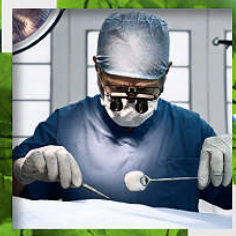


Leading Fiber Innovation



LENZING INVESTOR PRESENTATION
November 15, 2012

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Key highlights Q3/2012

■ Delivering the 6th consecutive quarter as guided

- EBITDA: **EUR 88 mn** (Guidance: EUR 85 mn - 90 mn)
- Average fiber price: **EUR 1.95** (Guidance: EUR 1.95 - 2.00 per kg)
- Sales volume: **199 k tons** (Guidance: around 200 k tons)
- Low Q3 tax rate bringing cumulated **tax rate down to 22.3 %**

■ The perfect storm?

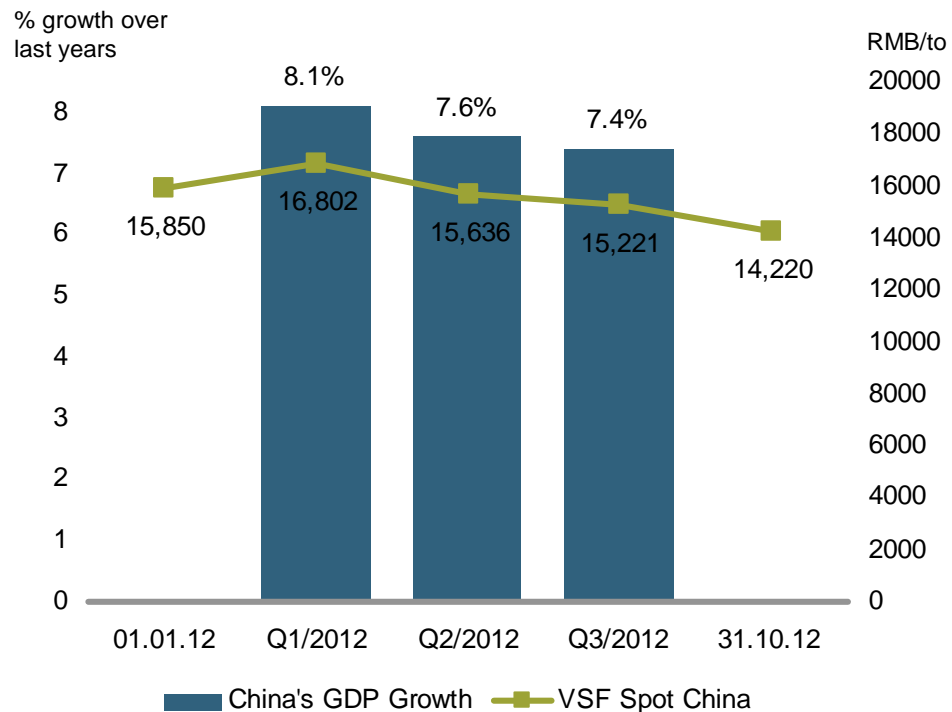
- Low pulp and viscose spot-market prices shake out various announced expansion projects
- Cotton price development leads to expectations of further lowered production in 2013/14
- Majority of Chinese competitors estimated to make losses
- Long term trends and cellulose gap remain unchanged (despite “cotton distortion”)

■ On track for the second best year in company history

China

Not being helpful throughout the year

China's GDP growth/VSF Spot China



- Q3: Three-year low, slow down for seven straight quarters
- Viscose staple fiber spot market price down by more than 10% over the year
- Weak demand from US and Europe slows down Chinese textile exports
- Tight credit conditions continue in China

The perfect storm?

Short term pain, long term gain for Lenzing

Market

- Cotton stock/use ratio >65%
- Cotton price 80 – 85 cents/lb

Macro

- Debt crisis in Europe (and USA)
- China: availability of capital is restricting factor

Competitor

- Postponing pulp (up to 700 kto) and fiber (up to 400 kto) projects beyond 2013
- Steering by utilization

Cost

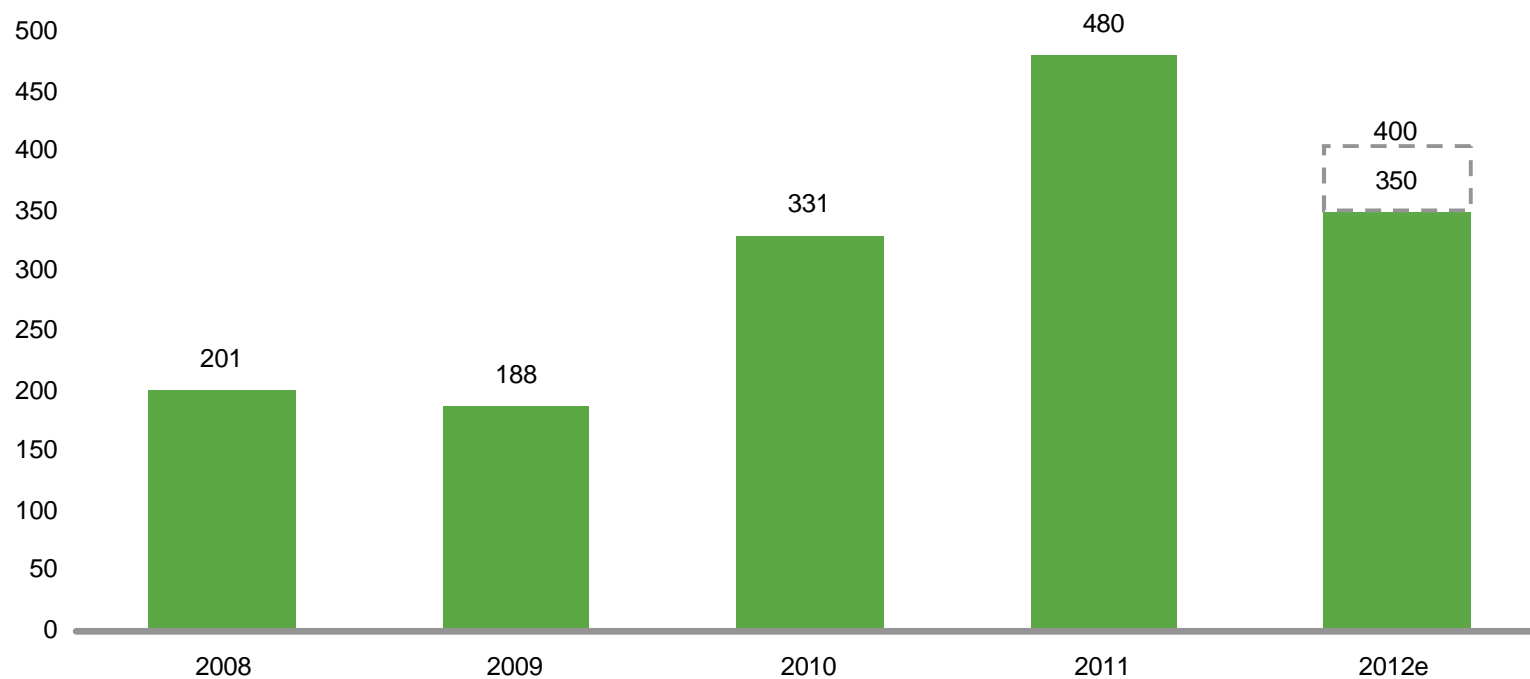
- Pulp price (spot market) only goes down slowly from current low level
- Carbon-disulphide price increase, caustic soda/energy flat



2012e – in context

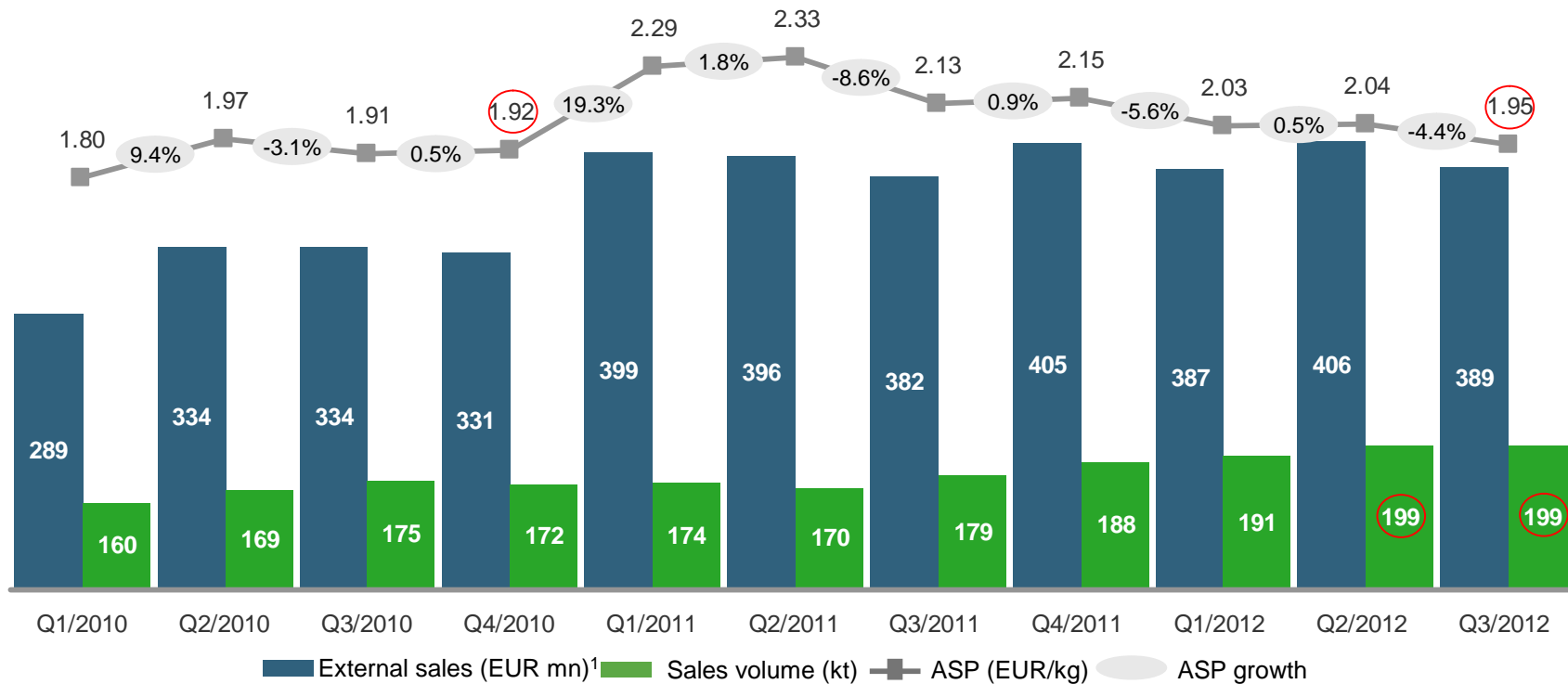
On track for the second best year in company history

EBITDA in EUR mn



Q3/2012: Sales volume stays on record level

Average price below EUR 2.00 first time since Q4/2010

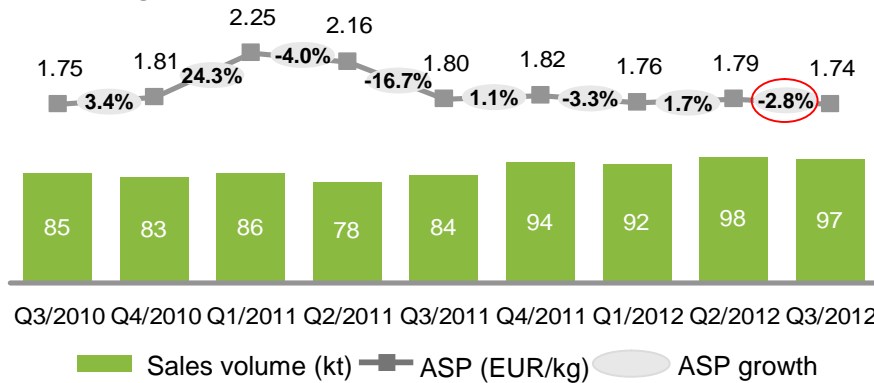


1) core fiber segment sales, excluding sales of co-products and external sales of pulp, wood and energy

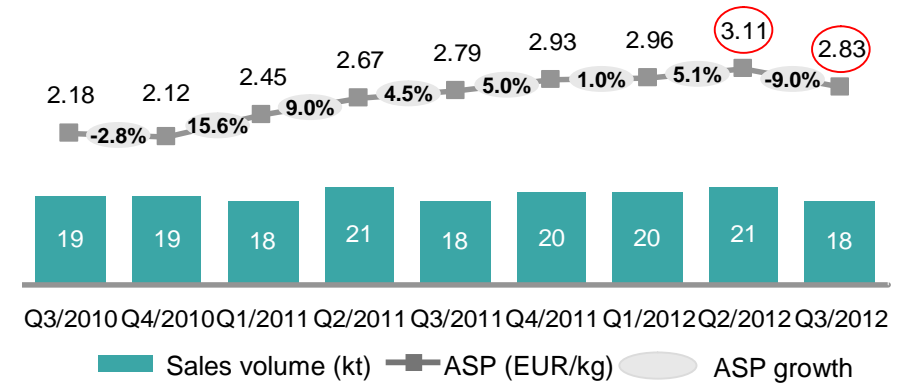
Textile fibers

Prices within expectations

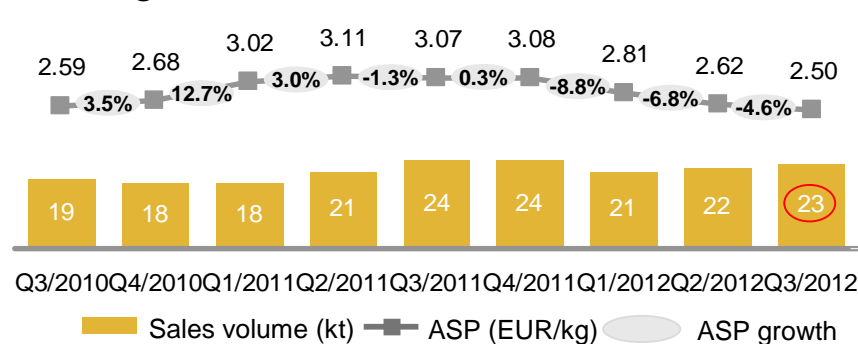
Lenzing Viscose®



TENCEL®



Lenzing Modal®¹



- Fairly stable Lenzing Viscose® and Lenzing Modal® prices
- Lenzing Modal® volumes recovering
- TENCEL® price adjustment as announced in August and with a 9-months delay to Lenzing Viscose®

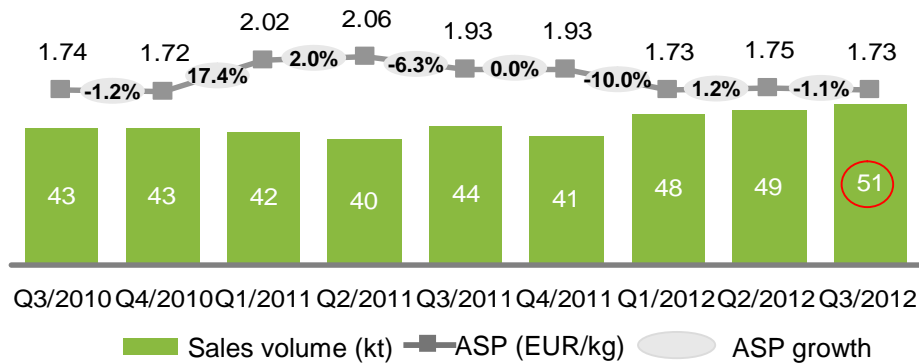
1) including Lenzing FR®

Nonwoven fibers

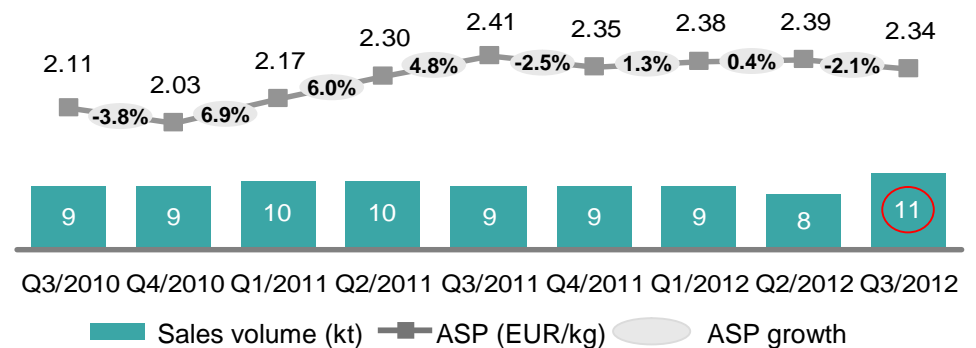
Increase in volumes, stable prices

- Increase in TENCEL® volume driven by expansion in USA
- Record sales in Lenzing Viscose®

Lenzing Viscose®



TENCEL®



Relative pricing

Continued higher TENCEL® premium than Modal

- Modal: Premium over viscose in the historic 40-50% range, limited need for future adjustments
- TENCEL® textile still at an unhealthy 63% premium over viscose. TENCEL® textile pricing to be brought down further to stay competitive

Textile fibers

Relative price (viscose = 100%)

(%)	Q1/2010	Q2/2010	Q3/2010	Q4/2010	Q1/2011	Q2/2011	Q3/2011	Q4/2011	Q1/2012	Q2/2012	Q3/2012
Lenzing Viscose®	100	100	100	100	100	100	100	100	100	100	100
Lenzing Modal® (incl. FR)	145	135	148	149	134	144	171	169	159	146	144
TENCEL®	118	114	124	117	109	124	155	161	168	174	163

Nonwoven fibers

Relative price (viscose = 100%)

(%)	Q1/2010	Q2/2010	Q3/2010	Q4/2010	Q1/2011	Q2/2011	Q3/2011	Q4/2011	Q1/2012	Q2/2012	Q3/2012
Lenzing Viscose®	100	100	100	100	100	100	100	100	100	100	100
TENCEL®	111	118	121	118	107	112	125	121	137	137	135



Q3/2012: In line with guidance

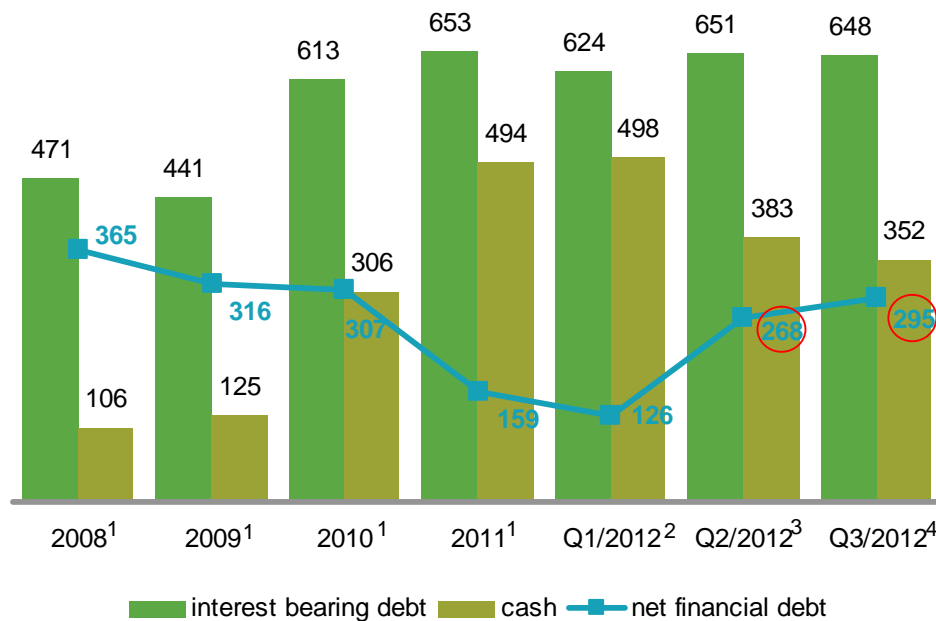
Price pressure sets profitability back to Q1 level

(EUR mn)	Q3/2012	Q2/2012	Change in %	Q1/2012
Sales volume man-made cellulose fibers (kt)	199	199	0.0	191
Total external sales	505.7	533.6	(5.2)	528.2
Inventory change / work in progress	11.6	(0.7)	-	3.9
Work performed by the group and capitalized	12.6	14.5	(13.1)	3.1
Cost of material and purchased services	(321.9)	(326.6)	(1.4)	(318.3)
Personnel & other operating expenses/income	(119.2)	(119.8)	(0.5)	(122.9)
Depreciation & Amortization	(26.5)	(27.5)	(3.6)	(26.7)
EBITDA¹	87.9	100.6	(12.6)	93.1
EBIT	62.4	73.9	(15.6)	67.2
Net income	55.1	51.7	6.6	48.4
Net income after minorities	53.4	50.0	6.8	47.1
<i>EBITDA margin (%)</i>	<i>17.4</i>	18.8	(7.4)	<i>17.6</i>
<i>EBIT margin (%)</i>	12.3	13.8	(10.9)	12.7

1) EBITDA defined as EBIT + depreciation – reversal of government grant

Solid financials

Higher equity, low gearing and healthy liquidity



■ Adjusted **equity of EUR 1,152 mn**
(48.5% equity ratio)

■ **Net gearing of 25.6%**
(Q2/2012: 24.4%)

■ **Total liquidity cushion of EUR 561 mn** consisting of

- EUR 352 mn cash,
- plus EUR 209 mn of unused credit lines

1) as of December 31
 2) as of March 31, 2012
 3) as of June 30, 2012
 4) as of September 30, 2012

Successful German private placement*

EUR 200 mn debt placed with institutional investors

- Placement: **October 31, 2012** (settlement: November 14, 2012)
- Volume: **EUR 200 mn** (demand: **EUR 280 mn**)
- Average life: **6 years** (average interest rate: 2.55%**)
 - EUR 40.5 mn – 4 years fixed (2.18%)
 - EUR 62.5 mn – 4 years floating (1.79%)
 - EUR 34.0 mn – 7 years fixed (3.16%)
 - EUR 27.0 mn – 7 years float (2.19%)
 - EUR 36.0 mn – 10 years fixed (4.00%)
- **No covenants**
- **Approx. 45 international institutionals**

* Schuldscheindarlehen

** calculated on the basis of a single weighting factor (% of single tranche on total amount)

Tax rate

Back to a historical level

Profit and Loss Statement view

(EUR mn)	9-months 2012	H1/2012	9-months 2011	H1/2011
Earnings before taxes	199.8	138.2	277.0	187.7
Taxes	44.6	38.1	59.0	42.5
Tax rate (in %)	22.3%	27.6%	21.3%	22.6%

- As announced at half-year, tax rate came down to last year's level
- B&C "Tax Group" benefit of EUR 10.1 mn bringing Q3 tax rate down to 10.5%

Outlook FY 2012

Unchanged – driven to the low end by weaker Q4

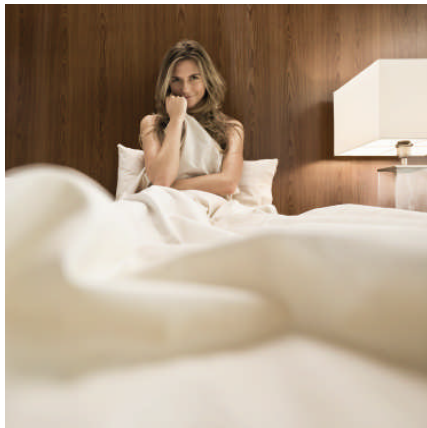
Outlook 2012

Sales	approx. EUR 2.10 – 2.15 bn
EBITDA	approx. EUR 350 – 400 mn
EBIT	approx. EUR 240 – 290 mn
Sales volume	approx. 810 k tons
Capex	approx. EUR 325 mn
Dividend policy	approx. 25% of consolidated net income
Tax rate	approx. 22-24%

- **August guidance for FY:** “High end if no change in Q4 – low end if pricing deteriorates from Q3”
- **Lower Q4 average fiber price expected:** approx. EUR 1.85 (Q3: EUR 1.95) per kg
- **Q4 one-off** caused by potential EPG* wind-up:
EBITDA: EUR -5 mn to -10 mn
EBIT: EUR -20 mn to -25 mn
Net income: EUR -10 mn to -15 mn
- **Line 5 (Indonesia):** Production started successfully on **October 29**

* EPG: European Precursor GmbH – joint venture with SGL Group for the production of carbon precursor

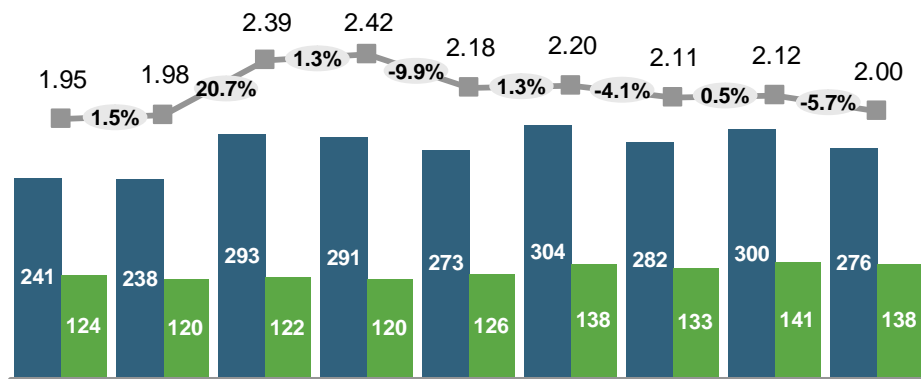
Q3/2012 – Financial information



Textile and nonwoven fibers

Q3 shows flat pricing for nonwoven fibers and a drop for textile fibers

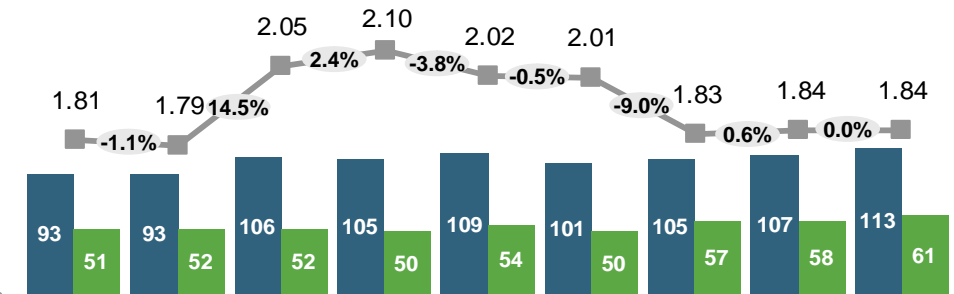
Textile fibers¹



Q3/2010 Q4/2010 Q1/2011 Q2/2011 Q3/2011 Q4/2011 Q1/2012 Q2/2012 Q3/2012

External sales (EUR mn) Sales volume (kt) ASP (EUR/kg) ASP growth

Nonwoven fibers¹



Q3/2010 Q4/2010 Q1/2011 Q2/2011 Q3/2011 Q4/2011 Q1/2012 Q2/2012 Q3/2012

External sales (EUR mn) Sales volume (kt) ASP (EUR/kg) ASP growth

1) core fiber segment sales, excluding sales of co-products and external sales of pulp, wood and energy

Topline breakdown

Segment development with light and shadow due to price pressure and uncertain economic framework

(EUR mn)	Q3/2012	Q2/2012	Change in %	Q1/2012
Breakdown of fibers segment sales				
Textile fibers	275.9	299.5	(7.9)	281.7
Nonwoven fibers	113.3	106.6	6.3	104.9
Other ¹	12.4	12.2	1.6	12.3
Total fibers only sales	401.6	418.3	(4.0)	398.9
Other fibers segment sales ²	56.8	63.2	(10.1)	75.5
Total fibers segment sales	458.4	481.5	(4.8)	474.4
Plastics Products	39.1	43.5	(10.1)	43.4
Engineering	31.0	28.3	9.5	30.0
Consolidation	(22.8)	(19.7)	15.7	(19.6)
Total external group sales	505.7	533.6	(5.2)	528.2

1) includes sales of sodium sulfate and black liquor

2) includes external sales of pulp, wood and energy

Consolidated Group P&L – External sales

(EUR mn)	Q3/2012	Q2/2012	Q1/2012
Total external sales	505.7	533.6	528.2
Cost of material and purchased services	(321.9)	(326.2)	(318.3)
Personnel	(80.6)	(76.3)	(75.4)
EBITDA	87.9	100.6	93.1
<i>Margin (%)</i>	<i>17.4</i>	<i>18.8</i>	<i>17.6</i>
Depreciation & Amortization	(26.5)	(27.5)	(26.7)
Other operating expenses	(47.4)	(52.3)	(58.2)
Other operating income and other ¹	33.0	22.6	17.7
EBIT	62.4	73.9	67.2
<i>Margin (%)</i>	<i>12.3</i>	<i>13.8</i>	<i>12.7</i>
Income from invest. in associates & other income	1.3	3.9	2.3
Finance cost	(3.8)	(7.2)	(3.9)
Result from terminable non-controlling interest	1.6	1.1	1.0
Tax	(6.5)	(20.0)	(18.2)
Tax rate (%)	10.5	27.9	27.3
Income from discontinued operations	-	-	-
Net income	55.1	51.7	48.4
<i>Margin (%)</i>	<i>10.9</i>	<i>9.7</i>	<i>9.2</i>
Net income after minorities	53.4	50.0	47.1
<i>Margin (%)</i>	<i>10.6</i>	<i>9.4</i>	<i>8.9</i>
EPS² (in EUR)	2.01	1.89	1.77

1) other = work performed by group, changes in inventory & cost of material purchased

2) weighted average number of shares 26,550,000

Material costs lower than sales decrease

Continuing low dissolving wood pulp prices

(EUR mn)	Q3/2012	Q2/2012	Change in %	Q1/2012
Dissolving pulp ¹	134.4	129.6	3.7	131.6
as % of total cost of material and purchased services	41.7	39.7	-	41.3
Key chemicals	45.9	44.7	2.7	41.7
as % of total cost of material and purchased services	14.3	13.7	-	13.1
Energy	38.1	36.5	4.4	35.6
as % of total cost of material and purchased services	11.8	11.2	-	11.2
Other ²	103.6	115.3	(10.1)	109.4
as % of total cost of material and purchased services	32.2	35.3	-	34.4
Total cost of material and purchased services	322.0	326.2	(1.3)	318.3
as % of external sales	63.7	61.1	-	60.3
Total external sales	505.7	533.6	(5.2)	528.2
Total fibers only sales	401.6	418.3	(4.0)	398.9
Total cost	449.9	454.9	(1.1)	451.9
Material cost as % of total cost	71.6	71.7	-	29.6

1) including cost for wood

2) other includes trading goods, other raw materials, packaging, auxiliary material

Remaining Opex: Decreasing with increasing personnel expenses

Representing approx. 28% of total costs and are very stable

(EUR mn)	Q3/2012	Q2/2012	Change in %	Q1/2012
Total personnel expenses	80.6	76.3	5.6	75.4
as % of external sales	15.9	14.3	11.5	14.3
Other operating expenses				
Freight outward	18.9	20.5	(7.8)	18.4
Commissions and advertising costs	6.3	8.5	(25.9)	3.4
Service and maintenance and other purchased services	9.1	2.0	n.m.	8.9
Other	13.0	21.3	(39.0)	27.5
Total other operating expenses	47.3	52.3	(9.6)	58.2
as % of external sales	9.4	9.8	-	11.0
Total remaining Opex	127.9	128.7	(0.5)	133.6
as % of external sales	25.3	24.1	-	25.3
Total external sales	505.7	533.6	(5.2)	528.2
Total cost	449.9	454.9	(1.1)	451.9
Remaining Opex as % of total cost	28.4	28.3	-	29.6

Cash flow by quarter

Gross cash flow ratio back to normal

(EUR mn)	Q3/2012	Q2/2012	Change in %	Q1/2012
Gross CF	83.2	35.2²	136.4	79.0¹
Change in total working capital ³	(30.9)	(28.9)	n.m.	6.4 ¹
Operating Cash flow	52.3	6.3	-	85.4
Investment Cash flow ⁴	(83.3)	(71.0)	1.2	(22.6)
Free Cash flow	(31.0)	(64.7)	-	62.9
<i>Gross CF as % of external sales</i>	<i>16.5</i>	<i>6.6</i>	<i>-</i>	<i>15.0</i>
<i>Gross CF as % of EBITDA</i>	<i>94.7</i>	<i>35.0</i>	<i>-</i>	<i>84.9</i>

1) adjusted to reflect all income taxes in the gross CF. Previously gross CF was EUR 73.9 mn and change in working capital EUR 11.5 mn

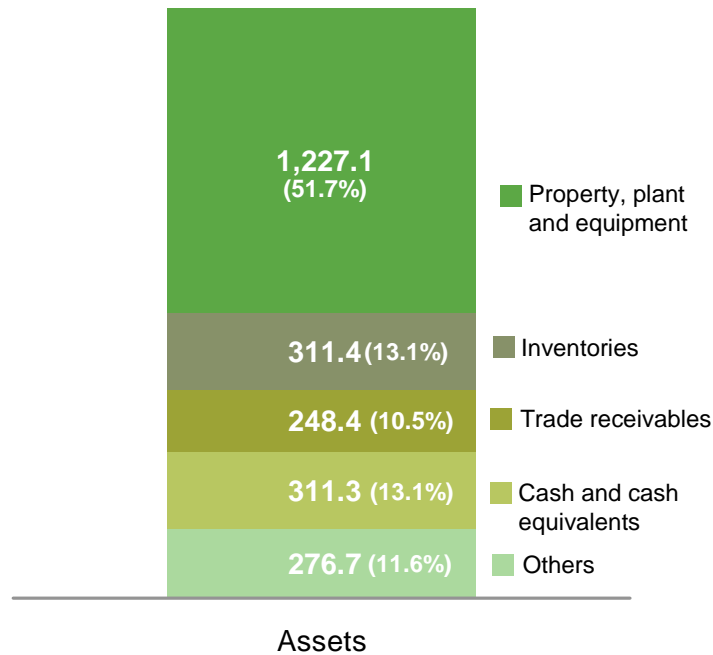
2) reduced by EUR 44.2 mn of tax pre-payments

3) including trade and other working capital

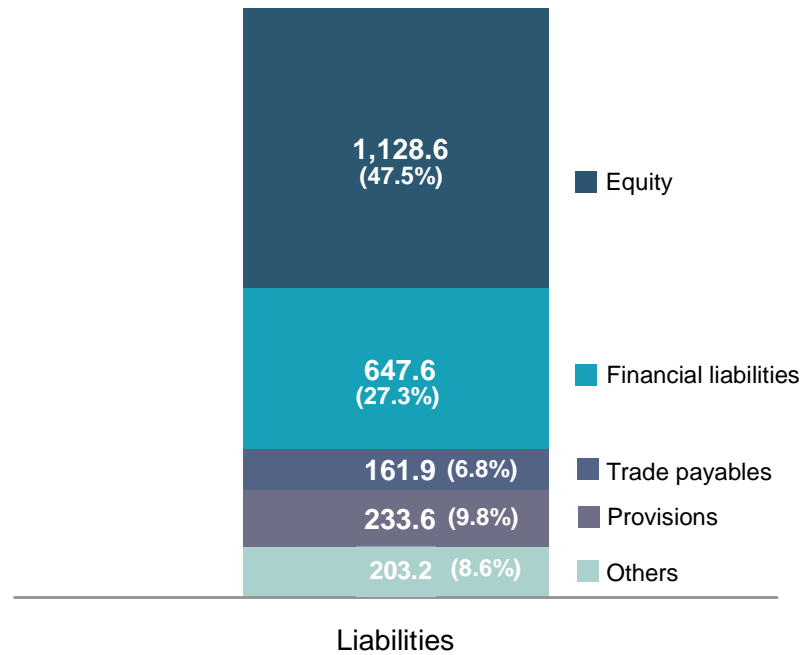
4) including investment in financial assets and disposal proceeds

Balance sheet as of September 30, 2012

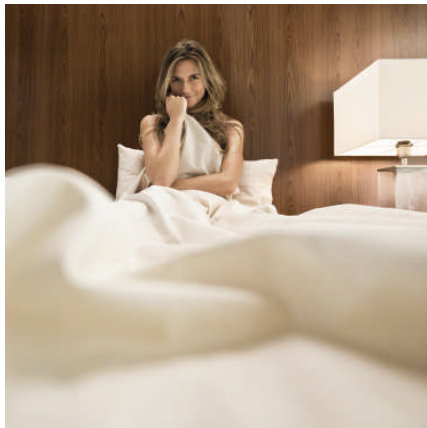
Σ 2,374.9 EUR mn



Σ 2,374.9 EUR mn



9-months 2012– Financial information



Solid 9-months on healthy level

Slow down in profitability but still excellent double digit margins

(EUR mn)	9-months 2012	9-months 2011	Change in %
Sales volume man-made cellulose fibers (kt)	589.3	524	12.5
Total external sales	1,567.5	1,592.2	(1.6)
Inventory change / work in progress	14.8	14.5	2.1
Work performed by the group and capitalized	30.2	18.9	59.8
Cost of material and purchased services	(966.4)	(930.8)	3.8
Personnel & other operating expenses/income	(362.0)	(329.2)	10.0
Depreciation & Amortization	(80.7)	(76.0)	6.2
EBITDA¹	281.5	362.9	(22.4)
EBIT	203.4	289.7	(29.8)
Net income	155.1	217.9	(28.8)
Net income after minorities	150.6	210.6	(28.5)
<i>EBITDA margin (%)</i>	18.0	22.8	-
<i>EBIT margin (%)</i>	13.0	18.2	-

1) EBITDA defined as EBIT + depreciation – reversal of government grant

9-months 2012: Topline breakdown

Fiber volume increase compensates price decrease

(EUR mn)	9-months 2012	9-months 2011	Change in %
Break down of fiber segment sales			
Textile fibers	857.1	856.3	0.1
Nonwoven fibers	324.8	320.6	1.3
Other ¹	36.9	32.1	15.0
Total fibers only sales	1,218.8	1,209.1	0.8
Other fibers segment sales ²	195.5	227.0	(13.9)
Total fibers segment sales	1,414.3	1,436.1	(1.5)
Plastics Products	126.0	135.5	(7.0)
Engineering	89.3	79.8	11.9
Consolidation	(62.1)	(59.2)	4.9
Total external Group sales	1,567.5	1,592.2	(1.5)

1) includes sales of sodium sulfate and black liquor

2) includes external sales of pulp, wood and energy

Material costs under control

Production increased by 12% and cost only by 4.6%

(EUR mn)	9-months 2012	9-months 2011	Change in %
Dissolving pulp ¹	395.6	418.7	(5.5)
as % of total cost of material and purchased services	40.9	45.0	-
Key chemicals	132.3	99.0	33.6
as % of total cost of material and purchased services	13.7	10.6	-
Energy	110.2	92.5	19.1
as % of total cost of material and purchased services	11.4	9.9	-
Other ²	328.3	320.5	2.4
as % of total cost of material and purchased services	34.0	34.4	-
Total costs of material and purchased services	966.4	930.8	3.8
as % of external sales	61.7	58.5	-
Total external sales	1,567.5	1,592.2	(1.6)
Total fibers only sales	1,218.8	1,209.1	0.8
Total costs	1,356.7	1,296.5	4.6
Material cost as % of total costs	71.2	71.8	-

1) including cost for wood

2) other includes trading goods, other raw materials, packaging, auxiliary material

Remaining Opex

Representing approx. 29% of total costs

(EUR mn)	9-months 2012	9-months 2011	Change in %
Total personnel expenses	232.3	208.8	11.3
as % of external sales	14.8	13.1	-
Other operating expenses			
Freight outward	57.8	47.7	21.2
Commissions and advertising costs	18.2	12.8	42.2
Service and maintenance and other purchased services	20.0	23.4	(14.5)
Other	62.0	73.0	(15.1)
Total other operating expenses	158.0	156.9	0.7
as % of external sales	10.1	9.9	-
Total remaining Opex	390.3	365.7	6.7
as % of external sales	24.9	23.0	-
Total external sales	1,567.5	1,592.2	(1.6)
Total costs	1,356.7	1,296.5	4.6
Remaining Opex as % of total costs	28.8	28.2	-

Cash flow 9-months 2012

Reflecting tax pre-payments in Q2 and lower profitability

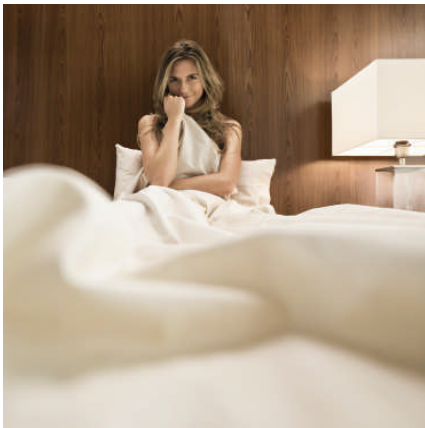
(EUR mn)	9-months 2012	9-months 2011	Change in %
Gross CF	198.5	317.4¹	(37.5)
Change in total working capital ²	(54.5)	(63.6) ¹	-
Operating Cash flow	144.0	253.8	(43.3)
Investment Cash flow ³	(176.8)	(123.5)	-
Free Cash flow	(32.8)	130.3	(74.8)
<i>Gross CF as % of external sales</i>	12.7	19.9	-
<i>Gross CF as % of EBITDA</i>	70.5	87.5	-

1) adjusted to reflect all income taxes in the gross CF. Previously gross CF was EUR 288.6 mn and change in working capital EUR -34.7 mn

2) including trade and other working capital

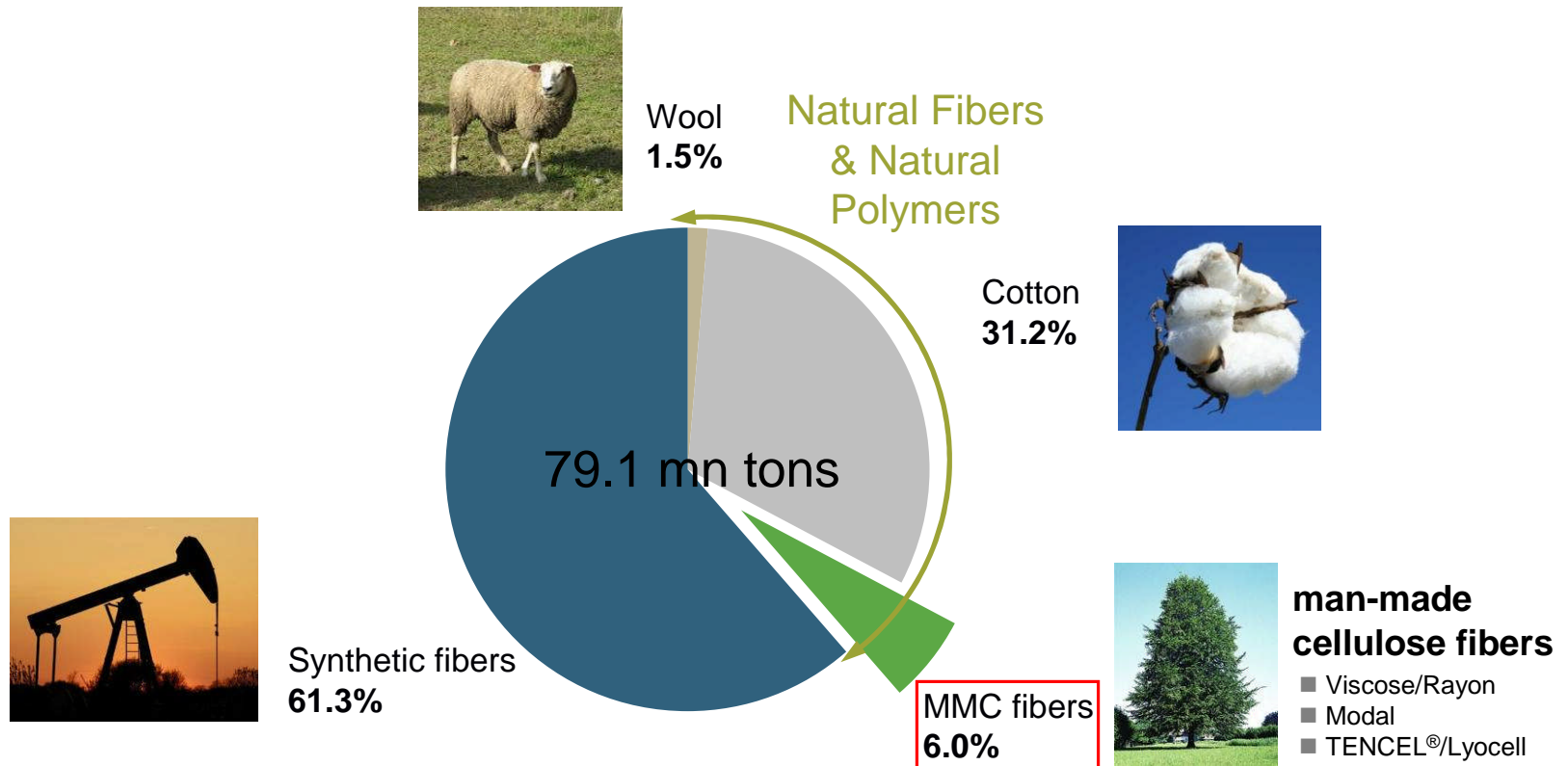
3) including investment in financial assets and disposal proceeds

Appendix – Equity story



Global fiber market at a glance

Long-term share synthetic fibers ~ 60% : natural fibers ~ 40%



Source: The Cellulose Gap, Gherzi, February 2011

Lenzing at a glance

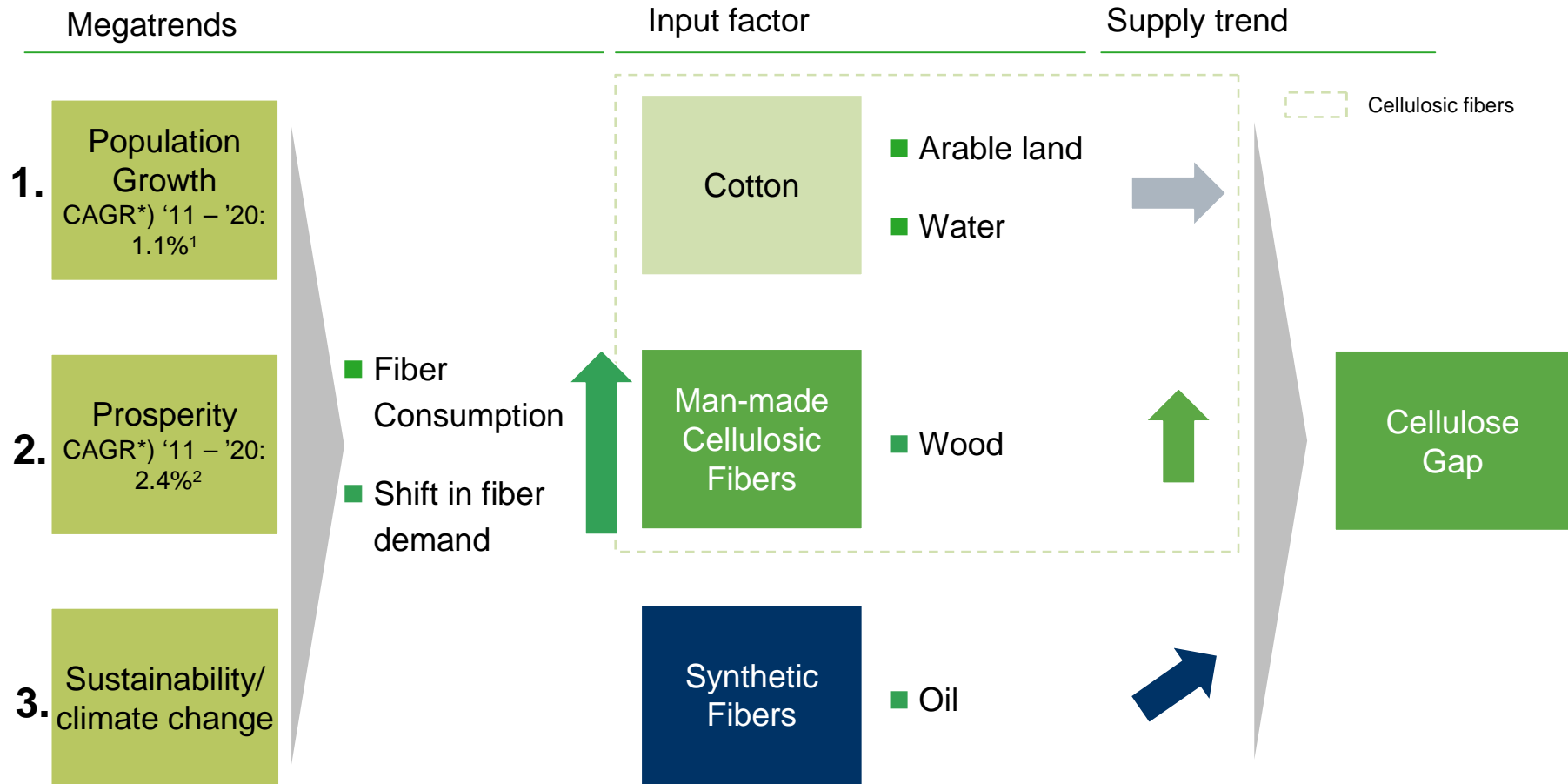
Global market leader in producing man-made cellulosic fibers

- Growth opportunity through 3 mega-trends leading to the cellulose gap
- Global market leader in producing man-made cellulosic fibers (MMCF)
 - 22% market share
 - Innovation, technology and quality leader
 - Cost leader
 - Double digit growth profile over last 11 years
 - Global presence (production/sales/marketing) and expansion
- Solid financials
 - Equity ratio¹: 48.5%
 - Net gearing¹: 25.6%
 - Total liquidity cushion¹: EUR 561 mn

1) as at September 30, 2012

Growth opportunity: cellulose Gap

MMCF: Strong demand and limitations on cotton supply



*) compound annual growth rate

1) forecasted growth from UN Population Division

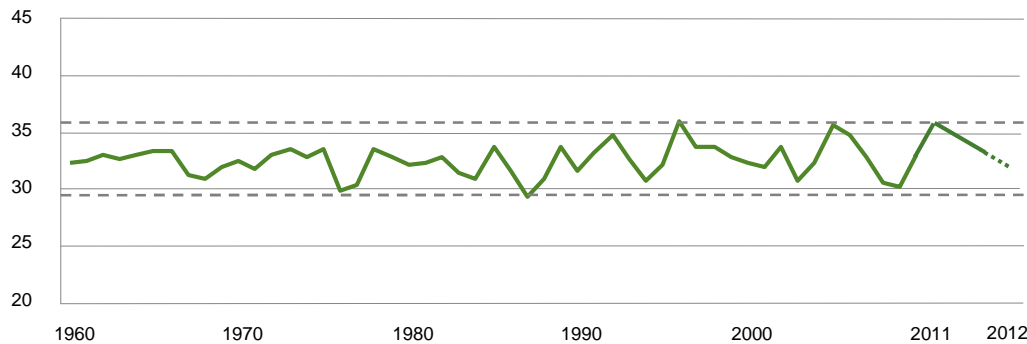
2) forecasted growth of global real GDP per capita by Global Insight

Cellulose Gap: A growth opportunity

Limited potential to increase cotton supply increases demand for MMC fibers

Cotton planted area expected to remain stable within narrow band (1960-2012e)

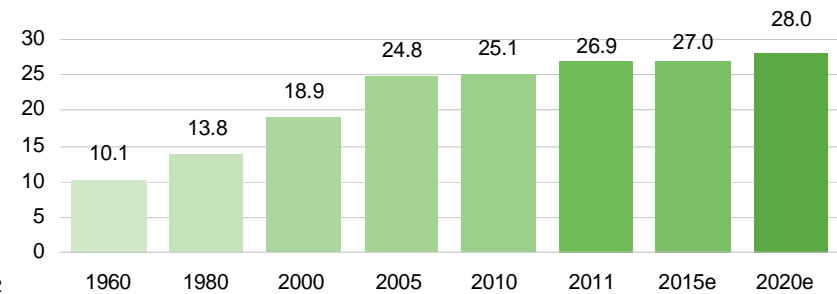
Million hectares



Source: U.S. Department of Agriculture
ICAC, December 15, 2011

Limited growth in cotton production: effects from yield expansion leveling out

Million metric tones



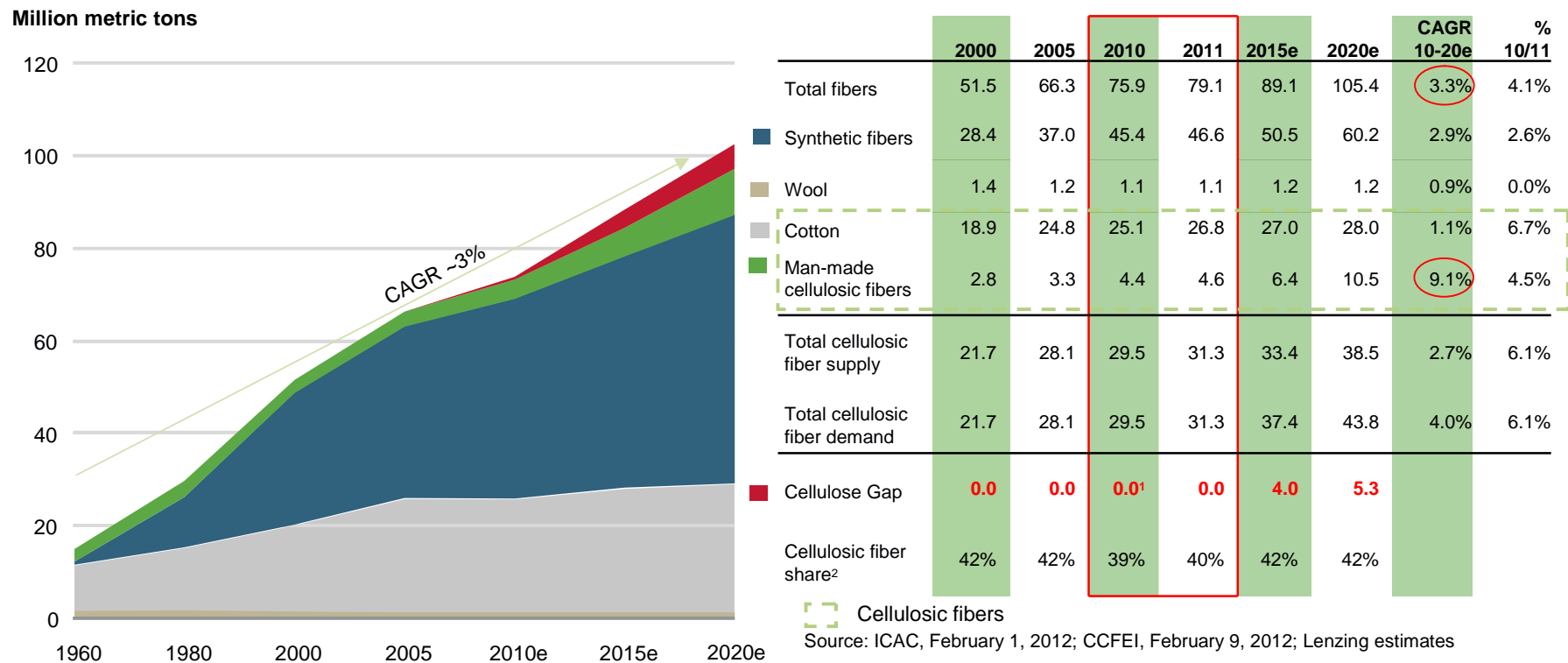
Source: International Cotton Advisory Committee, April 2, 2012;
The Cellulose Gap, Gherzi, February 2011

Cellulose Gap: A growth opportunity

9% p.a. forecast for MMCF over next decade

➔ The demand gap of cellulosic fibers opening due to limited cotton supply can best be filled by MMC fibers as substitute

Fiber market growth by type of fiber (1960-2020e)



Source: The Cellulose Cap, Gherzi; February 2011

1) cotton stock level in 2010/11 on historical low level of max. 4 months (usually a minimum of at least 6 months necessary)

2) including the Cellulose Cap



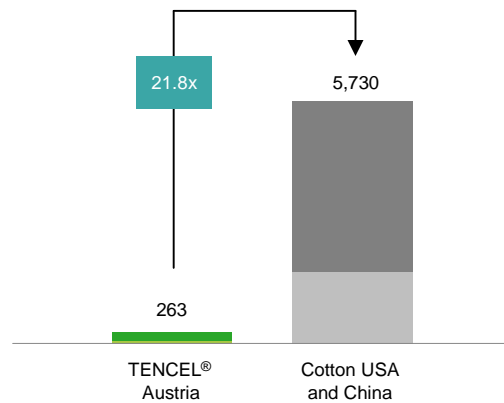
Mega-trend: Sustainability

Green footprint: Significantly more environmentally friendly than cotton

- More than 50% of Lenzing's fuel consumption sourced from renewable resources
- Lenzing Group environmental impact of production relative to cotton only approx. 5.7%

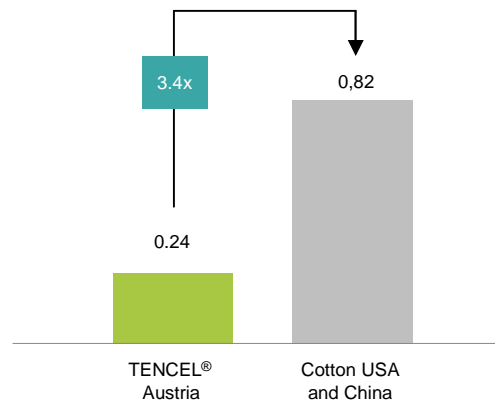
Water consumption

m³ per metric ton of fiber



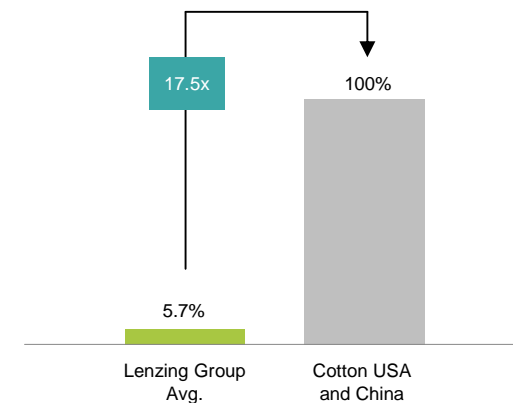
Required acreage for production of one metric ton of fiber

Hectares per metric ton and year



Environmental impact of production¹

Relative to cotton



■ Process water ■ Cooling water ■ Groundwater irrigation ■ Surface water irrigation

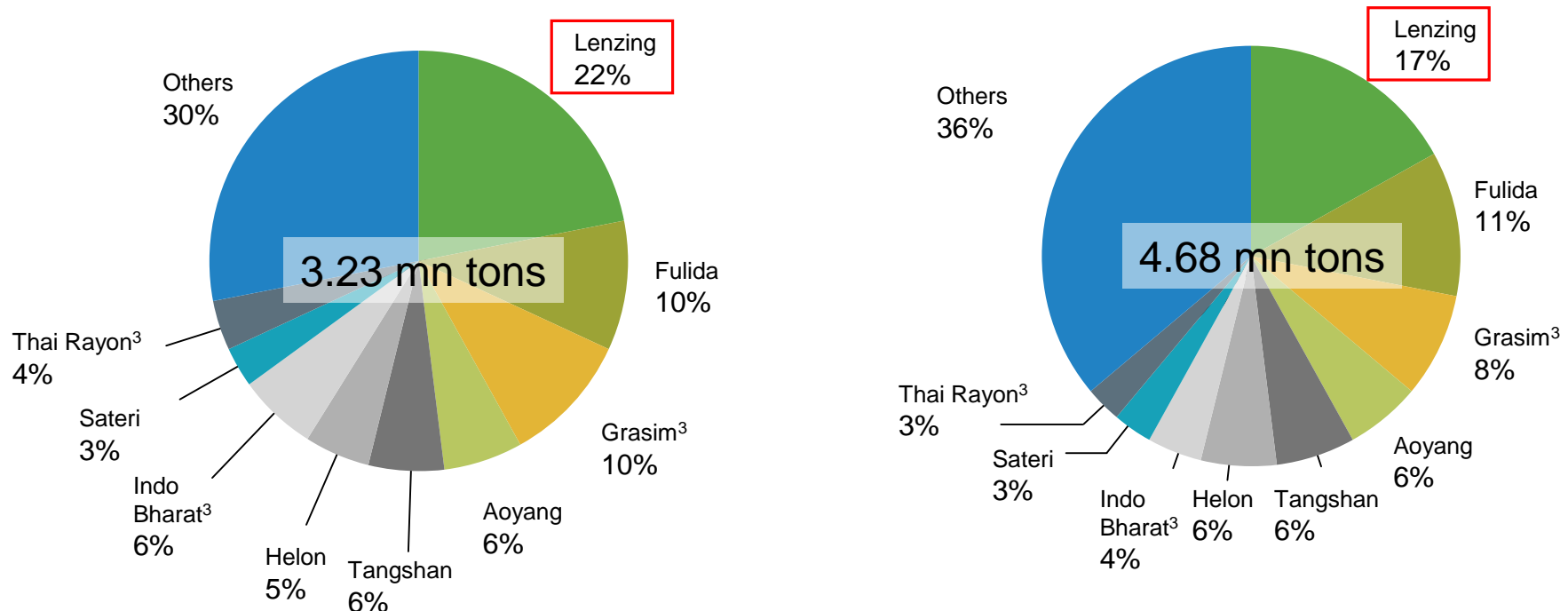
Source: "Life Cycle Assessment of man-made Cellulose fibers"; Li Shen, Martin Patel; 2007

1) including freshwater ecotoxicity, terrestrial ecotoxicity and others

Lenzing is the global market leader

Viscose staple fiber market

Lenzing with 22% share of production¹ Lenzing with 17% share of capacities²



Source: FEB, Trade statistics, Company estimates

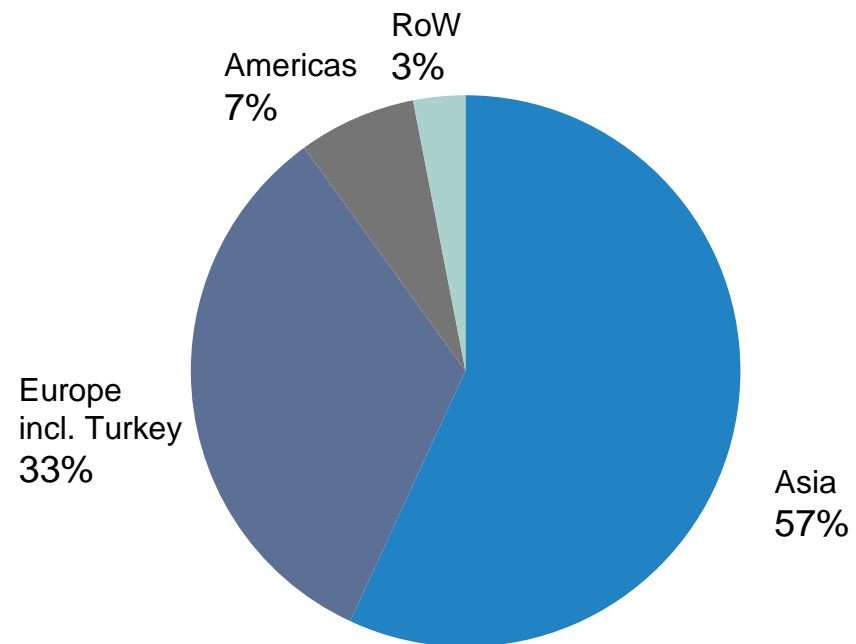
1) production China: based on 65% utilization (CCFA)

2) based on latest available company information from company websites and annual/interim reports

3) direct or indirect non-controlling shareholdings by private Indian conglomerate Aditya Birla; marketing of viscose staples fibers under the "Birla" umbrella brand

Only true global player

Sales by region¹



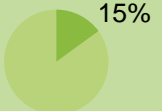


Source: Company information; The Cellulose Gap, Gherzi, February 2011

1) fiber sales by volume in metric tons FY 2011

Technology leadership secures leading market shares



	Market Position and Market Share in Q3/2012 ¹	Unique Selling Proposition	Key End Markets	% of Fiber Sales Q3/2012 ²
Innovation drives specialities	# 1 – Quantum leap technology  <p>99%</p>	...the new age fiber <ul style="list-style-type: none"> Environmentally friendly process Breathable, next to skin characteristics Can be blended with cotton Strength (wash ability, denim process) 	<ul style="list-style-type: none"> High-end consumer applications Special technical applications 	19.5%
	# 1  <p>80%</p>	...makes the world a softer place <ul style="list-style-type: none"> Natural softener for fabrics Next to skin characteristics Can be blended with cotton 	<ul style="list-style-type: none"> Consumer applications High performance apparel 	13.5% ³
Sets Industry standard	# 2  <p>15%</p>	...sets industry standard <ul style="list-style-type: none"> Superior quality allows for use of high-end textile machinery⁴ Consistent in dyeing and finishing Global service package 	<ul style="list-style-type: none"> Consumer applications Technical applications 	66.0%



Source: Lenzing

1) by production capacity

2) excluding sales of fiber by-products, external sales of pulp, wood, energy

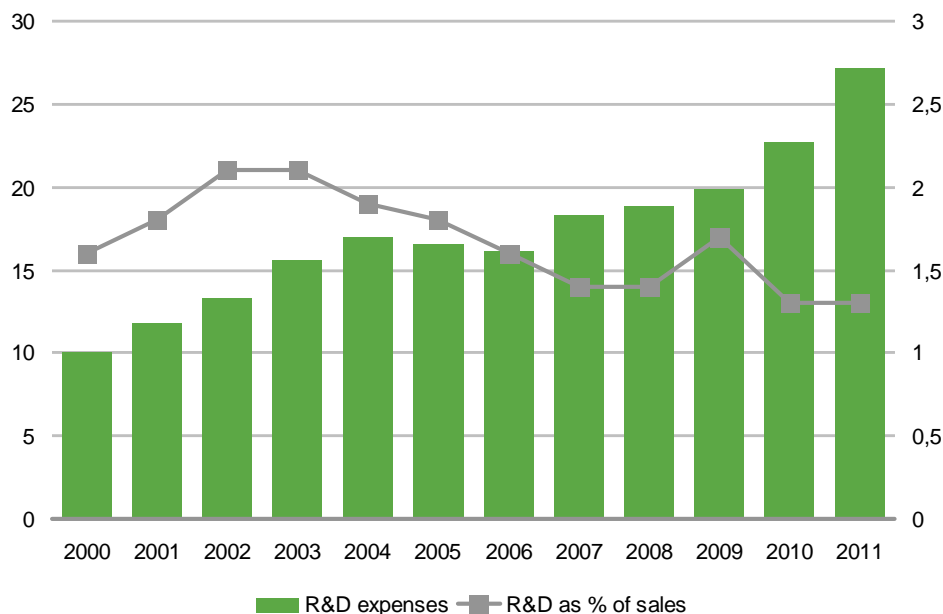
3) including Lenzing FR[®]

4) e.g. airjet spinning machine allowing for 420 m/min compared to 25 m/min on regular (ring spinning) textile machines

Lenzing is the innovation leader

Industry leading R&D spend

R&D expenses (2000-2011)



Source: LAG

Intellectual property

- As of December 2011, Lenzing owned approx. 1,300 patent applications and patents in 57 countries belonging to 218 patent families
- All significant patents are filed and maintained in Asia, the European Union and the Americas
- The majority of the patent portfolio focuses on lyocell technology (TENCEL®)
- As of December 2011, Lenzing owned approx. 1,400 trademark applications and trademarks in 95 countries belonging to 112 trademark families

Innovation

R&D organization and unique innovation model

Organization structure

- Integration into business units
- Close collaboration with sales & marketing to develop applications for customers

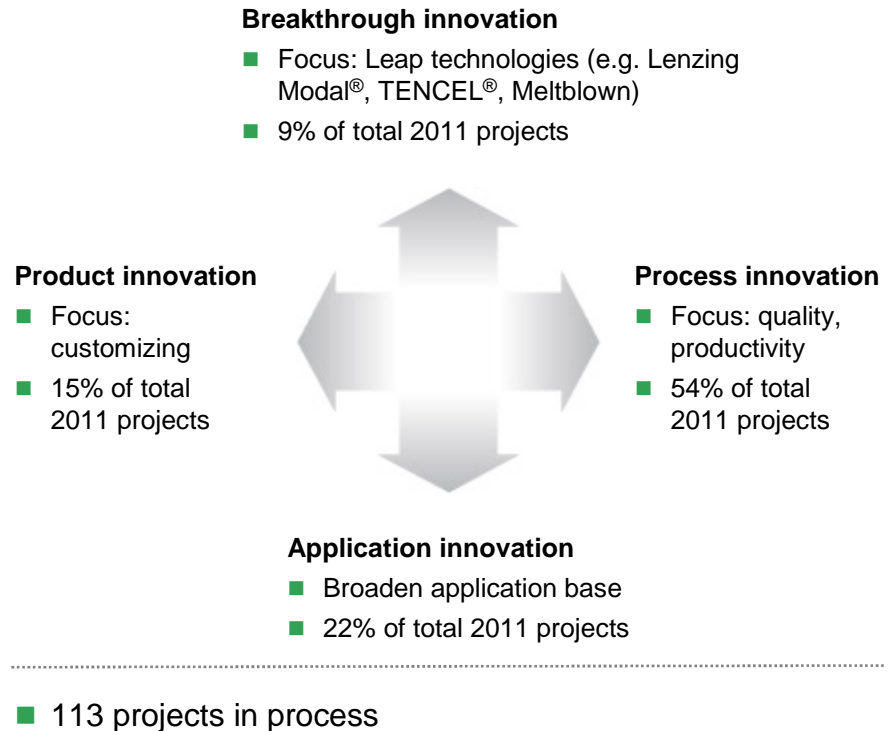
Dedicated resources and investments in R&D

	95 FTEs	
	■ Lyocell process innovation	
	■ Fiber development (Viscose, Lenzing Modal®, TENCEL®)	
Textile innovation	■ Application development	
<hr/>		
Nonwoven innovation	19 FTEs	
	■ Application development	
<hr/>		
Process innovation	42 FTEs	
	■ Pulp process innovation	
	■ Analytical services	

Total R&D FTEs: 156 researchers and laboratory assistants

Source: LAG
FTEs refers to full time employees

Unique innovation model

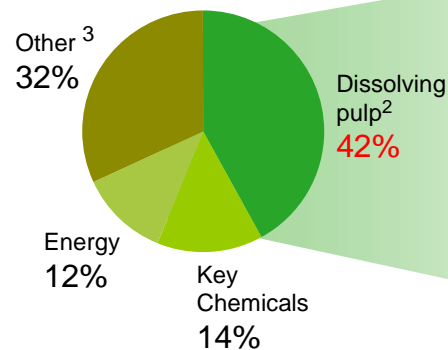


Lenzing is the cost leader

Through pulp integration and long-term pulp supply contract

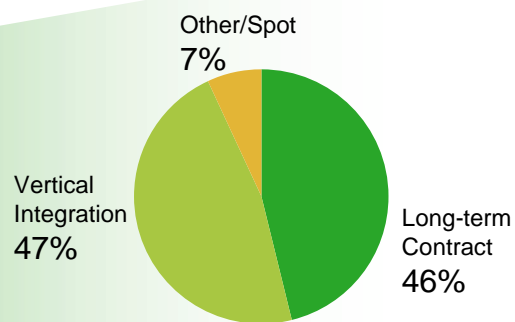
- Pulp is the key cost driver with **42% share of total costs of material and purchased services**
- 90+% of long-term pulp supply secured through own production (vertical integration) and long-term supply contracts
- Long-term contract **linked to paper pulp index** (not to spot price of dissolving pulp) plus applicable premium

Cost structure Lenzing Group (Q3/2012)¹



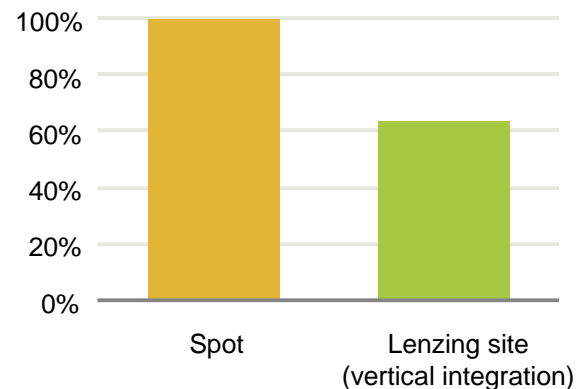
Source: Lenzing

Lenzing Group pulp sourcing (Q3/2012)⁴



Source: Lenzing

Indicative spot pulp procurement cost vs. vertical integration⁵



1) cost structure based on cost of materials and purchased services amounting to 322.0 EUR mn in Q3/2012

2) including wood

3) other includes trading goods, other raw materials, packaging, auxiliary material

4) data refers to sourcing of pulp used in a quarter, including inventory build-up. Paskov volumes included under vertical integration

5) assuming spot price of \$1,000 per metric ton

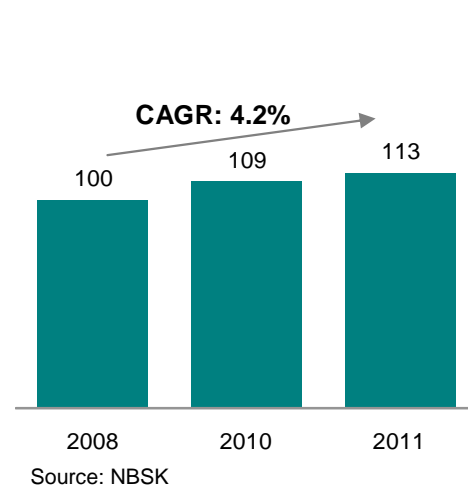
Sourcing/Vertical integration

The dissolving pulp market is characterized by volatility

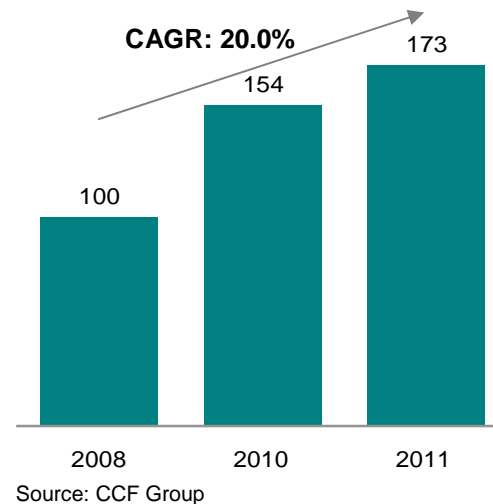
- Pulp prices historically highly volatile, while wood costs have remained comparatively stable
- Lenzing LT contracts for dissolving pulp indexed to relatively stable paper pulp prices

Pulp price development (2008-2011)

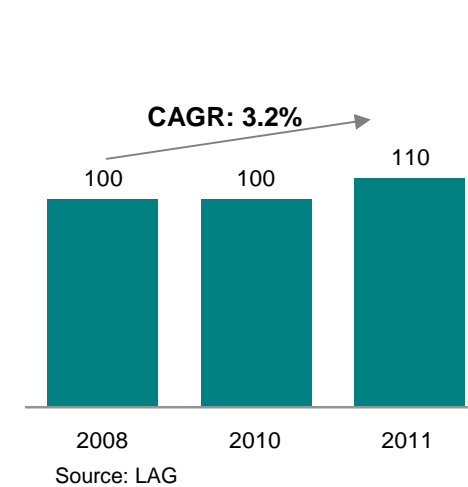
Paper pulp¹



Average dissolving pulp price²



Average wood cost³



1) paper pulp prices in \$/metric ton prices indexed to 100 in 2008

2) average dissolving pulp prices in \$/metric ton indexed to 100 in 2008



3) LAG average wood cost in EUR mn indexed to 100 in 2008

Cost leadership

Through economies of scale

➔ Lenzing is the only company to operate production lines with an annual capacity of 80,000 metric tons

Biggest MMC fiber plants worldwide¹

	<u>Company</u>	<u>Site</u>	<u>Capacity</u>
#1	 LENZING	Lenzing, Austria	250k mt
#2	 LENZING	Purwakarta, Indonesia	240k mt
#3	Indo Bharat	Purwakarta, Indonesia	190k mt

Benefits from scale

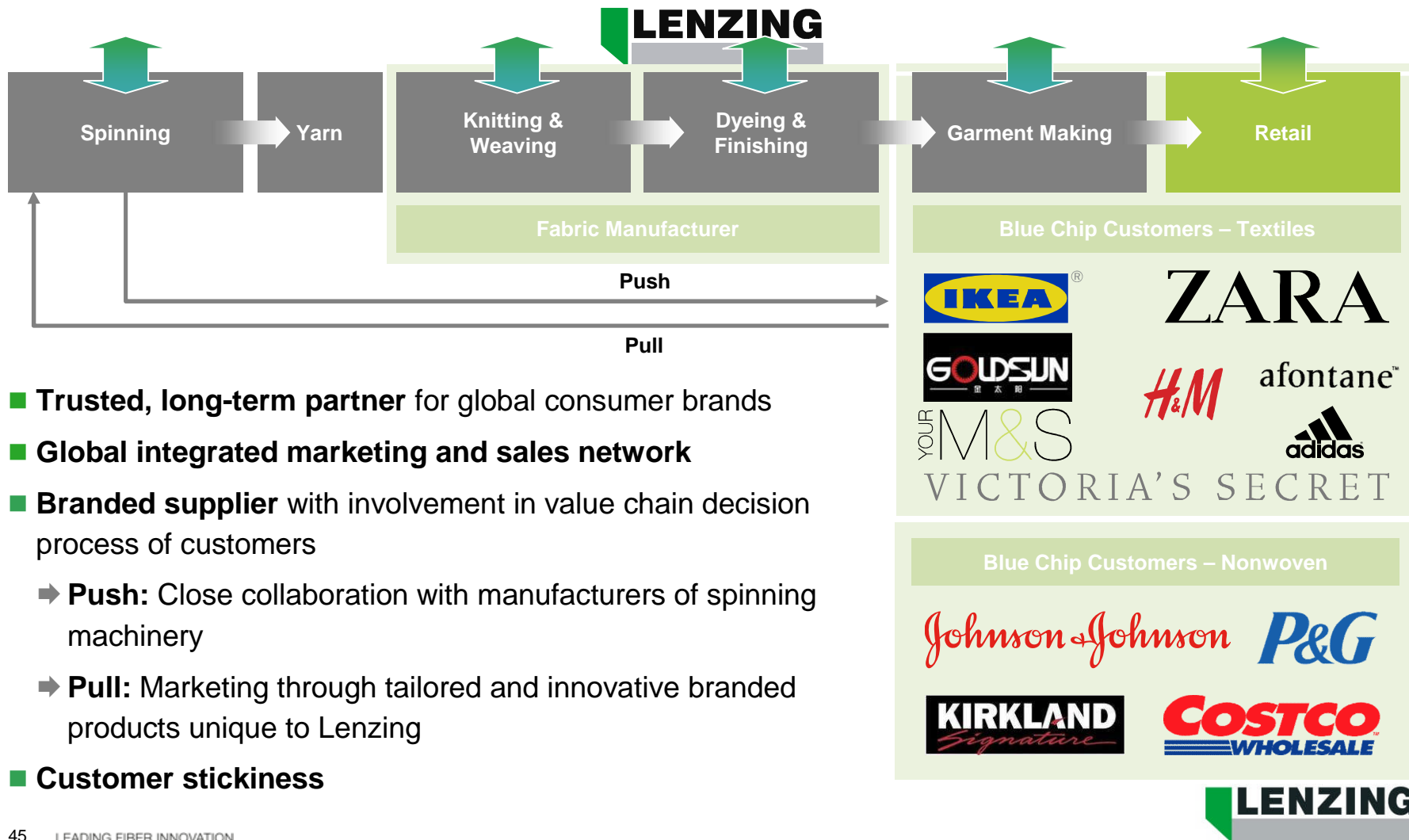
- ✓ 10-15% lower Capex requirements compared to smaller plants operated by competitors
- ✓ Larger production lines driving operating economies of scale (approx. 10% lower Opex compared to smaller lines operated by competitors)

1) based on December 31, 2011 capacities, as published by companies

Source: Lenzing

High barriers to entry

Global branded supplier to blue chip customer base

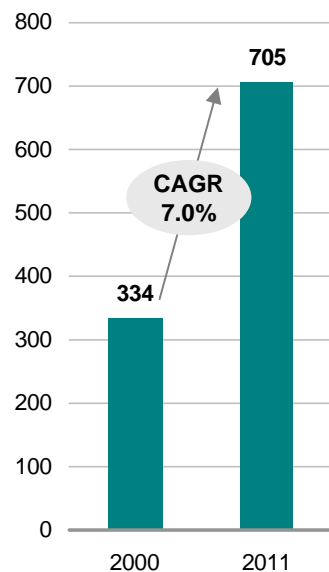


Double-digit growth profile

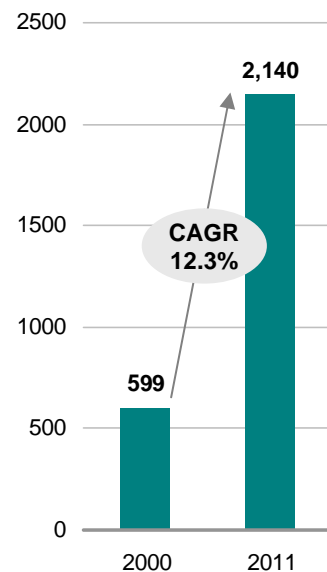
Lenzing has managed growth successfully in the past

■ Double-digit growth p.a. over last 11 years

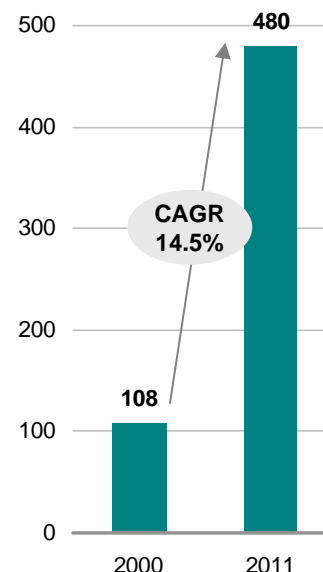
Fiber production
(1,000's metric tons)



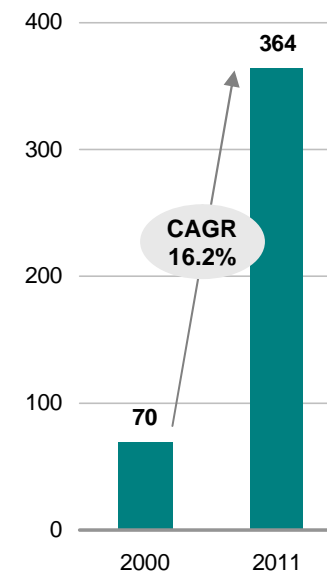
Total external sales¹
(EUR mn)



EBITDA¹
(EUR mn)



EBIT¹
(EUR mn)



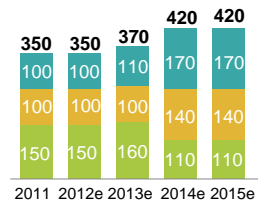
1) 2000 based on US GAAP; 2010 based on IFRS

Capacity expansion to 2015

Accelerating the fiber expansion in the future

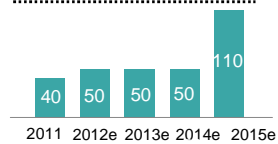
Europe¹

CAGR 4.7%



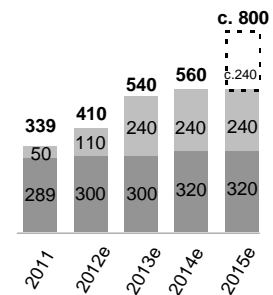
USA

CAGR 28.8%



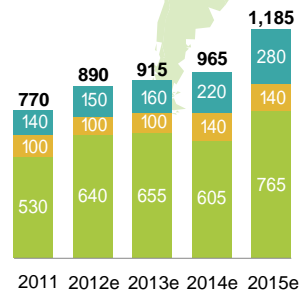
Total pulp capacity

CAGR 23.9%



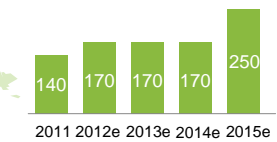
Total capacity at year end

CAGR 11.4%



China

CAGR 15.6%



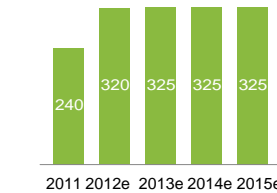
India

2011 2012e 2013e 2014e 2015e

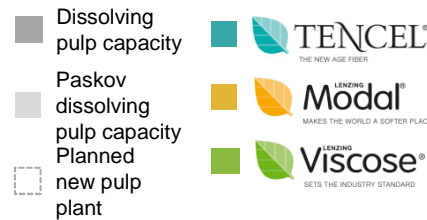
80

Indonesia

CAGR 7.9%



Annual capacity in '000 metric tons



1) includes Lenzing, Heiligenkreuz and Grimsby

Expansion program

Significant investments envisaged to support growth strategy

Plant location	Planned capacity – YE 2011 (metric tons)	Planned capacity – YE 2012 (metric tons)	Planned capacity – YE 2013 (metric tons)	Planned capacity – YE 2014 (metric tons)	Planned capacity – YE 2015 (metric tons)
Lenzing / Austria	250,000	250,000	260,000	310,000	310,000
Lenzing Viscose®	150,000	150,000	160,000 (Q2)	110,000	110,000
Lenzing Modal®	100,000	100,000	100,000	140,000	140,000
TENCEL®	-	-	-	60,000	60,000
Purwakarta / Indonesia, Lenzing Viscose®	240,000	320,000 (Q4)	325,000	325,000	325,000
Nanjing / China, Lenzing Viscose®	140,000	170,000	170,000	170,000	250,000
Heiligenkreuz / Austria, TENCEL®	60,000	60,000	70,000	70,000	70,000
Grimsby / UK, TENCEL®	40,000	40,000	40,000	40,000	40,000
Mobile / USA, TENCEL®	40,000	50,000 (Q2)	50,000	50,000	110,000
India, Lenzing Viscose®	-	-	-	-	80,000
Total fibers	770,000	890,000	915,000	965,000	1,185,000
Lenzing / Austria	289,000	300,000	300,000	320,000	320,000
Paskov / Czech Republic	50,000	110,000	240,000	240,000	240,000
New pulp plant				-	~ 240,000



Capacity by site 2012 - 2013

	Capacity per March 31, 2012	Capacity per June 30, 2012	Capacity per September 30, 2012	Capacity per December 31, 2012	Capacity per March 31, 2013	Capacity per June 30, 2013	Capacity per September 30, 2013	Capacity per December 31, 2013
Lenzing	250,000	250,000	250,000	250,000	250,000	260,000	260,000	260,000
Indonesia	240,000	240,000	240,000	320,000	320,000	325,000	325,000	325,000
Nanjing	140,000	160,000	160,000	170,000	170,000	170,000	170,000	170,000
India	-	-	-	-	-	-	-	-
Heiligenkreuz	60,000	60,000	60,000	60,000	60,000	60,000	60,000	70,000
Grimsby	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Mobile	40,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total	770,000	800,000	800,000	890,000	890,000	905,000	905,000	915,000

Capacity by site 2014 - 2015

	Capacity per March 31, 2014	Capacity per June 30, 2014	Capacity per September 30, 2014	Capacity per December 31, 2014	Capacity per March 31, 2015	Capacity per June 30, 2015	Capacity per September 30, 2015	Capacity per December 31, 2015
Lenzing	260,000	250,000	250,000	310,000	310,000	310,000	310,000	310,000
Indonesia	325,000	325,000	325,000	325,000	325,000	325,000	325,000	325,000
Nanjing	170,000	170,000	170,000	170,000	170,000	170,000	170,000	250,000
India	-	-	-	-	-	-	-	80,000
Heiligenkreuz	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Grimsby	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Mobile	50,000	50,000	50,000	50,000	110,000	110,000	110,000	110,000
Total	915,000	905,000	905,000	965,000	1,025,000	1,025,000	1,025,000	1,185,000

Our production sites

Lenzing AG –
Austria (fiber and pulp)



PT. South Pacific Viscose –
Indonesia



Our production sites

Lenzing (Nanjing) Fibers Co. Ltd. –
China



Heiligenkreuz –
Austria



Our production sites

Grimsby –
Great Britain



Mobile –
USA



Biocel Paskov a.s. –
Czech Republic (pulp)



Where our fibers end up

Ladies wear – close to skin

- Cowl neck tee
- USD 39.50
- TENCEL® / Spandex



VICTORIA'S SECRET

- Lightly padded bra top maxi dress
- USD 79.50
- Ecosil® Lenzing Modal® / Spandex



VICTORIA'S SECRET

Where our fibers end up

- Miraculous push-up bra top dress
- USD 98.00
- Ecosil® MicroModal® / Spandex



VICTORIA'S SECRET

- Suzi Chin for Maggy boutique draped organza dress
- USD 98.00
- TENCEL® / Polyester



NORDSTROM

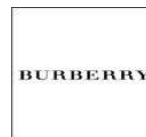
Where our fibers end up

- New Venus dressing-gown and tank
- EUR 275.00 (dressing-gown) and EUR 130.00 (tank)
- 90% Lenzing Modal® / 5% Elastane / 5% Polyester



LA PERLA

- Burberry elbow sleeve reversible check tee
- USD 250.00
- 100% Lenzing Modal®



Where our fibers end up

Soft denim – can be sold in retail with a high premium

- Vintage flare jeans
- USD 98.00
- 100% TENCEL®



- Five pocket skinny jeans
- USD 240.00
- Lenzing Modal® / TENCEL® / Cotton / Elastane



HELMUT LANG



Where our fibers end up

- USD 33.00 (tank top),
USD 38.00 (V-neck)
- MicroModal® / Spandex



NORDSTROM



- Armani collezioni sportcoat
- USD 645.00
- TENCEL®



NORDSTROM

Key investment highlights

Lenzing is a straightforward story of leadership and growth



Lenzing Management Board team and shareholder structure



Peter Untersperger/CEO

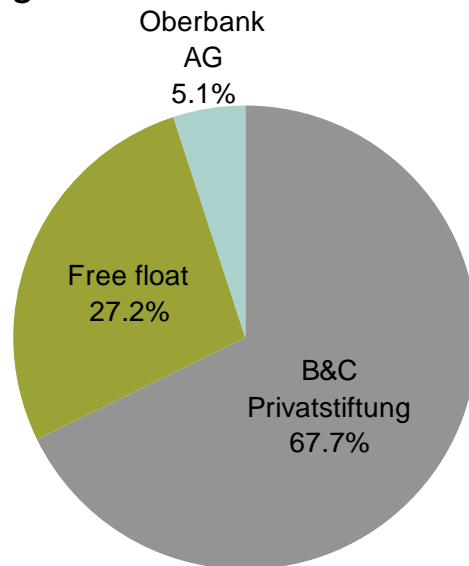


Friedrich Weninger/COO



Thomas G. Winkler/CFO

Lenzing AG shareholder structure

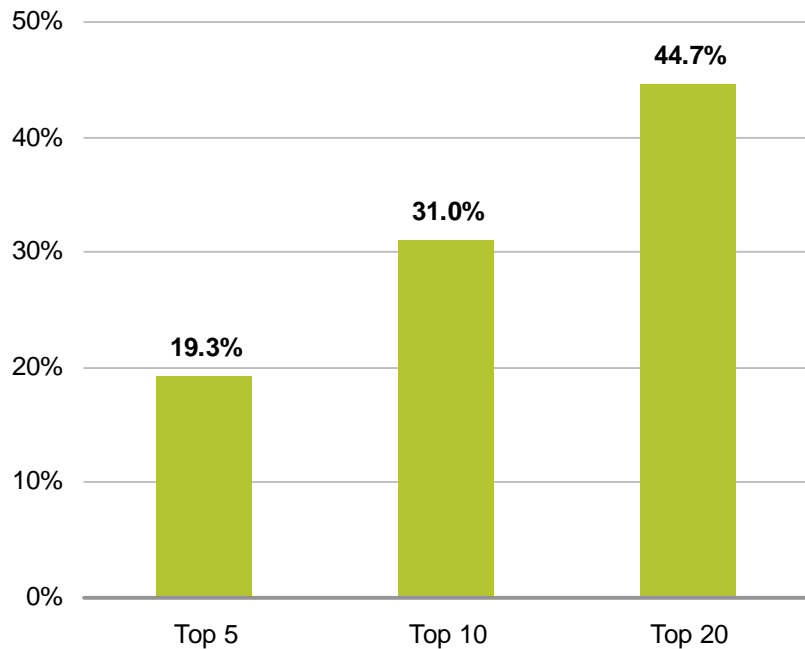


Overview of the B & C Privatstiftung

- The owner is the B & C Privatstiftung (B & C Private Foundation). Its purpose is to promote Austrian entrepreneurship.
- B & C Industrieholding GmbH is the operating management holding of the Group.
- As the core shareholder, the B & C Group promotes the dynamic growth of the firms in its portfolio.

Sales and marketing

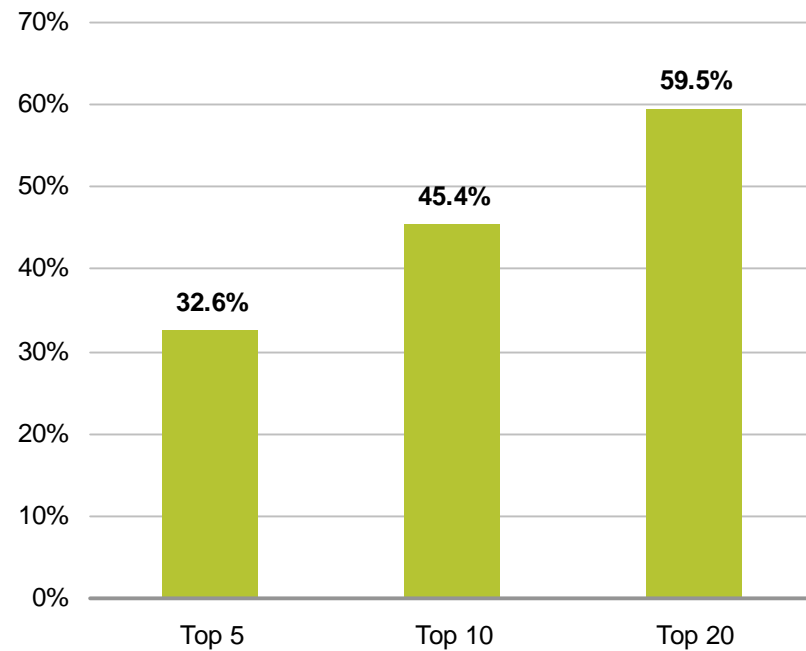
Textiles – % of sales by customers¹
(Q3/2012)



Source: LAG

1) no single customer with a share of more than 5%

Nonwoven – % of sales by customers
(Q3/2012)



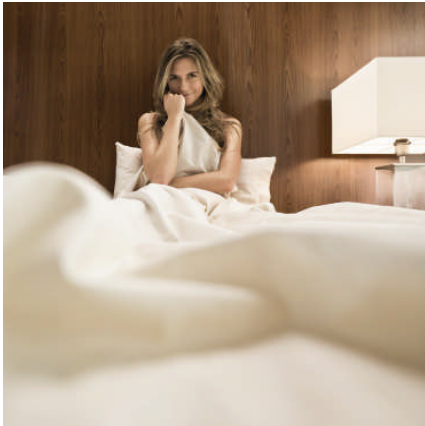
Sales and marketing

Blue chip company's drive demand in specialties – TENCEL[®], Lenzing Modal[®]

- Lenzing is a trusted, long-term partner for global consumer brands
 - Approx. 45% of textile and approx. 60% of nonwoven sales for specialty fibers (TENCEL[®], Lenzing Modal[®]) can be attributed to key account customers
- Company acts as a **branded supplier** with involvement in the value chain decision process of customers
- Supply chain management is a strong differentiator for Lenzing



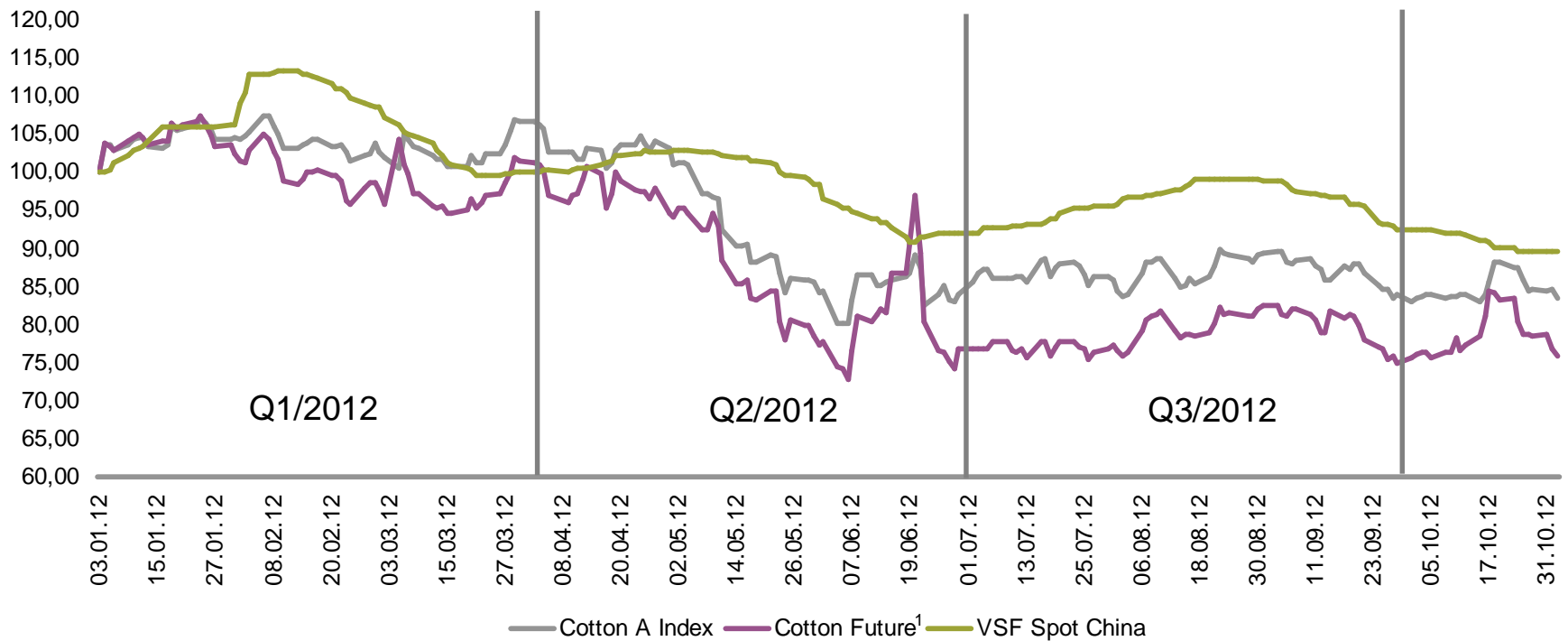
Back-up



Viscose spot prices China trending down since September

Stock-to-use-ratio on a high level > 65%

VSF spot China and cotton price development in 2012 (in cents/lbs)



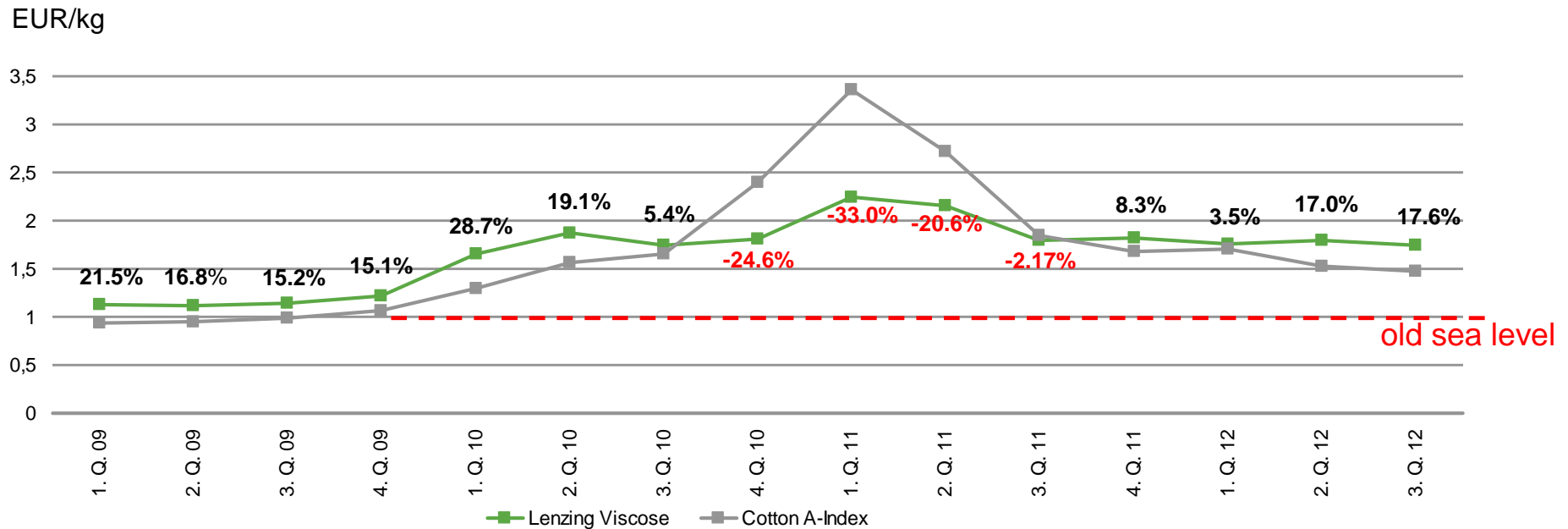
1) Cotton Future calculated on the basis of the most liquid next future compared with the actual Cotton A Index data



Lenzing Viscose[®] textile prices compared to cotton price development

Re-establishment of premium¹ to cotton in 2012

- Even with a 20% reduction in cotton prices and an inventory level, of 65+% , there is no return to historic cotton prices of < 70 cents/lbs



1) historically, standard viscose fibers traded with a 15-20% premium over cotton.
(based on Cotton A-Index spot in EUR/kg ; Bloomberg: Cotlook A; Reuters COT-INDX-FE)

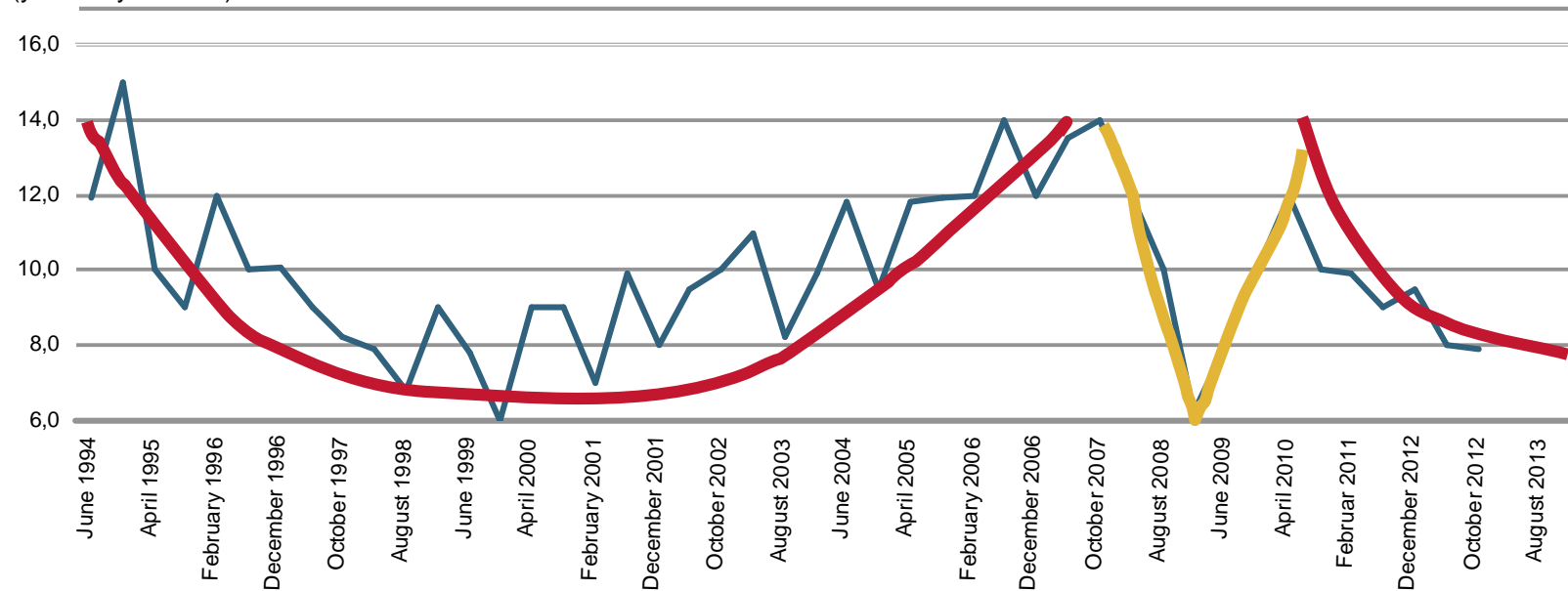
Chinese economic development

Recovery looking more like 1998-2001

- Q3 GDP growth at 7.4% meaning a decrease for the seventh time since 2009

GDP growth

(year-on-year in %)



Source: Deutsche Bank; China: a very weak recovery; August, 2012

Contacts and financial calendar

■ Investor Relations contact

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Head of Investor Relations
Phone: +43 7672 701 2047
Fax: +43 7672 918 4032
E-Mail: s.kniep@lenzing.com

■ Financial calendar

Financial calendar 2013

Full year results	March 22, 2013
69th Annual General Meeting	April 24, 2013
Results 1st quarter	May 8, 2013
Half year results	August 21, 2013
Results 3rd quarter	November 14, 2013

➔ Visit our IR website:

<http://www.lenzing.com/en/concern/investor-center.html>