



FY 2016 Roadshow

Transformation gains traction

Matthias Zachert, CEO



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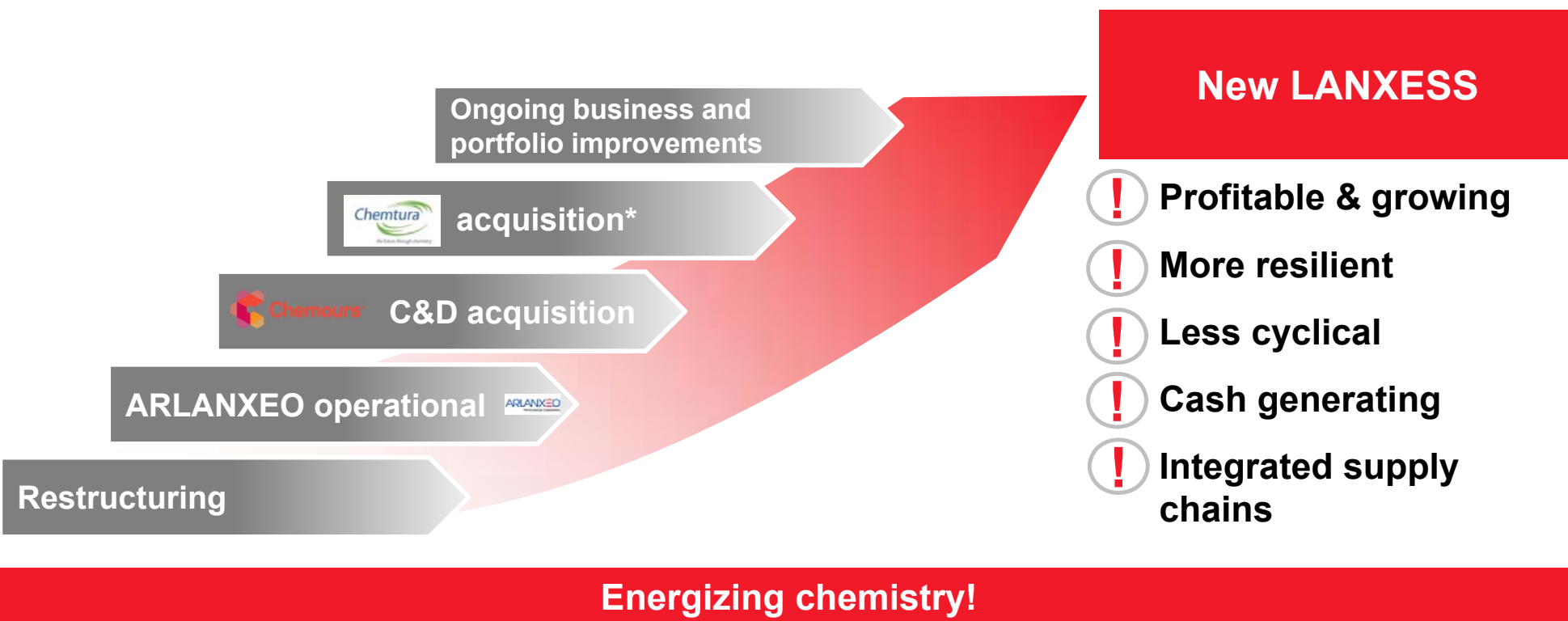
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Agenda

- **Building a more resilient New LANXESS**
- Q4 2016 and guidance – Transformation gains traction
- Backup

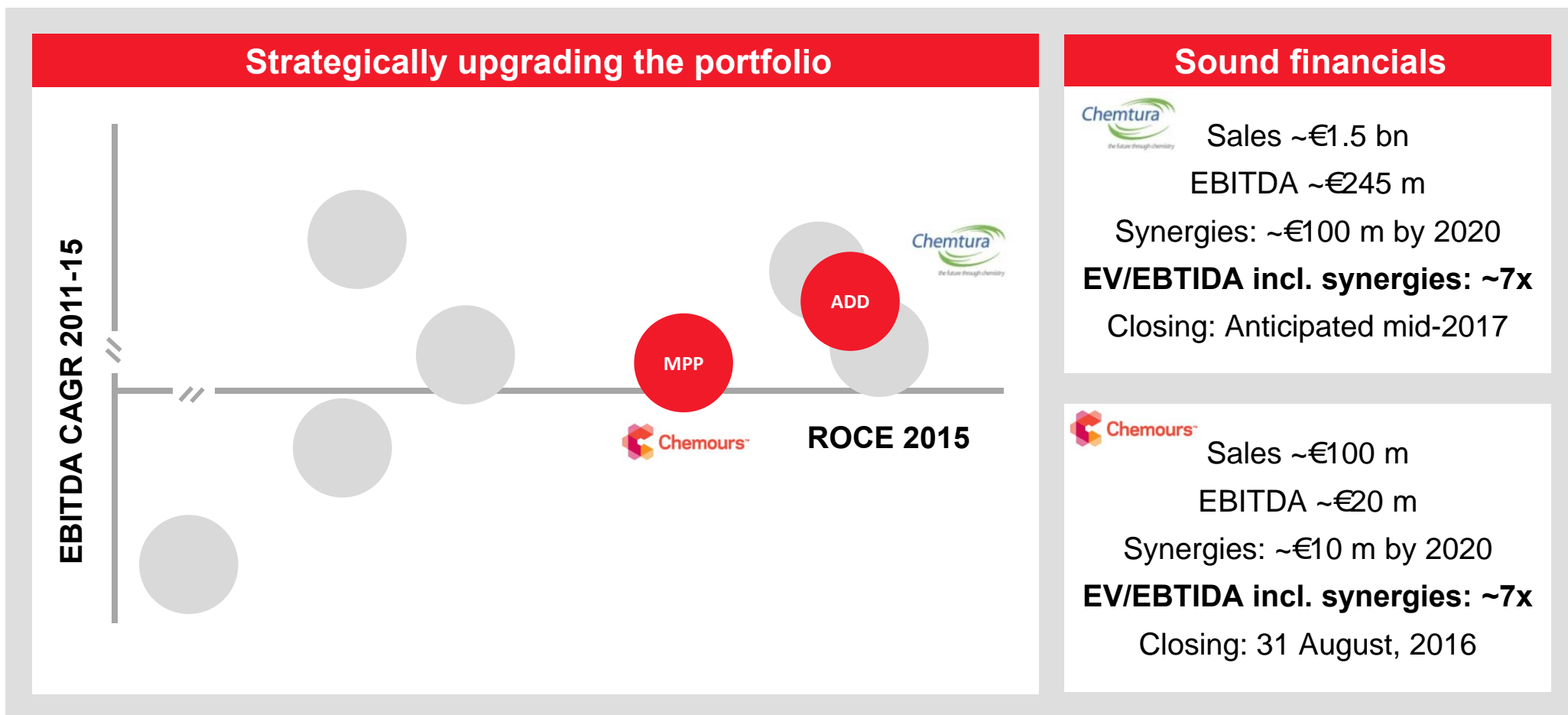
On track to change the company into the New LANXESS

Our path towards the New LANXESS



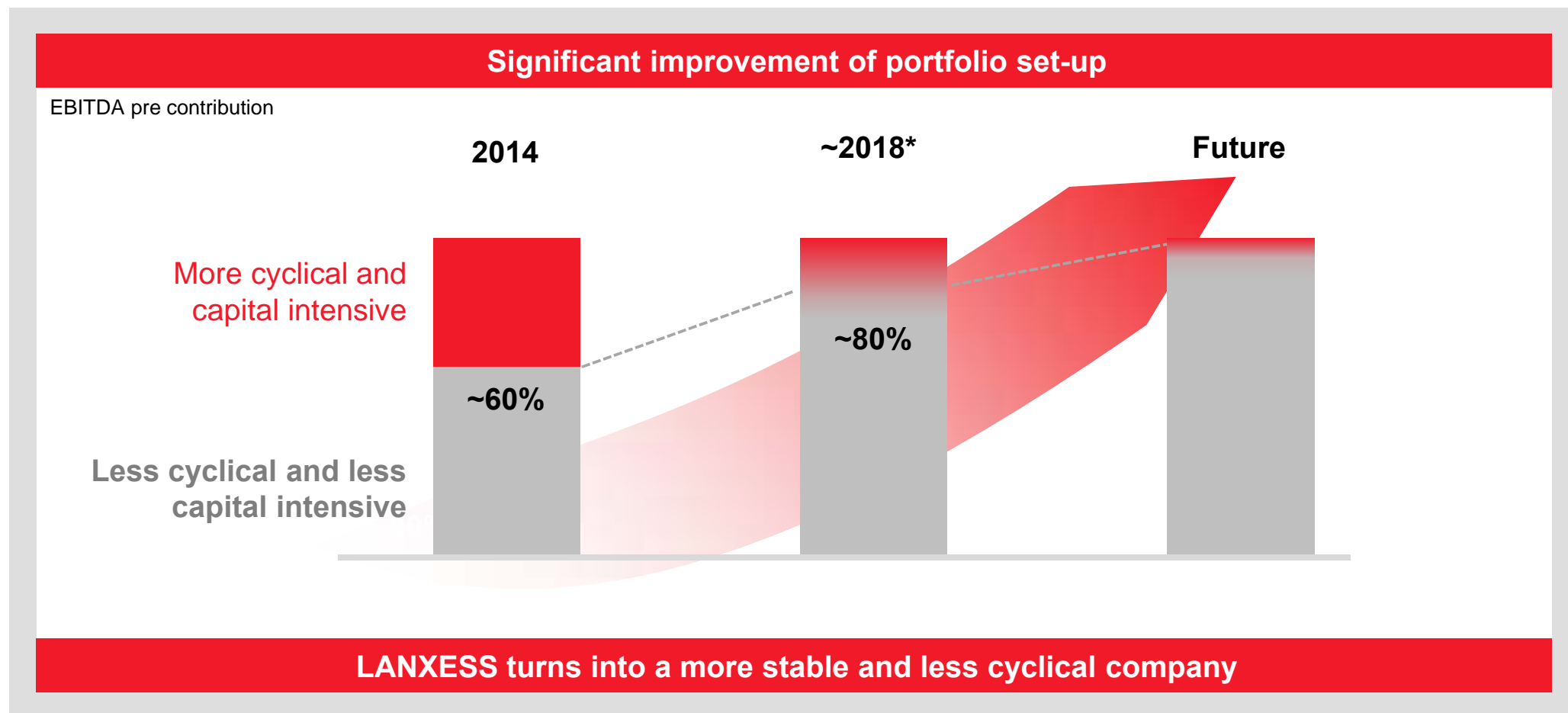
* Closing expected mid-2017

2 out of 8 business units have already been upgraded through strategic portfolio management



Sales and EBITDA are based on Q2 2016 LTM, USD/EUR 1.10





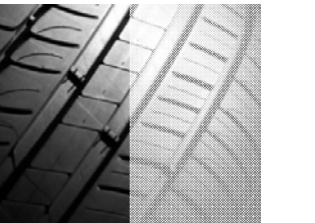
Progressing strategic shift to lower cyclicity paired with higher cash generation



* Indicative, including Chemtura - Closing of Chemtura transaction anticipated mid-2017

A more diversified and balanced portfolio

Well balanced business set-up

<p>Sales [€]</p>	<p>~2.0 bn</p> <p>Advanced Intermediates</p> 	<p>~2.0 bn</p> <p>Specialty Additives**</p> 	<p>~1.5 bn</p> <p>Engineering Materials</p> 	<p>~1.5 bn</p> <p>Performance Chemicals</p> 	<p>~3 bn</p> <p>ARLANXEO* joint venture for synthetic rubber</p> 
<p>Key strategic rationale</p>	<p>Building a global and resilient intermediates player</p>	<p>Creating a major, global additives business</p>	<p>Building an integrated engineering plastics player</p>	<p>Building a specialty division</p>	<p>Market leading in production and marketing of synthetic rubber</p>

* ARLANXEO to be fully consolidated for the first three years (as of April 1, 2016)

** Future reporting structure after closing of Chemtura acquisition

A better end market exposure

LANXESS in 2015

End market split by sales



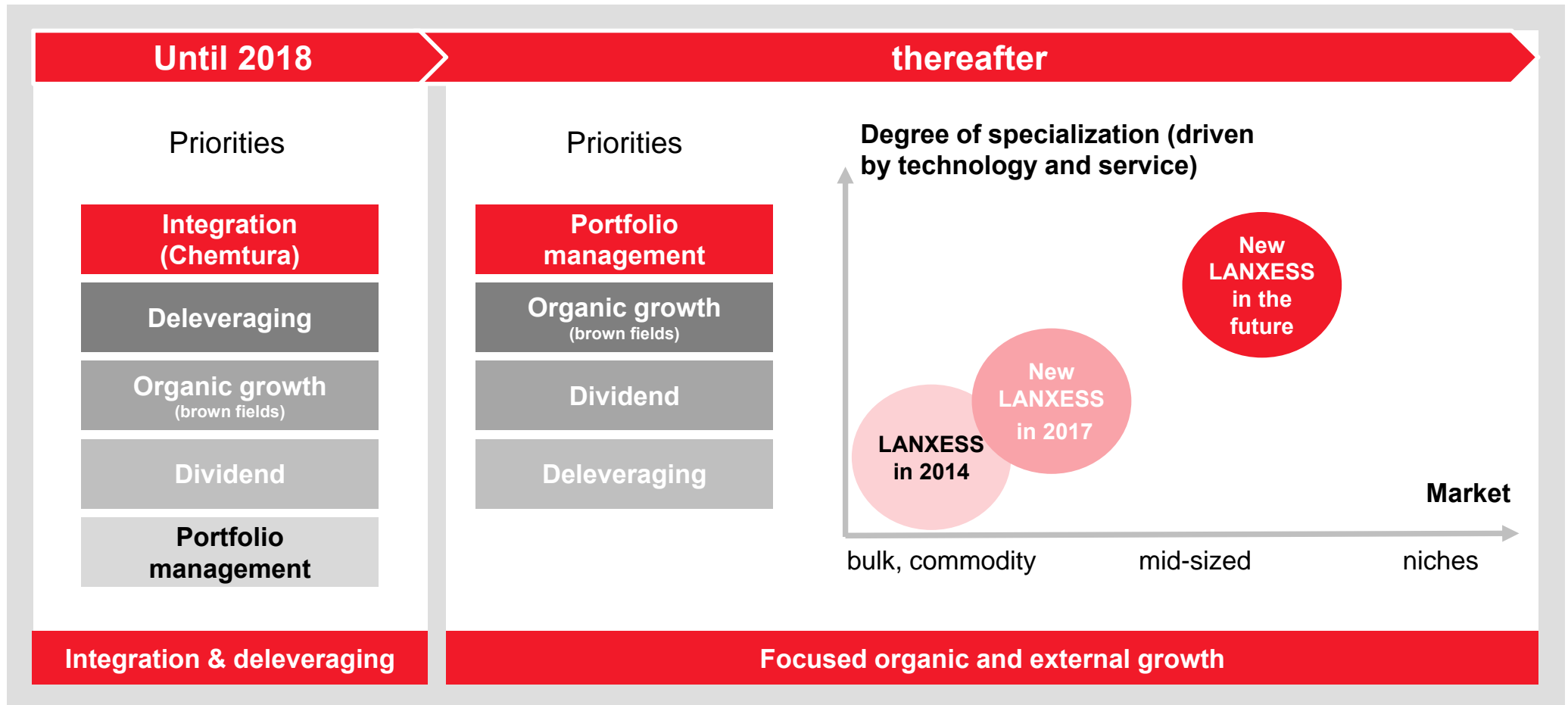
New LANXESS ~2017

End market split by sales excl. ARLANXEO and incl. Chemtura



More diversified and resilient

Progressing very focused



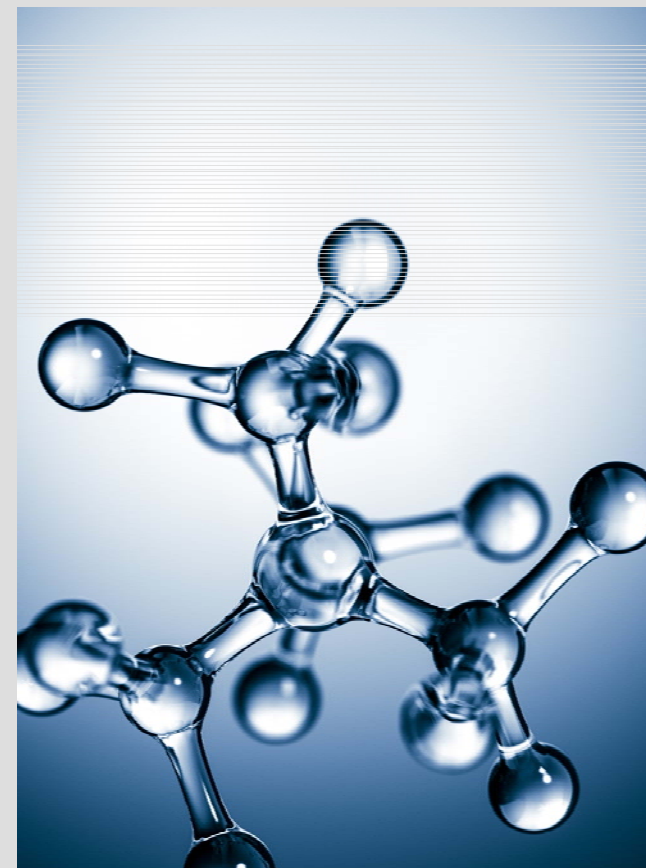
Building on our core strength

New LANXESS with strong foundation

Clear and prudent criteria for growth

Attractive organic and inorganic growth opportunities





Building a more resilient and cash generating company



Agenda

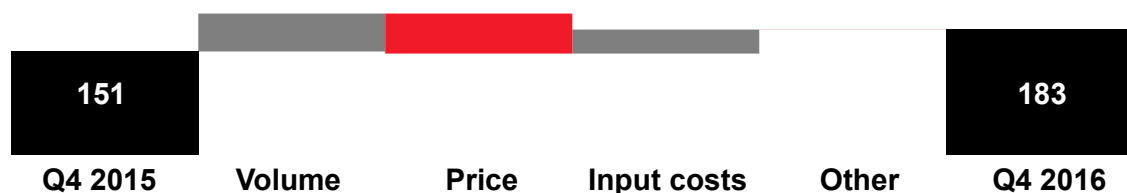
- Building a more resilient New LANXESS
- **Q4 2016 and guidance – Transformation gains traction**
- Backup

Q4 2016: Volume driven earnings growth

Q4 yoy sales variances		Price	Volume	Currency	Portfolio	Total
	Adv. Intermediates	-3%	-6%	0%	-	-9%
	Perf. Chemicals	-1%	+7%	1%	+4%	+11%
	High Perf. Materials	-8%	+13%	0%	-	+5%
	ARLANXEO	-3%	+15%	1%	-	+13%
LANXESS		-3%	+8%	+1%	+1%	+6%

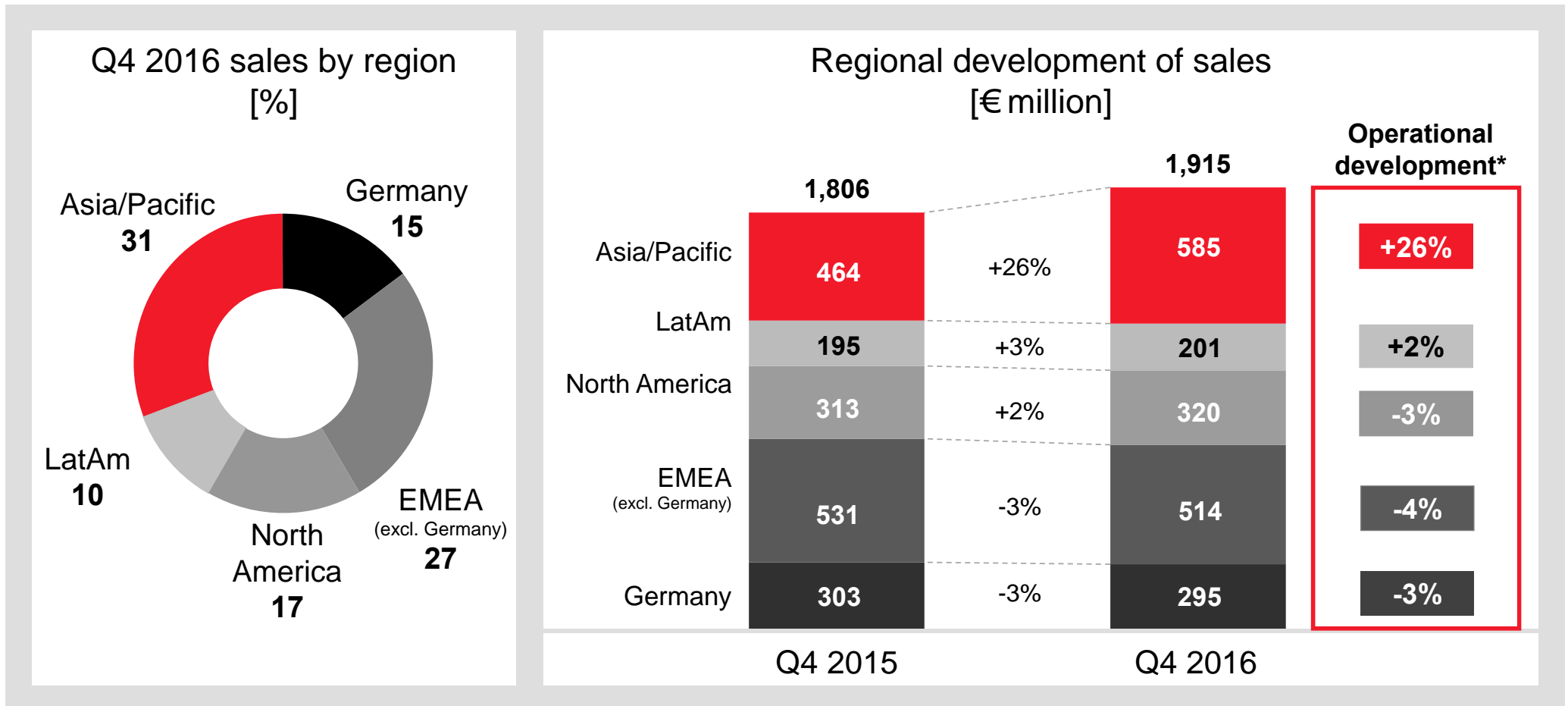
- Lower prices reflect mainly raw material cost pass-through
- Higher volumes due to unforeseen strong demand in Asia; weak agro markets impact Adv. Intermediates
- Positive portfolio effect from Chemours C&D acquisition

Q4 yoy EBITDA pre bridge [€ m]



- Significant volume contribution
- Price/cost squeeze predominantly in some rubber grades in ARLANXEO
- “Other”: positive FX effects partly offset by ARLANXEO dissynergies and long-term variable compensation

Q4 2016: Region Asia/Pacific with very strong sales increase



* Currency and portfolio adjusted

Q4 2016: Solid operating performance

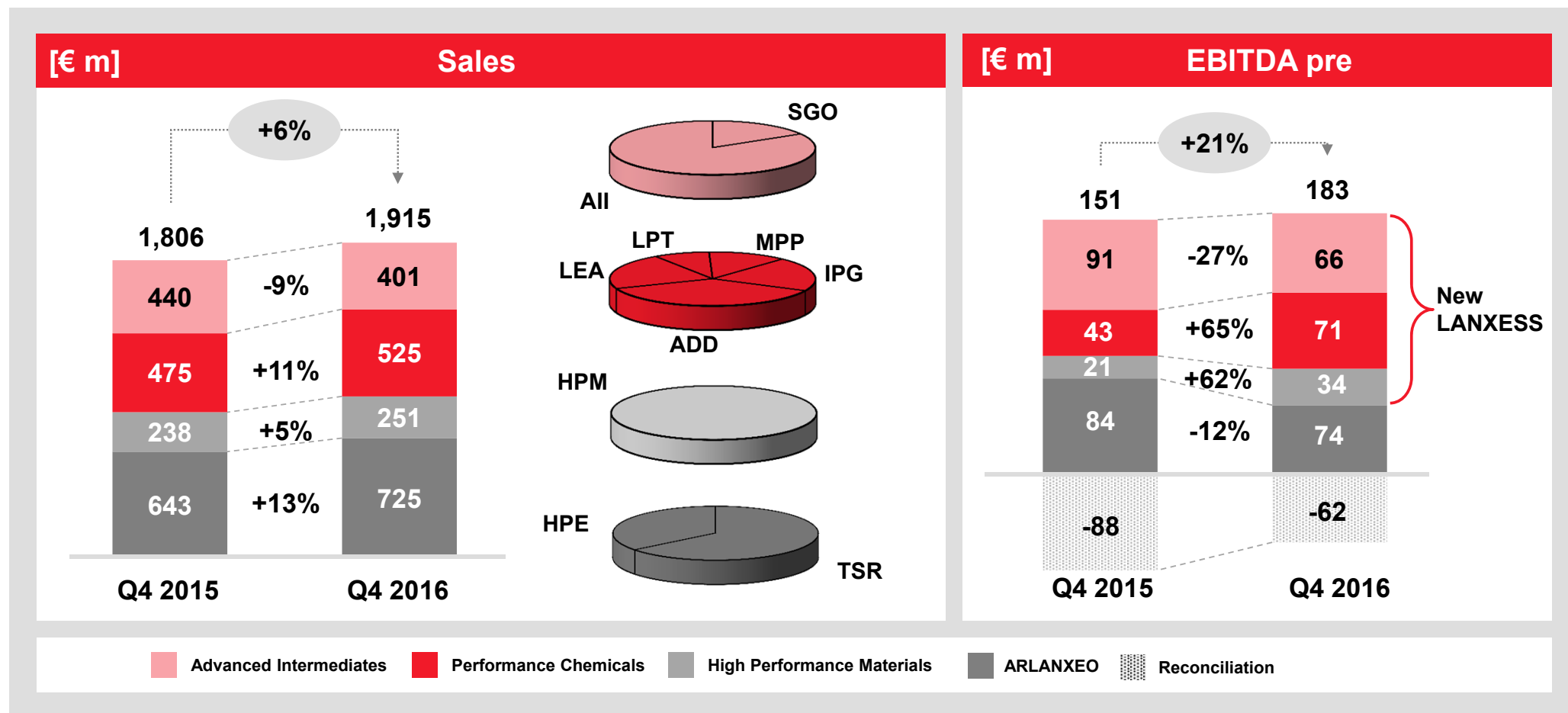
[€ m]	Q4 2015		Q4 2016		yoy in %	
Sales	1,806	(100%)	1,915	(100%)	6%	<ul style="list-style-type: none"> ▪ Sales increase mainly on strong volumes ▪ Cost of sales increase; however stable gross margin with higher capacity utilization and savings compensating for price pressure in some rubber types ▪ Selling expenses rise with volume increase; overhead line items impacted among others** by portfolio effects ▪ EBIT declined due to absence of positive one-offs (€56 m write-backs in Q4`15)
Cost of sales	-1,441	(80%)	-1,545	(81%)	-7%	
Selling	-186	(10%)	-204	(11%)	-10%	
G&A	-82	(5%)	-91	(5%)	-11%	
R&D	-32	(2%)	-35	(2%)	-9%	
EBIT	71	(4%)	35	(2%)	-51%	
Non-controlling interests	3		-3	(0%)	<-100%	
Net Income	15	(1%)	2	(0%)	-87%	
EPS pre*	-0.11		0.24		>100 %	
EBITDA	141	(8%)	162	(8%)	15%	
thereof exceptionals	-10	(1%)	-21	(1%)	>100%	
EBITDA pre exceptionals	151	(8.4%)	183	(9.6%)	21%	

Volume increase drives EBITDA

* net of exceptionals and amortization of intangible assets as well as attributable tax effects

** ARLANXEO dissynergies and long-term compensation

Q4 2016: A mixed picture



Total group sales including reconciliation

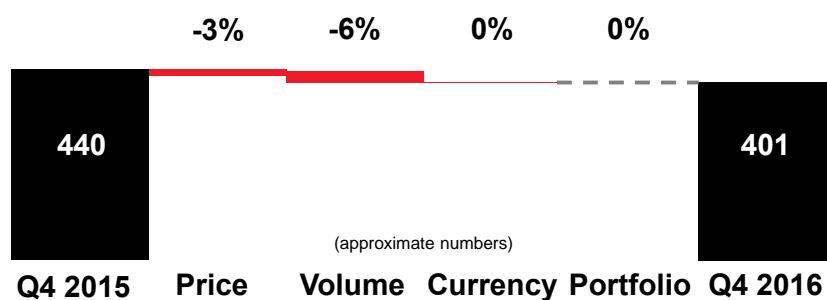
Advanced Intermediates: Agro weakness impacted Q4 as expected

[€ m]	Q4 2015	Q4 2016	Δ
Sales	440	401	-8.9%
EBIT	85	39	-54.1%
Depr. / Amort.	6	29	>100%
EBITDA pre exceptionals	91	66	-27.5%
Margin	20.7%	16.5%	
Capex	37	62	67.6%

	FY 2015	FY 2016	Δ
	1,826	1,742	-4.6%
	258	223	-13.6%
	80	105	31.3%
	339	326	-3.8%
	18.6%	18.7%	
	87	123	41.4%



Q4 sales bridge yoy [€ m]



Q4 yoy effects

- Pricing reflects raw material costs pass-through
- Volumes significantly lower mainly due to high prior-year base; BU SGO with weak demand from agro customers
- EBITDA pre impacted by lower volumes; unusually high prior-year base
- Capex increased due to growth investment in BU Saltigo
- Depreciation back at normal level (Q4 2015 incl. €19 m write-back)

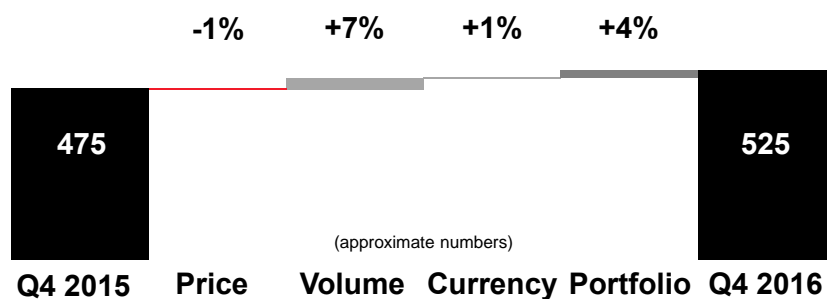
Performance Chemicals: Strong volume growth in Q4

[€ m]	Q4 2015	Q4 2016	Δ
Sales	475	525	10.5%
EBIT	15	42	>100%
Depr. / Amort.	23	26	13.0%
EBITDA pre exceptionals	43	71	65.1%
Margin	9.1%	13.5%	
Capex	65	48	-26.2%

	FY 2015	FY 2016	Δ
Sales	2,085	2,142	2.7%
EBIT	225	277	23.1%
Depr. / Amort.	88	94	6.8%
EBITDA pre exceptionals	326	374	14.7%
Margin	15.6%	17.5%	
Capex	139	118	-15.1%



Q4 sales bridge yoy [€ m]



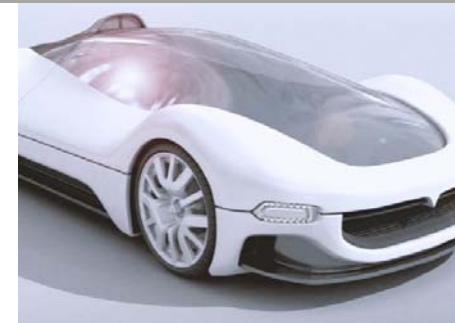
Q4 yoy effects

- Minor price effects across all BUs
- Strong volume growth in nearly all BUs supported by less pronounced seasonality
- EBITDA pre and margin benefitted from volume growth, lower idle costs and better product mix
- Capex reduced from 2015 level (BU IPG China greenfield investment completed)

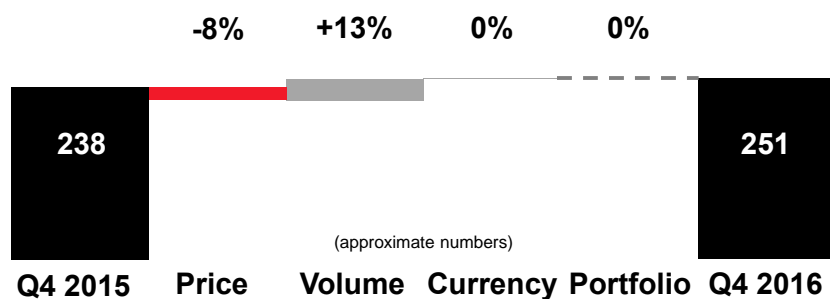
High Performance Materials: Higher volumes and improved product mix drive earnings

[€ m]	Q4 2015	Q4 2016	Δ
Sales	238	251	5.5%
EBIT	9	22	>100%
Depr. / Amort.	12	12	0.0%
EBITDA pre exceptionals	21	34	61.9%
Margin	8.8%	13.5%	
Capex	24	31	29.2%

	FY 2015	FY 2016	Δ
Sales	1,085	1,056	-2.7%
EBIT	85	114	34.1%
Depr. / Amort.	46	45	-2.2%
EBITDA pre exceptionals	111	159	43.2%
Margin	10.2%	15.1%	
Capex	39	46	17.9%



Q4 sales bridge yoy [€ m]



Q4 yoy effects

- Lower selling prices reflect raw material cost changes
- Strong volume growth in engineering plastics due to high automotive demand mainly in Asia
- EBITDA pre benefits from strong volume increase (ramp up of new compounding facility in Gastonia, US) and positive product mix effect
- Capex increase reflects investments in efficiency enhancing measures

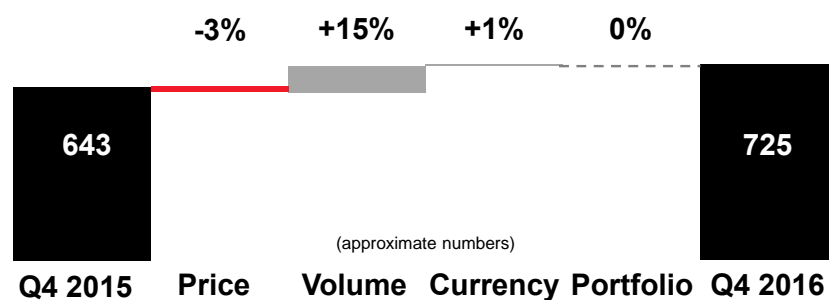
ARLANXEO: Substantial volume growth but continuing margin pressure

[€ m]	Q4 2015	Q4 2016	Δ
Sales	643	725	12.8%
EBIT	65	21	-67.7%
Depr. / Amort.	18	55	>100%
EBITDA pre exceptionals	84	74	-11.9%
Margin	13.1%	10.2%	
Capex	64	66	+3.1%

	FY 2015	FY 2016	Δ
	2,859	2,710	-5.2%
	195	155	-20.5%
	181	220	21.5%
	391	373	-4.6%
	13.7%	13.8%	
	145	138	-4.8%



Q4 sales bridge yoy [€ m]



Q4 yoy effects

- Lower selling prices due to persistent competitive price pressure in EPDM and butyl
- Substantial volume growth in both BUs on the back of strong demand in Asia
- EBITDA pre declines as price/cost squeeze over compensates positive volume effect
- Depreciation back at normal level (Q4 2015 incl. €37 m write-back)

Q4 2016: Strong business activity offset by one-time effects

[€ m]	Q4 2015	Q4 2016
Profit before tax	42	-2
Depreciation & amortization	70	127
Financial (gains) losses	17	14
Cash tax payments/refunds	-28	-86
Changes in other assets and liabilities	-5	-52
Operating cash flow before changes in WC	96	1
Changes in working capital	254	156
Operating cash flow	350	157
Investing cash flow	-234	-1,784
Thereof capex	-205	-211
Financing cash flow	-101	1,459

- Depreciation back at normal level (Q4 '15 contained €56 m write-backs)
- Higher cash taxes due to timing pattern
- Changes in other assets and liabilities mainly due to hedging of intercompany financing
- Working capital release driven by higher payables following risen raw material prices
- Investing and financing cash flow mainly reflect issuance of new bonds (€1.5 bn in preparation of Chemtura acquisition)

Balance sheet – Substantially improved and prepared for Chemtura acquisition

[€ m]	Dec 2015	Dec 2016
Total assets	7,219	9,877
Equity (incl. non-controlling interest)	2,323	3,728
Equity ratio	32%	38%
Net financial debt (after deduction of current financial assets)	1,211	269
Near cash, cash & cash equivalents	466	395
Pension provisions	1,215	1,249
ROCE¹	8.4%	9.6%⁴
Net working capital	1,526	1,628
DSI (in days) ²	67	67
DSO (in days) ³	48	51

- Total assets higher with ARLANXEO-related increase in equity for non-controlling interest⁵ and financing in preparation of Chemtura acquisition
- Stable pension provisions despite lower discount rate (2.0% from 3.0% year end '15) due to €200 m funding in Q2 '16
- Rock solid balance sheet with very low net financial debt
- ROCE increased to ~9.6%⁴
- DSO increase reflects strong Q4 volume growth

¹ Based on last twelve months for EBIT pre

² Days sales of inventory calculated from quarterly sales

³ Days of sales outstanding calculated from quarterly sales

⁴ Adjusted for current financial assets

⁵ On April 1, 2016, LANXESS placed 50% of its rubber business in a joint venture with Saudi Aramco, receiving in return ~€1.2 bn in cash

Strong start to the year: Q1 2017 EBITDA pre expected ~20% above prior year

Macro economics 2017

Similar trading pattern expected as in 2016

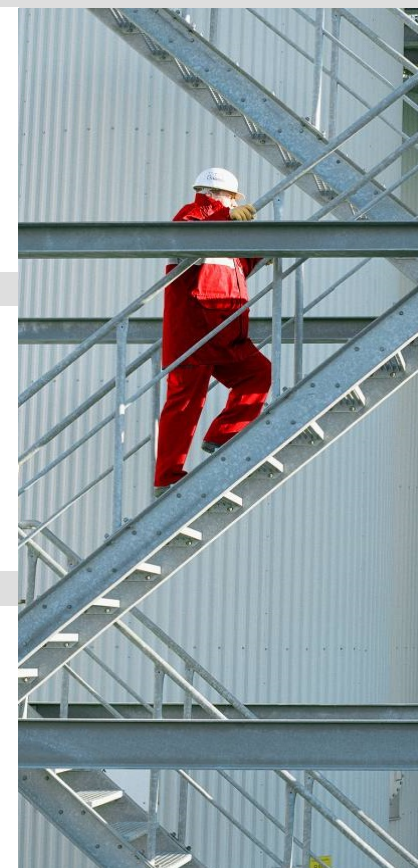
- U.S. and Europe with moderate growth
- Asia (especially China) expected to grow as strong as in 2016
- Latin America sees improvement against prior year

LANXESS FY 2017

- EBITDA pre expected slightly above previous year
– Chemtura comes on top

LANXESS Q1 2017

- Q1 '17 EBITDA pre seen in a bandwidth of ~€300-320 m



All data excludes the contribution from the Chemtura acquisition; acquisition is subject to approval of relevant authorities
At USD/EUR 1.10

Agenda

- Building a more resilient New LANXESS
- Q4 2016 and guidance – Transformation gains traction
- **Backup**



Backup

Housekeeping items

Additional financial expectations

- Capex 2017: ~€450-500 m (thereof ~€150 m ARLANXEO)
- Operational D&A 2017: ~€480 m (thereof ~€220 m ARLANXEO)
- Reconciliation 2017: underlying exp. of ~€160 m EBITDA pre additionally hedging exp. expected ~€10 m
- Tax rate: mid-term: 30-35% (for New LANXESS)
- Dividend policy: Aiming for a rising or at least stable dividend



All data excludes the contribution from the Chemtura acquisition
At USD/EUR 1.10

Phase II: progressing faster – ~€20 m savings pulled forward from 2017 to 2016

Detailed table to summarize financial impact of restructuring Phase II

	2015	2016	2017	2018	2019	Total
[€ m] P&L expense (OTC)	~60	~30	~10			~100
[€ m] Cash-out (OTC)	~5	~50	~20	~15		~90
[€ m] Capital Invest	by 2019					~140
[€ m] Cost reduction	~10	~20	~40	~40	~40	~150

~€20 m

Thereof ~€20 m
already realized
in 2016

Includes €20 m savings from the EPDM and Nd-PBR reconfiguration already communicated in March 2015 / OTCs include ~€55 m already communicated and booked in 2015 (Marl / Nd-PBR reconfiguration) / OTC = one-time-costs booked as exceptionals

Details on synergies and one-time costs of Chemtura acquisition

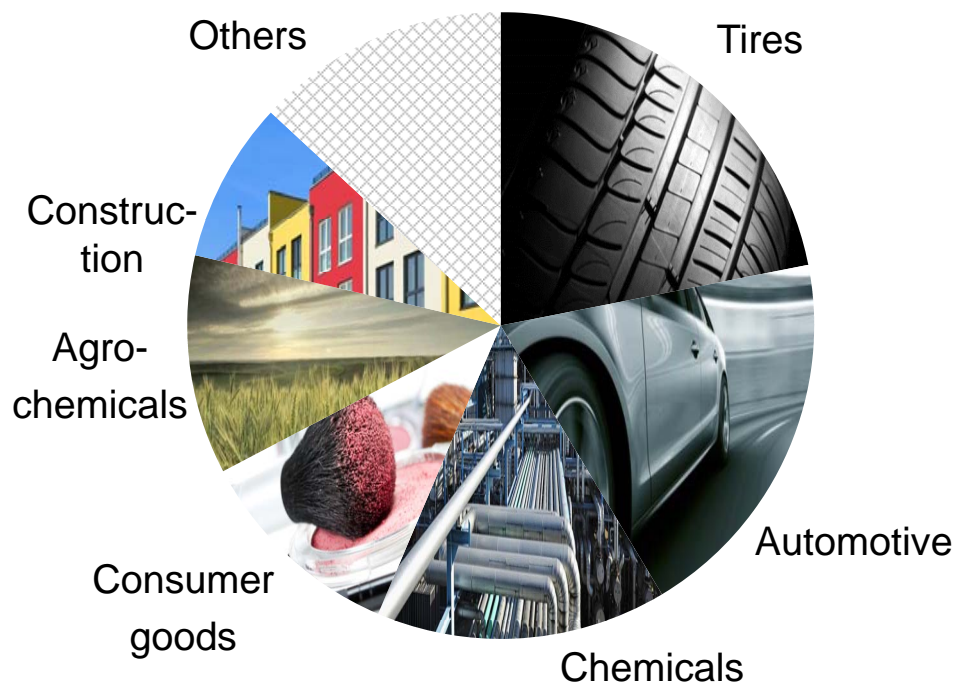
Preliminary implementation schedule of Chemtura acquisition

	2016	2017	2018	2019	2020	Total
[€ m] Expense (one-time costs)*		~70	~30	~20	~20	~140
[€ m] Capex		~30	~10	~10		~50
[€ m] Synergies		~25	~25	~35	~15	~100

* excluding ~€80 m transaction related costs (including cost of planned refinancing of target debt), which are considered in purchase price

New LANXESS well diversified

LANXESS group - sales by industry 2016



New LANXESS sales by industry 2016








ARLANXEO sales by industry 2016



* Amongst other consumer, chemicals, construction

New LANXESS with strong ROCE

FY 2016

	New LANXESS			ARLANXEO	Group
	 Advanced Intermediates	 Performance Chemicals			
EBITDA pre* margin	€326 m 19%	€374 m 17%	€159m 15%	€373 m 14%	€995 m 13%
ROCE	~15%			~5%	9.6%**

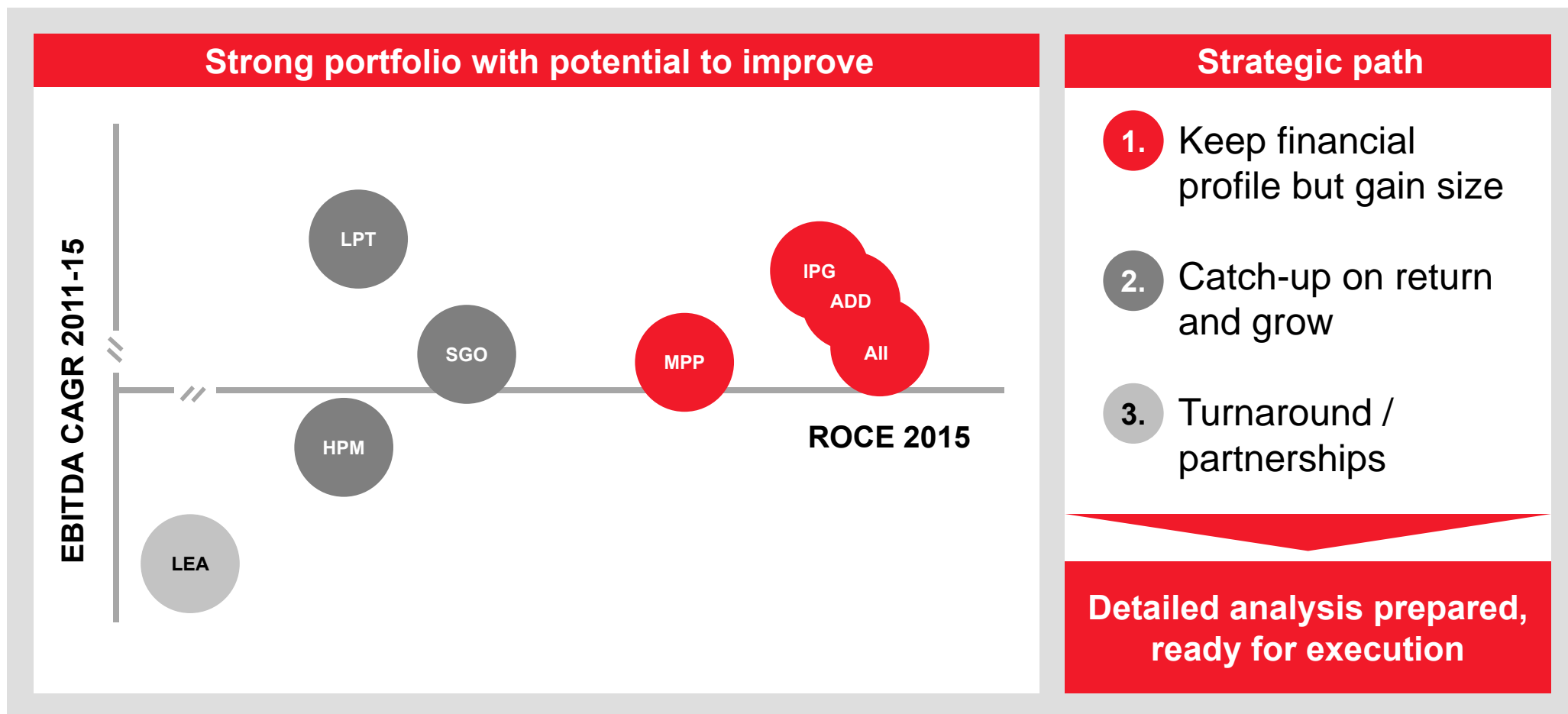
A solid EBITDA contribution from all segments

EBITDA pre and margin for HPM and ARLANXEO are unaudited figures; ROCE split is an approximation

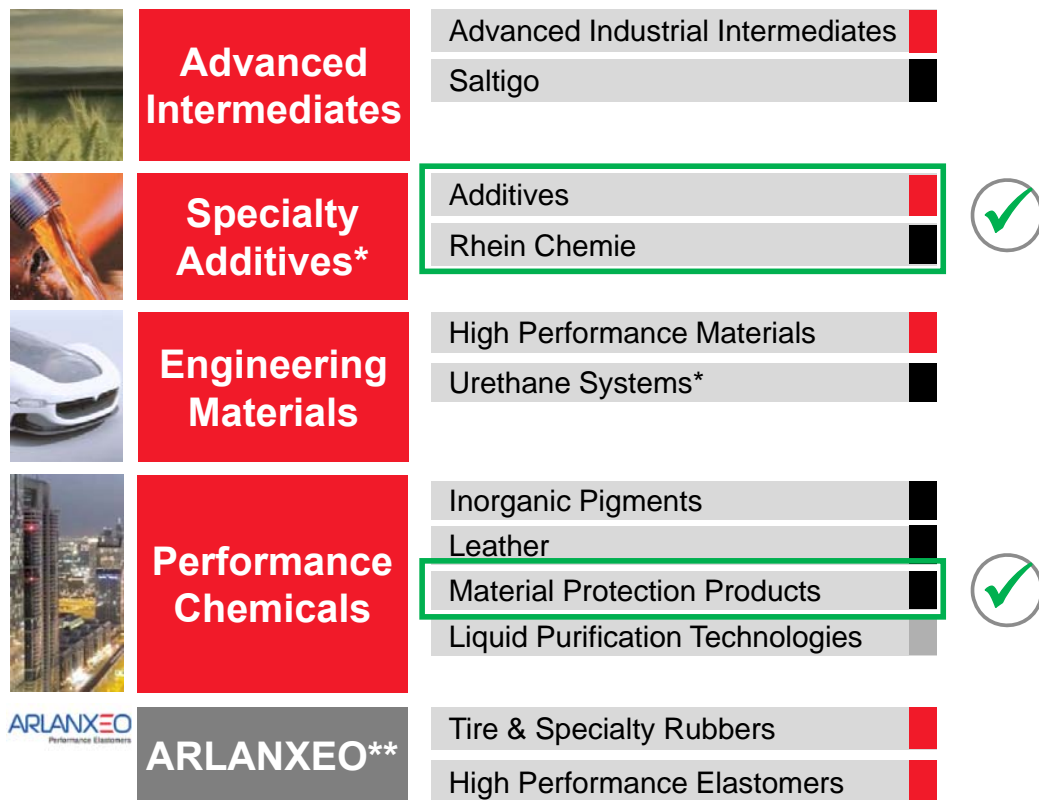
* For segments: Operational EBITDA pre without allocation of hedging expenses

** Adjusted for current financial assets

Dedicated value maximizing strategy for each business unit



Further potential for portfolio optimization



- First steps of portfolio optimization have been initiated in parts of LANXESS' portfolio
- Strategic directive for further portfolio optimization is already set

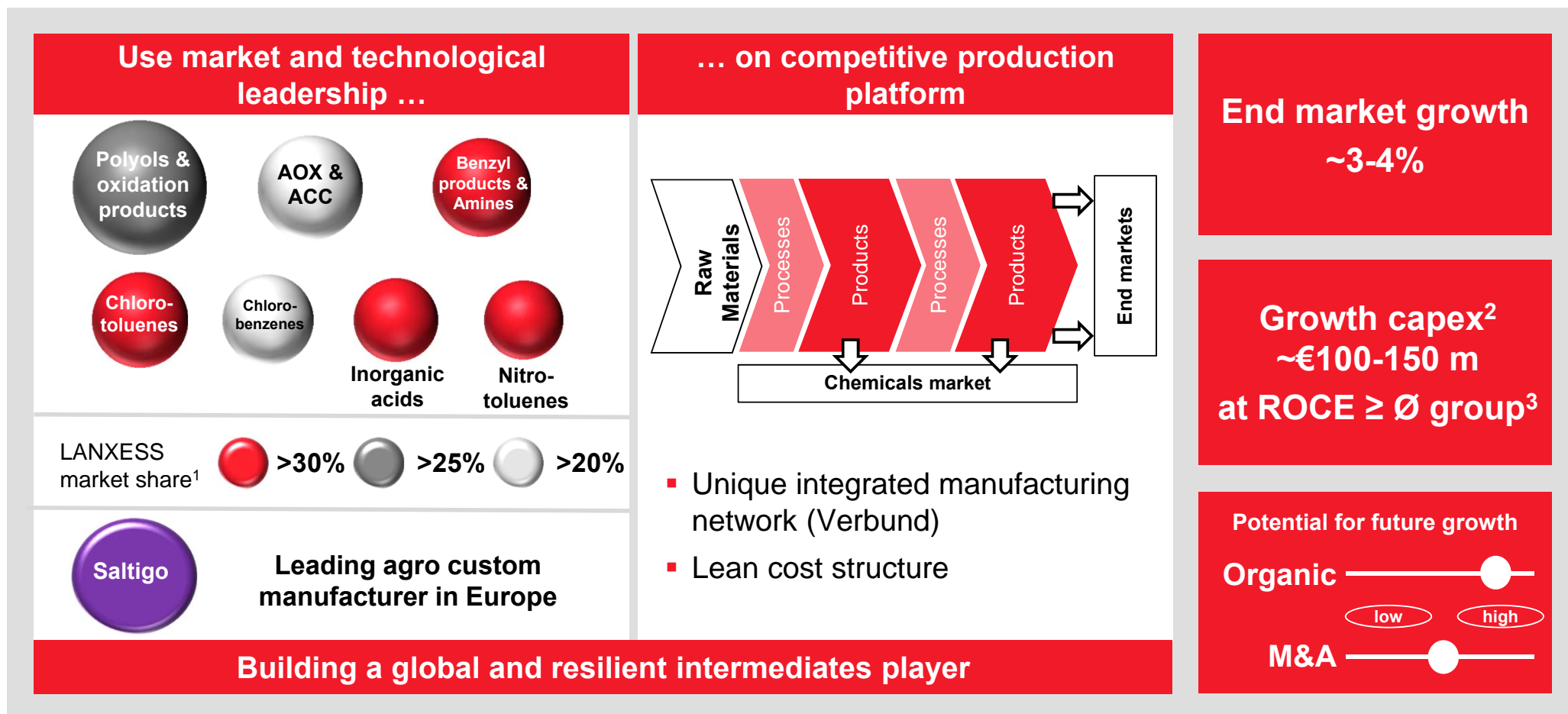
Ongoing implementation

* Future reporting segment after planned acquisition of Chemtura

** ARLANXEO fully consolidated by LANXESS for the first three years (as of April 1, 2016)

■ Sales: > €500 m ■ Sales: €200 m – 500 m ■ Sales: < €200 m

Advanced Intermediates: Efficient, resilient, expandable

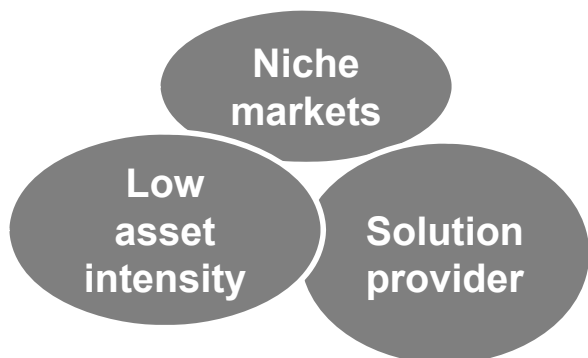


Bubble sizes represents sales

¹ By capacity; ² Growth capex for the years 2016-2020; ³ Refers to New LANXESS

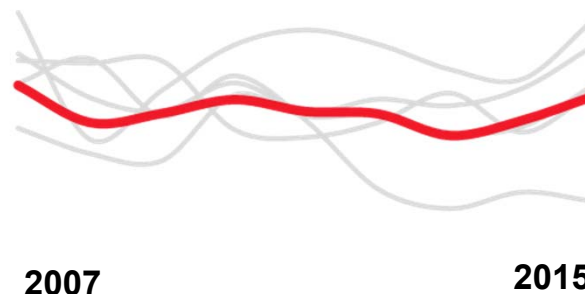
Performance Chemicals: Making them shine

Leverage technology positions...



... and upgrade product mix further

Segment & BUs EBITDA margin



End market growth
~3%

Growth capex*
~€100-150 m
at ROCE \geq \emptyset group**

Additives



Pigments



Biocides



Leather



Water



Building a specialty division through organic and external growth

Potential for future growth

Organic

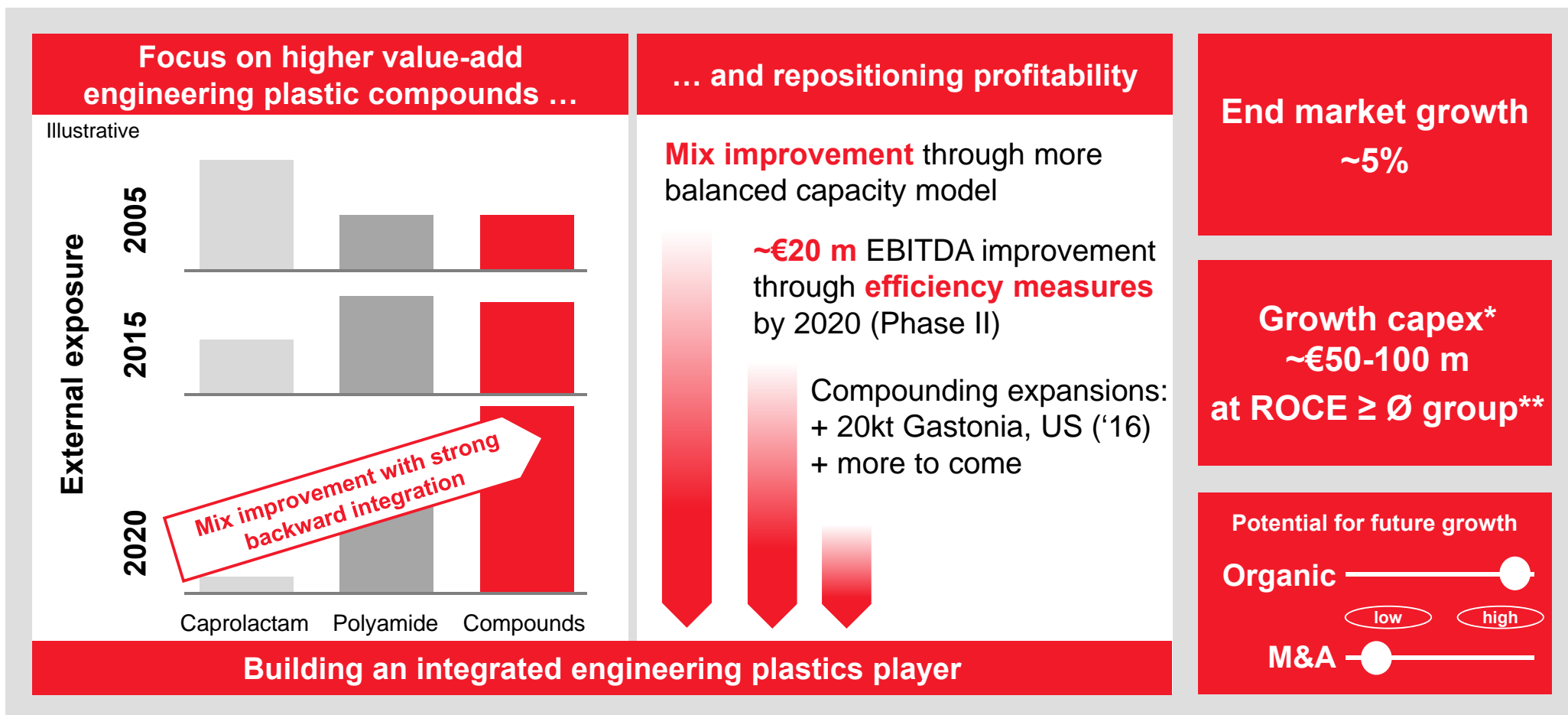
low high

M&A

* Growth capex for the years 2016-2020

** Refers to New LANXESS

High Performance Materials: It's growth and mix



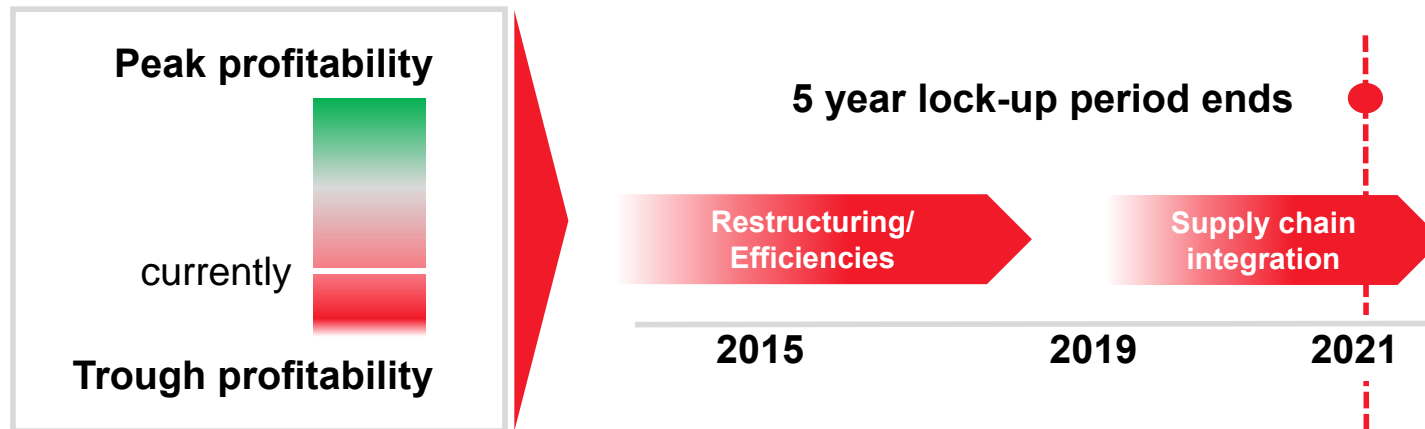
* Growth capex for the years 2016-2020

** Refers to New LANXESS

And finally a few thoughts on ARLANXEO

Excellent position through the strength of both partners

- Leadership position in most rubber types with global reach
- Leadership in quality and technology
- Improvement of production costs (restructuring and implementation of efficiency measures)
- Improvement of raw material access by building and integrating supply chains



End market growth
~3-4%

Well invested asset
base

Potential for future growth

Organic

M&A

low high

Acquisition of Chemtura: Establishing a major global additives player



**A global, specialty chemical company
operating in the attractive field of additives**

Lubricant additives



Flame retardants



- Sales ~€1.5 bn
- EBITDA adj. ~€245 m
- ~2,500 employees
- 20 sites in 11 countries

Rationale of acquisition:

- Complementary additive businesses with significant synergies (~€100 m)
- Strengthening global presence and end market diversification
- Strengthening business risk profile

- Equity value ~€1.9 bn (\$33.50 per share)
- Net financial debt and pensions ~€500 m
→ Enterprise value of ~€2.4 bn

**EV/EBITDA ~7x
including synergies**

- Closing anticipated mid-2017

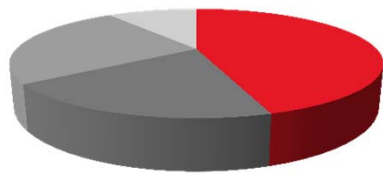
Sales and EBITDA are based on Q2 2016 LTM, USD/EUR 1.10

Chemtura has a growing and profitable additives business with a strong US footprint



A global, specialty chemical company*

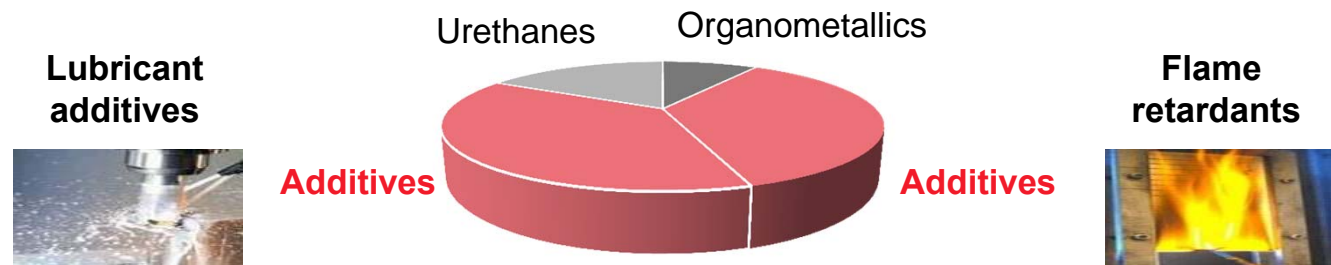
- Sales ~€1.5 bn
- EBITDA pre ~€245 m
- ~2,500 employees
- 20 sites in 11 countries



■ North America ■ Europe
■ Asia ■ Latin America

Well established in lubricant additives and flame retardants

Sales split



Key customer bases growing**

Building & construction



~3.0%

Electrical & Electronics



~5.5%

Energy



~2.0%

Transportation



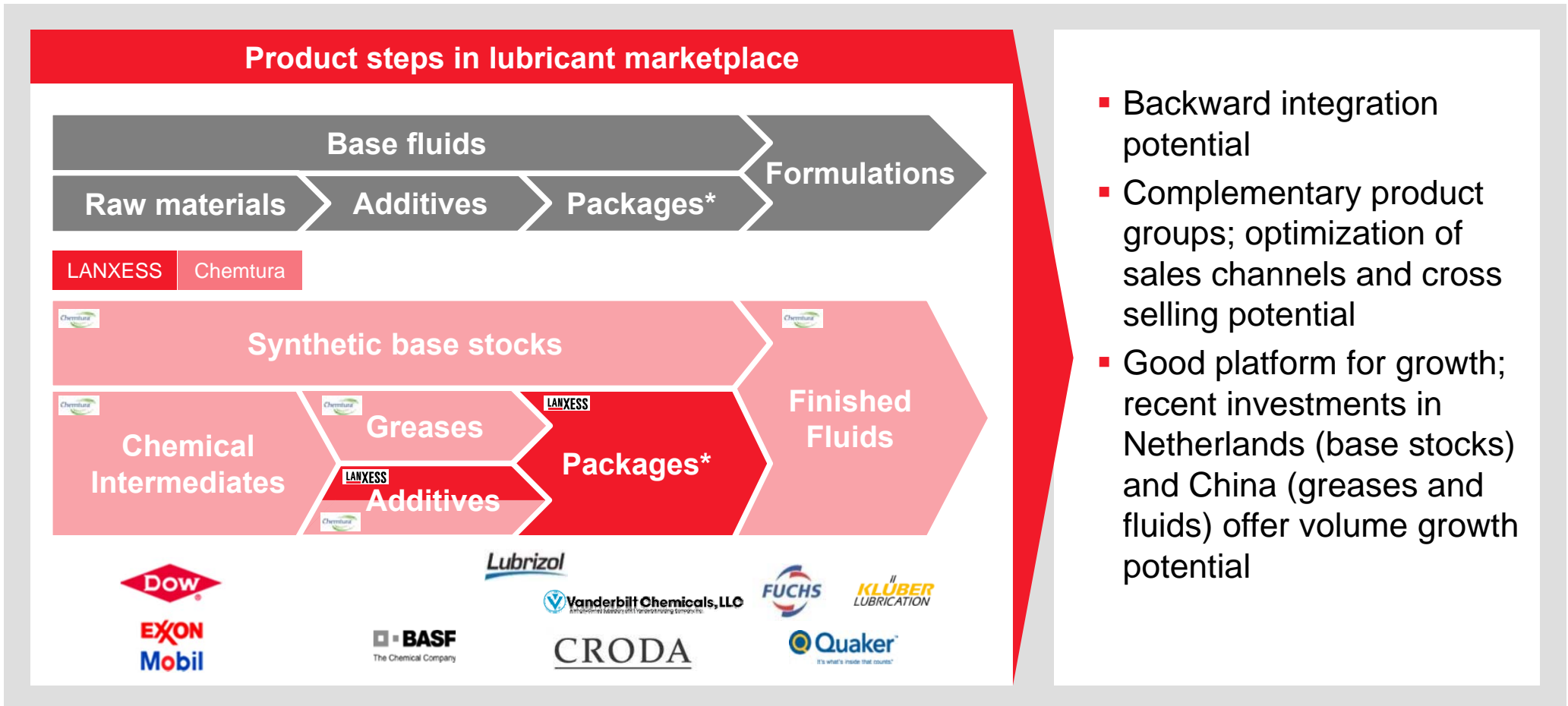
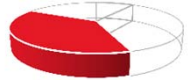
~3.5%

Sales and EBITDA are based on Q2 2016 LTM, USD/EUR 1.10

* Listed at NYSE, Headquarters: Philadelphia, PA (US)

**CAGR: 2016-2020 (based on IHS)

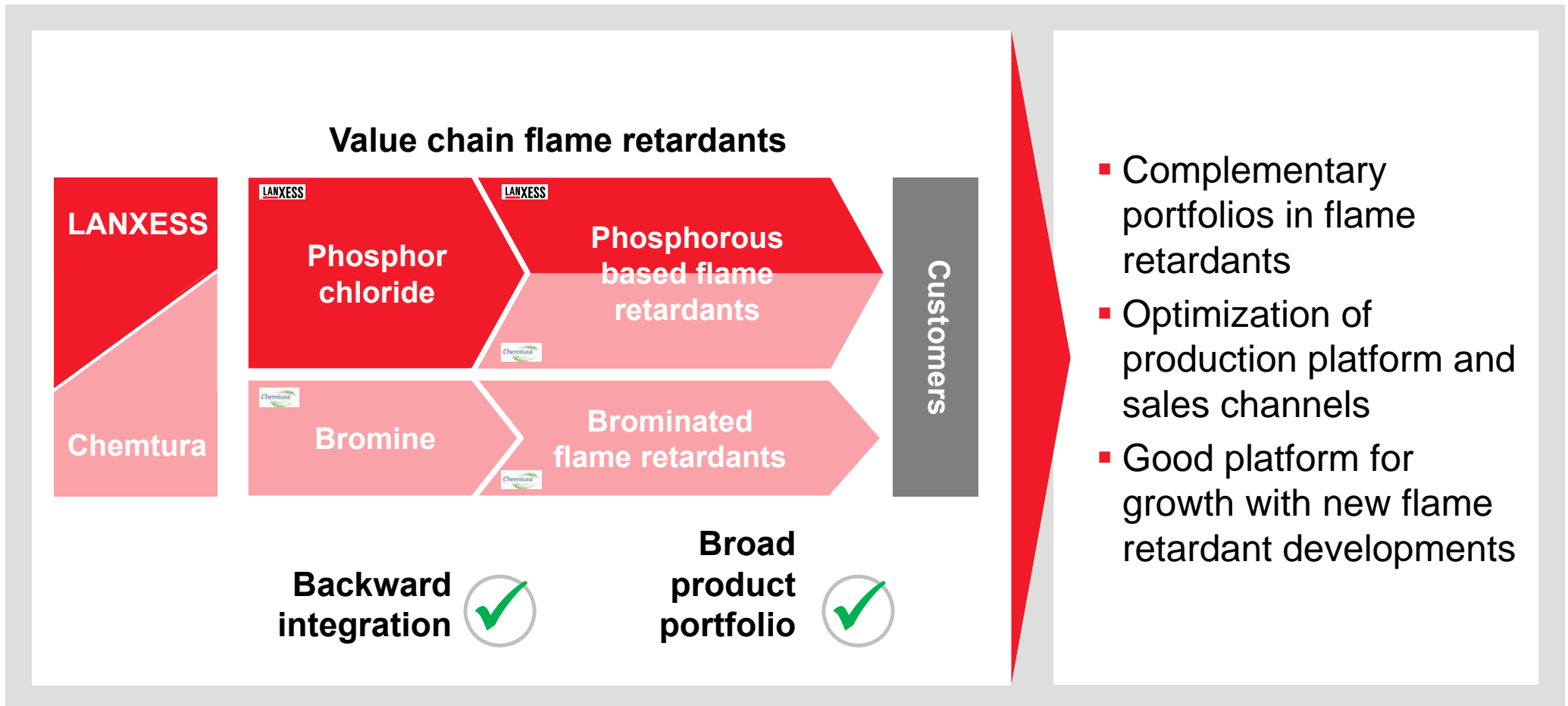
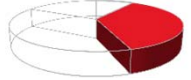
Strengthened integrated value chain in lubricants and lubricant additives



- Backward integration potential
- Complementary product groups; optimization of sales channels and cross selling potential
- Good platform for growth; recent investments in Netherlands (base stocks) and China (greases and fluids) offer volume growth potential

* Packages: technical term for formulations / mixtures of different additive components

A strong platform and value proposition in the flame retardants business will be created



Acquisition of highly attractive biocide and customer solution business – perfect fit for our BU Material Protection Products

Chemours' Clean & Disinfect business

Virkon™

- Globally #1 powder veterinary disinfectant
- Target market ~€500 m

Oxone™

- Globally #1 in monopersulfate
- Key ingredient for Virkon™ and sales in adjacent industries (e.g. pool & spa)

Chlorine Dioxide business for industrial water treatment



Animal health



Pool & spa



Human health



Electronics

Sales
~€100 m*

EBITDA
~€20 m*

Employees
~170

Production
3 sites

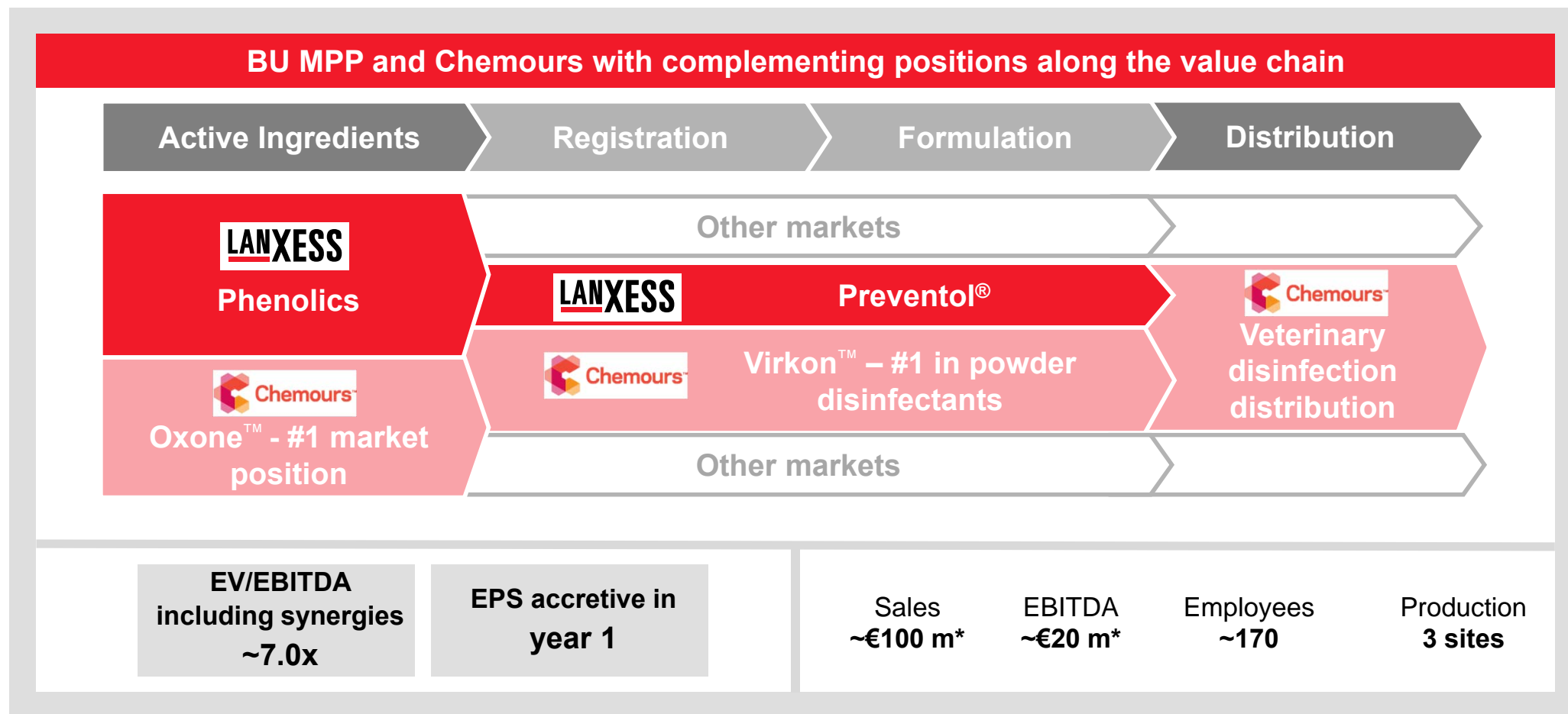
Significant expansion of high margin biocide business with attractive growth rates (3-6%)

Market access into attractive niche veterinary disinfection market with potential of top-line synergies

Chemours' (formerly DuPont) business is the only backward integrated player





* Financials FY 2015 pro forma pre exceptionals; FX: 1.10 USD/EUR

Swift action on growth strategy has already been taken in our Performance Chemicals segment



* Financials FY 2015 pro forma pre exceptionals; FX: 1.10 USD/EUR

FY 2016: Strong volume contribution in top and bottom line

FY yoy sales variances		Price	Volume	Currency	Portfolio	Total
	Adv. Intermediates	-6%	+2%	0%	-	-5%
	Perf. Chemicals	-2%	+4%	0%	+1%	+3%
	High Perf. Materials	-8%	+6%	0%	-	-3%
	ARLANXEO	-9%	+4%	0%	-	-5%
LANXESS		-6%	+4%	0%	0%	-3%

- Lower selling prices in all segments reflect a lower raw material price level
- All segments record good volume growth
- Minor portfolio effect from Chemours C&D acquisition (August 2016)

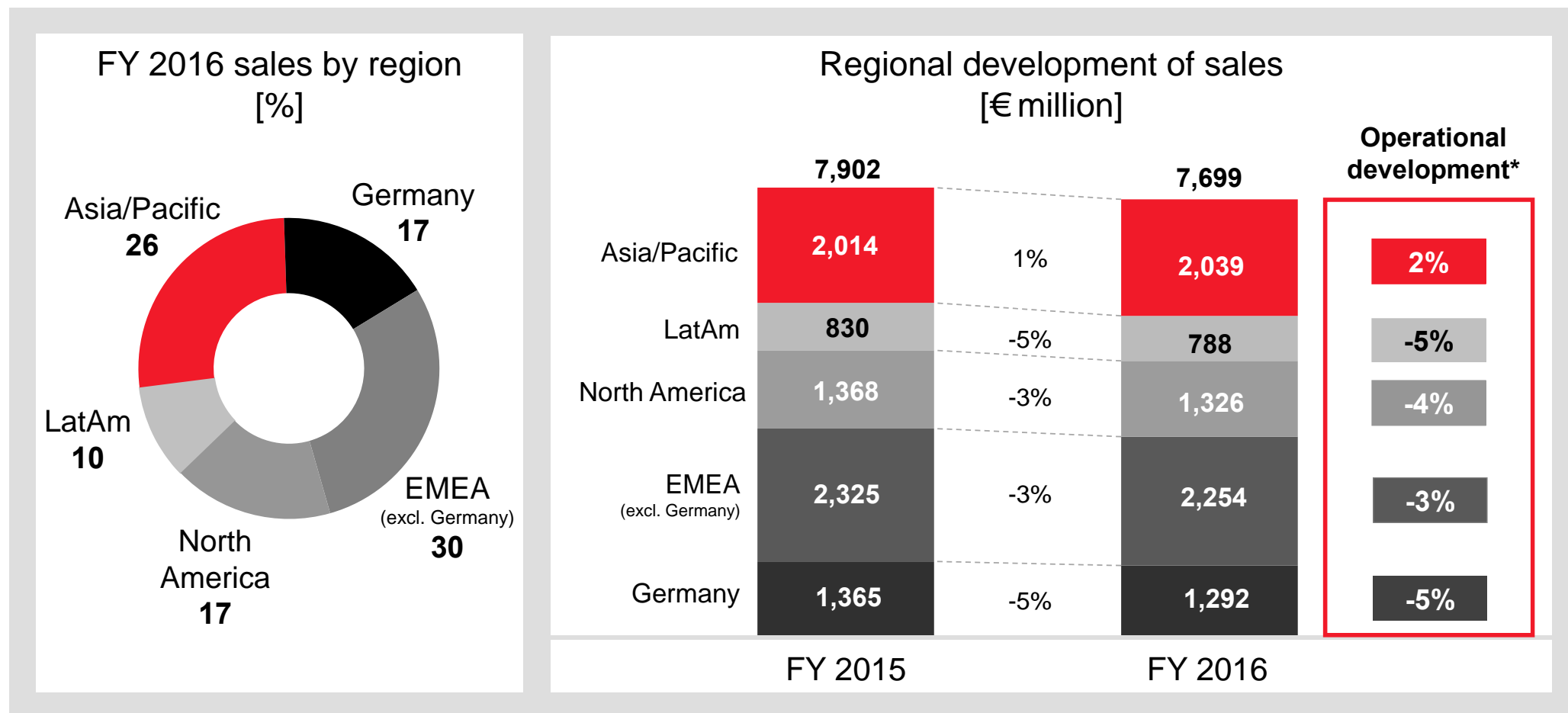
FY yoy EBITDA pre bridge [€ m]



- Volume increase contributed substantially to EBITDA growth
- Price/cost squeeze largely due to market price pressure at ARLANXEO
- FX* benefits, lower idle costs and savings reflected in "Other"

* Mainly lower hedging expenses

FY 2016: Volume growth in all regions but Latin America – lower prices in all regions (raw material price pass-through)



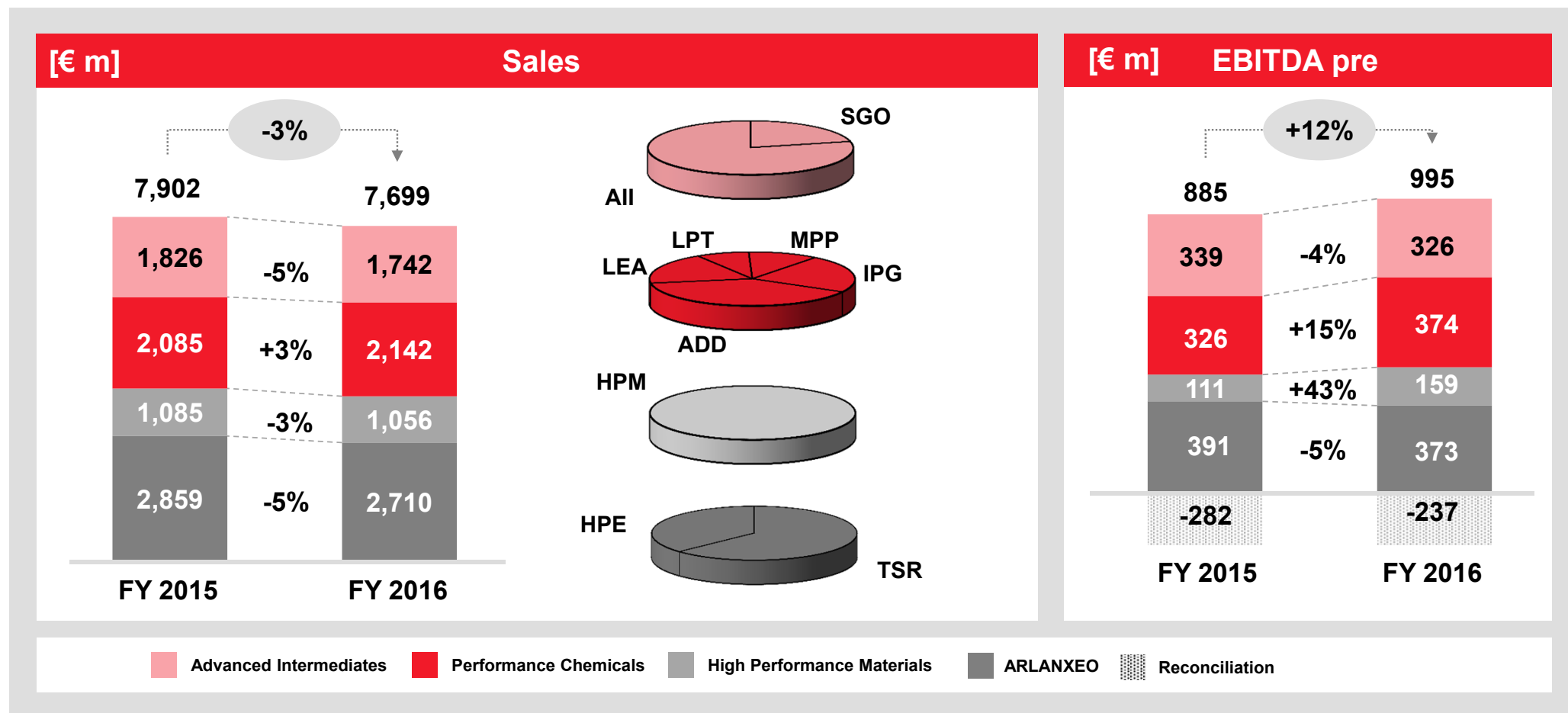
* Currency and portfolio adjusted

FY 2016: Strong earnings improvement

[€ m]	FY 2015	FY 2016	yoy in %	
Sales	7,902 (100%)	7,699 (100%)	-3%	<ul style="list-style-type: none"> ▪ Lower sales as lower selling prices more than offset higher volumes ▪ Cost of sales reflect lower raw material price level, lower idle costs and cost savings ▪ G&A influenced by dissynergies from ARLANXEO ▪ Net income increases in line with improved operations, despite the absence of positive one-off items enjoyed in 2015
Cost of sales	-6,154 (78%)	-5,945 (77%)	3%	
Selling	-759 (10%)	-781 (10%)	-3%	
G&A	-284 (4%)	-303 (4%)	-7%	
R&D	-130 (2%)	-131 (2%)	-1%	
EBIT	415 (5%)	464 (6%)	12%	
Non-controlling interests	2 (0)	3 (0%)	50%	
Net Income	165 (2%)	192 (2%)	16%	
EPS pre*	2.03	2.69	33%	
EBITDA	833 (11%)	945 (12%)	13%	
thereof exceptionals	-52 (1%)	-50 (1%)	-4%	
EBITDA pre exceptionals	885 (11.2%)	995 (12.9%)	12%	

* net of exceptionals and amortization of intangible assets as well as attributable tax effects

FY 2016: New LANXESS businesses drive earnings growth



Total group sales include reconciliation

FY 2016: Stable operating and free cash flow

[€ m]	FY 2015	FY 2016
Profit before tax	288	339
Depreciation & amortization	418	481
Gain from sale of assets	-42	0
Financial (gains) losses	66	56
Cash tax payments/refunds	-98	-184
Changes in other assets and liabilities	-33	44
Operating cash flow before changes in WC	599	736
Changes in working capital	93	-47
Operating cash flow	692	689
Investing cash flow	-400	-2,879
Thereof capex	-434	-439
Thereof cash inflows from/cash outflows for financial assets	-11	-2,125
Thereof CTA* funding & Chemours C&D acquisition	0	-398
Financing cash flow	-333	2,173

- Depreciation back at normal level versus low 2015 level (contained €56 m write-backs)
- Higher working capital as strong volumes at year end pushed up receivables and inventories
- Investing cash flow marked by re-investment of ARLANXEO cash-in** and bond proceeds (€1.5 bn for Chemtura acquisition) into financial assets
- Financing cash flow also reflects ARLANXEO cash-in and bond issuance

* CTA: Contractual Trust Arrangement

** Closing of ARLANXEO on April 1, 2016, leading to cash-in of ~€1.2 bn

Balance sheet extended due to ARLANXEO and preparation of Chemtura financing

[€ m]	Dec'15	Dec'16		Dec'15	Dec'16
Non-current assets	4,180	4,519	Stockholders' equity	2,323	3,728
Intangible assets	300	494	attrib. to non-contr. interests	13	1,176
Property, plant & equipment	3,447	3,519	Non-current liabilities	2,936	4,516
Equity investments	0	0	Pension & post empl. provis.	1,215	1,249
Other investments	12	12	Other provisions	271	319
Other financial assets	21	19	Other financial liabilities	1,258	2,734
Deferred taxes	361	442	Tax liabilities	19	31
Other non-current assets	39	33	Other liabilities	127	100
			Deferred taxes	46	83
Current assets	3,039	5,358	Current liabilities	1,960	1,633
Inventories	1,349	1,429	Other provisions	411	406
Trade accounts receivable	956	1,088	Other financial liabilities	443	78
Other current financial assets	4	2,130	Trade accounts payable	779	889
Other current assets	264	316	Tax liabilities	85	44
Near cash assets	100	40	Other liabilities	242	216
Cash and cash equivalents	366	355			
Total assets	7,219	9,877	Total equity & liabilities	7,219	9,877

- Other current financial assets include the proceeds of new bonds and part of the €1.2 bn cash received from Saudi Aramco for 50% in ARLANXEO JV; 50% share of Saudi Aramco in ARLANXEO reflected in non-controlling interests
- Increase in financial liabilities due to €1.5bn of new bonds (financing of the planned Chemtura acquisition)

Corporate Responsibility well integrated - achieving goals sustainably

Climate / Environmental goals

- Reduction of specific CO₂ emission by 25%¹ until 2025
- Reduction of specific energy consumptions by 25%¹ until 2025
- Reduction of volatile organic compounds (NMVOC³) emissions by 25%¹ until 2025

Procurement initiatives

- 'Supplier Code of Conduct' for supplier selection and rating
- 'Together for Sustainability' initiative² for higher transparency in the supply chain (implementation of a global auditing program)

Safety goals

- Xact: Global safety program to improve occupational, process and plant safety (since 2011)
- Global management system for optimization of transportation of (dangerous) goods

Social initiatives and goals

- Global board initiative 'Diversity & Inclusion': raising the proportion of women in management to 20% by 2020
- Leverage water know-how: support of AMREF⁴
- Education initiatives with local and global commitment



¹ Base year: 2015; for CO₂: Scope 1 and Scope 2 emissions

² Members: BASF, Bayer, Evonik, Henkel, LANXESS, Akzo Nobel, Solvay

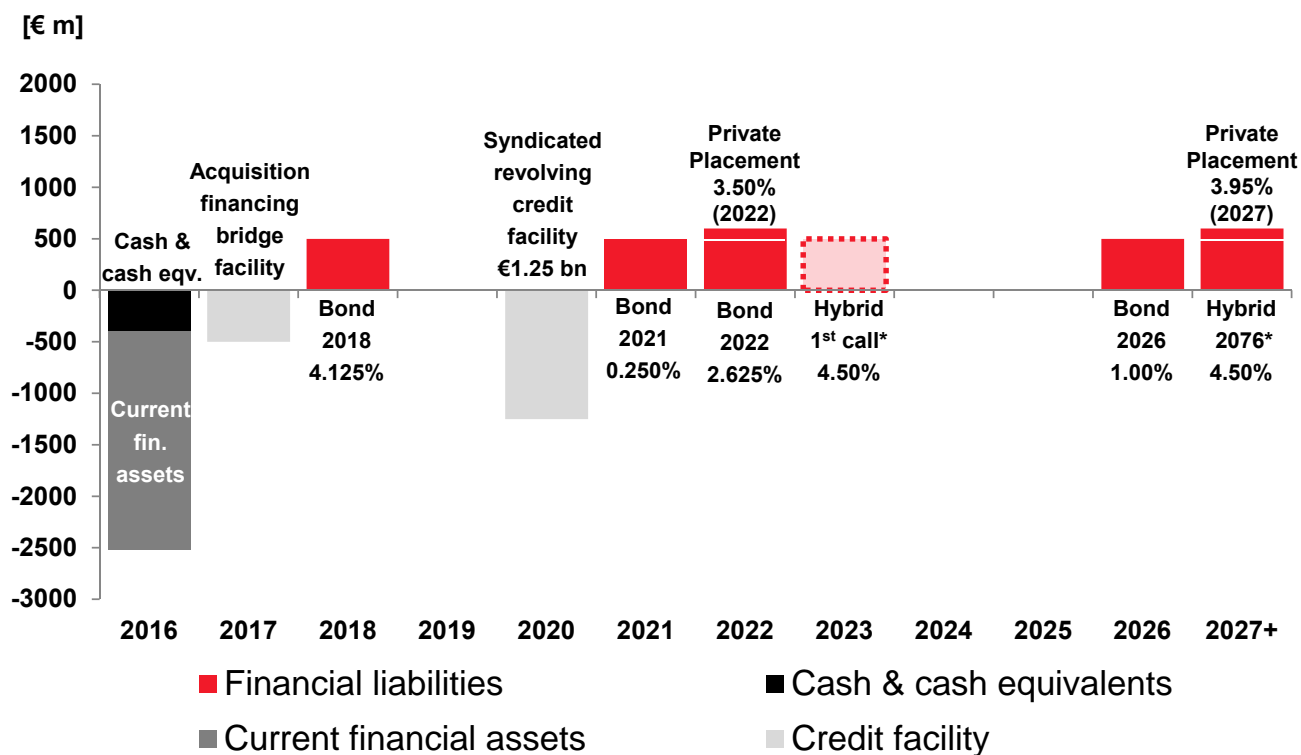
³ Non methane volatile organic compounds; ⁴ African Medical and Research Foundation

Maturity profile actively managed and well balanced through recent capital market transactions

Long-term financing secured

- Financing of Chemtura acquisition secured by recent €1.5 bn bond issuance
- Cash and financial assets of €2.5 bn and undrawn credit lines secure liquidity for Chemtura transaction
- Diversified financing sources
 - Bonds & private placements
 - Syndicated credit facility
- Average interest rate of financial liabilities <3%
- All group financing executed without financial covenants

Liquidity and maturity profile as per December 2016



* Hybrid bond with contractual maturity date in 2076 has a first optional call date in 2023

High volatility in raw material prices

Global raw materials index*



- Sharp decline in raw material prices in Q4 2014/ Q1 2015 driven by a steep drop in the price of oil
- Raw material prices remained volatile, trending downwards through year end 2015
- 2016 with an upward trend that accelerated during Q4
- 2017 to start with an acceleration in raw material prices

* Source: LANXESS, average 2013 = 100%

Overview exceptional items Q4 and FY

[€ m]	Q4 2015		Q4 2016		FY 2015		FY 2016	
	Excep.	Thereof D&A	Excep.	Thereof D&A	Excep.	Thereof D&A	Excep.	Thereof D&A
Advanced Intermediates	-19	-19	-2	0	-18	-19	-2	0
Performance Chemicals	5	0	3	0	13	0	3	0
High Performance Materials	0	0	0	0	-19	1	0	0
ARLANXEO	-36	-37	-2	0	-12	-27	-2	0
Reconciliation	4	0	22	0	43	0	51	0
Total	-46	-56	21	0	7	-45	50	0

Abbreviations

ARLANXEO

- TSR Tire & Specialty Rubbers
- HPE High Performance Elastomers

Performance Chemicals

- ADD Rhein Chemie Additives
- IPG Inorganic Pigments
- LEA Leather
- MPP Material Protection Products
- LPT Liquid Purification Technologies

Advanced Intermediates

- All Advanced Industrial Intermediates
- SGO Saltigo

High Performance Materials

- HPM High Performance Materials

Upcoming events 2017

Proactive capital market communication

▪ UBS Chemicals Field Trip	March 22	Cologne
▪ MainFirst Corporate Conference Copenhagen	March 30	Copenhagen
▪ Raymond James Chemical Leaders Conference 2017	March 30	London
▪ Q1 results 2017	May 11	
▪ Citi's Inaugural Chemicals Conference	May 16	London
▪ Annual General Meeting	May 26	Cologne
▪ Société Générale Nice Conference 2017	June 1/2	Nice
▪ Deutsche Bank dbAccess Berlin Conference	June 22/23	Berlin
▪ Morgan Stanley Cannon Ball Run	June 27	Cologne
▪ Exane BNP 19 th European CEO Conference	June 13/14	Paris
▪ mBank Chemicals Day 2017	June 20	Warsaw
▪ Meeting the Management 2017	September 6	Cologne
▪ Q2 results 2017	August 10	
▪ Q3 results 2017	November 9	

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