

Win-win-win: LANXESS sells stake in Rubber

Good for LANXESS, good for ARLANXEO, good for Saudi Aramco

Matthias Zachert, CEO

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Good for LANXESS: Earlier de-risking and intensified strengthening of LANXESS' platform

LANXESS' strategic rationale

Improved business risk profile

- Reduced dependency on volatile markets and oil price fluctuations
- Focus on niche and mid-sized markets
- Foster industry diversification



Strengthened business platform

- Building solid base for future growth
 - Organic growth
 - Active portfolio management



Attractive valuation

- Premium on original valuation in 2016
- Good timing
- Financial deleverage



LANXESS is more resilient without rubber business

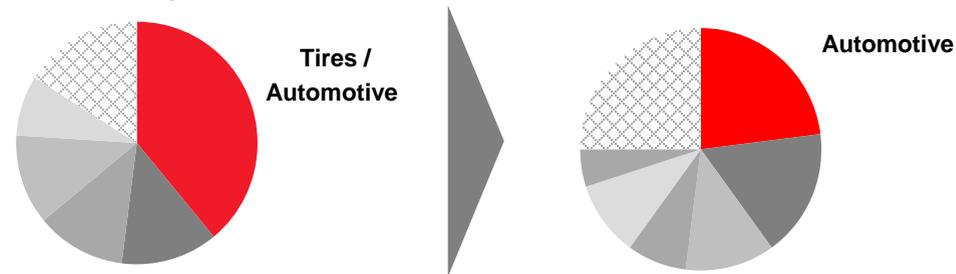
Less volatile EBITDA pre margin



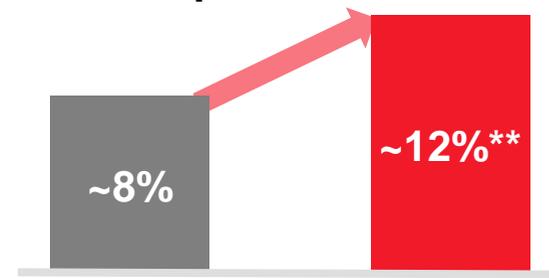
Better cash Conversion*



Higher end market diversification



Improved ROCE*

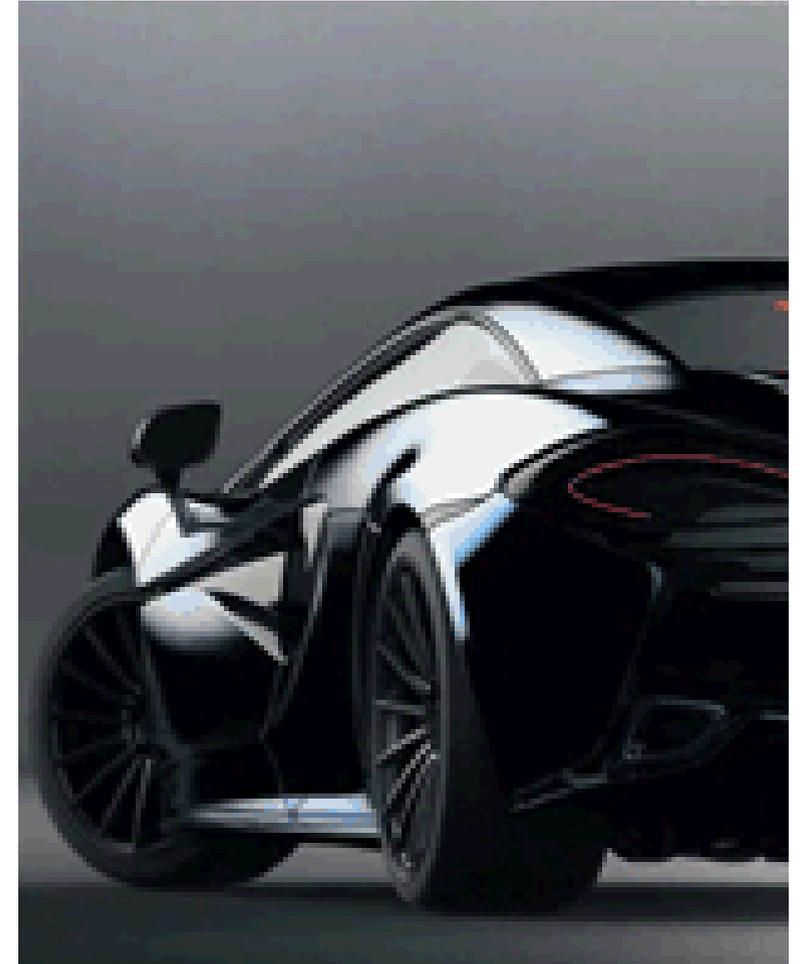


Strengthening LANXESS' financial basis

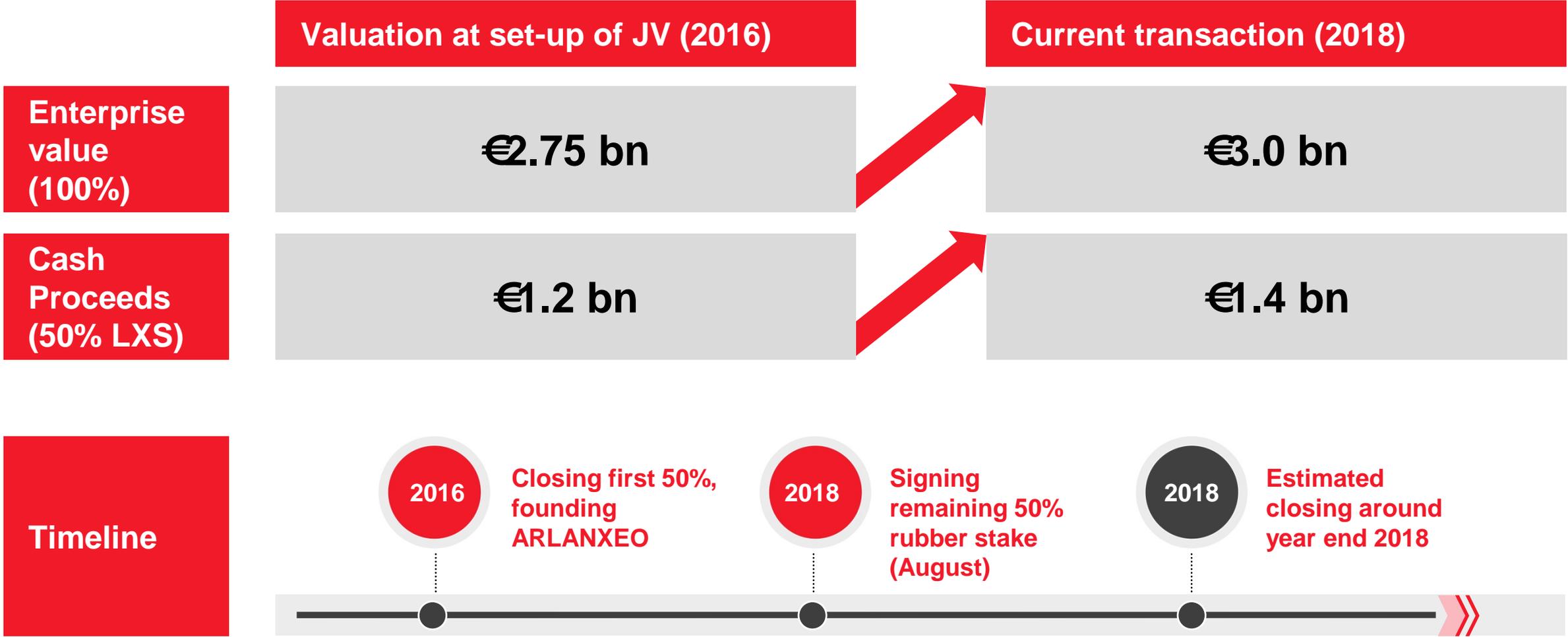
Good for ARLANXEO: Saudi Aramco committed to support growth

Attractive future for ARLANXEO

- ARLANXEO established as well known brand and leading player
- Perfect fit of value chains - ARLANXEO with potential to benefit from Saudi Aramco's upstream business
- Enables ARLANXEO to accelerate growth investments and market consolidation
- Improved management focus in stand alone position



Attractive valuation



Capital allocation priorities: Deleveraging and building superior growth platform

Proceeds will be used for ongoing transformation of LANXESS

Attractive growth



Deleveraging



- Increase exposure to growth industries and attractive regions
- Foster leading position in mid-sized specialty markets
- Increase profitability and cash generation

Focused and disciplined company transformation continues



LANXESS delivers faster than promised

Enabling fast execution of strategy – freeing up resources



Immediate strengthening of financial position



Substantial improvement of business profile



LANXESS

Energizing Chemistry

One time tax expense and remnant costs will have impact on New LANXESS' accounts

Tax impacts

- Tax payments on capital gain and withholding taxes
~€30 m

Remnant costs at LANXESS

- ~€8 m in 2019
- ~€10 m in 2020

