

Lenzing

Innovative by nature

Interim Report



01-03/2022

Lenzing Group

Selected Indicators of the Lenzing Group

Key earnings and profitability figures

EUR mn	01-03/2022	01-03/2021	Change
Revenue	615.0	489.3	25.7%
EBITDA (earnings before interest, tax, depreciation and amortization)	88.0	94.5	(7.0)%
EBITDA margin	14.3%	19.3%	
EBIT (earnings before interest and tax)	43.6	55.4	(21.3)%
EBIT margin	7.1%	11.3%	
EBT (earnings before tax)	41.5	45.1	(7.9)%
Net profit/loss for the year (/the period)	34.1	29.9	14.3%
Earnings per share in EUR	0.87	1.06	(18.0)%

Key cash flow figures

EUR mn	01-03/2022	01-03/2021	Change
Gross cash flow	86.0	84.3	2.0%
Cash flow from operating activities	79.7	111.5	(28.5)%
Free cash flow	(102.9)	(99.0)	4.0%
CAPEX	182.7	211.5	(13.6)%
EUR mn	31/03/2022	31/12/2021	Change
Liquid assets	1,121.9	1,124.1	(0.2)%
Unused credit facilities	367.4	454.5	(19.2)%

Key balance sheet figures

EUR mn	31/03/2022	31/12/2021	Change
Total assets	5,620.4	5,322.8	5.6%
Adjusted equity	2,228.9	2,115.7	5.3%
Adjusted equity ratio	39.7%	39.7%	
Net financial debt	1,096.1	977.0	12.2%
Net debt	1,191.5	1,079.3	10.4%
Net gearing	49.2%	46.2%	
Trading working capital	396.6	387.4	2.4%
Trading working capital to annualized group revenue	16.1%	16.0%	

Key stock market figures

EUR	31/03/2022	31/12/2021	Change
Market capitalization in mn	2,447.9	3,239.1	(24.4)%
Share price	92.20	122.00	(24.4)%

Employees

	31/03/2022	31/12/2021	Change
Number (headcount)	8,164	7,958	2.6%

The above key financial figures are derived primarily from the condensed consolidated interim financial statements and the consolidated financial statements of the previous year of the Lenzing Group. Additional details are provided in "Notes on the Financial Performance Indicators of the Lenzing Group", available at the following link <https://www.lenzing.com/notes-financial-performance-indicators-lenzing-group-2022-q1>, and in the condensed consolidated interim financial statements, resp. the consolidated financial statements of the previous year of the Lenzing Group. Rounding differences can occur in the presentation of rounded amounts and percentage rates.

Management report 01-03/2022

In the first quarter of 2022, the global economy's recovery from the pandemic was slowed by the war in Ukraine. In its latest forecast, the International Monetary Fund downgraded its growth expectations for the current year by 0.8 percentage points to 3.6 percent. While infection rates are currently declining in many countries, China is facing major social and economic challenges from its most severe coronavirus wave since the start of the pandemic. The IMF estimates that far-reaching restrictions on public life will lead to lower economic growth of just 4.4 percent in China in 2022.¹

Global demand for apparel continued to recover in the first quarter of 2022, and stood around 5 percent higher in January and February than in the pre-crisis year of 2019. Towards the end of the quarter, however, significant regional differences emerged: in the USA, retail sales were up to 20 percent above 2019 levels, while in China they were around 15 percent below, following the coronavirus-related slump in demand in March.

The current omicron wave in China clearly dampened sentiment in the textile value chain towards the end of the first quarter. Market participants are far less positive about both the current situation and the outlook than they were in November, according to a global survey by the International Textile Manufacturers Federation (ITMF).²

Cotton market prices rose by 23 percent in the first quarter of 2022 and amounted to approximately 157 US cents per pound as of the end of March, as measured by the Cotlook A index. Compared with the average for the prior-year quarter, the price was 52 percent higher. Among other factors, this increase was due to continuing momentum in international raw materials markets, global supply chain constraints, rising prices of alternative crops and higher production costs for fertilizers, among other items. According to current estimates, global consumption of raw cotton in the current season is expected to exceed the level of the pre-crisis 2018/2019 season for the first time, reaching 26.2 mn tonnes. With an estimated crop of 26.4 mn tonnes, this would signify a slight increase in stocks.

The price for polyester staple fiber in China was up by 11 percent during the quarter and stood at RMB 7,770 per tonne as of the end of March 2022, after having meanwhile risen as high as RMB 8,355 per tonne in an environment of sharply fluctuating crude oil prices. Compared with the average for the prior-year quarter, the price increase also amounted to 11 percent.

Prices for standard viscose rose continuously during the first quarter to reach RMB 13,300 per tonne by the end of March, representing an increase of 10 percent since the start of the year. As in previous quarters, demand for wood-based specialty fibers remained high and prices recorded an upward trend.

The Chinese import price for hardwood-based dissolving wood pulp, the key raw material for the production of wood-based cellulosic fibers, rose by 9 percent to USD 990 per tonne in the first quarter of 2022. This price increase is attributable to temporarily high demand, but especially also to global logistics constraints. The price of paper pulp – which is generally more volatile than dissolving wood pulp – increased by as much as 25 percent over the same period.³

In the first quarter of 2022, the Lenzing Group, like the entire manufacturing industry, was significantly affected by the extreme developments in global energy and commodity markets. A predominantly positive market environment and the strategic focus on specialty fibers such as those of the TENCEL™, LENZING™ ECOVERO™ and VEOCEL™ brands nevertheless ensured a solid revenue and earnings trend, with the effect of higher costs being largely offset.

Revenue grew by 25.7 percent year-on-year to reach EUR 615 mn in the first quarter of 2022, primarily due to continued high demand for wood-based biodegradable specialty fibers and higher fiber prices. Currency effects favored these positive price and mix effects.

The earnings trend reflected the trend in costs, although the company's continued focus on measures to improve structural earnings in all regions mitigated this negative effect. Energy, raw materials and logistics costs rose sharply once again in the first quarter, after cost pressure had already risen steadily throughout the 2021 financial year. Earnings before interest, tax, depreciation and amortization (EBITDA) decreased by 7 percent year-on-year to EUR 88 mn. The EBITDA margin reduced from 19.3 to 14.3 percent. Earnings before interest and tax (EBIT) amounted to EUR 43.6 mn (compared to EUR 55.4 mn in the first quarter of 2021) and the EBIT margin amounted to 7.1 percent (compared to 11.3 percent in the first quarter of 2021). Earnings before tax (EBT) were down by 7.9 percent to EUR 41.5 mn. Net profit for the quarter grew by 14.3 percent to EUR 34.1 mn, while earnings per share amounted to EUR 0.87 (compared to EUR 1.06 in the first quarter of 2021).

The income tax expense of EUR 7.4 mn (compared to EUR 15.2 mn in the first quarter of 2021) follows the earnings trend and is positively influenced by currency effects.

Gross cash flow grew by 2 percent to EUR 86 mn in the first quarter of 2022, mainly due to the earnings trend. Cash flow from operating activities decreased by 28.5 percent to EUR 79.7 mn. Free cash flow amounted to minus EUR 102.9 mn (compared to minus EUR 99 mn in the first quarter of 2021), particularly due to investing activities in connection with the projects in Thailand and Brazil. Capital expenditure on intangible assets, property, plant and equipment and on biological assets decreased by 13.6 percent to EUR 182.7 mn, of which approximately 44 percent was financed from cash flow from operating activities. The continuing high level

¹ Source: IMF, World Economic Outlook, April 2022

² Source: ITMF, 13th Corona Survey, April 2022

³ Sources: International Cotton Advisory Committee (ICAC), IMF, Cotton Outlook, CCF Group (China Chemical Fibers and Textiles Consulting)

of investment volume primarily reflects the completion of the two key projects. The liquidity position remained stable at EUR 1.12 bn.

Total assets rose by 5.6 percent compared to December 31, 2021 and amounted to EUR 5.62 bn as of March 31, 2022. The most significant changes relate to the increase in property, plant and equipment due to investing activities and the associated increase in financial liabilities.

Adjusted equity rose by 5.3 percent to EUR 2.23 bn, primarily as a consequence of the operating profit trend in 2021. The adjusted equity ratio remains unchanged at 39.7 percent. Net financial debt amounted to EUR 1.1 bn as of March 31, 2022 (compared to EUR 977 mn as of December 31, 2021). This increase is due to the investments made in the two key projects in Thailand and Brazil. Net gearing rose to 49.2 percent as of the reporting date (compared to 46.2 percent as of December 31, 2021). Trading working capital rose by 2.4 percent to EUR 396.6 mn, including a positive effect of EUR 47.1 mn from the reactivated factoring program.

The Lenzing Supervisory Board announced the appointment of Stephan Sielaff as the new Chief Executive Officer of the Lenzing Group in March 2022. As of April 01, 2022, Mr. Sielaff succeeded Mr. Cord Prinzhorn, who took over as interim CEO in the fourth quarter of 2021. Chief Financial Officer Thomas Obendrauf informed the Lenzing Supervisory Board that he would not be available for a further extension of his contract, which expires in June 2022. The Lenzing Supervisory Board is currently working on a timely replacement for him. Thomas Obendrauf will support the company in an advisory capacity until his successor is appointed.

This will reduce the Managing Board from five to four members. Meanwhile, the Managing Board mandate of Chief Pulp Officer Christian Skilich was prematurely extended by further three years until May 31, 2026. Personnel changes also occurred on the Lenzing Supervisory Board. Cord Prinzhorn took over as Chairman from Peter Edelmann, who stepped down from the Supervisory Board at his own request with effect as of April 26, 2022.

The expansion of the Group's own supply of dissolving wood pulp, the higher share of specialties and the implementation of climate targets in line with the sCore TEN corporate strategy continued to form the focus of Lenzing Group's investment activities in the first quarter of 2022.

In March, the new, state-of-the-art lyocell plant in Thailand was officially opened. The production plant, which is the largest of its kind with a nameplate capacity of 100,000 tonnes per year, was commissioned as planned after two and a half years of construction, and despite the challenges deriving from the pandemic. The successful implementation of the project will enable Lenzing to better meet growing customer demand for lyocell fibers, thereby making the global textile and nonwovens industries more sustainable.

Lenzing is also currently investing more than EUR 200 mn in production sites in China and in Indonesia in order to convert existing capacities for standard viscose into capacities for environmentally compatible specialty fibers. In Nanjing, Lenzing is working on converting production capacities to modal fibers. As part of the investment in Purwakarta, Lenzing will bring its entire viscose production up to EU Ecolabel standards. The site will thereby become a pure specialty viscose supplier.

Specialty fibers are Lenzing's great strength. In 2024, more than 75 percent of fiber revenue is to be generated from the business with wood-based, biodegradable specialty fibers under the TENCEL™, LENZING™ ECOVERO™ and VEOCEL™ brands. With the opening of the lyocell plant in Thailand and the investments in existing production sites, Lenzing will already have increased its share of specialty fibers in fiber revenue to well above its 75 percent target by 2023.

With the new pulp plant in Brazil, Lenzing is strengthening its own supply of dissolving wood pulp, and thereby also growth in specialty fibers in line with its sCore TEN strategy. Implementation of this key project is also progressing successfully in 2022. With the successful start-up on schedule, Lenzing, which holds a 51 percent interest of the LD Celulose joint venture, achieved a further important milestone. The plant ramp-up phase is scheduled to be completed by the end of 2022.

The investment projects in Asia also comprise important steps on the path to a carbon-neutral future. In addition to the lyocell plant in Thailand, which is operated in a carbon-neutral manner, the substantial investments in Indonesia and China are also in line with Lenzing's scientifically recognized targets to reduce carbon emissions per tonne of product by 50 percent by 2030 and to be climate neutral by 2050.

With the implementation of the two key projects in Brazil and Thailand, as well as with the investments at the existing Asian sites, Lenzing continues to advance purposefully towards Group-wide climate neutrality. In 2019, Lenzing became the first fiber manufacturer to set a target to reduce its carbon emissions by 50 percent by 2030 and to become climate neutral by 2050. This carbon reduction target has been confirmed by the Science Based Targets Initiative.

In order to further reduce carbon emissions in line with its strategic targets, Lenzing will also rely to an even greater extent on electricity generation from renewable energies in the future. Lenzing is currently working on the construction of several photovoltaic systems at its site in Upper Austria. The total capacity of the ground-mounted system and the three rooftop systems will amount to approximately 7 MW peak after the expected commissioning in the second half of 2022. All official approvals have been obtained for the systems.

With the repositioning of its product brands, the Lenzing Group has been sending a strong message to consumers since 2018. With TENCEL™ und LENZING™ ECOVERO™ as umbrella brands for all specialty products in the textile segment, VEOCEL™ as the umbrella brand for all specialty nonwoven products, and LENZING™ for all industrial applications, the company showcases its strengths in a targeted manner.

The TENCEL™ brand has been supporting customers and partners in the textile and apparel industry with sustainable fiber innovations since 1992. In 2022, Lenzing celebrates the 30th anniversary of its premium textile brand, which today stands for high-quality, sustainable fibers, digital technologies and transparency in the supply chain worldwide. This brand success is also reflected in the company's collaboration with more than 300 partner brands. Since February, Lenzing has been conducting customer and employee

activities in various regions under the motto “[Feel Good Fibers Since 1992](#)” in order to mark the brand anniversary.

Lenzing and the TENCEL™ brand once again enjoyed great success at this year’s Oscars, the Academy Awards, in Hollywood. In 2022, together with RCGD Global (formerly Red Carpet Green Dress™), three customized dresses made of TENCEL™ Luxe Filament and TENCEL™ Lyocell fibers were presented to a world audience.

With the “VEOCEL™ cares for the future” campaign, Lenzing aims to further strengthen the position of the VEOCEL™ brand as a leading ingredient brand for everyday products. The campaign specifically focuses on the various aspects of sustainability that characterize the brand, and thereby on the brand’s core values: protecting the environment and protecting consumers. The brand was launched in March and the campaign will run worldwide in 2022 on various channels.

During the first quarter, Lenzing was also pleased to receive the prestigious ÖGUT Environmental Award 2022 in the “World Without Waste” category. The Austrian Society for Environment and Technology (ÖGUT) thereby recognized Lenzing’s contribution to transforming the textile industry into a model of the circular economy. In 2021, Lenzing was recognized on several occasions for its achievements as a “sustainability champion”, including top ratings by CDP, MSCI and EcoVadis.

Lenzing has also been taking new, innovative paths in financial and non-financial reporting since 2022. Both the Annual Report and the Sustainability Report for the past financial year were published for the first time in digital form as [online reports](#). With the title “Linear to Circular”, Lenzing emphasizes its efforts to balance its economic needs with those of nature as part of the circular economy.

The 78th Annual General Meeting of Lenzing held on April 26, 2022 approved all items on the agenda. In accordance with the Managing Board’s proposal for the distribution of profit, as approved by the Supervisory Board, a resolution was passed to pay a dividend of EUR 4.35 per share. The AGM also voted on the principles for the remuneration of the members of the Managing and Supervisory Boards (remuneration policy). Lenzing’s remuneration policy for the performance-based remuneration of the Managing Board is linked not only to financial performance criteria but also to non-financial sustainability criteria (ESG), which further promote the sustainable business strategy.

Outlook

The International Monetary Fund forecasts global growth of 3.6 percent for 2022. However, the economic recovery from the deep recession caused by COVID-19 has been slowed by the war in Ukraine. Extreme developments in energy and commodity markets as well as global supply chain constraints are currently posing a major challenge for the entire manufacturing industry. The currency environment is expected to remain volatile in the regions of relevance to Lenzing.

The recovery in demand in the global textile and apparel industry has continued to date in 2022, although geopolitical developments and the current Omicron wave in China dampened sentiment in the textile value chain towards the end of the first quarter. Extensive lockdowns in parts of China caused demand to slump regionally.

In the trend-setting market for cotton, signs are emerging of a slight increase in stock volumes in the current 2021/2022 harvest season, although dynamics in international commodity markets and global supply chain constraints are likely to continue to have a significant bearing on price trends.

Lenzing continues to expect demand for environmentally responsible fibers for the textile and clothing industry as well as the hygiene and medical sectors to grow. However, the trend in the energy and raw materials costs as well as disturbances in the supply chain are currently creating a very challenging market environment. Earnings visibility remains limited.

Taking into consideration the aforementioned factors and the first earnings contributions from the key projects in Thailand and Brazil, the Lenzing Group continues to anticipate that EBITDA for the full 2022 year will lie significantly above the level of 2021.

Lenzing, April 29, 2022

Lenzing Aktiengesellschaft

The Managing Board

Stephan Sielaff

Chief Executive Officer

Thomas Obendrauf

Chief Financial Officer

Robert van de Kerkhof

Chief Commercial Officer Fiber

Christian Skilich

Chief Pulp Officer

Consolidated Income Statement (condensed)

for the period from January 1 to March 31, 2022

	EUR mn	
	01-03/2022	01-03/2021
Revenue	615.0	489.3
Cost of sales	(486.1)	(368.8)
Gross profit	128.9	120.6
Other operating income	25.3	15.5
Selling expenses	(65.0)	(49.0)
Administrative expenses	(35.0)	(26.3)
Research and development expenses	(7.8)	(5.4)
Other operating expenses	(2.9)	0.0
Earnings before interest and tax (EBIT)	43.6	55.4
Financial result	(2.1)	(10.3)
Earnings before tax (EBT)	41.5	45.1
Income tax expense	(7.4)	(15.2)
Net profit for the period	34.1	29.9
Attributable to:		
Shareholders of Lenzing AG	23.0	28.1
Non-controlling interests	3.9	(5.4)
Share planned for hybrid capital owners	7.2	7.2
Earnings per share	EUR	EUR
Diluted = basic	0.87	1.06

Consolidated Statement of Comprehensive Income (condensed)

for the period from January 1 to March 31, 2022

	EUR mn	
	01-03/2022	01-03/2021
Net profit for the period as per consolidated income statement	34.1	29.9
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit liability	6.6	0.0
Financial assets measured at fair value through other comprehensive income	(10.2)	0.7
Income tax relating to these components of other comprehensive income	0.9	(0.2)
	(2.7)	0.5
Items that may be reclassified to profit or loss		
Foreign operations – foreign currency translation differences	25.3	49.9
Financial assets measured at fair value through other comprehensive income	0.0	0.1
Cash flow hedges	29.2	(31.5)
Income tax relating to these components of other comprehensive income	(7.9)	(0.6)
Investments accounted for using the equity method - share of other comprehensive income (net of tax)	3.1	(0.9)
	49.8	17.0
Other comprehensive income (net of tax)	47.0	17.5
Total comprehensive income	81.2	47.3
Attributable to:		
Shareholders of Lenzing AG	57.8	50.0
Non-controlling interests	16.2	(9.8)
Share planned for hybrid capital owners	7.2	7.2

Consolidated Statement of Financial Position (condensed)

as at March 31, 2022

	EUR mn	
	31/03/2022	31/12/2021
Assets		
Intangible assets, property, plant and equipment, right-of-use assets and biological assets	3,276.5	3,079.6
Investments accounted for using the equity method and financial assets	58.5	63.7
Deferred tax assets	3.6	3.6
Other non-current assets	76.4	57.7
Non-current assets	3,415.0	3,204.5
Inventories	548.1	477.0
Trade receivables	291.3	325.2
Other current assets	253.2	202.9
Cash and cash equivalents	1,112.7	1,113.3
Current assets	2,205.4	2,118.3
Total assets	5,620.4	5,322.8
Equity and liabilities	31/03/2022	31/12/2021
Equity attributable to shareholders of Lenzing AG	1,937.7	1,879.6
Non-controlling interests	227.5	192.5
Equity	2,165.3	2,072.1
Financial liabilities	2,097.9	1,981.0
Deferred tax liabilities	57.9	59.8
Provisions	109.4	118.2
Other non-current liabilities	259.7	254.8
Non-current liabilities	2,524.8	2,413.9
Financial liabilities	120.2	120.1
Trade payables	442.8	414.8
Provisions	32.9	39.1
Other current liabilities	334.3	262.8
Current liabilities	930.3	836.8
Total equity and liabilities	5,620.4	5,322.8

Consolidated Statement of Changes in Equity (condensed)

for the period from January 1 to March 31, 2022

EUR mn

	Share capital	Capital reserves	Hybrid capital	Other reserves	Retained earnings	Equity attributable to shareholders of Lenzing AG and to hybrid capital owners	Non-controlling interests	Equity
As at 01/01/2021	27.6	133.9	496.6	(117.9)	1,192.8	1,732.9	148.5	1,881.4
Total comprehensive income	0.0	0.0	0.0	21.9	35.3	57.2	(9.8)	47.3
Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory	0.0	0.0	0.0	13.8	0.0	13.8	14.0	27.8
Increase in capital	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Measurement of puttable non-controlling interest recognized directly in equity	0.0	0.0	0.0	0.0	(7.4)	(7.4)	0.0	(7.4)
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	(0.2)	(0.2)
Transactions with equity holders	0.0	0.0	0.0	0.0	(7.4)	(7.4)	(0.2)	(7.6)
As at 31/03/2021	27.6	133.9	496.6	(82.2)	1,220.7	1,796.5	152.5	1,949.0
As at 01/01/2022	27.6	133.9	496.6	15.1	1,206.4	1,879.6	192.5	2,072.1
Total comprehensive income	0.0	0.0	0.0	34.8	30.2	65.0	16.2	81.2
Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory	0.0	0.0	0.0	3.2	0.0	3.2	3.0	6.1
Increase in capital	0.0	0.0	0.0	0.0	0.0	0.0	16.0	16.0
Measurement of puttable non-controlling interest recognized directly in equity	0.0	0.0	0.0	0.0	(10.0)	(10.0)	0.0	(10.0)
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	(0.2)	(0.2)
Transactions with equity holders	0.0	0.0	0.0	0.0	(10.0)	(10.0)	15.9	5.9
As at 31/03/2022	27.6	133.9	496.6	53.1	1,226.6	1,937.7	227.5	2,165.3

Consolidated Statement of Cash Flows (condensed)

for the period from January 1 to March 31, 2022

	EUR mn	
	01-03/2022	01-03/2021
Net profit for the period	34.1	29.9
+ Amortization of intangible assets and depreciation of property, plant and equipment, right-of-use assets and depletion of biological assets	44.9	39.6
-/+ Other non-cash income / expenses	7.0	14.8
Gross cash flow	86.0	84.3
+/- Change in inventories	(76.2)	(9.7)
+/- Change in receivables	20.2	(25.4)
+/- Change in liabilities	49.7	62.2
Change in working capital	(6.3)	27.1
Cash flow from operating activities	79.7	111.5
- Acquisition of intangible assets, property, plant and equipment and biological assets (CAPEX)	(182.7)	(211.5)
- Acquisition of financial assets and investments accounted for using the equity method	(0.1)	0.0
+ Proceeds from the sale of intangible assets, property, plant and equipment and biological assets	0.1	1.0
+ Proceeds from the sale/repayment of financial assets and the sale of investments accounted for using the equity method	0.8	5.0
Cash flow from investing activities	(181.9)	(205.5)
+ Capital injections to consolidated companies by non-controlling interests	16.0	0.0
- Dividends paid	(0.2)	(0.2)
+ Increase in other financial liabilities	93.4	219.6
- Repayment of other financial liabilities	(11.0)	(16.0)
Cash flow from financing activities	98.2	203.4
Total change in liquid funds	(4.0)	109.3
Liquid funds at the beginning of the year	1,113.3	1,070.0
Currency translation adjustment relating to liquid funds	3.5	10.0
Liquid funds at the end of the period	1,112.7	1,189.3
Additional information on payments in the cash flow from operating activities:		
Interest payments received	1.6	0.6
Interest payments made	2.1	2.6
Income taxes paid	2.1	8.6

The condensed consolidated interim financial statements as at March 31, 2022 were prepared based on IAS 34 (Interim Financial Reporting). They are based on the consolidated financial statements as at December 31, 2021 and should therefore always be read in conjunction with these statements.

The reporting currency is euro (EUR). The figures shown in these condensed consolidated interim financial statements and in the

notes, unless stated otherwise, have been rounded up to the next million ("mn") to one decimal place. Arithmetic differences due to rounding effects can occur when adding up rounded amounts and percentages using automatic tools.

These condensed consolidated interim financial statements of the Lenzing Group have undergone neither a full audit nor a review by an auditor.

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Note:

This English translation of the condensed interim report was prepared for the company's convenience only. It is a non-binding translation of the German condensed interim report. In the event of discrepancies between this English translation and the German original the latter shall prevail.

This condensed interim group report also contains forward-looking statements based on current assessment and assumptions made by Lenzing Group to the best of its knowledge. Statements using the words "should", "may", "will", "expected", "intended", "assume", "suppose", "estimate", "plan", "anticipate", "is of the opinion", "to my knowledge", "in my estimation" or similar formulations indicate such forward-looking statements. The forecasts relating to the future development of the Lenzing Group are estimates based on the information available at the time of this condensed interim group report going to print.

If the assumptions on which the forecasts are based do not occur or risks arise at a level that was not anticipated, actual results may deviate from forecasts.

Rounding differences can occur when adding up rounded amounts and percentages. The condensed interim group report was prepared with the utmost care to ensure the accuracy and completeness of information in all sections. Nonetheless, errors due to rounding, typesetting and printing cannot be completely ruled out.