

Investor Information

LANXESS can look back on a very gratifying trading year in 2012. The price of our stock increased substantially, gaining about 66 percent over the year. Another highlight was admission to Germany's lead index, the DAX, on September 24.

The world's stock markets posted a positive performance for the full year 2012. The German indices, in particular, rose considerably in value. The DAX, for example, was one of the top-performing indices in the world, with growth of almost 30 percent. The MDAX, which included our stock up until its DAX listing, also recorded a substantial gain, closing around 34 percent higher at year end. Like the German indices, the Dow Jones STOXX 600 ChemicalsSM, the LANXESS benchmark index, also posted a gratifying increase in value, growing by slightly more than 29 percent. The euro debt crisis remained a central topic in 2012 and had a substantial impact on the equity markets. However, its effects on the stock markets varied widely from one quarter to the next.

The mood on the markets was more positive again in the first months of the year. Having started 2012 still below 6,000 points, the DAX topped the 7,000-point threshold in March for the first time since 2011 and achieved its highest quarterly gain for 2012 – around 18 percent – in the first quarter. The MDAX also posted its strongest quarterly increase of 20 percent in the first months of the year and climbed back above the 10,000-point threshold. Our benchmark index, the Dow Jones STOXX 600 ChemicalsSM, also profited from the good market environment, giving its best performance for 2012 with growth of nearly 16 percent. The easing of the euro debt crisis, resulting in part from the successful haircut on Greek debt, was an important price driver for the stock markets during this time.

In the second quarter, however, the euro crisis and weak economic data triggered renewed corrections in the markets. A further focus of concern, apart from Greece, was the growing economic weakness throughout the euro area, especially in Spain and Italy. In addition, the poor performance of the U.S. economy also made the stock markets nervous. As a result, neither the German indices nor the Dow Jones STOXX 600 ChemicalsSM were able to sustain their substantial prior-quarter gains and closed lower at the end of the second quarter. Although down 7.6 percent, the DAX remained above the 6,000-point threshold, while the MDAX stayed above 10,000 points despite falling by nearly 3.4 percent.

The rest of the year saw a strong recovery on the stock markets, from which all indices benefited. Policy decisions that brought further relief to the euro debt crisis had a particularly bullish effect on stock market performance. The European Central Bank, for example, announced in September that it would allow the purchase of unlimited numbers of government bonds from the euro area's crisis countries. Two months later, the euro countries and the International Monetary Fund agreed on a new aid package for Greece that, among other things, featured lower interest rates on bailout loans. Further positive impetus came from the United States in the second half of the year. In addition to announcing the monthly purchase of mortgage bonds, the U.S. Federal Reserve unveiled plans to buy long-dated U.S. treasury bonds, also on a monthly basis. It maintained its low interest rate policy as well.

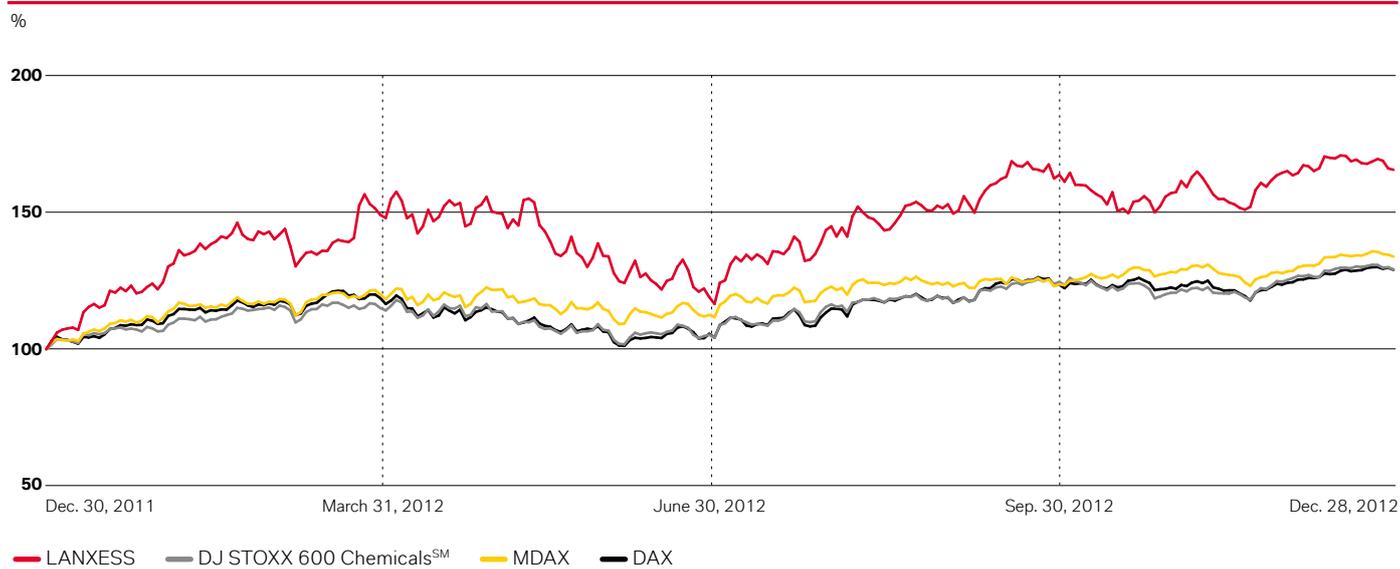
In the wake of these developments, Germany's blue-chip DAX index climbed back above the 7,000-point threshold, surpassing it considerably at times and reaching a five-year high of 7,668 points in December. It closed the year at 7,612 points, against 5,898 points at the end of 2011. At more than 11,000 points, the MDAX delivered strong growth of 34 percent. It closed at 11,914 points on the last trading day of the year, breaking the previous record high from 2007. For the Dow Jones STOXX 600 ChemicalsSM, the successful year ended on 663 points (December 30, 2011: 513 points).

The overall positive market environment in 2012 supported the strong price trend of our stock, which posted its largest gain of 55 percent in the first quarter. As a result of this significant growth, our shares again reached a price level of more than €60 after trading at just €40 at the end of 2011. In line with market and index trends, our stock also sustained losses in the second quarter, dipping below €50 at times. Then, from mid-July, a clear upward trend emerged. In September, our stock posted its high for the year and a new post-listing record of €68.90 (intraday high).

LANXESS Stock Performance since Listing



LANXESS Stock Performance 2012



Performance Data 2012

		Q1 2012	Q2 2012	Q3 2012	Q4 2012	Year 2012
Capital stock/no. of shares ¹⁾	€/no. of shares	83,202,670	83,202,670	83,202,670	83,202,670	83,202,670
Market capitalization ¹⁾	€ billion	5.16	4.14	5.37	5.51	5.51
High/low for the period	€	63.80/40.17	64.40/45.75	68.90/49.31	68.83/59.33	68.90/40.17
Closing price ¹⁾	€	61.98	49.72	64.53	66.27	66.27
Volatility ²⁾	%	–	–	–	–	35.98
Trading volume	million shares	38.106	39.490	37.270	33.257	148.123
Average daily trading volume	shares	586,249	636,940	573,383	536,399	583,162
Earnings per share	€	2.32	2.11	1.13	0.62	6.18
Price/earnings ratio ^{1), 3)}		–	–	–	–	10.72
Price/cash flow ratio ^{1), 3), 4)}		–	–	–	–	6.58

1) End of quarter: Q1: March 31, 2012, Q2: June 30, 2012, Q3: September 30, 2012, Q4 and full year: December 31, 2012

2) Source: Bloomberg

3) Data, especially cash flow, are influenced by exceptionals, which restricts the significance accordingly

4) Reference value: operating cash flow

The admission of our stock to the DAX also occurred in September. The main criteria were that LANXESS ranked among the 30 largest publicly traded companies in Germany in terms of the average market capitalization over the 20 trading days leading up to the cut-off date, which was the last trading day in August, and among the 30 most traded companies on the stock exchange in terms of the trading volume reported in the Xetra order book for the previous twelve months. After seven years on the MDAX, our shares started trading on Germany's lead index, the DAX, on September 24, 2012. In the ensuing weeks, the solid price trend continued. Our stock closed at €66.27 on the last trading day of 2012.

In addition to the good stock market environment overall, our own corporate newsflow drew a positive response from the capital market. Key capital market information included the new medium-term earnings target we announced at our Media and Capital Markets Days in mid-September, which is to achieve an EBITDA pre exceptionals of €1.8 billion in 2018. Moreover, we intend to reach the €1.4 billion medium-term earnings target set in 2010 a year earlier than planned, in 2014 (see page 12 in the "Strategy" section).

We also reported on important growth projects targeted at strengthening our business units. One of the largest capital expenditure projects launched in 2012 is our new production facility for Nd-PBR, which we are building in Singapore at a cost of around €200 million and expect to bring on stream in the first half of 2015. In addition, a new €75 million plant for high-tech plastics is under construction in Antwerp, Belgium. A further highlight in 2012 was the groundbreaking for our largest single investment in China to date. In Changzhou, we are building the world's biggest plant for EPDM synthetic rubber at a cost of around €235 million. This plant is also expected to start up in 2015.

Buoyed by an overall positive market environment, the systematic implementation of our strategy and clear communication of our medium-term earnings targets were reflected in the very favorable development of our share price. Up nearly 66 percent for the year, our stock substantially outperformed the solid growth in the DAX, MDAX and Dow Jones STOXX 600 ChemicalsSM indices in 2012. Since its initial listing on January 30, 2005, the value of our stock has increased by some 347 percent.

Capital Market Information

Share class	No-par shares
Listing code	LXS
WKN (German securities identification number)	547040
ISIN	DE0005470405
Reuters/Bloomberg codes	LXSG.DE/LXS:GR
Market segment	Prime Standard
Trading venues	XETRA, Frankfurt, Munich, Stuttgart, Düsseldorf, Hamburg, Hannover, Berlin
Selective indices	DAX, Dow Jones STOXX 600 Chemicals SM , DAXsupersector Basic Materials, MSCI Germany Standard, MSCI Germany Mid Cap, Dow Jones Sustainability Index World, FTSE4Good
Investment-grade ratings	Standard & Poor's: BBB (stable) Moody's: Baa2 (stable) Fitch: BBB (stable)

Sustainability

Exercising responsibility in our entrepreneurial activities is a key element of our corporate strategy. We therefore continued to raise our sustainability profile in 2012 and underscored our claim to being a sustainable investment.

For the first time, LANXESS was included in the Carbon Disclosure Leadership Index (CDLI) of the world's leading climate protection initiative. This means we ranked in the top 10 percent of the 350 companies surveyed in Germany, Austria and Switzerland which are characterized by particularly transparent reporting about climate protection. LANXESS has participated since 2006 in the Carbon Disclosure Project, which collects climate protection data from companies around the world and uses the results of its analyses to calculate the CDLI.

We were also included once again in the renowned Dow Jones Sustainability World Index (DJSI World) in 2012. Special mention was made of our performance in the dimensions Environmental Policy/Management System, Climate Strategy and Innovation Management, in particular. Moreover, our listing in the FTSE4Good Index, in which we were first included in 2011, was confirmed. We improved our ranking against the previous year especially in the area of environmental responsibility. In addition, leading rating agency oekom research has put our corporate responsibility rating at C+ since 2011.

In June 2011, LANXESS signed the United Nations Global Compact, the world's largest and fastest-growing corporate social responsibility (CSR) initiative. It reaffirmed its commitment to this important platform last year.

Strengthening the sustainability profile will remain a priority for LANXESS in 2013. Detailed information about sustainability is available from page 36 and on our corporate website.

Ownership structure

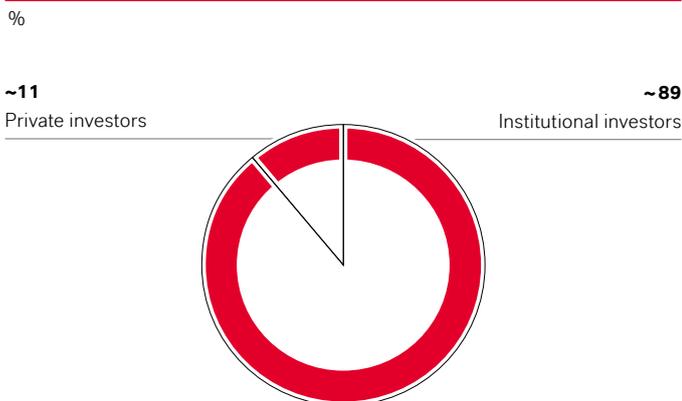
The majority of LANXESS's stockholders are institutional investors whose strategy is oriented toward growth or value. At December 31, 2012, these investors held around 89 percent of the stock, which was unchanged from the previous year.

In 2012, some of our institutional investors again issued mandatory notices in which they reported ownership of at least 3 percent of LANXESS's outstanding shares. They included international investors such as BlackRock, Norges and Fidelity. A summary of all previous voting rights announcements can be found in the "Investor Relations" section of our website under the Shares menu item.

In addition to the stakes held by institutional investors, an unchanged holding of around 11 percent of our shares is in the hands of private investors and LANXESS employees, who collectively own some 1 percent. These investors are primarily located in Germany.

The United States, United Kingdom and Germany remain the top countries in the regional breakdown of LANXESS's institutional investors. With a share of about 29 percent last year (2011: roughly 36 percent), the United States has held the lead since LANXESS's initial listing. The share held by our stockholders in Germany stood at around 24 percent as of December 31, 2012 (2011: roughly 27 percent). Investors in the United Kingdom held around 19 percent of our stock (2011: around 17 percent). Institutional investors in other regions, especially other European countries, increased their share to 28 percent (2011: roughly 20 percent). Here, LANXESS is represented in the portfolios of institutional investors in Denmark, Norway and France, in particular.

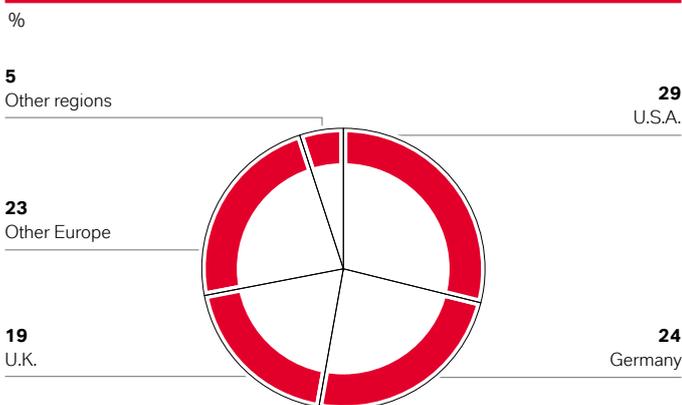
Stockholder Profile as of December 31, 2012



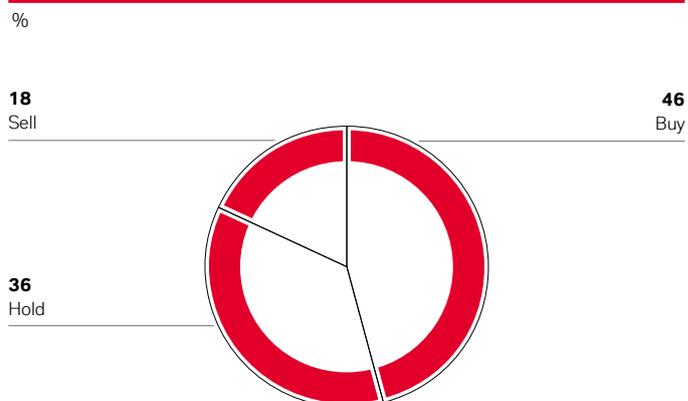
A majority of the analysts evaluated the current and future alignment of the LANXESS Group positively in 2012 and recommended buying LANXESS shares. As of January 31, the number issuing a buy recommendation on LANXESS shares stood at 46 percent (2011: 69 percent). A further 36 percent (2011: 21 percent) said to hold our shares, while 18 percent (2011: 10 percent) gave a sell recommendation.

Summaries of analyst appraisals from an independent service provider are available in the "Investor Relations" section of our website under the "Shares" menu item.

Geographical Breakdown as of December 31, 2012¹⁾



Recommendations as of January 31, 2013



1) Based on the stockholders identified

Analysts

In fiscal 2012, numerous analysts issued reports on the current and future performance of the LANXESS Group. Around 30 sell-side analysts, most of them from Germany and the United Kingdom, regularly issued their appraisals of LANXESS. Focal points of the dialogue with analysts were our growth in the current economic environment and the strategic alignment with which we intend to achieve our short- and medium-term earnings targets.

Annual Stockholders' meeting

As in previous years, LANXESS stockholders were well represented at the Annual Stockholders' Meeting in Cologne on May 15, 2012, with 60.54 percent of the voting capital present (2011: 56.21 percent), corresponding to 50,371,492 shares and the same number of votes. Our Annual Stockholders' Meetings have been well attended to date, and we succeeded again in raising the number of voting stockholders represented. Our stockholders passed all the agenda items by solid majorities. Detailed voting results and additional information about LANXESS's Annual Stockholders' Meeting are available in the "Investor Relations" section of our website under the "Events & Presentations" menu item.

The next Annual Stockholders' Meeting takes place on May 23, 2013, in the LANXESS arena at Willy-Brandt-Platz 1, Cologne.

Dividend

LANXESS follows a consistent dividend policy. We aim for our stockholders to share in our business performance in an appropriate and sustainable way. In light of our success in 2012, we are seeking another increase in our dividend compared to the previous year. Therefore, the Board of Management and Supervisory Board of LANXESS AG will propose to the Annual Stockholders' Meeting on May 23, 2013, that a dividend of €1.00 per share be declared for fiscal 2012, an increase of almost 18 percent against the previous year. Relative to the price at which LANXESS shares ended 2012, this equates to a dividend yield of 1.5 percent. Subject to approval of the corresponding resolution by the Annual Stockholders' Meeting, the dividend will be paid on May 24, 2013.

Bonds

LANXESS successfully placed another Eurobond on the European capital market in fiscal 2012. Issued in November, the bond has a volume of €500 million, a term of ten years (November 21, 2012 to November 21, 2022) and an annual interest coupon of 2.625 percent.

Additionally, in April 2012, we made two private placements in Europe with a volume of €100 million each. The terms of these bonds are ten and 15 years with an annual interest coupon of 3.5 percent and 3.95 percent, respectively.

We placed our first bond on the Asian market in February 2012. This Dim Sum Bond has a volume of CNH 500 million (around €60 million), a term of three years (February 16, 2012 to February 16, 2015) and an annual interest coupon of 3.95 percent.

The successful placement of these bonds in 2012 has further improved our financial flexibility and successfully extended the maturity profile of our financial liabilities.

All of the bonds placed in 2012 were issued by LANXESS Finance B.V. The term sheets are available in the "Investor Relations" section of our website (<http://corporate.lanxess.com/en/investor-relations>) under the "Bond" menu item.

LANXESS's first bond, issued in 2005, matured in June 2012 and was repaid. It had a volume of €400 million and an annual interest coupon of 4.125 percent with a term of seven years (June 21, 2005 to June 21, 2012).

Further information about our bonds can be found on page 101ff. of this Annual Report.

Overview of LANXESS's Main Bonds

ISIN/WKN	Volume	Term	Coupon
XS0423036663	€500 million	April 9, 2009 – April 9, 2014	7.750%
XS0452802175	€200 million	September 21, 2009 – September 21, 2016	5.500%
XS0629645531	€500 million	May 23, 2011 – May 23, 2018	4.125%
XS0746637296	CNH 500 million (around €60 million)	February 16, 2012 – February 16, 2015	3.950%
XS0855167523	€500 million	November 21, 2012 – November 21, 2022	2.625%

Ratings

The world's three major rating agencies, Standard & Poor's, Moody's Investors Service and Fitch Ratings, reconfirmed their existing investment-grade ratings with stable outlook for LANXESS in fiscal 2012.

In their analyses, the rating agencies highlighted, among other things, LANXESS's strong operational performance and its leading market positions with synthetic rubber products, intermediates and specialty chemicals. In addition to the company's diversified product portfolio, its favorable technological position was mentioned. The agencies also noted LANXESS's strong liquidity, moderate debt and prudent financial policy.

Standard & Poor's and Moody's have had LANXESS at a BBB and a Baa2 rating, both with stable outlook, since 2007. Fitch has rated LANXESS a BBB with stable outlook since 2006.

Investor relations activities

Maintaining an active, broad and ongoing dialogue with investors and analysts is a top priority in our investor relations activities. Our declared objective is to provide a continuous and sustained flow of information about the LANXESS Group. Roadshows, conferences and the LANXESS Capital Markets Day 2012 were among the main activities for communicating with our IR target groups in 2012. Altogether, we again hosted more than 70 days of roadshows and capital market conferences, thus continuing our comprehensive investor relations activities in these areas. The Chairman of the Board of Management and the Chief Financial Officer participated in most of the roadshows and conferences, but others were carried out by the Investor Relations team. Our activities in 2012 continued to focus on our stockholders. However, we also expanded our dialogue with fixed income investors and with investors who are focused on sustainability.

In-depth exchanges at roadshows

Last year, too, we continued to use our roadshows to engage in a broad and personal dialogue with institutional investors. Not only did LANXESS management and the Investor Relations team maintain the high frequency of roadshows in international capital market centers like Boston, New York, London, Paris, Frankfurt and Zurich, they also stepped up the dialogue in other regions where there is an interest in our shares. In Europe, this included the Benelux and Scandinavian countries as well as Eastern Europe. Asia was also a focus, and we held roadshows in Singapore and Hong Kong. In North America, we sought contact with investors in Chicago, Los Angeles, San Francisco and Toronto in addition to the U.S. cities already mentioned.

We additionally gave investors the opportunity to gain a detailed insight into our company at individual LANXESS sites with, for example, plant tours. Participating locations included our company headquarters in Leverkusen, Germany, our site in Shanghai, China, and our production facility in Orange, United States.

New growth targets announced at LANXESS Media and Capital Markets Day

Reporting on our new corporate targets was the focus of the LANXESS Media Day and LANXESS Capital Markets Day events that we hosted in New York on September 19 and 20. Another focal point, apart from the company's medium-term alignment, was our Performance Polymers segment, whose business units boast a product portfolio that allows them to participate in the key global mobility megatrend. Accordingly, the heads of our Butyl Rubber, Performance Butadiene Rubbers and High Performance Materials business units explained, for example, how LANXESS products will individually contribute to our growth, today and in the future.

The presentations from the LANXESS Capital Markets Day are available in the "Investor Relations" section of our website.

Strong presence at conferences

In 2012, LANXESS again participated in many global conferences as an important means of communicating with analysts and investors. In addition to conferences held in global financial centers like Frankfurt, London and New York, the LANXESS Board of Management and the Investor Relations team used events in Singapore and Tokyo as a platform for providing information about LANXESS's performance and growth strategy to audiences in the Asia region. We also participated in special forums for private investors in order to present the company's alignment to this important target group. In 2013, we intend to again show a strong presence at international conferences. One of our goals in this regard is to strategically expand our dialogue with institutional investors in Asia. We also aim to increase our participation at events for private investors.

Further IR activities support exchange of information

Conference calls remain another important means of providing capital market participants with timely and extensive information updates. In these calls, LANXESS's Board of Management explains our published results or reports on current strategic measures like major growth initiatives. Conference calls are streamed live in the "Investor Relations" section of the LANXESS website, and recorded versions are available for download for one year.

The "Investor Relations" section of our website also contains the presentations from roadshows and conferences, financial reports, publications like the LANXESS Fact Book, investor news and details about our shares and bonds. In addition, there is a contact form for ordering copies of our financial reports, for example.

LANXESS earns top ratings for its capital market communications

Maintaining a broad, timely and transparent dialogue with the capital markets has always been a priority for us. That is why we are very pleased that LANXESS's capital market communications have been recognized by portfolio managers and analysts in prestigious rankings and that last year it once again received many awards. The credibility and transparency of communications, the focus on target groups and access to top management were again important criteria for the capital market participants polled in 2012.

Our investor relations activities received several first-place honors from the U.K.'s respected *IR Magazine*, for example. Chairman of the Board of Management, Dr. Axel C. Heitmann, was honored for best investor relations by a CEO in Europe, while our IR team ranked top for investor relations work by a mid-cap company. The awards were based on a survey of some 500 European portfolio managers and analysts.

For the first time, LANXESS also took top honors from the buy side of the European chemical sector in the annual survey of investors conducted by U.S. magazine *Institutional Investor*. In the previous year, the sell-side analysts had ranked LANXESS's IR team first among European chemical companies. Here we took second place in 2012. In compiling its rankings, *Institutional Investor* asked more than 800 fund managers, some 400 brokerages and nearly 1,500 analysts to rate the investor relations work of European companies.

Investor Relations contacts:

Head of Investor Relations

Oliver Stratmann
Tel. +49 214 30 49611
E-mail: oliver.stratmann@lanxess.com

Private Investors, Annual Stockholders' Meeting, Events

Tanja Satzer
Tel. +49 214 30 43801
E-mail: tanja.satzer@lanxess.com

Institutional Investors, Analysts

Joachim Kunz
Tel. +49 214 30 42030
E-mail: joachim.kunz@lanxess.com

Ulrike Weihs
Tel. +49 214 30 50458
E-mail: ulrike.weihs@lanxess.com

Dirk Winkels
Tel. +49 214 30 58007
E-mail: dirk.winkels@lanxess.com