbanization megatrends: Intermediates from all three business lines are key raw materials for high-tech plastics and coatings & resins ▪ Strong growth in Asia Pacific, especially in China and India ▪ Stable demand in consolidated European and American markets <p style="background-color: #c00000; color: white; text-align: center; padding: 5px;">Stable business driven by high diversity of end uses</p> |
| ▪ Aarti | ▪ Ihara | | | | | | | | | | |
| ▪ BASF | ▪ Ineos | | | | | | | | | | |
| ▪ DDF | ▪ Jiangsu Yangnong | | | | | | | | | | |
| ▪ Emerald | ▪ Mitsui | | | | | | | | | | |
| ▪ Huaihe | ▪ Perstorp | | | | | | | | | | |

* Source: Global Insight and LMC automotive; BU All specific end use

LANXESS Fact Book – Advanced Intermediates: Advanced Industrial Intermediates

Advanced Industrial Intermediates is well positioned to generate value in the global marketplace

| ✓ Strengths / opportunities | ! Weaknesses / challenges |
|--|---|
| <ul style="list-style-type: none"> ▪ Maintains strong market positions with many high-quality intermediates ▪ Competitive technologies and world-scale production facilities ▪ Competitive asset base e.g. the unique manufacturing process of the Aromatics Network, which enables optimized capacity utilization, cost-efficient production and steering of product mix ▪ Established customer relationships and many years of experience in global market place | <ul style="list-style-type: none"> ▪ In some segments upcoming new facilities in Asia will soon pose increased competitive pressure ▪ Migration of certain customer industries to Asia (e.g., textile chemicals, dyestuffs, fluorochemicals, pigments, etc.) ▪ Margin pressures from increasing input costs for raw materials and energy ▪ Potential higher trade barriers ▪ REACH* and other regulations will lead to further cost increases and complexity |

* Registration, Evaluation, Authorization of Chemicals

LANXESS Fact Book – Advanced Intermediates: Advanced Industrial Intermediates

Agenda

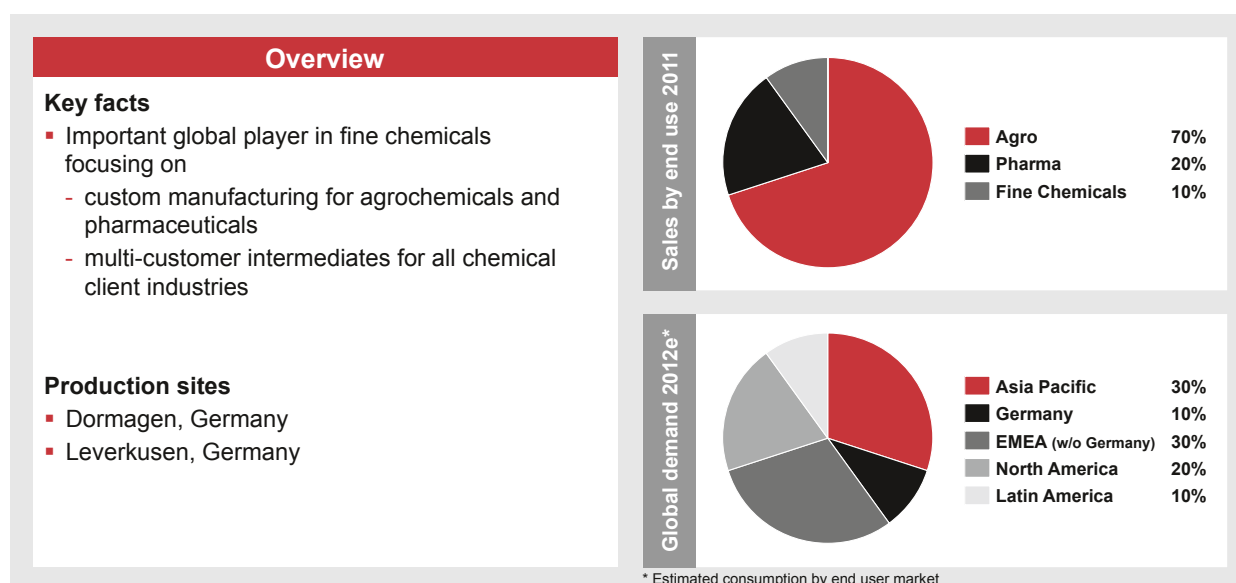
1. LANXESS – Energizing Chemistry

2. Business Segments

- Performance Polymers
- **Advanced Intermediates**
 - Advanced Industrial Intermediates
 - Saltigo**
- Performance Chemicals

3. Financials

Saltigo: A leading producer for the agro and fine chemical markets

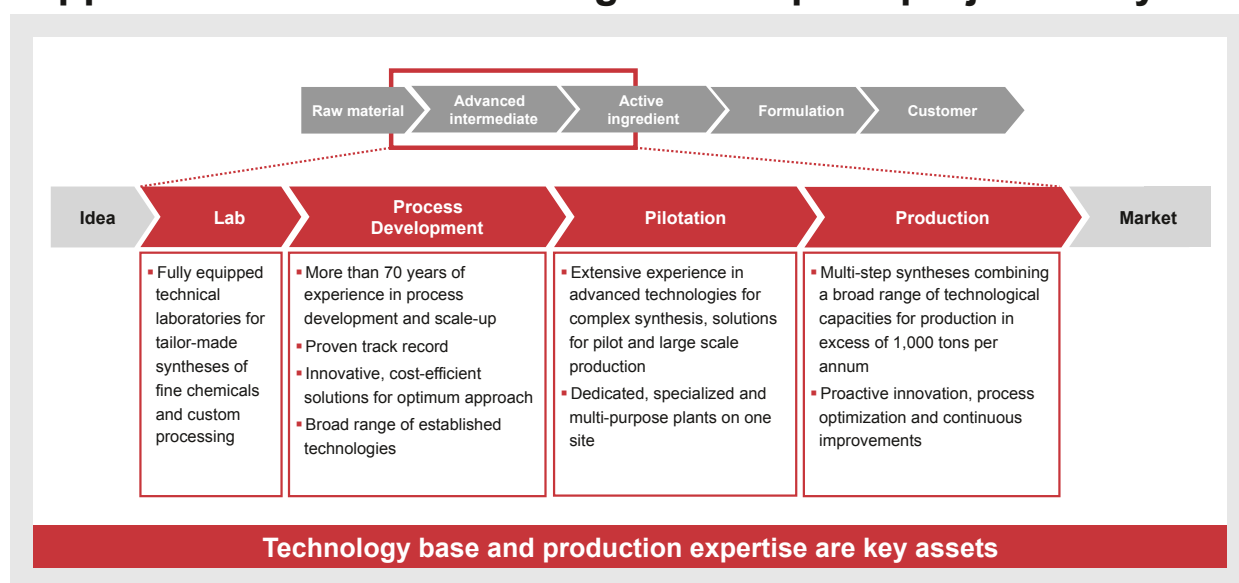


Saltigo provides custom manufactured active ingredients and multi-customer fine chemicals

| Products & Services | Applications |
|---|--------------|
| <ul style="list-style-type: none"> ▪ Custom manufactured active ingredients and intermediates for agrochemicals, pharmaceuticals and other industries ▪ Active ingredient for insect repellent <p style="text-align: center; font-size: 24px; color: #6a3d9a;">Saltidin®</p> <ul style="list-style-type: none"> ▪ Broad portfolio of high-quality multi-customer fine chemicals ▪ Full service provider for route selection, lab scale development, pilot production, manufacturing and analytical services based on efficient, best-in-class project management | |




LANXESS Fact Book – Advanced Intermediates: Saltigo

Unique technology base and outstanding track record to support customer needs along the complete project lifecycle



LANXESS Fact Book – Advanced Intermediates: Saltigo

Challenging chemistries and technologies in process development and manufacturing at one site

| Challenging reagents | Basic technologies | Cutting-edge technologies |
|--|---|--|
| <ul style="list-style-type: none"> Phosgene Cyanide / HCN Hydrazine Ethylene oxide Complex hydrides Fluorinations with HF* and halax**-reactions |  | <ul style="list-style-type: none"> Cross-coupling technologies Buchwald CN coupling Asymmetric catalytic hydrogenation Transfer hydrogenation Carbonylations SMB (simulated moving bed chromatography) |
|  | <ul style="list-style-type: none"> Hydrogenation Friedel-Crafts reactions Organometallic / low-temperature chemistry Oxidation Chlorination, bromination |  |

* Hydrofluoric acid; ** Halogen exchange

LANXESS Fact Book – Advanced Intermediates: Saltigo



Saltigo benefits from stable growth in agrochemicals – supported by the agriculture megatrend

| Market development | Market environment |
|--|--|
| <p>Agrochemical market development until 2017 Index (output 2005=100%)</p>  <p>Agrochemical demand growth (CAGR 2012-2017)</p> <ul style="list-style-type: none"> Global: ~ 3% Asia Pacific: ~4% Germany: ~2% EMEA w/o Germany: ~2% North America: ~2% Latin America: ~4% | <p>Supporting growth trends</p> <ul style="list-style-type: none"> Agrochemicals are the key to increased yields <div style="display: flex; align-items: center;"> <div style="border: 1px solid grey; padding: 5px; margin-right: 10px;"> <p>Growing population</p> <p>Prosperity in emerging markets</p> <p>Biofuels</p> </div> <div style="font-size: 2em; margin-right: 10px;">➔</div> <div style="background-color: #c00000; color: white; padding: 10px; border-radius: 5px;"> <p>Growing demand for crops has led to the need for increased efficiency</p> </div> </div> <p>Main competitors</p> <ul style="list-style-type: none"> CABB DSM Evonik Lianhe Lonza PI Industries WeylChem |

Source: LANXESS estimates based on Global Insight

LANXESS Fact Book – Advanced Intermediates: Saltigo

Saltigo is leveraging its expertise in managing complex processes and challenging chemistry

|  Strengths / opportunities | Weaknesses / challenges  |
|---|---|
| <ul style="list-style-type: none">▪ Leading global player in the custom manufacture of agrochemicals▪ State-of-the-art technology and services for the pharmaceutical, agrochemical and fine chemical industries▪ Efficient project management▪ Technology leadership in high-end chemistry▪ Leverages LANXESS' business platform▪ Integrated production facilities in Germany▪ Well-established brand and focused market approach▪ Strong customer relationships combined with regulatory expertise | <ul style="list-style-type: none">▪ Ongoing market consolidation▪ Increasing competition and cost pressure from Asia and other emerging markets▪ Increased demand for a global production network |

LANXESS Fact Book – Advanced Intermediates: Saltigo

Business Segments – Performance Chemicals

Agenda

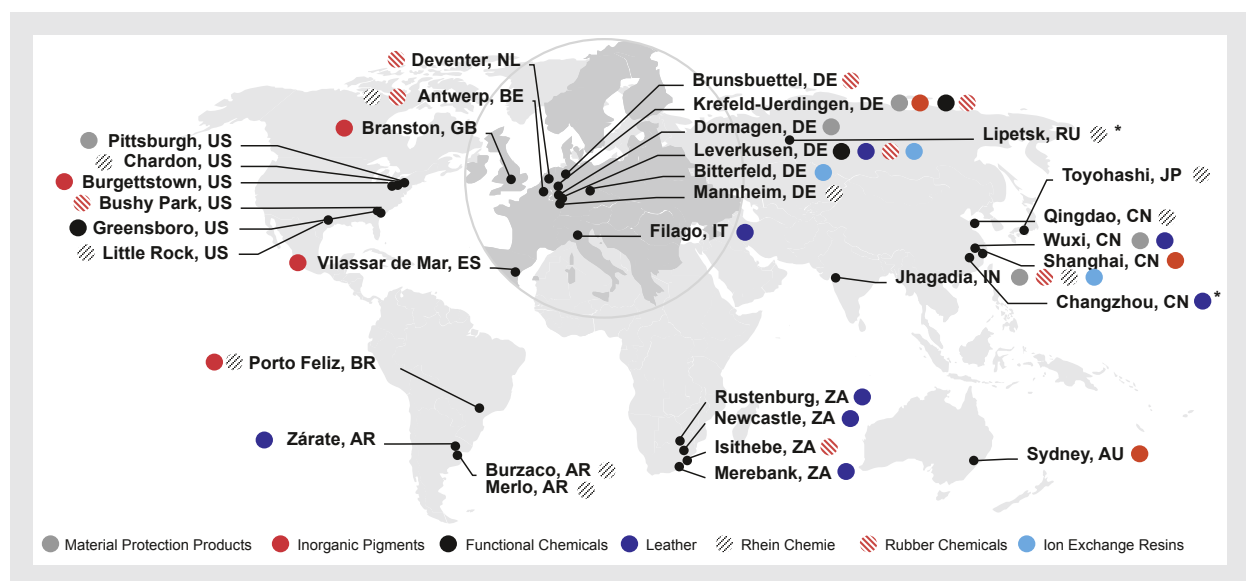
1. LANXESS – Energizing Chemistry

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- Performance Chemicals

3. Financials

Performance Chemicals has a global manufacturing base







* Under construction

LANXESS Fact Book – Performance Chemicals




- 63 Material Protection Products
- 67 Inorganic Pigments
- 71 Functional Chemicals
- 75 Leather
- 79 Rhein Chemie
- 83 Rubber Chemicals
- 87 Ion Exchange Resins

Performance Chemicals: Production of application-focused chemicals for a wide range of industries (1/2)

| Performance Chemicals | | | |
|---|---|---|---|
| <p>Material Protection Products</p>  <p>Wide range of biocide active ingredients and preservatives for beverage stabilization, wood protection / antifouling products, industrial applications and disinfection</p> | <p>Inorganic Pigments</p>  <p>A leading global supplier of inorganic pigments for products such as concrete, roof tiles, paints and dyes and special pigments for toners and other applications</p> | <p>Functional Chemicals</p>  <p>Offers plastics additives, phosphorous and specialty chemicals, organic and inorganic colorants to meet the needs of customers in a wide range of industrial sectors</p> | <p>Leather</p>  <p>One of the few suppliers to the leather industry to offer a complete suit of products for leather processing including tanning agents, preservatives, finishing auxiliaries and dye products</p> |

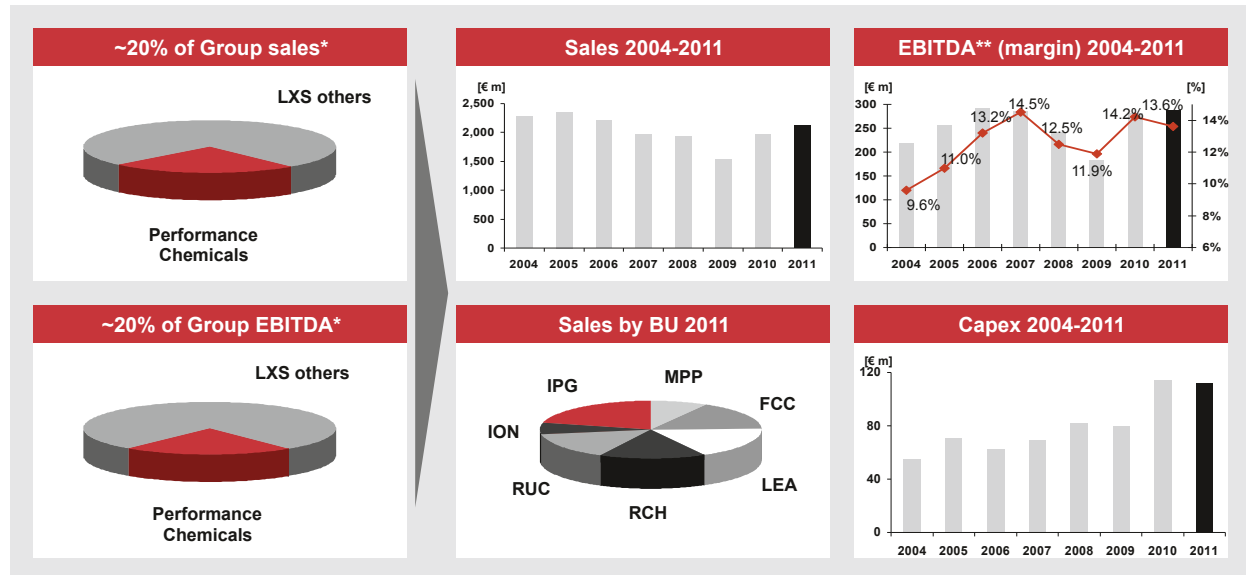
LANXESS Fact Book – Performance Chemicals

Performance Chemicals: Production of application-focused chemicals for a wide range of industries (2/2)

| Performance Chemicals | | |
|--|--|--|
| <p>Rhein Chemie</p>  <p>Global supplier of additives, specialty chemicals and technical services for the rubber, lubricant and plastics industries</p> | <p>Rubber Chemicals</p>  <p>Full portfolio of rubber chemicals for the tire and technical rubber industries including antidegradants, accelerators and specialties</p> | <p>Ion Exchange Resins</p>  <p>One of the leading producers of ion exchange resins, adsorbers and functional polymers for the treatment and purification of water and other liquids</p> |

LANXESS Fact Book – Performance Chemicals

Performance Chemicals: Specialty chemicals for niche markets



* operating segments; ** pre exceptionals; *** net of finance lease

Agenda

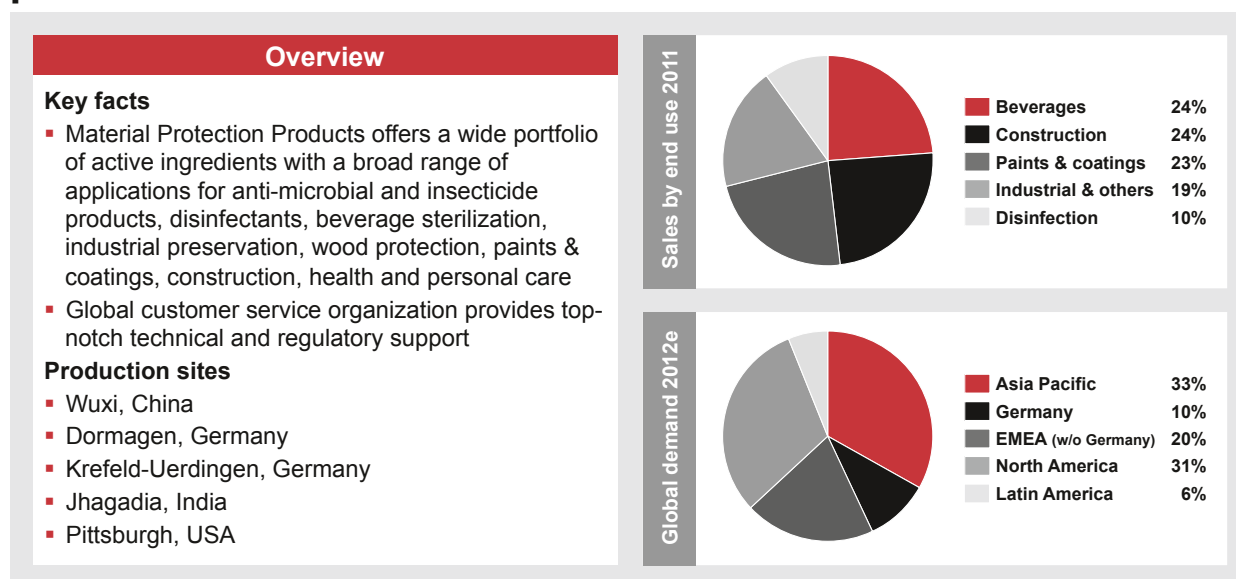
1. LANXESS – Energizing Chemistry

2. Business Segments

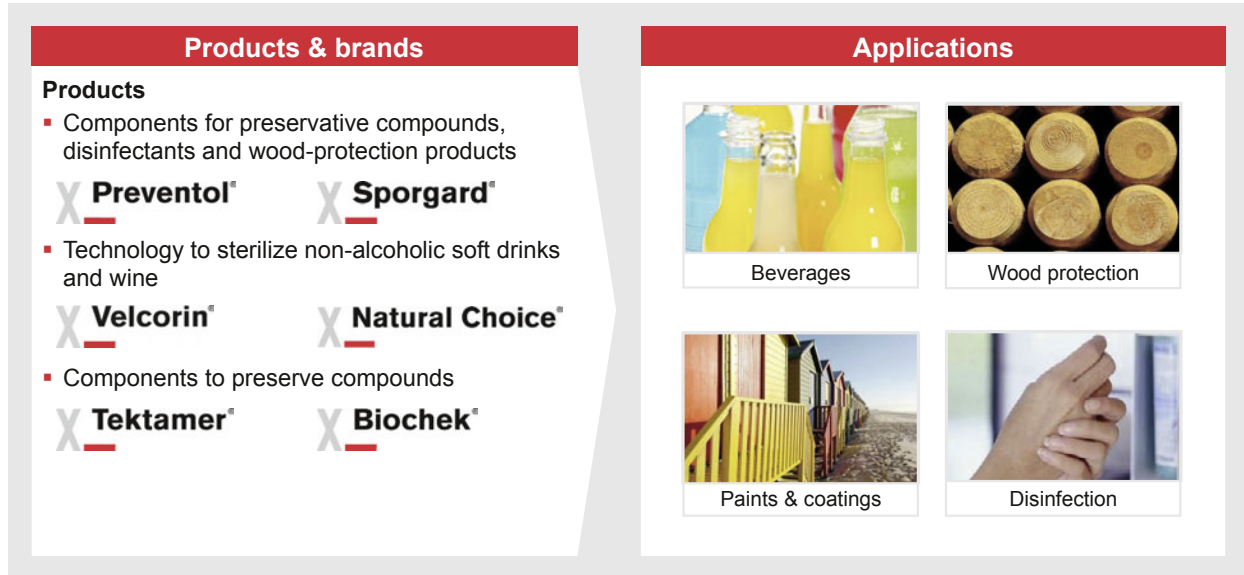
- Performance Polymers
- Advanced Intermediates
- **Performance Chemicals**
 - Material Protection Products**
 - Inorganic Pigments
 - Functional Chemicals
 - Leather
 - Rhein Chemie
 - Rubber Chemicals
 - Ion Exchange Resins

3. Financials

Material Protection Products: Customized solutions to preserve materials

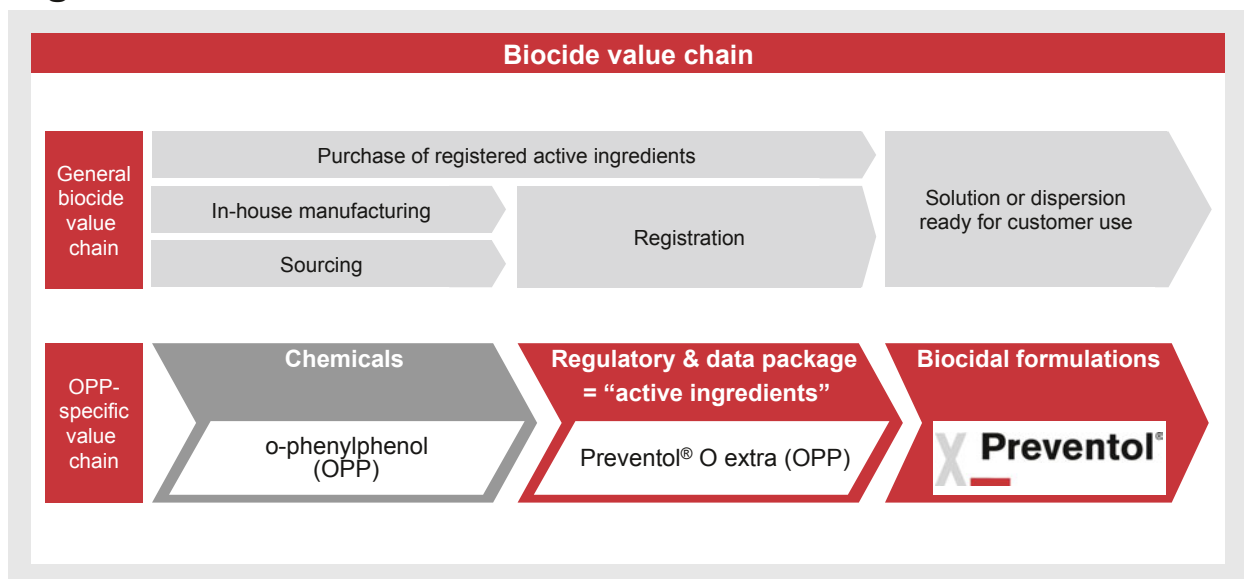


Material Protection Products offers products and problem solutions for a broad array of applications



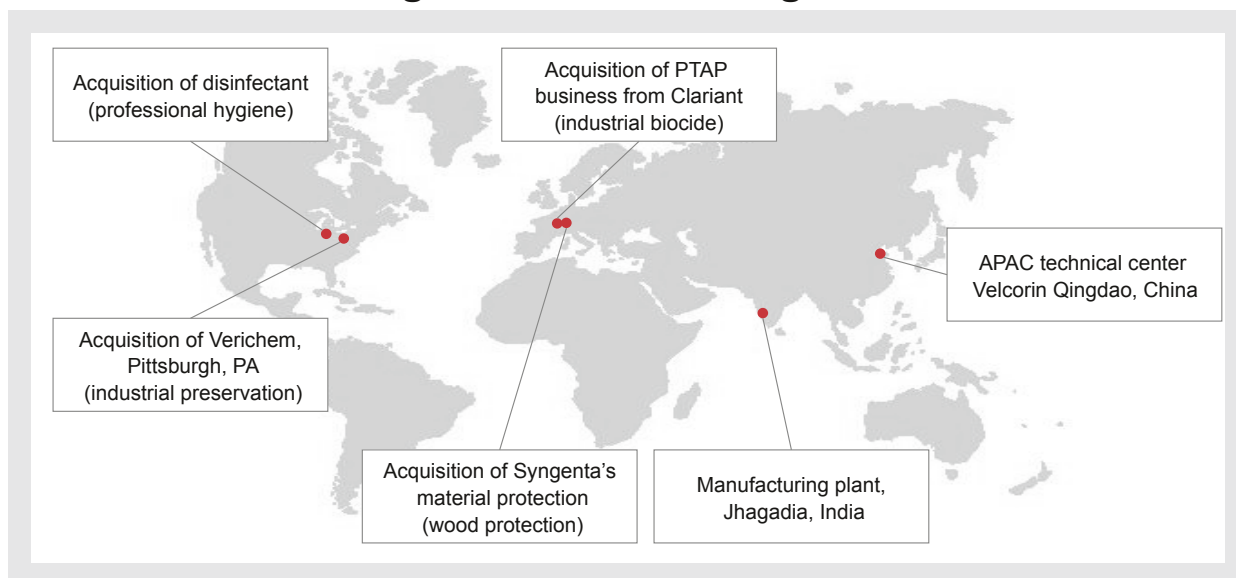
LANXESS Fact Book – Performance Chemicals: Material Protection Products

Material Protection Products: A leading producer of active ingredients and biocidal formulations



LANXESS Fact Book – Performance Chemicals: Material Protection Products

Recent activity of Material Protection Products: A combination of organic and external growth



LANXESS Fact Book – Performance Chemicals: Material Protection Products



Material Protection Products: Benefiting from increasing demand and positive trends

| Market development | Market environment |
|---|---|
| <p>Total global demand, 2012e</p> <ul style="list-style-type: none"> ▪ Disinfection & personal care €1.9 bn ▪ Biocides €2.3 bn <p>Demand growth (CAGR, 2012-2017)</p> <ul style="list-style-type: none"> ▪ Global: ~3% - Asia Pacific: ~4% - Germany: ~2% - EMEA (w/o Germany): ~2% - North America: ~3% - Latin America: ~4% | <p>Supporting growth trends</p> <ul style="list-style-type: none"> ▪ Urbanization in emerging countries drives growth in construction sector ▪ Organic and functional beverages trend fosters growth of Velcorin® ▪ Increased meat consumption highlights importance of veterinary hygiene <p>Main competitors</p> <ul style="list-style-type: none"> ▪ Ashland ▪ BASF ▪ DOW ▪ Lonza ▪ Thor ▪ Troy |

Source: Global Biocide Report BIS, SRI Market Report

LANXESS Fact Book – Performance Chemicals: Material Protection Products

Material Protection Products' strength driven by product portfolio and expertise

|  Strengths / opportunities |  Weaknesses / challenges |
|---|---|
| <ul style="list-style-type: none">▪ Broad and innovative portfolio with unique properties and leading positions in attractive market segments▪ Industry-leading expertise in regulatory affairs, with a broad basis of biocidal registrations▪ Leading production footprint with formulation sites close to key markets▪ Global sales and service network▪ Leading beverage technology solution▪ Opportunity to participate in ongoing market consolidation▪ Opportunity to participate in growing demand for personal hygiene products | <ul style="list-style-type: none">▪ Low-cost Chinese / Indian competition in commodity-type biocidal ingredients▪ Managing the commoditization of active ingredients for wood▪ Improving upstream integration for selected active ingredients |

LANXESS Fact Book – Performance Chemicals: Material Protection Products

Agenda

| |
|-----------------------------------|
| 1. LANXESS – Energizing Chemistry |
| 2. Business Segments |
| - Performance Polymers |
| - Advanced Intermediates |
| - Performance Chemicals |
| Material Protection Products |
| Inorganic Pigments |
| Functional Chemicals |
| Leather |
| Rhein Chemie |
| Rubber Chemicals |
| Ion Exchange Resins |
| 3. Financials |

Inorganic Pigments: A global player in the high-quality iron oxide and chromium oxide pigments sectors

Overview

Key facts

- High-quality iron oxide and chromium oxide pigments for coloring (e.g. in construction, coatings, plastics and paper applications)
- Iron oxides and chromium oxides also produced for specific technical applications

Production sites

- Sydney, Australia ●
- Porto Feliz, Brazil ●●
- Shanghai-Jinshan, China ●
- Shanghai-Taopu, China ●
- Krefeld-Uerdingen, Germany ●●
- Vilassar de Mar, Spain ●
- Branston, UK ●
- Burgettstown, USA ●

Sales by end use 2011

| | |
|--------------|-----|
| Construction | 51% |
| Coatings | 26% |
| Plastics | 8% |
| Paper | 5% |
| Others | 10% |

Global demand 2012e*

| | |
|--------------------|-----|
| Asia Pacific | 42% |
| Germany | 7% |
| EMEA (w/o Germany) | 27% |
| North America | 19% |
| Latin America | 5% |



● Synthesis site: Production of raw pigments ● Blending site: Further value adding by mixing and / or milling; production of special color shades

LANXESS Fact Book – Performance Chemicals: Inorganic Pigments

Business Segments
– Performance Chemicals

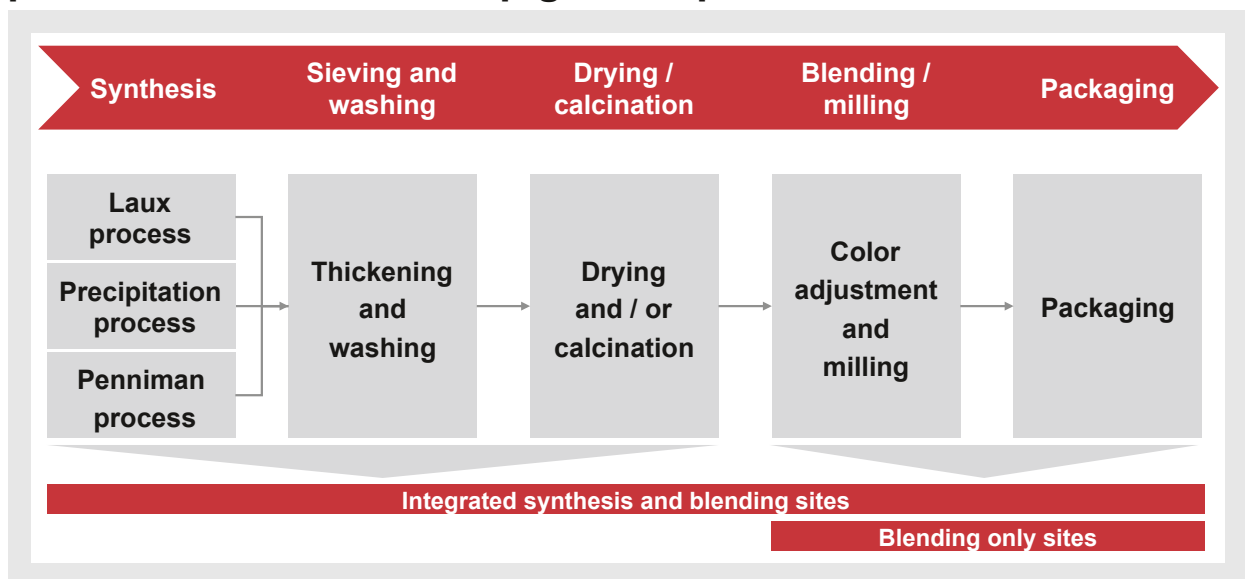
LANXESS Fact Book 67

Inorganic pigments are used for coloring and various technical applications

| Products & brands | Coloring applications |
|---|---|
| <ul style="list-style-type: none"> ▪ Iron oxide (red, yellow, black, brown) ▪ Chromium oxides (green) ▪ Main brands: <div style="display: flex; flex-direction: column; gap: 10px;"> <div style="display: flex; align-items: center;"> X <div style="text-align: center;"> <p>BAYFERROX®</p> <p style="font-size: 0.8em;">Color for Life.</p> </div> </div> <div style="display: flex; align-items: center;"> X <div style="text-align: center;"> <p>COLORTHERM®</p> <p style="font-size: 0.8em;">Color for Life.</p> </div> </div> <div style="display: flex; align-items: center;"> X <div style="text-align: center;"> <p>Bayoxide®</p> </div> </div> </div> |  |
| | Technical applications |
| |  |


LANXESS Fact Book – Performance Chemicals: Inorganic Pigments

Inorganic Pigments covers the full value chain for the production of iron oxide pigments production









LANXESS Fact Book – Performance Chemicals: Inorganic Pigments

Inorganic Pigments' manufacturing initiatives to increase sustainability and production efficiency

| | |
|---|---|
| <p>Sustainability as growth driver</p> <ul style="list-style-type: none"> LANXESS is driver for continuous HSEQ improvements in the global iron oxide industry Global sustainability approach leads to more environmentally friendly processes and products LANXESS' products are highly efficient, sustainable and do no harm to health or the environment Focus on sustainability in all production steps brings a competitive advantage | <p>Waste water treatment in Krefeld-Uerdingen, Germany</p>  <ul style="list-style-type: none"> Innovative wastewater recycling process leads to higher manufacturing effectiveness and efficiency Processed water meets the highest environmental standards and does not require further purification |
| | <p>Waste water treatment in Jinshan, China</p>  <ul style="list-style-type: none"> Improved energy utilization and water management processes serve to reduce emissions New black pigment plant recycles byproducts from yellow pigment production lines |
| | <p>Cogeneration in Porto Feliz, Brazil</p>  <ul style="list-style-type: none"> CO₂-neutral production of energy with biomass CO₂ emissions reduced by 44kt per year |

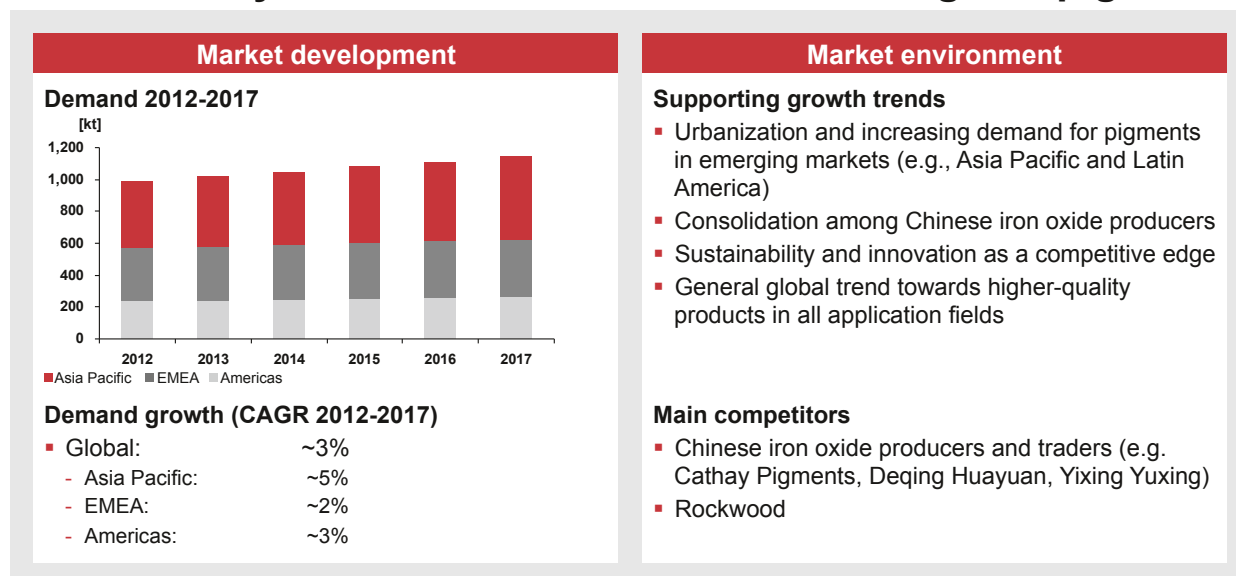
LANXESS Fact Book – Performance Chemicals: Inorganic Pigments

Iron oxide and chromium oxide products have a sustainable effect on our daily lives

| | | | | | |
|--------------------------------------|---|---|--|--|---|
| <p>Arsenic adsorber</p> | <p>Bayoxide® E33 removes arsenic from contaminated drinking-water (special project was set up in Bangladesh)</p> |  | <p>Desulfurization of biogas</p> | <p>Iron oxides to remove hydrogen sulfide from methane during the fermentation of biological waste</p> |  |
| <p>Li-ion batteries</p> | <p>Iron oxide is a raw material for iron phosphate, an intermediate for the production of lithium-iron-phosphate cathodes used in batteries</p> |  | <p>Desulfurization of natural gas</p> | <p>Iron oxides are catalysts for the removal of hydrogen sulfide from natural gas</p> |  |
| <p>FDA compliant pigments</p> | <p>Bayferrox® and Colortherm® pigments are used to color food packaging and other articles with food-contact applications</p> |  | <p>Safe operation of airbags</p> | <p>Specially developed iron oxide ensures the controlled unfolding of automotive airbags</p> |  |

LANXESS Fact Book – Performance Chemicals: Inorganic Pigments

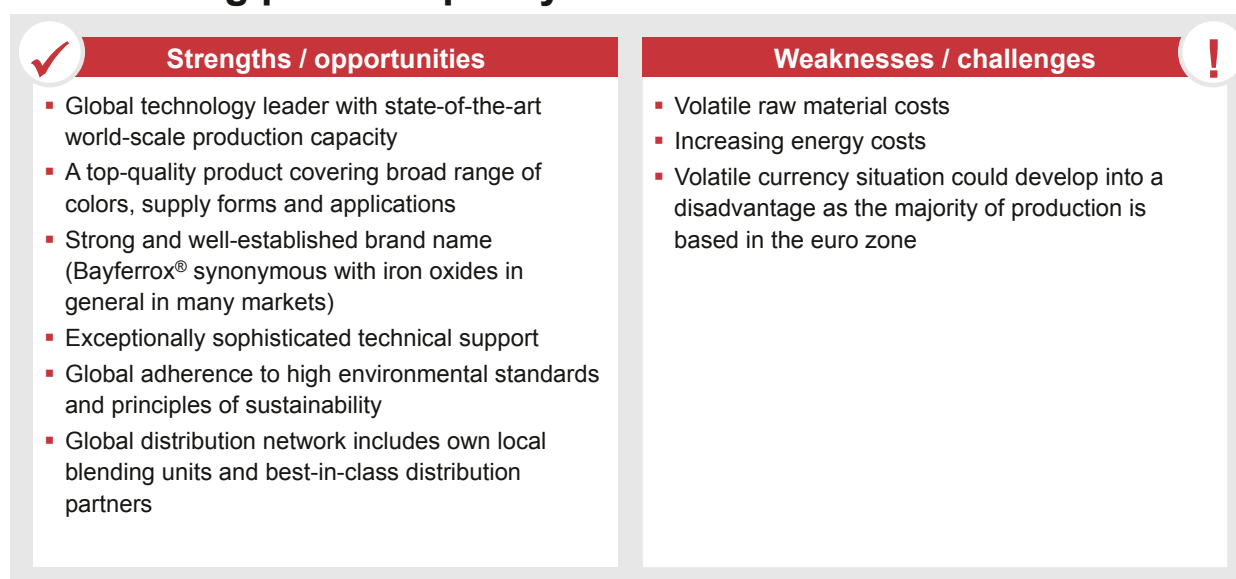
Megatrend urbanization and increased awareness of higher sustainability drive demand for LANXESS' inorganic pigments



Source: LANXESS estimates based on Global Insight growth indices for application markets

LANXESS Fact Book – Performance Chemicals: Inorganic Pigments

Competitive advantage with world-scale production capacity, outstanding product quality and sustainable business model



LANXESS Fact Book – Performance Chemicals: Inorganic Pigments



Agenda

| |
|-----------------------------------|
| 1. LANXESS – Energizing Chemistry |
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| Leather |
| Rhein Chemie |
| Rubber Chemicals |
| Ion Exchange Resins |
| 3. Financials |

Functional Chemicals provides high-value-added products that meet strict environmental and regulatory requirements

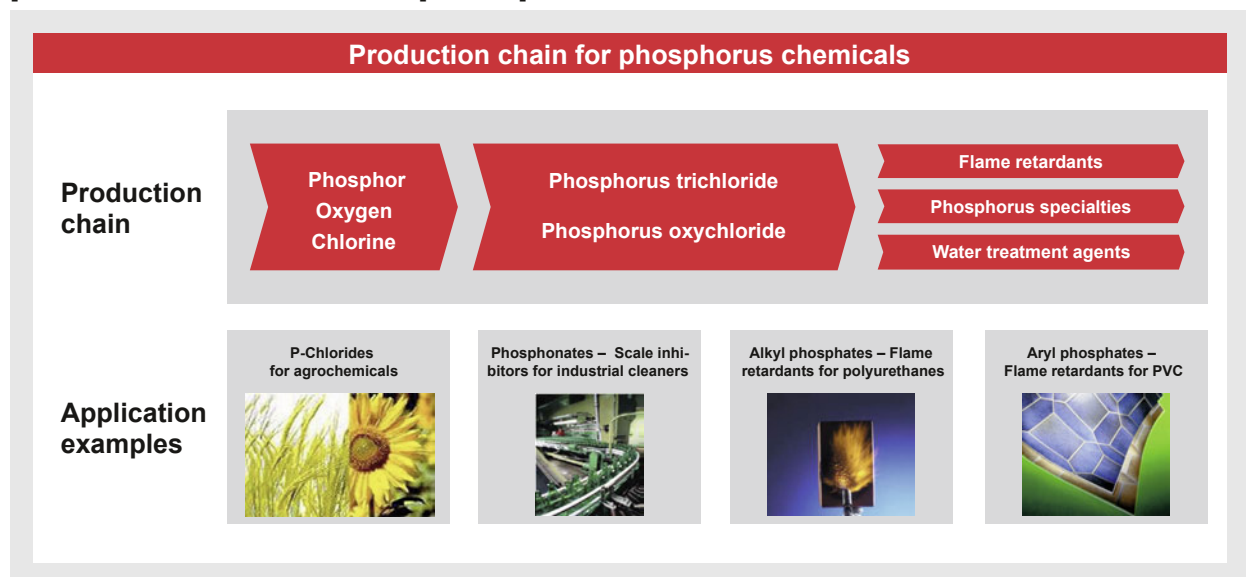
| Overview | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|--------------|-----|-----------|-----|-----|-----|------------------|-----|------------|----|---------|-----|--------------|-----|---------|----|--------------------|-----|---------------|-----|---------------|----|
| <p>Key facts</p> <ul style="list-style-type: none"> ▪ A leading global manufacturer of organic phosphorous chemicals (e.g., flame retardants), polymer additives (e.g., phthalate-free plasticizers), organic colorants and water treatment chemicals ▪ Marketing high-value-added specialty chemicals <p>Production sites</p> <ul style="list-style-type: none"> ▪ Krefeld-Uerdingen, Germany ▪ Leverkusen, Germany ▪ Greensboro, USA | <p>Sales by end use 2011</p> <table border="1"> <tr><td>Construction</td><td>21%</td></tr> <tr><td>Chemicals</td><td>14%</td></tr> <tr><td>E&E</td><td>11%</td></tr> <tr><td>Food & packaging</td><td>10%</td></tr> <tr><td>Automotive</td><td>7%</td></tr> <tr><td>Others*</td><td>37%</td></tr> </table> <p><small>* Others incl. toys, agro, water, tobacco, etc.</small></p> <p>Global demand 2012e*</p> <table border="1"> <tr><td>Asia Pacific</td><td>32%</td></tr> <tr><td>Germany</td><td>9%</td></tr> <tr><td>EMEA (w/o Germany)</td><td>24%</td></tr> <tr><td>North America</td><td>31%</td></tr> <tr><td>Latin America</td><td>4%</td></tr> </table> <p><small>* Relevant markets only</small></p> | Construction | 21% | Chemicals | 14% | E&E | 11% | Food & packaging | 10% | Automotive | 7% | Others* | 37% | Asia Pacific | 32% | Germany | 9% | EMEA (w/o Germany) | 24% | North America | 31% | Latin America | 4% |
| Construction | 21% | | | | | | | | | | | | | | | | | | | | | | |
| Chemicals | 14% | | | | | | | | | | | | | | | | | | | | | | |
| E&E | 11% | | | | | | | | | | | | | | | | | | | | | | |
| Food & packaging | 10% | | | | | | | | | | | | | | | | | | | | | | |
| Automotive | 7% | | | | | | | | | | | | | | | | | | | | | | |
| Others* | 37% | | | | | | | | | | | | | | | | | | | | | | |
| Asia Pacific | 32% | | | | | | | | | | | | | | | | | | | | | | |
| Germany | 9% | | | | | | | | | | | | | | | | | | | | | | |
| EMEA (w/o Germany) | 24% | | | | | | | | | | | | | | | | | | | | | | |
| North America | 31% | | | | | | | | | | | | | | | | | | | | | | |
| Latin America | 4% | | | | | | | | | | | | | | | | | | | | | | |

Functional Chemicals offers products for diversified applications in plastics and chemistry

| Products & brands | Applications |
|---|---|
| <ul style="list-style-type: none"> ▪ Flame retardants (Disflamoll®, Levagard®) ▪ Phthalate-free plasticizers (Mesamoll®, Adimoll®, Ultramoll®) ▪ Organic dyes (Macrolex®, Bayplast®) ▪ Synthesis chemicals: phosphor intermediates, phosphor chlorides ▪ Water treatment chemicals (Bayhibit®, Baypure®) <div style="text-align: center; margin-top: 20px;">  </div> |  |

LANXESS Fact Book – Performance Chemicals: Functional Chemicals

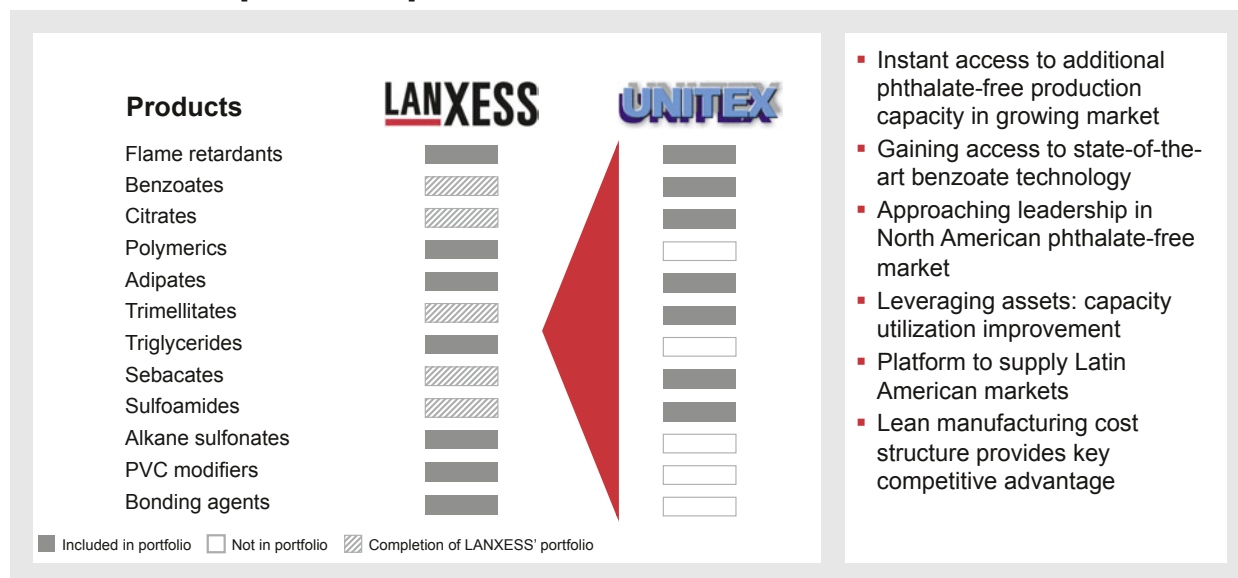
Functional Chemicals operates one of the largest integrated production units for phosphorus chemicals in the world



LANXESS Fact Book – Performance Chemicals: Functional Chemicals

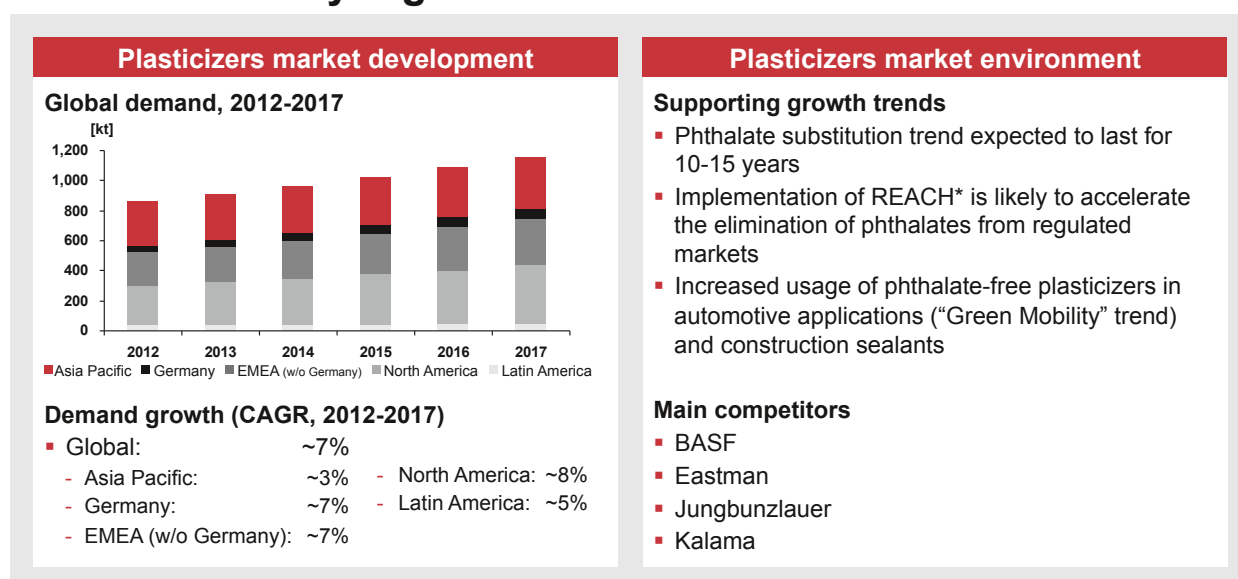
- 63 Material Protection Products
- 67 Inorganic Pigments
- 71 Functional Chemicals
- 75 Leather
- 79 Rhein Chemie
- 83 Rubber Chemicals
- 87 Ion Exchange Resins

External growth: UNITEX acquisition broadens Functional Chemicals' product portfolio



LANXESS Fact Book – Performance Chemicals: Functional Chemicals



Phthalate-free plasticizers: Increasing demand due to stricter health and safety regulations



Source: SRI, LANXESS estimates; * Registration, Evaluation, Authorization of Chemicals

LANXESS Fact Book – Performance Chemicals: Functional Chemicals

Functional Chemicals is a competitive regulatory driven business

|  Strengths / opportunities |  Weaknesses / challenges |
|--|---|
| <ul style="list-style-type: none">▪ One of the largest and most competitive integrated production facilities for phosphorus chemicals▪ Flexible multi-purpose assets in Germany and USA▪ Established solution provider especially for products that must meet regulatory requirements▪ Strong market position in phosphorus-based flame retardants, bonding agents and other ecologically friendly (e.g., specialty plasticizers and solvent dyes for plastics)▪ Strong customer relationship established in key markets across the world▪ Reliable safety performance▪ Environmental awards and appropriate patent protection | <ul style="list-style-type: none">▪ Permanent increase in competitiveness offsetting price pressures in commodity segments, especially from Asian competitors▪ Need for efficient management of the high volatility of raw material prices▪ Changes to the competitive environment due to further consolidation |

LANXESS Fact Book – Performance Chemicals: Functional Chemicals

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| |
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| 1. LANXESS – Energizing Chemistry |
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| Functional Chemicals |
| Leather |
| Rhein Chemie |
| Rubber Chemicals |
| Ion Exchange Resins |
| 3. Financials |

BU Leather: Strong international position in chrome specialties and leather chemicals

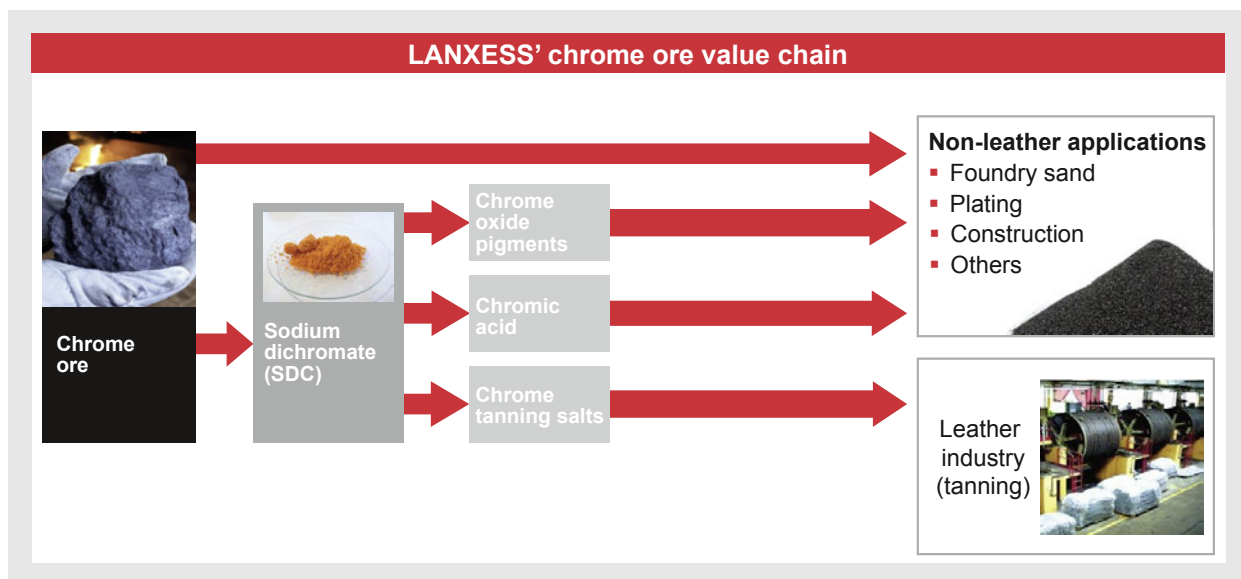
| Overview | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|----------------------------|-----------------|---------------|--------------------------|--------------------|---------------------------|-----------------------|----------------------------|---|----------------|-----|----------------------|-----|---------|-----|---------------------|-----|-------------|----|---------------------------|----|-------------------|----|----------------|-----|--------|-----|-----------------|----|-----------------|-----|
| <p>Key facts</p> <ul style="list-style-type: none"> ▪ Two business areas: Global supplier for the leather industry and chrome specialties ▪ Chrome chemicals for various industrial applications, including production of inorganic tanning agents ▪ Only backward-integrated tanning agents manufacturer operating its own chrome mine ▪ High-quality products and services for all stages of the leather production process <p>Production sites</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">▪ Zaraté, Argentina</td> <td style="width: 50%;">▪ Filago, Italy</td> </tr> <tr> <td>▪ Wuxi, China</td> <td>▪ Merebank, South Africa</td> </tr> <tr> <td>▪ Changzhou, China</td> <td>▪ Newcastle, South Africa</td> </tr> <tr> <td>▪ Leverkusen, Germany</td> <td>▪ Rustenburg, South Africa</td> </tr> </table> | ▪ Zaraté, Argentina | ▪ Filago, Italy | ▪ Wuxi, China | ▪ Merebank, South Africa | ▪ Changzhou, China | ▪ Newcastle, South Africa | ▪ Leverkusen, Germany | ▪ Rustenburg, South Africa | <div style="border-bottom: 1px solid gray; padding-bottom: 10px;"> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Sales by end use 2011</p> <table style="width: 100%; border: none;"> <tr><td>■ Shoe leather</td><td>36%</td></tr> <tr><td>■ Automotive leather</td><td>18%</td></tr> <tr><td>■ Steel</td><td>14%</td></tr> <tr><td>■ Furniture leather</td><td>11%</td></tr> <tr><td>■ Chemicals</td><td>8%</td></tr> <tr><td>■ Leather garment & goods</td><td>7%</td></tr> <tr><td>■ Metal finishing</td><td>6%</td></tr> </table> </div> <div style="padding-top: 10px;"> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Global demand 2012e*</p> <table style="width: 100%; border: none;"> <tr><td>■ Asia Pacific</td><td>41%</td></tr> <tr><td>■ EMEA</td><td>32%</td></tr> <tr><td>■ North America</td><td>8%</td></tr> <tr><td>■ Latin America</td><td>19%</td></tr> </table> </div> <p style="font-size: small; margin-top: 5px;">* Leather chemicals demand only, excludes other applications such as metal and chemicals</p> | ■ Shoe leather | 36% | ■ Automotive leather | 18% | ■ Steel | 14% | ■ Furniture leather | 11% | ■ Chemicals | 8% | ■ Leather garment & goods | 7% | ■ Metal finishing | 6% | ■ Asia Pacific | 41% | ■ EMEA | 32% | ■ North America | 8% | ■ Latin America | 19% |
| ▪ Zaraté, Argentina | ▪ Filago, Italy | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ▪ Wuxi, China | ▪ Merebank, South Africa | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ▪ Changzhou, China | ▪ Newcastle, South Africa | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ▪ Leverkusen, Germany | ▪ Rustenburg, South Africa | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Shoe leather | 36% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Automotive leather | 18% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Steel | 14% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Furniture leather | 11% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Chemicals | 8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Leather garment & goods | 7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Metal finishing | 6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Asia Pacific | 41% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ EMEA | 32% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ North America | 8% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ■ Latin America | 19% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

BU Leather offers the full-range product portfolio for leather processing and selected chrome specialties

| Products & brands | Applications |
|--|--------------|
| <p>Leather chemicals</p> <ul style="list-style-type: none"> ▪ Beamhouse chemicals ▪ Binders ▪ Chrome-free tanning products ▪ Chrome tanning salts ▪ Colorants ▪ Fatliquors ▪ Finishing auxiliaries ▪ Patent leather chemicals ▪ Preservatives ▪ Retanning chemicals <p>Chrome specialties</p> <ul style="list-style-type: none"> ▪ Chrome ore ▪ Sodium dichromate ▪ Chromic acid ▪ Chrome sulphate ▪ Chrome oxide <p style="text-align: center;"> X-Tan[®] Tanigan[®] X-Lite[®] Aquaderm[®] Chromosal[®] </p> | |

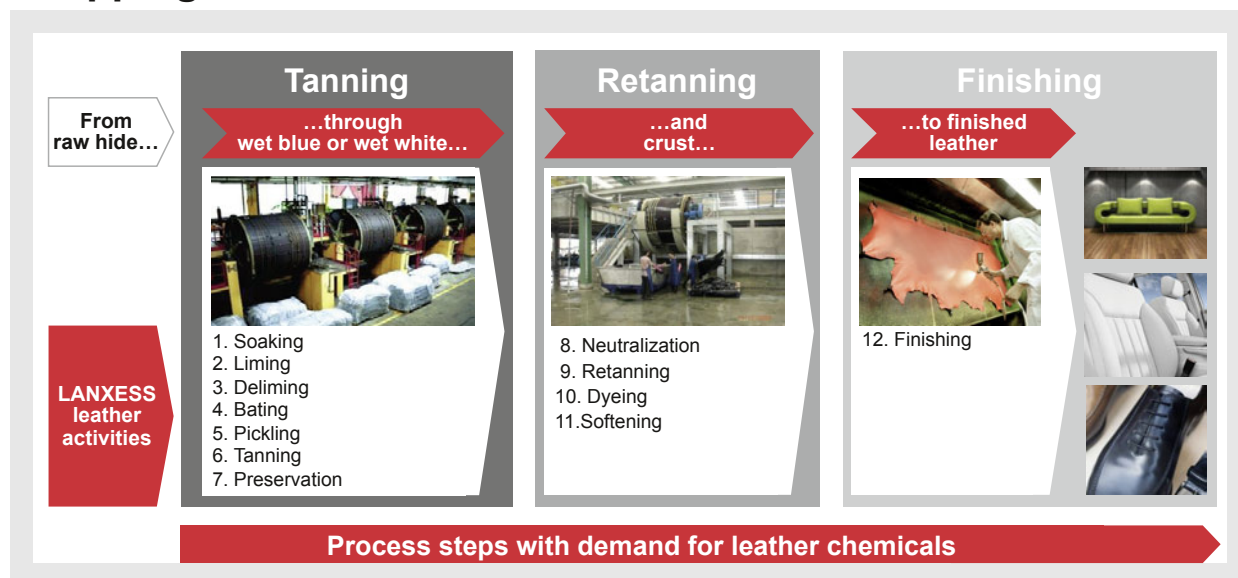
LANXESS Fact Book – Performance Chemicals: Leather

Upstream integration into chrome ore for use in leather and other industries






LANXESS Fact Book – Performance Chemicals: Leather

Well-balanced portfolio of leather chemicals for one-stop shopping



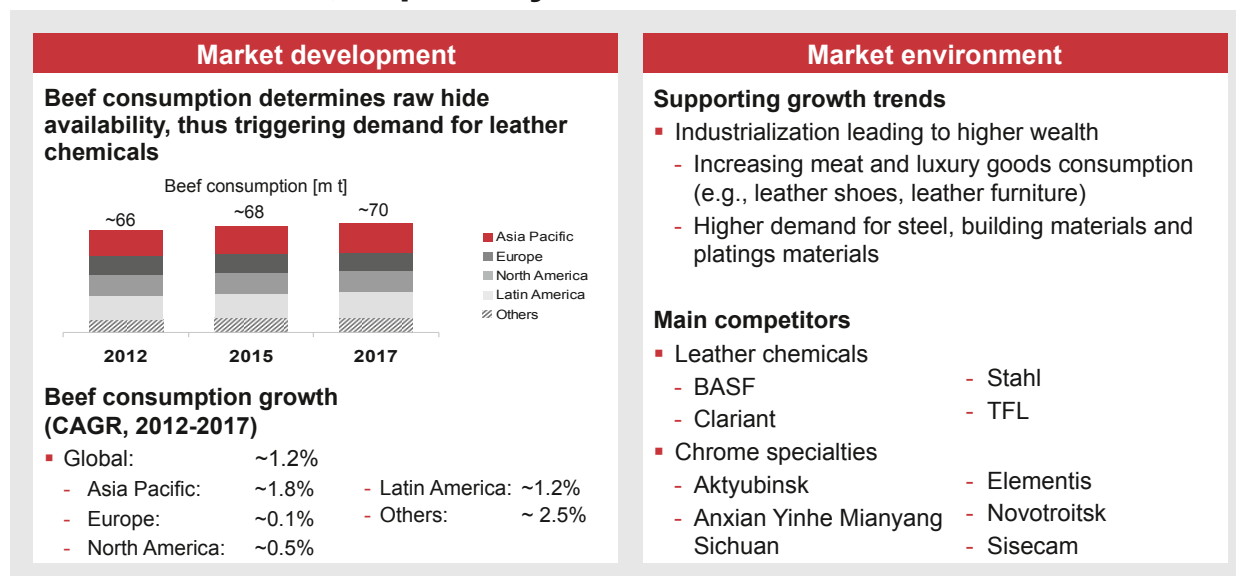
LANXESS Fact Book – Performance Chemicals: Leather

Targeted investments in key markets (e.g., China), development of new leather product technologies

- 
 - Construction of new leather chemicals plant located in Changzhou, China
 - Facility is scheduled to go on stream by the first half of 2013
- 
 - Further strengthening of LANXESS' value creation chain at three sites in South Africa: new CO₂ concentration unit supports growth of sodium dichromate production
- 
 - LANXESS awarded as "Supplier of the Year" at the All China Leather Exhibition (ACLE), Shanghai 2011
- 
 - Successful introduction of X-Tan® technology
 - New organic tanning process combines first-class leather quality with economic and ecological benefits

LANXESS Fact Book – Performance Chemicals: Leather

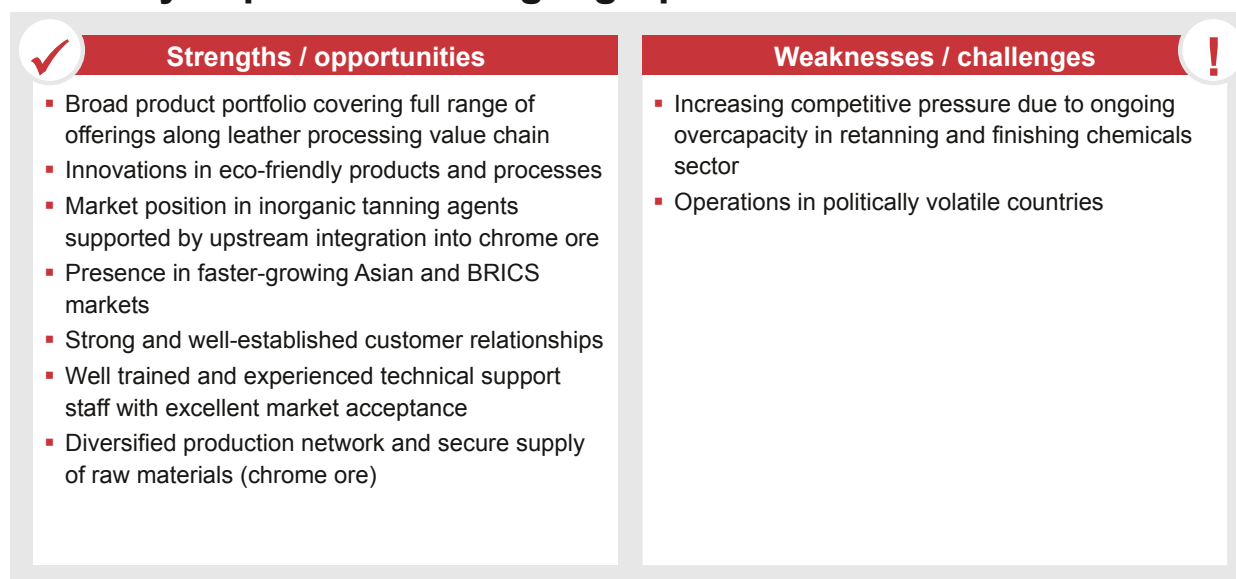
Key leather markets growing in line with increasing industrialization, especially in the BRICS



Source: OECD-FAO

LANXESS Fact Book – Performance Chemicals: Leather

Strong position due to capacity for innovation and portfolio's diversity in products and geographies

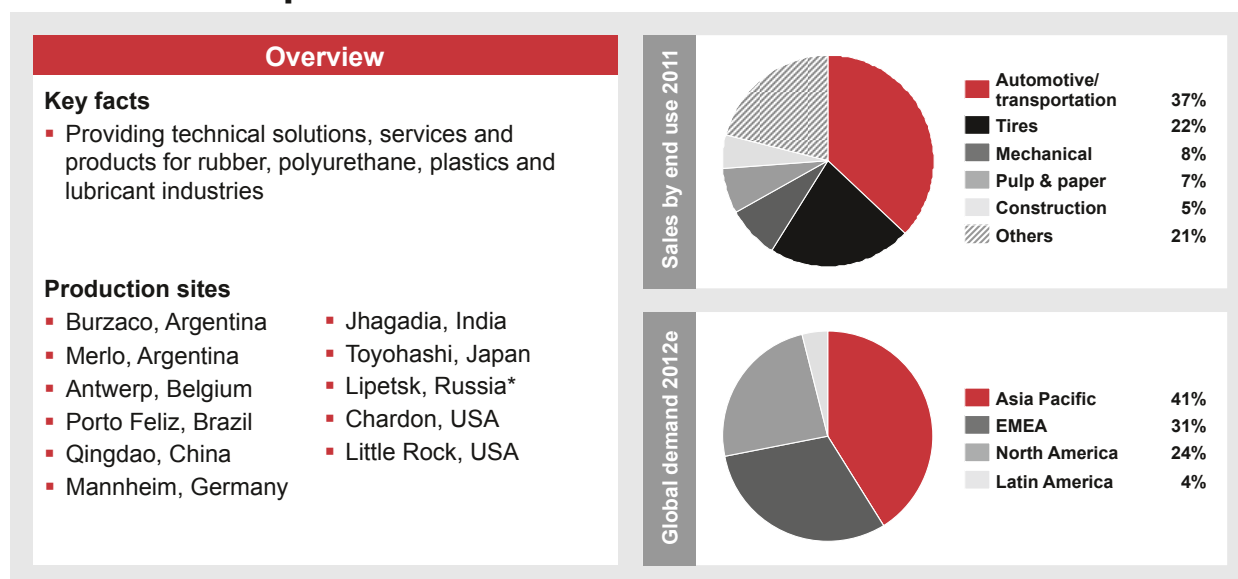


LANXESS Fact Book – Performance Chemicals: Leather

Agenda

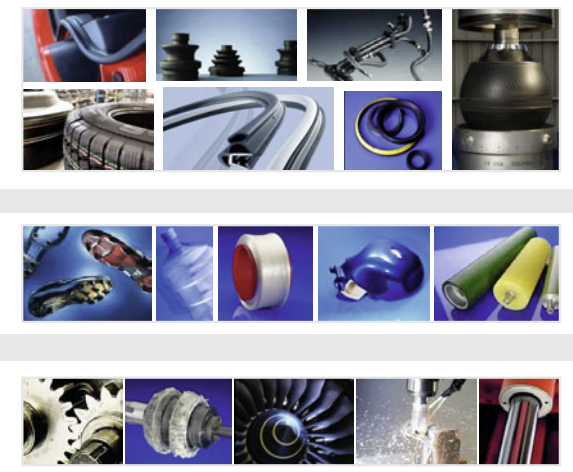
| |
|-----------------------------------|
| 1. LANXESS – Energizing Chemistry |
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| Rubber Chemicals |
| Ion Exchange Resins |
| 3. Financials |

Rhein Chemie offers customized solutions for the rubber, lubricant and plastics industries



* Under construction

Rhein Chemie's product portfolio is tailored to the needs of its customers

| Products & brands | Applications |
|---|---|
| <p>Products for the rubber industry</p> <ul style="list-style-type: none"> ▪ Polymer-bound chemicals (Rhenogran®) ▪ High-performance bladders (Rhenoshape®) ▪ Release agents (Rhenodiv®) ▪ Tire marking inks (Rhenomark®) ▪ Processing promoters (Aktiplast®, Aflux®) ▪ Vulcanization activators (Rhenofit®) <p>Additives for polyurethane and plastics</p> <ul style="list-style-type: none"> ▪ Hydrolysis protection (Stabaxol®) ▪ Cross-linkers for various plastic systems (Addolink®) <p>Additives for the lubricants industry (all Additin®)</p> <ul style="list-style-type: none"> ▪ Oil- and water-based solutions for metalworking fluids ▪ Sulfur carriers and anti-wear agents ▪ Additive packages for hydraulics / gears / turbines ▪ Corrosion inhibitors |  |

LANXESS Fact Book – Performance Chemicals: Rhein Chemie


Successful pursuit of rigorous growth strategy

| Acquisitions strengthening global position | Organic growth – Main focus on BRICS |
|---|--|
| <div style="display: flex; align-items: center;"> <div style="flex: 1;"> <p>March 2012</p> <ul style="list-style-type: none"> ▪ Acquisition of Tire Curing Bladders LLC (TCB), Little Rock, USA: Leading independent US manufacturer of bladders <p>July 2011</p> <ul style="list-style-type: none"> ▪ Acquisition of tire release agent business from Wacker Chemie AG, Germany <p>January 2011</p> <ul style="list-style-type: none"> ▪ Acquisition of Darmex S.A., Burzaco / Buenos Aires, Argentina: Bladder technology leader complemented by release agents business; production sites in Argentina and Uruguay </div> <div style="flex: 0.5; text-align: center;">  </div> </div> <div style="background-color: #ccc; padding: 5px; margin-top: 10px; font-size: small;"> <p>Winner of the Tire Technology Award for Innovation and Excellence 2012* as "Supplier of the Year," in recognition of superior entrepreneurship and commitment to the industry, as reflected also by recent acquisitions</p> </div> | <ul style="list-style-type: none"> ▪ New production site for rubber additives, release agents (by first half of 2013) and bladders (by 2016) in Lipetsk, Russia ▪ New production facility for curing bladders (end of 2012) and expansion of rubber additives in Porto Feliz, Brazil (2013) ▪ Targeted investments for lubricant oil additives: <ul style="list-style-type: none"> - Qingdao, China: new reaction vessel for water-miscible metal-working fluids in 2011 - Jhagadia, India: new chemical plant (dithiophosphates / packages) in 2012-2014 - Mannheim, Germany: expansion of sulfur carrier capacity in 2012/2013 ▪ Installation of Denison Pump Bench** in Mannheim for testing of hydraulic oil performance |

* Award received at the Tire Technology Expo, Cologne; ** one of only 12 such testing benches worldwide







LANXESS Fact Book – Performance Chemicals: Rhein Chemie

Release agents and bladders play key role in tire production

| Release agents | Bladders | |
|--|--|---|
| <ul style="list-style-type: none"> ▪ Preventing the tire from sticking to the mold or bladder during the curing process ▪ Enable smooth and cost-efficient tire-production process | <ul style="list-style-type: none"> ▪ Used in the manufacture of tires ▪ Main raw material: butyl rubber ▪ High-performance curing bladders can significantly increase the productivity of a tire plant ▪ Trend towards outsourcing of bladder production by major tire companies supports Rhein Chemie's growth prospects ▪ Global bladder market ~€300 m, with healthy growth rates in line with tire demand |  |
| Rhein Chemie is the only global player for release agents and bladders for tire manufacturing out of one hand | | |

LANXESS Fact Book – Performance Chemicals: Rhein Chemie

BioAdimide™ in bioplastics: Expanding performance of bio-polyesters

| Rhein Chemie wins “Global New Product Innovation Award” in bioplastics additives market | BioAdimide™ in bioplastics, Expanding the performance of bio-polyester. |
|--|--|
| <p><i>Frost & Sullivan honored Rhein Chemie with the “Global New Product Innovation Award 2011” in the bioplastic additives market for its new product BioAdimide™</i></p>  <ul style="list-style-type: none"> ▪ The “New Product Innovation Award” is presented to companies demonstrating excellence in line with set criteria: <ul style="list-style-type: none"> - Innovative product characteristics - Product leverages leading-edge technologies - Value-added features / benefits - Increasing customer ROI - Customer acquisition / penetration potential |  <ul style="list-style-type: none"> ▪ BioAdimide™ is a line of additive solutions especially suited to improving the hydrolysis resistance of bio-based polyester and to expanding its range of applications ▪ The product line enables the production of renewable, bio-based polymers for durable applications with lower environmental impact ▪ It also allows for a greater range of process variables in terms of <ul style="list-style-type: none"> - providing melt stability during processing - using higher levels of re-grind material - enabling blending with higher melting plastics by stabilizing the bio-based polyester component <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  <p>Consumer electronics</p> </div> <div style="text-align: center;">  <p>Consumer goods</p> </div> <div style="text-align: center;">  <p>Fibers</p> </div> <div style="text-align: center;">  <p>Cosmetics packages</p> </div> </div> |

LANXESS Fact Book – Performance Chemicals: Rhein Chemie

Rhein Chemie has a leading market position in its main business segments

| Market development | Market environment |
|---|--|
| <p>Total global demand (2012e)</p> <ul style="list-style-type: none"> ▪ €2.5 bn <p>Market development (CAGR 2012-2017)</p> <ul style="list-style-type: none"> ▪ Global: ~3% - Asia Pacific: ~5% - EMEA: ~2% - North America: ~2% - Latin America: ~4% | <p>Supporting growth trends</p> <ul style="list-style-type: none"> ▪ Rhein Chemie's growth projects in tires and automotive applications are driven by the mobility megatrend ▪ Growing demand for green solutions reflected in multiple Rhein Chemie initiatives: <ul style="list-style-type: none"> - BioAdimide™ as additive for renewable bioplastics - Several Additin® products with European eco-label as biodegradable lubricants - OSPAR* -approved Additin® products for offshore applications <p>Main competitors</p> <ul style="list-style-type: none"> ▪ Afton ▪ Chemtrend ▪ Lubrizol ▪ MLPC / Arkema Group |



* Convention for the Protection of the Marine Environment of the North-East Atlantic ("OSPAR Convention")

LANXESS Fact Book – Performance Chemicals: Rhein Chemie

Rhein Chemie provides strong service and application expertise in every region across the globe

| ✓ Strengths / opportunities | ! Weaknesses / challenges |
|---|--|
| <ul style="list-style-type: none"> ▪ Leading position in additive formulations ▪ Only global player offering release agents and curing bladders from one source with strong local presence ▪ Well recognized image and strong brands ▪ Global sales and technical service network ▪ Supplier of customized technical solutions thus fostering close customer relationships ▪ Rapid responsiveness to market trends ▪ Excellent technical expertise | <ul style="list-style-type: none"> ▪ Consolidation of the rubber and automotive industries ▪ Raw material price volatility and availability ▪ Cost pressure from the automotive industry ▪ Exposure to mature markets ▪ Regional low-cost competitors |

LANXESS Fact Book – Performance Chemicals: Rhein Chemie

Agenda

| |
|-----------------------------------|
| 1. LANXESS – Energizing Chemistry |
| 2. Business Segments |
| - Performance Polymers |
| - Advanced Intermediates |
| - Performance Chemicals |
| Material Protection Products |
| Inorganic Pigments |
| Functional Chemicals |
| Leather |
| Rhein Chemie |
| Rubber Chemicals |
| Ion Exchange Resins |
| 3. Financials |

Rubber Chemicals: A leading supplier of chemicals and additive solutions to a variety of industries

| Overview | | | | | | | | | | | | | | | | | | | |
|--|--|------|-----|----------------|-----|------------|----|---------------|----|--------|----|--------------|-----|------|-----|---------------|-----|---------------|----|
| <p>Key facts</p> <ul style="list-style-type: none"> ▪ Providing a comprehensive portfolio of premium products and technical services to the tire and technical rubber industries ▪ Performance solutions for other industry segments such as personal care, agro, mining and fuels <p>Production sites</p> <ul style="list-style-type: none"> ▪ Antwerp, Belgium ▪ Brunsbuettel, Germany ▪ Krefeld-Uerdingen, Germany ▪ Leverkusen, Germany ▪ Jhagadia, India ▪ Deventer, Netherlands ▪ Isithebe, South Africa ▪ Bushy Park, USA | <p>Sales by end use 2011</p> <table border="1"> <tr><td>Tire</td><td>62%</td></tr> <tr><td>Rubber / latex</td><td>22%</td></tr> <tr><td>Automotive</td><td>9%</td></tr> <tr><td>Personal care</td><td>4%</td></tr> <tr><td>Others</td><td>3%</td></tr> </table> <p>Global demand 2012e*</p> <table border="1"> <tr><td>Asia Pacific</td><td>61%</td></tr> <tr><td>EMEA</td><td>21%</td></tr> <tr><td>North America</td><td>13%</td></tr> <tr><td>Latin America</td><td>5%</td></tr> </table> | Tire | 62% | Rubber / latex | 22% | Automotive | 9% | Personal care | 4% | Others | 3% | Asia Pacific | 61% | EMEA | 21% | North America | 13% | Latin America | 5% |
| Tire | 62% | | | | | | | | | | | | | | | | | | |
| Rubber / latex | 22% | | | | | | | | | | | | | | | | | | |
| Automotive | 9% | | | | | | | | | | | | | | | | | | |
| Personal care | 4% | | | | | | | | | | | | | | | | | | |
| Others | 3% | | | | | | | | | | | | | | | | | | |
| Asia Pacific | 61% | | | | | | | | | | | | | | | | | | |
| EMEA | 21% | | | | | | | | | | | | | | | | | | |
| North America | 13% | | | | | | | | | | | | | | | | | | |
| Latin America | 5% | | | | | | | | | | | | | | | | | | |

* Global rubber chemicals demand; data according to NOTCH market research consultants

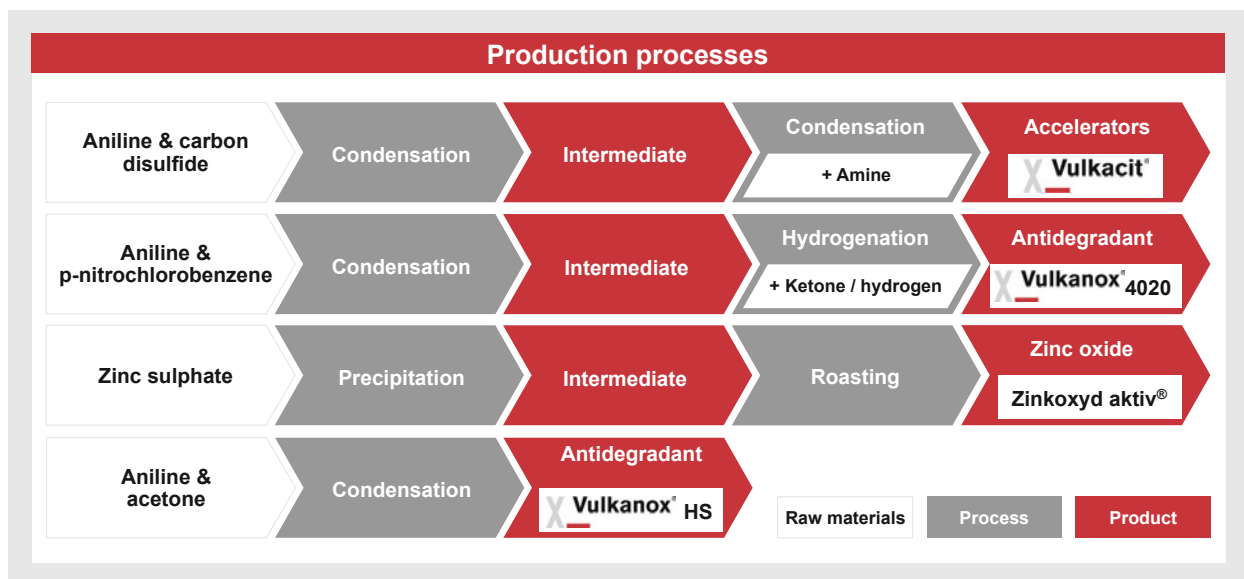
- 63 Material Protection Products
- 67 Inorganic Pigments
- 71 Functional Chemicals
- 75 Leather
- 79 Rhein Chemie
- 83 Rubber Chemicals**
- 87 Ion Exchange Resins

Rubber Chemicals offers a comprehensive portfolio of additives

| Products & brands | Applications |
|--|--------------|
| <ul style="list-style-type: none"> ▪ Accelerators: Thiazoles, sulfenamides X Vulkacit[®] ▪ Antidegradants: Phenylendiamines, quinolines X Vulkanox[®] ▪ Specialties: Used as bonding agents, anti-reversion agents, fillers, latex chemicals, peptizing agents, zinc oxides, etc. <p> X Cohedur[®] X Vulcuren[®] X Renacit[®] X Perkalink[®] </p> | |

LANXESS Fact Book – Performance Chemicals: Rubber Chemicals

Leadership position in technology with a focus on process enhancement




LANXESS Fact Book – Performance Chemicals: Rubber Chemicals

Driving innovation and growth

Organic growth through innovation

- One of the few remaining producers actively developing new products for the rubber industry
- Addressing the main challenge posed by the upcoming implementation of tire-labeling regulations: reducing the rolling resistance of tires
- Contributing to innovative “Green Tires” formulations by offering solutions for
 - processing of silica recipes
 - improved polymer-silica interaction
- Three new products for “Green Tires” were introduced to the market over the past several years

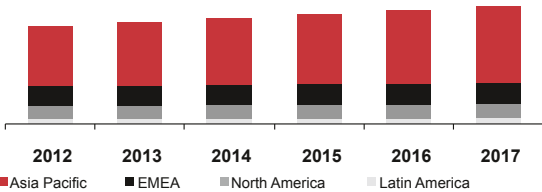


LANXESS Fact Book – Performance Chemicals: Rubber Chemicals

Rubber Chemicals has leading market and technology positions in a challenging environment

Market development

Demand 2012-2017



Demand growth (CAGR 2012-2017)

- Global: ~4%
- Asia Pacific: ~5%
- EMEA: ~2%
- North America: ~2%
- Latin America: ~4%

Market environment

Supporting growth trends

- Global mobility trends
- Fuel-efficient tires, “Green Tires” technology (driven by tire labeling regulations)



Main competitors

- China Sunsine Chemical
- Kemai (Tianjin) Chemical
- Kumho Petrochemical
- Sinorgchem
- Solutia

Source: Global rubber chemicals demand; data according to NOTCH market research consultants

LANXESS Fact Book – Performance Chemicals: Rubber Chemicals

Rubber Chemicals is well positioned as a supplier of performance additives to the rubber and other industries

|  Strengths / opportunities |  Weaknesses / challenges |
|--|---|
| <ul style="list-style-type: none">▪ Global production footprint▪ World-scale capacity for anti-degradants and accelerators▪ Reputation as reliable provider of a broad range of high-quality products and services▪ Coverage of all relevant global markets through established market position▪ Solutions for “Green Tires” technology▪ Continued penetration of new market segments outside rubber▪ Leading position for zinc oxide produced by wet process technology | <ul style="list-style-type: none">▪ Oversupply principally in Asia / China▪ Increasing competitive pressure is fuelling further market consolidation |

LANXESS Fact Book – Performance Chemicals: Rubber Chemicals

Agenda

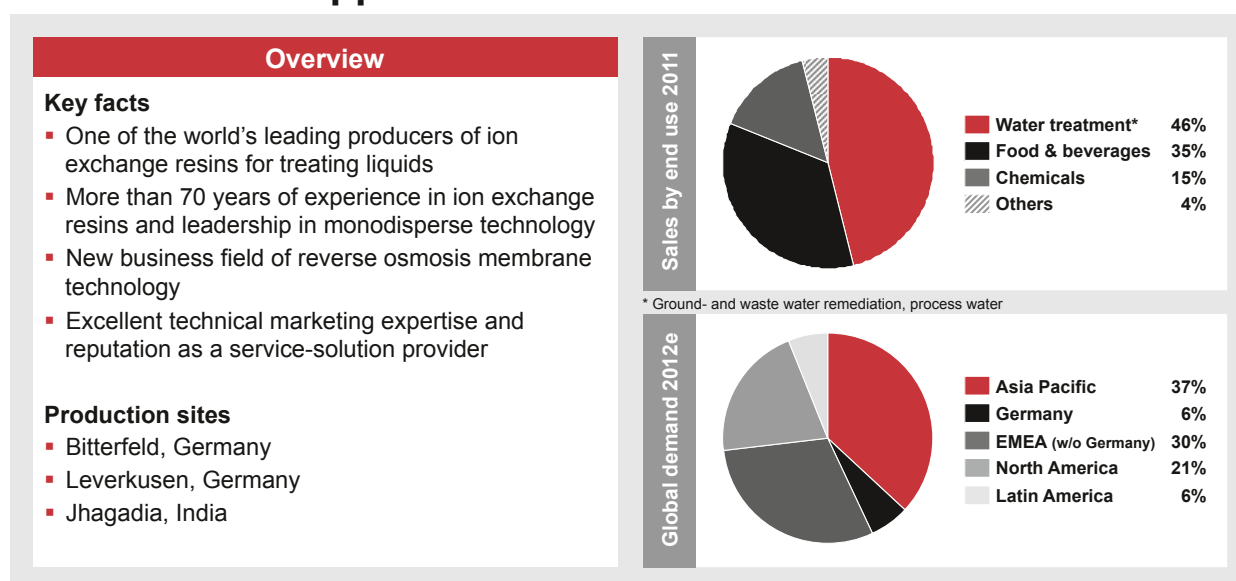
1. LANXESS – Energizing Chemistry

2. Business Segments


- Performance Polymers
- Advanced Intermediates
- **Performance Chemicals**
 - Material Protection Products
 - Inorganic Pigments
 - Functional Chemicals
 - Leather
 - Rhein Chemie
 - Rubber Chemicals
 - Ion Exchange Resins**

3. Financials

Ion Exchange Resins: A leading global supplier for various industries and applications

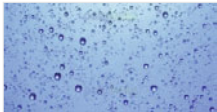
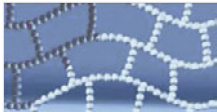
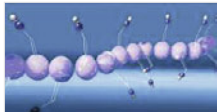
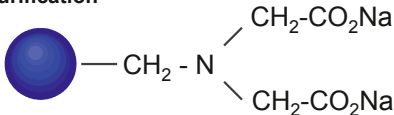




Comprehensive product portfolio provides advanced solutions for treatment of liquids

| Products & brands | Applications |
|---|---|
| <p>Products</p> <ul style="list-style-type: none"> ▪ Ion exchange resins ▪ Adsorbers ▪ Functional polymers ▪ Reverse osmosis membranes <p>X Lewatit® X Lewabrane®</p> <p>Main usage</p> <ul style="list-style-type: none"> ▪ Water softening ▪ High-purified water ▪ Groundwater treatment ▪ Hydrometallurgy ▪ Food and beverage industries |  |

LANXESS Fact Book – Performance Chemicals: Ion Exchange Resins

Production process for ion exchange resins is conducive to a variety of applications

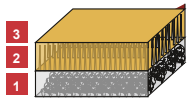
| Production process | | | Product properties |
|---|--|---|--|
|  <p>Suspension of monomer droplets</p> |  <p>Polymerization: From droplets to small polymer beads which are made up of a network of polymer chains</p> |  <p>Functional groups are applied to the beads</p> | <ul style="list-style-type: none"> ▪ High technical and application know-how needed to produce premium products ▪ Ion exchange resins can be cleaned and regenerated for many applications |
| Different functional groups for different applications | | | |
| <p>Purification</p>  | <p>Catalysis</p>  | <p>Softening</p>  | |

LANXESS Fact Book – Performance Chemicals: Ion Exchange Resins

State-of-the-art production process ensures premium-quality reverse osmosis membranes

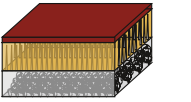
Production process for reverse osmosis element

Polysulfone coating on non-woven



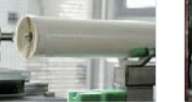
1 Non-woven

Polyamide coating on polysulfone layer




2 Polysulfone (PS) layer

Winding / assembly



3 Polyamide (PA) layer

Quality control



- Polysulfone polymer is uniformly coated on a non-woven sheet
- Formation of a thin polyamide barrier layer by interfacial polymerization
- Winding of reverse osmosis (RO) membrane leaves to form a spiral wound element
- Each reverse osmosis element is checked based on industrial standards in an element tester

LANXESS Fact Book – Performance Chemicals: Ion Exchange Resins

Recently established business field for reverse osmosis membranes and built a new ion exchange production site

New plant in Bitterfeld, Germany

- Development and production of reverse osmosis membrane filtration technology
- First reverse osmosis membrane elements available since March 2012
- Second LANXESS facility in Bitterfeld, Germany



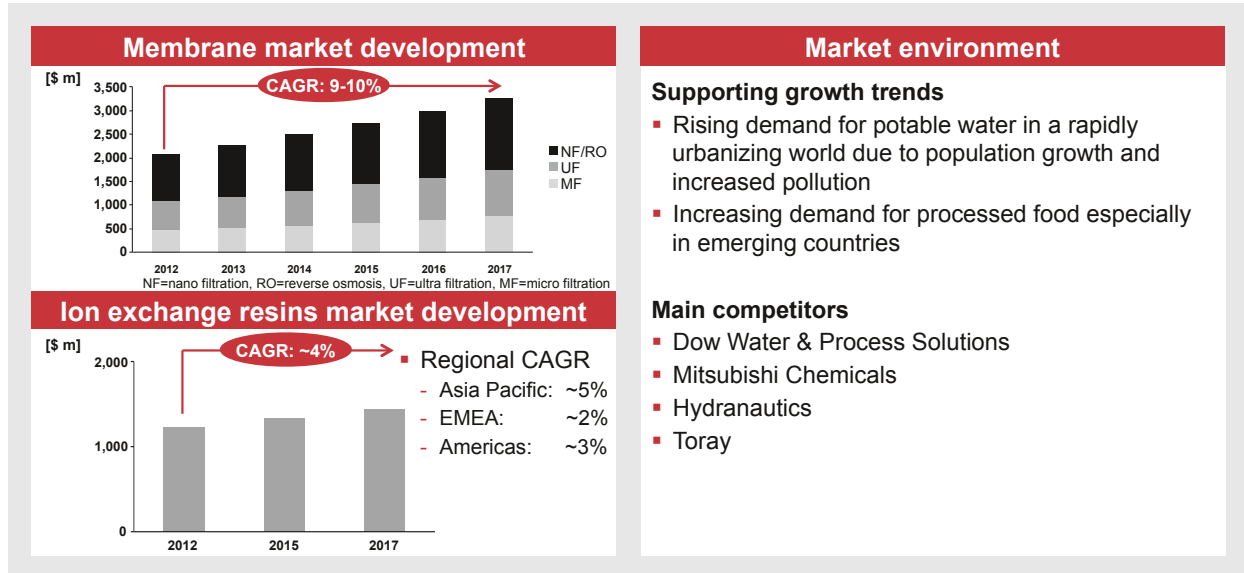
New plant in Jhagadia, India

- Most modern plant of its kind in Asia
- First mover in India; no western ion exchange company with production sites in APAC to date
- German standards regarding sustainability, safety and product quality



LANXESS Fact Book – Performance Chemicals: Ion Exchange Resins

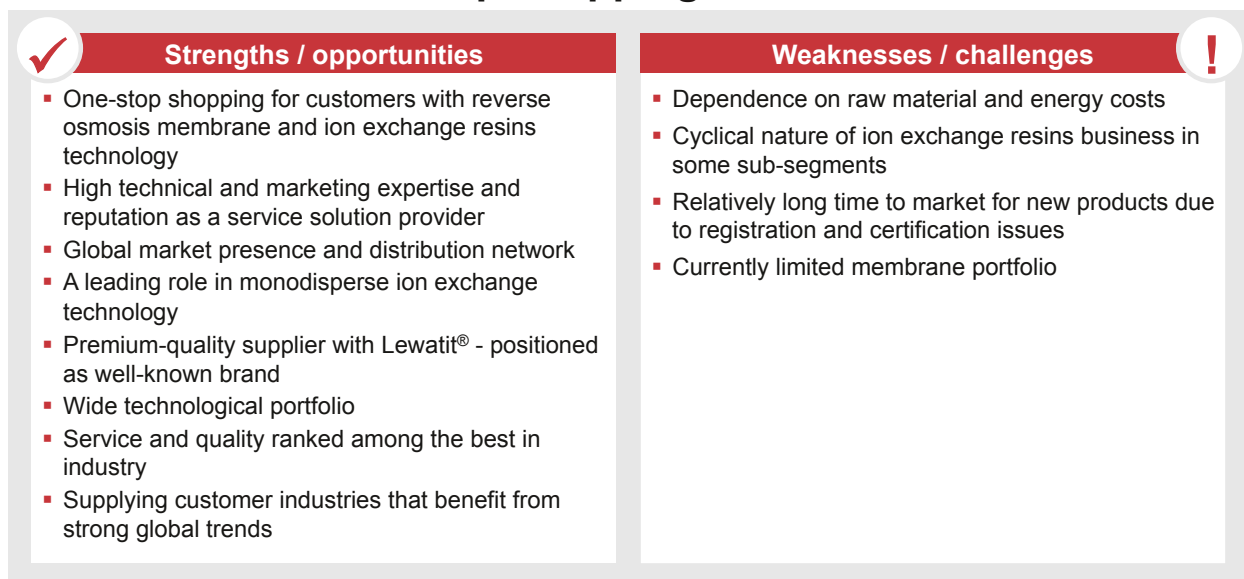
Ion exchange resins and membrane technology enjoying momentum from global trends



Source: LANXESS estimate based on Mcllvaine and SRI data

LANXESS Fact Book – Performance Chemicals: Ion Exchange Resins

By entering the membrane business, LANXESS now provides customers with one-stop shopping



LANXESS Fact Book – Performance Chemicals: Ion Exchange Resins

Financials

Agenda

1. LANXESS – Energizing Chemistry

2. Business Segments

3. Financials

- **8 years overview**
- **Quarterly overview**
- **Financing**
- **Excursion**

8 years overview – Balance Sheet

| Balance Sheet- LANXESS (€ m) | June 30, 2012 | Dec. 31, 2011 | Dec. 31, 2010 | Dec. 31, 2009 | Dec. 31, 2008 | Dec. 31, 2007 | Dec. 31, 2006 | Dec. 31, 2005 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Intangible assets | 358 | 373 | 226 | 196 | 145 | 33 | 41 | 53 |
| Property, plant and equipment | 2,752 | 2,679 | 2,131 | 1,809 | 1,646 | 1,459 | 1,465 | 1,526 |
| Investments accounted at equity | 16 | 12 | 13 | 26 | 49 | 33 | 5 | 22 |
| Investments in other affiliated companies | 25 | 19 | 8 | 1 | 2 | 1 | 4 | 4 |
| Non-current derivative financial assets | 11 | 8 | 3 | 16 | 43 | | | |
| Other non-current financial assets | 9 | 82 | 74 | 79 | 72 | 85 | 37 | 48 |
| Deferred taxes | 241 | 196 | 170 | 163 | 137 | 93 | 84 | 103 |
| Other non-current assets | 117 | 120 | 113 | 92 | 134 | 102 | 94 | 79 |
| Non-current assets | 3,529 | 3,489 | 2,738 | 2,382 | 2,228 | 1,806 | 1,730 | 1,835 |
| Inventories | 1,588 | 1,386 | 1,094 | 849 | 1,048 | 895 | 1,047 | 1,068 |
| Trade receivables | 1,330 | 1,146 | 942 | 733 | 725 | 809 | 924 | 1,065 |
| Near cash assets | 0 | 350 | 364 | 402 | | | | |
| Cash and cash equivalents | 234 | 178 | 160 | 313 | 249 | 189 | 171 | 136 |
| Current derivative financial assets | 9 | 8 | 19 | 29 | 34 | | | |
| Other current financial assets | 8 | 27 | 58 | 146 | 155 | 200 | 113 | 37 |
| Other current assets | 318 | 294 | 291 | 214 | 212 | 150 | 220 | 200 |
| Current assets | 3,487 | 3,389 | 2,928 | 2,686 | 2,423 | 2,243 | 2,475 | 2,506 |
| Total assets | 7,016 | 6,878 | 5,666 | 5,068 | 4,651 | 4,049 | 4,205 | 4,341 |
| Capital stock and capital reserves | 889 | 889 | 889 | 889 | 889 | 889 | 889 | 889 |
| Other reserves | 1,296 | 943 | 699 | 818 | 840 | 811 | 685 | 748 |
| Net income | 369 | 506 | 379 | 40 | 171 | 112 | 197 | -63 |
| Accumulated other comprehensive loss | -311 | -280 | -221 | -315 | -509 | -304 | -368 | -335 |
| Equity attributable to minority interest | 16 | 16 | 15 | 13 | 16 | 17 | 25 | 17 |
| Stockholders equity | 2,259 | 2,074 | 1,761 | 1,445 | 1,407 | 1,525 | 1,428 | 1,256 |
| Provisions for pensions and other post-employment benefits | 799 | 679 | 605 | 569 | 483 | 470 | 520 | 497 |
| Other non-current provisions | 309 | 331 | 351 | 307 | 261 | 242 | 271 | 302 |
| Non-current derivative financial liabilities | 20 | 13 | 11 | 4 | 30 | | | |
| Other non-current financial liabilities | 1,729 | 1,465 | 1,302 | 1,462 | 983 | 601 | 632 | 644 |
| Non-current tax liabilities | 55 | 63 | 50 | 47 | 91 | 36 | 38 | 26 |
| Other non-current liabilities | 80 | 89 | 95 | 77 | 46 | 47 | 36 | 32 |
| Deferred taxes | 79 | 75 | 40 | 38 | 47 | 60 | 57 | 75 |
| Non-current liabilities | 3,071 | 2,715 | 2,454 | 2,504 | 1,941 | 1,456 | 1,554 | 1,576 |
| Other current provision | 429 | 446 | 422 | 352 | 395 | 371 | 354 | 401 |
| Current derivative financial liabilities | 45 | 40 | 23 | 26 | 79 | | | |
| Current financial liabilities | 267 | 633 | 176 | 94 | 168 | 65 | 50 | 172 |
| Trade payables | 715 | 766 | 664 | 486 | 484 | 487 | 602 | 694 |
| Current tax liabilities | 61 | 49 | 34 | 52 | 12 | 16 | 36 | 27 |
| Other current liabilities | 169 | 155 | 132 | 109 | 162 | 129 | 181 | 215 |
| Current liabilities | 1,686 | 2,089 | 1,451 | 1,119 | 1,300 | 1,068 | 1,223 | 1,509 |
| Total equity and liabilities | 7,016 | 6,878 | 5,666 | 5,068 | 4,651 | 4,049 | 4,205 | 4,341 |

Note: Additional financial information available at:
<http://corporate.lanxess.com/en/investor-relations/financials/financial-summary/>

LANXESS Fact Book – Financials: Eight years overview

8 years overview – P&L

| P&L Statement LANXESS (€ m) | H1 12 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Net sales | 4,812 | 8,775 | 7,120 | 5,057 | 6,576 | 6,608 | 6,944 | 7,150 |
| Cost of goods sold | -3,629 | -6,765 | -5,381 | -3,956 | -5,115 | -5,147 | -5,404 | -5,537 |
| Gross Profit | 1,183 | 2,010 | 1,739 | 1,101 | 1,461 | 1,461 | 1,540 | 1,613 |
| Gross Margin | 24.6% | 22.9% | 24.4% | 21.8% | 22.2% | 22.1% | 22.2% | 22.6% |
| Selling expenses | -381 | -732 | -646 | -530 | -658 | -659 | -766 | -863 |
| R&D expenses | -98 | -144 | -116 | -101 | -97 | -88 | -87 | -101 |
| G&A expenses | -156 | -325 | -298 | -235 | -270 | -256 | -254 | -285 |
| Other operating income | 84 | 179 | 189 | 237 | 404 | 317 | 243 | 155 |
| Other operating expenses | -104 | -212 | -261 | -323 | -517 | -560 | -300 | -491 |
| <i>Other operating income - net</i> | <i>-20</i> | <i>-33</i> | <i>-72</i> | <i>-86</i> | <i>-113</i> | <i>-243</i> | <i>-57</i> | <i>-336</i> |
| Operating Result (EBIT) | 528 | 776 | 607 | 149 | 323 | 215 | 376 | 28 |
| Income/expense from investments in affiliated companies | 6 | 7 | 16 | 8 | 21 | -1 | -16 | -32 |
| Interest expense - net | -47 | -93 | -83 | -73 | -36 | -20 | -23 | -41 |
| Other financial result | -10 | -35 | -47 | -52 | -62 | -22 | -50 | -72 |
| Financial result | -51 | -121 | -114 | -117 | -77 | -43 | -89 | -145 |
| Earnings before taxes (EBT) | 477 | 655 | 493 | 32 | 246 | 172 | 287 | -117 |
| Income taxes | -107 | -148 | -112 | 7 | -63 | -60 | -85 | 63 |
| Earnings after taxes | 370 | 507 | 381 | 39 | 183 | 112 | 202 | -54 |
| Minorities | -1 | -1 | -2 | 1 | 0 | 0 | -5 | -9 |
| Net income (loss) | 369 | 506 | 379 | 40 | 183 | 112 | 197 | -63 |
| Earnings per share (€) | 4 | 6 | 5 | 0 | 2 | 1 | 2 | -1 |
| EBIT | 528 | 776 | 607 | 149 | 323 | 215 | 376 | 28 |
| EBITDA | 709 | 1,101 | 890 | 422 | 602 | 513 | 638 | 341 |
| Exceptionals | 24 | 50 | 28 | 55 | 139 | 257 | 45 | 304 |
| D&A in exceptionals | 2 | 5 | 0 | 12 | 19 | 51 | 8 | 64 |
| EBITDA pre exceptionals | 731 | 1,146 | 918 | 465 | 722 | 719 | 675 | 581 |

Note: Additional financial information available at:
<http://corporate.lanxess.com/en/investor-relations/financials/financial-summary/>

LANXESS Fact Book – Financials: Eight years overview

8 years overview – Segment Data

| Performance Polymers Key Figures (€ m) | H1 12 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Sales | 2,818 | 5,059 | 3,692 | 2,388 | 3,280 | 2,680 | 2,571 | 2,425 |
| EBIT | 412 | 598 | 408 | 105 | 208 | 273 | 238 | 152 |
| Depreciation & Amortization | 98 | 161 | 141 | 137 | 139 | 103 | 100 | 92 |
| EBITDA | 510 | 759 | 549 | 242 | 347 | 376 | 338 | 244 |
| Exceptionals | 2 | 9 | -1 | 9 | 77 | 0 | 2 | 43 |
| D&A in exceptionals | 0 | 0 | 0 | 1 | 11 | 0 | 0 | 0 |
| EBITDA pre exceptionals | 512 | 768 | 548 | 250 | 413 | 376 | 340 | 287 |
| EBITDA pre margin | 18.2% | 15.2% | 14.8% | 10.5% | 12.6% | 14.0% | 13.2% | 11.8% |
| Advanced Intermediates Key Figures (€ m) | H1 12 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Sales | 828 | 1,545 | 1,411 | 1,104 | 1,310 | 1,204 | 1,140 | 1,161 |
| EBIT | 116 | 175 | 201 | 95 | 142 | 137 | 136 | 110 |
| Depreciation & Amortization | 33 | 70 | 58 | 48 | 44 | 37 | 38 | 55 |
| EBITDA | 149 | 245 | 259 | 143 | 186 | 174 | 174 | 165 |
| Exceptionals | 0 | 23 | 0 | 11 | 0 | 0 | 0 | 14 |
| D&A in exceptionals | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 14 |
| EBITDA pre exceptionals | 149 | 264 | 259 | 154 | 186 | 174 | 174 | 165 |
| EBITDA pre margin | 18.0% | 17.1% | 18.4% | 13.9% | 14.2% | 14.5% | 15.3% | 14.2% |
| Performance Chemicals Key Figures (€ m) | H1 12 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Sales | 1,143 | 2,130 | 1,978 | 1,530 | 1,930 | 1,970 | 2,205 | 2,351 |
| EBIT | 102 | 211 | 209 | 100 | 129 | 183 | 200 | 137 |
| Depreciation & Amortization | 44 | 78 | 67 | 71 | 82 | 88 | 90 | 93 |
| EBITDA | 146 | 289 | 276 | 171 | 211 | 271 | 290 | 230 |
| Exceptionals | 17 | 0 | 5 | 17 | 38 | 16 | 1 | 28 |
| D&A in exceptionals | 2 | 0 | 0 | 6 | 8 | 2 | 0 | 0 |
| EBITDA pre exceptionals | 161 | 289 | 281 | 182 | 241 | 285 | 291 | 258 |
| EBITDA pre margin | 14.1% | 13.6% | 14.2% | 11.9% | 12.5% | 14.5% | 13.2% | 11.0% |
| Reconciliation Key Figures (€ m) | H1 12 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
| Sales | 23 | 41 | 39 | 35 | 56 | 86 | 115 | 223 |
| EBIT | -102 | -208 | -211 | -151 | -157 | -202 | -208 | -337 |
| Depreciation & Amortization | 6 | 16 | 17 | 17 | 14 | 19 | 33 | 46 |
| EBITDA | -96 | -192 | -194 | -134 | -142 | -183 | -175 | -291 |
| Exceptionals | 5 | 18 | 24 | 18 | 24 | 45 | 42 | 196 |
| D&A in exceptionals | 0 | 1 | 0 | 5 | 0 | -2 | 8 | 27 |
| EBITDA pre exceptionals | -91 | -175 | -170 | -121 | -118 | -136 | -141 | -122 |

Note: Additional financial information available at:
<http://corporate.lanxess.com/en/investor-relations/financials/financial-summary/>

LANXESS Fact Book – Financials: Eight years overview

Development of key financial figures over the last quarters

| LANXESS Group Key Figures (€ m) | Q2 12 | Q1 12 | 2011 | | | | | 2010 | | | | |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | | | Q4 11 | Q3 11 | Q2 11 | Q1 11 | Q4 10 | Q3 10 | Q2 10 | Q1 10 | | |
| Sales | 2,424 | 2,388 | 8,775 | 2,123 | 2,336 | 2,243 | 2,073 | 7,120 | 1,832 | 1,847 | 1,828 | 1,613 |
| EBIT | 251 | 277 | 776 | 52 | 223 | 255 | 246 | 607 | 78 | 169 | 196 | 164 |
| Depreciation & Amortization | 93 | 88 | 325 | 92 | 83 | 79 | 71 | 283 | 79 | 69 | 69 | 66 |
| EBITDA | 344 | 365 | 1,101 | 144 | 306 | 334 | 317 | 890 | 157 | 238 | 265 | 230 |
| Exceptionals | 20 | 4 | 50 | 35 | 5 | 5 | 5 | 28 | 15 | 6 | 4 | 3 |
| D&A in exceptionals | 2 | 0 | 5 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EBITDA pre exceptionals | 362 | 369 | 1,146 | 174 | 311 | 339 | 322 | 918 | 172 | 244 | 269 | 233 |
| Employees | 16,881 | 16,713 | 16,390 | 16,390 | 16,070 | 15,820 | 15,115 | 14,648 | 14,648 | 14,539 | 14,419 | 14,292 |

| Performance Polymers Key Figures (€ m) | Q2 12 | Q1 12 | 2011 | | | | | 2010 | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | | Q4 11 | Q3 11 | Q2 11 | Q1 11 | Q4 10 | Q3 10 | Q2 10 | Q1 10 | | |
| Sales | 1,427 | 1,391 | 5,059 | 1,261 | 1,433 | 1,281 | 1,084 | 3,692 | 985 | 966 | 935 | 806 |
| EBIT | 206 | 206 | 598 | 76 | 166 | 191 | 165 | 408 | 89 | 97 | 126 | 96 |
| Depreciation & Amortization | 50 | 48 | 161 | 44 | 45 | 38 | 34 | 141 | 35 | 35 | 37 | 34 |
| EBITDA | 256 | 254 | 759 | 120 | 211 | 229 | 199 | 549 | 124 | 132 | 163 | 130 |
| Exceptionals | 1 | 1 | 9 | 7 | 2 | 0 | 0 | -1 | -4 | 1 | 1 | 1 |
| D&A in exceptionals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EBITDA pre exceptionals | 257 | 255 | 768 | 127 | 213 | 229 | 199 | 548 | 120 | 133 | 164 | 131 |
| Employees | 5,187 | 5,096 | 4,977 | 4,977 | 4,886 | 4,811 | 4,319 | 4,281 | 4,281 | 4,357 | 4,403 | 4,321 |

| Advanced Intermediates Key Figures (€ m) | Q2 12 | Q1 12 | 2011 | | | | | 2010 | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | | Q4 11 | Q3 11 | Q2 11 | Q1 11 | Q4 10 | Q3 10 | Q2 10 | Q1 10 | | |
| Sales | 399 | 429 | 1,545 | 363 | 371 | 395 | 416 | 1,411 | 366 | 356 | 347 | 342 |
| EBIT | 62 | 54 | 175 | 17 | 52 | 47 | 59 | 201 | 54 | 51 | 53 | 43 |
| Depreciation & Amortization | 17 | 16 | 70 | 20 | 16 | 18 | 16 | 58 | 15 | 15 | 14 | 14 |
| EBITDA | 79 | 70 | 245 | 37 | 68 | 65 | 75 | 259 | 69 | 66 | 67 | 57 |
| Exceptionals | 0 | 0 | 23 | 23 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D&A in exceptionals | 0 | 0 | 4 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EBITDA pre exceptionals | 79 | 70 | 264 | 56 | 68 | 65 | 75 | 259 | 69 | 66 | 67 | 57 |
| Employees | 2,871 | 2,882 | 2,883 | 2,883 | 2,848 | 2,882 | 2,886 | 2,903 | 2,903 | 2,805 | 2,815 | 2,830 |

| Performance Chemicals Key Figures (€ m) | Q2 12 | Q1 12 | 2011 | | | | | 2010 | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | | Q4 11 | Q3 11 | Q2 11 | Q1 11 | Q4 10 | Q3 10 | Q2 10 | Q1 10 | | |
| Sales | 585 | 558 | 2,130 | 490 | 523 | 561 | 556 | 1,978 | 471 | 515 | 537 | 455 |
| EBIT | 40 | 62 | 211 | 8 | 55 | 76 | 72 | 209 | 13 | 67 | 67 | 62 |
| Depreciation & Amortization | 23 | 21 | 78 | 21 | 20 | 19 | 18 | 67 | 18 | 16 | 17 | 16 |
| EBITDA | 63 | 83 | 289 | 29 | 75 | 95 | 90 | 276 | 31 | 83 | 84 | 78 |
| Exceptionals | 17 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 5 | 0 | 0 | 0 |
| D&A in exceptionals | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| EBITDA pre exceptionals | 78 | 83 | 289 | 29 | 75 | 95 | 90 | 281 | 36 | 83 | 84 | 78 |
| Employees | 6,015 | 5,999 | 5,819 | 5,819 | 5,654 | 5,515 | 5,309 | 4,907 | 4,907 | 4,832 | 4,757 | 4,684 |

LANXESS Fact Book – Financials: Quarterly overview

Conservative financial policy and centralized risk management

- Centralized management of all relevant risks
 - Liquidity & refinancing
 - Foreign exchange, interest rates and commodity risk
 - Counterparty risk
 - Customer credit risk
- Support operative business by managing non-operative risks (i.e. insurance)
- Pension risk management



Our active risk management aims at the reduction of financial and operational volatilities

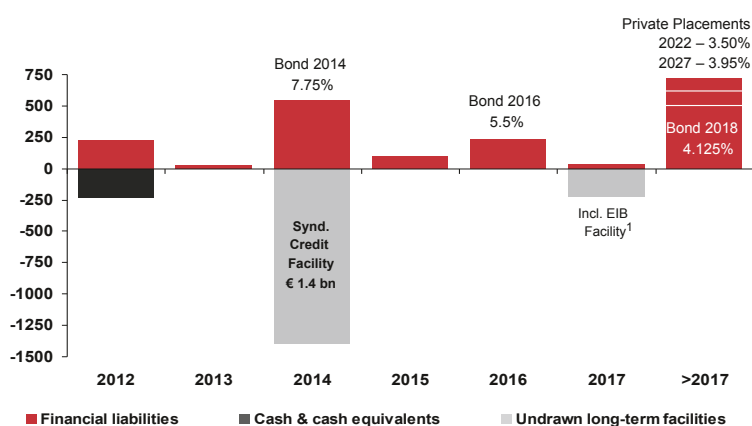
LANXESS Fact Book – Financials: Financing

A well-managed and conservative maturity profile

Long term financing secured

- Well balanced maturity profile
- Diversified financing sources
 - Bonds
 - Private placements
 - Syndicated credit facility
 - Development banks
 - Bilateral bank facilities
- €1.4 bn RCF and €200 m credit facility with EIB¹ undrawn

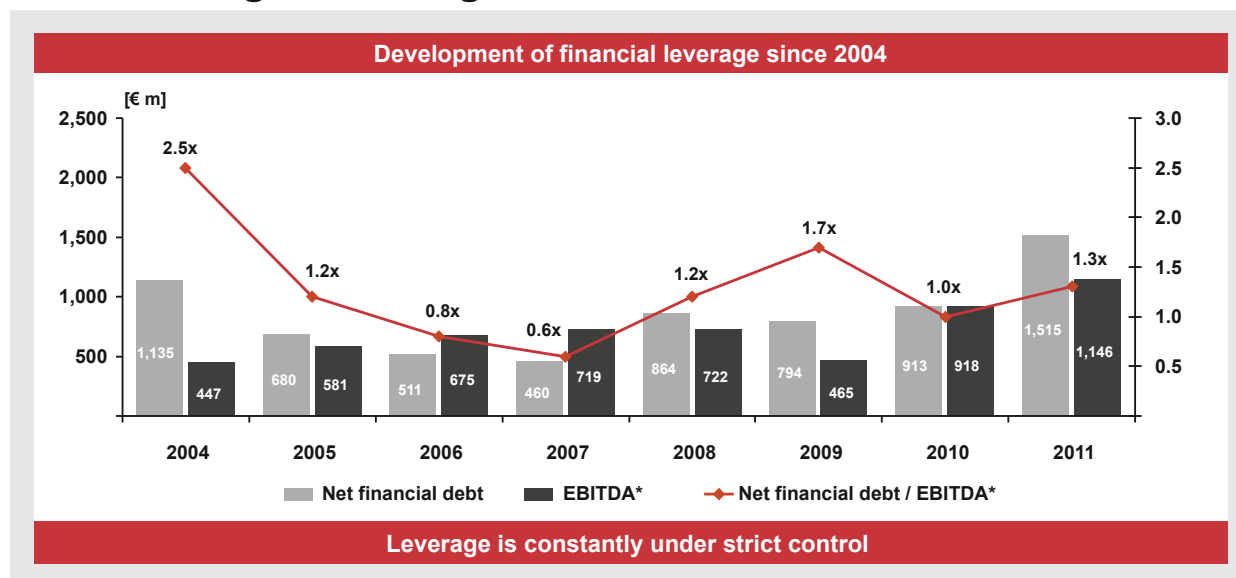
Liquidity and maturity profile of June 2012



¹ European Investment Bank; final maturity of EIB financing in case of utilization in 2017 or later; EIB facility currently undrawn

LANXESS Fact Book – Financials: Financing

LANXESS is committed to a prudent financial profile and an investment grade rating






* pre exceptionals

LANXESS Fact Book – Financials: Financing

Positive rating development since 2004 in line with LANXESS investment grade rating target

Strong credit rating history

Ratings by all three major agencies since 2005:

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|----------------------------------|--|--|--|----------------------------|----------------------------|----------------------------|----------------------------|--|
| Standard & Poor's | BBB-/ stable 29.10.2004 (initial rating) | BBB-/ stable | BBB-/ positive 18.05.2006 BBB-/ stable 18.09.2006 | BBB/ stable 31.07.2007 | BBB/ stable 16.05.2008 | BBB/ stable 28.05.2009 | BBB/ stable 01.09.2010 | BBB/ stable 23.08.2011 |
| Moody's Investors Service | J. | Baa3/ stable 31.05.2005 (initial rating) | Baa3/ stable 12.06.2006 | Baa2/ stable 17.07.2007 | Baa2/ stable 25.07.2008 | Baa2/ stable 26.05.2009 | Baa2/ stable 19.05.2010 | Baa2/ stable 23.11.2011 |
| Fitch Ratings | J. | J. | BBB/ stable 15.06.2006 (initial rating) | BBB/ stable 31.05.2007 | BBB/ stable 04.12.2008 | BBB/ stable 20.07.2009 | BBB/ stable 17.12.2010 | BBB/ stable 22.11.2011 |

BBB stable has already been confirmed by S&P and Fitch in 2012

LANXESS Fact Book – Financials: Financing

Rating agencies confirm BBB rating and highlight sound financial profile and strong market positions

STANDARD & POOR'S
Jul 31st, 2012
Standard & Poor's
BBB

- ... prudent financial policies, including moderate debt levels and strong liquidity
- ... strong market positions ... and strategically well positioned...
- ... expectation of continued strong profitability...and further degree of financial flexibility...

Moody's Investors Service
Nov. 23rd, 2011
Moody's
Baa2

- The Baa2 rating is underpinned by the significant size and scale of the business, as well as the benefits of the product and market...
- ...the company's financial profile remains strong...
- Lanxess maintains a considerable level of flexibility in its capital structure and liquidity...

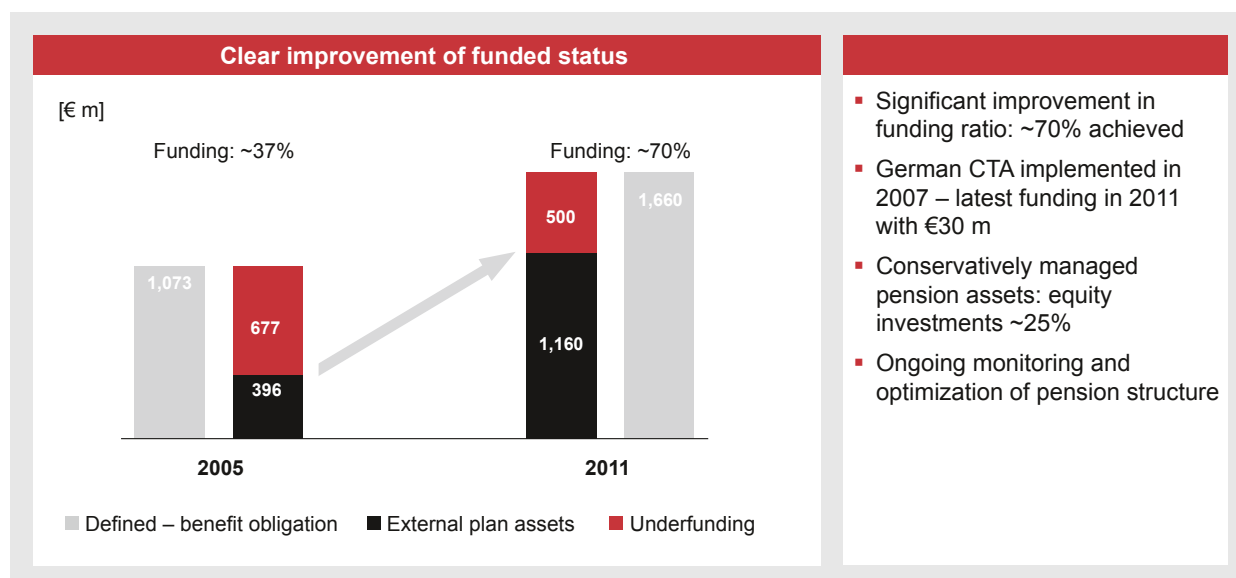
Fitch Ratings
Aug. 16th, 2012
Fitch Ratings
BBB

- Lanxess' credit profile offers sufficient financial flexibility and headroom to withstand weakening market conditions and to support its ongoing strategic expansion
- Lanxess' pricing power demonstrated in all three main segments...
- ...strong liquidity...

Source: Rating Agencies

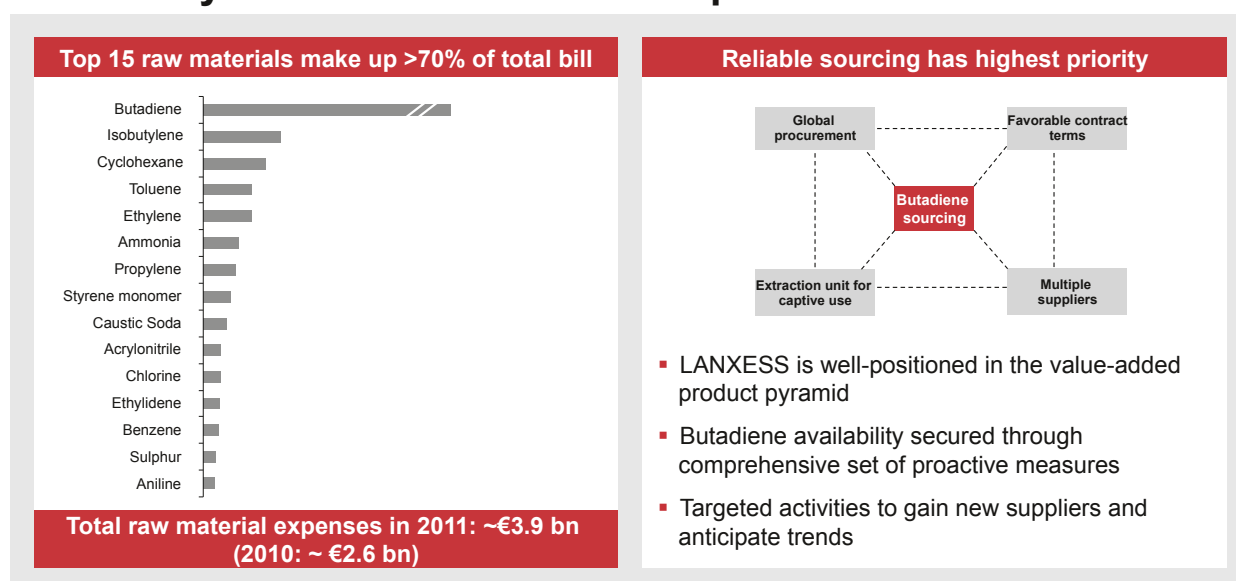
LANXESS Fact Book – Financials: Financing

LANXESS' pension obligations under tight control



LANXESS Fact Book – Financials: Excursion

LANXESS runs a global sourcing strategy in order to ensure availability of raw materials at best prices



LANXESS Fact Book – Financials: Excursion

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