Disclaimer

- The information contained in this document has not been independently verified and no representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of this information or opinions contained herein.

- Certain statements contained in this document may be statements of future expectations and other forward looking statements that are based on management's current view and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

- None of Lenzing AG or any of its affiliates, advisors or representatives shall have any liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this document or its content or otherwise arising in connection with this document.

- Certain figures in this presentation have been rounded in accordance with commercial principles and practice. Such figures that have been rounded in various tables may not necessarily add up to the exact total given in the respective table.

- Definition and further details on the calculation of financial key indicators can be derived from the Half-Year Report and the Annual Report. These reports are also available online on the website of the Lenzing Group www.lenzing.com in the section “Investors”.

www.lenzing.com
Highlights H1/2018

- Lenzing with a solid first half year in a more demanding market environment
  - Group revenue down 6.4% to EUR 1,075.4 mn compared to H1/2017
  - EBITDA down 28.1% to EUR 194.8 mn
  - Strong balance sheet with adjusted equity ratio at 59.0% and low net financial debt of EUR 144.2 mn

- Execution of sCore TEN strategy in full swing
  - Specialty rate increased to 44%
  - Successful start up of 25 kt lyocell in Heiligenkreuz (A)
  - 450 kt greenfield DWP mill project announced by Lenzing and JV partner Duratex
  - Investment for second pilot plant of TENCEL™ Luxe filament yarn for EUR 30 mn
  - Start of LENZING™ ECOVERO™ production in China
  - Successful launch of new brand architecture

- Dividend of EUR 3.00 per share and special dividend of EUR 2.00 per share was paid out in April 2018
Interfiber price development

Staple fiber prices in RMB/to – Development in China

1) Price development until July 17th, 2018
   VAT-rate-reduction (valid since May 1, 2018): VSF and PSF from 17% to 16%; Cotton from 11% to 10%

Sources: China Cotton Association, China Chemical & Fiber Economic Information Network, China Chemical Fiber Group
Cotton market

- Q2/2018: Price hike up to 102 cents/lb in June due to increased demand coupled with fear of tight supply (rising futures)
- Cotlook A-Index price projection 2017/18: USD 83 cents/lbs
- Positive outlook for season 2018/19p
  - Cotlook A-Index price projection: USD 84 cents/lbs
  - Consumption is expected to continue to rise

Sources: Cotton Outlook, ICAC July 2, 2018, percentage changes based on exact figures
Chinese viscose staple fiber market

- After a drop in April to 13,850 RMB, standard VSF prices bounced up to 14,930 RMB in June boosted by:
  - Higher cotton prices
  - Postponed start-up of new VSF capacities
- Utilization rate was below 80%; VSF inventory declined to 7 days at the end of Q2
- No major changes in dissolving wood pulp prices in Q2 (start/ end price at 940 USD/MT)
- Price development for Lenzing specialty fibers continues to be positive

Source: China Chemical Fiber Group

1) Viscose staple fibers, price development until July 17th, 2018
Brazil – perfect for a lowest cost DWP mill worldwide

- Very favorable wood economics, strong local talent pool and excellent supplier network
- Brazil has a lot of experience in pulp projects
  - Since year 2000, ~50% of new pulp capacity was built in Brazil
- Duratex – strong JV partner
  - Leader in sustainable forestry management
  - Experience in construction and operation of big scale industrial plants
- Plantation in the Triângulo Mineiro in the State of Minas Gerais
  - Highly competitive wood economics
  - Good inbound/outbound logistics (train to port)
  - Large single plot plantation
  - Duratex plantation certified by FSC® in 1995

Source: Lenzing team
Key facts about the DWP greenfield project

- Lenzing and Duratex S.A. to investigate a greenfield DWP plant in Brazil
  - Lenzing to hold 51% and Duratex 49%
  - FSC® certified wood supply
- Key facts of project under investigation
  - 450 kt/a capacity → largest single line DWP plant
  - Kraft pulp technology and eucalyptus wood
  - Operation ramp-up by 2022
  - Lenzing secures the total DWP supply of the plant
  - CAPEX of somewhat more than USD 1 bn (based on current FX rates and net of generic tax refunds) and the outcome of the basic engineering study
    - Duratex to bring the plantation as contribution in kind into the JV
    - Basic engineering and permitting process will now be started
- Final investment decision after basic engineering in 2019
Lenzing specialty fibers – in line with sCore TEN

● Specialty ratio 44.1 % of revenue in H1/2018. Rising demand also due to specific marketing and business development activities

● Lenzing™ ECOVERO™: Progress ahead of expectations
  ● Nanjing, China, established as 2nd production hub (after Lenzing site)

● REFIBRA™ recycling technology launch continues to underscore Lenzing’s leading position in sustainability in the textile industry

● TENCEL™ Luxe progress ahead of schedule
  ● Investment for second pilot plant for EUR 30 mn in Lenzing announced in May 2018

● Lenzing™ Lyocell LF focussed on home textiles and knits
  ● Volumes ahead of expectations so intention to expand production in 2019
Successful launch of new branding concept

Innovative by nature

Tencel™
Feels so right

For Textile B2C Specialties

Veocel™
Purely for you

For Non-Woven B2C Specialties

LENZING™

For Industrial B2B

www.lenzing.com
Succesful launch of TENCEL™ in textiles

TENCEL™ Denim
Feel your best with a touch of smoothness

TENCEL™ Intimate
Feel good with a touch of softness

TENCEL™ Active
Feel ready with a touch of comfort

TENCEL™ Home
Feel relaxed with a natural touch

TENCEL™ Luxe
Feel the touch of conscious luxury
Followed by the launch in nonwovens…

VEOCEL™ Beauty

VEOCEL™ Body

VEOCEL™ Intimate

VEOCEL™ Surface
...and the launch in the industrial segment

 LENZING™
for Agriculture

 LENZING™
for Packaging

 LENZING™
for Protective Wear

 LENZING™
for Workwear

 LENZING™
for Engineered Products

 LENZING™
for Bio-refinery products
sCore TEN investment program

- Debottlenecking of pulp and specialty fibers
  - Heiligenkreuz line three start-up completed
  - Pulp debottlenecking according to plan

- Lyocell brownfield project of 90 kt in Mobile/USA
  - First major EPC/EPCM project within the Lenzing Group

- Lyocell greenfield expansion in Thailand
  - Land purchase completed and land leveling started

- Greenfield DWP plant in Brazil
Financials – Revenue

Revenue split H1/2018

- Specialty fibers¹
- Standard fibers
- Other business areas

¹ LENZING™ Lyocell, LENZING™ Modal, LENZING™ Specialty Viscose
### Financials – EBITDA

#### EBITDA margin

<table>
<thead>
<tr>
<th>Period</th>
<th>H1/2017</th>
<th>H1/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>270.7</td>
<td>194.8</td>
</tr>
<tr>
<td>EUR mn</td>
<td>(28.1)%</td>
<td></td>
</tr>
</tbody>
</table>

#### EBITDA margin

<table>
<thead>
<tr>
<th>Period</th>
<th>H1/2017</th>
<th>H1/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>23.6%</td>
<td>18.1%</td>
</tr>
<tr>
<td>EUR mn</td>
<td>(23.6)%</td>
<td>(18.1)%</td>
</tr>
</tbody>
</table>

#### EBITDA

<table>
<thead>
<tr>
<th>Period</th>
<th>Q2/2017</th>
<th>Q3/2017</th>
<th>Q4/2017</th>
<th>Q1/2018</th>
<th>Q2/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUR mn</td>
<td>135.6</td>
<td>126.4</td>
<td>105.3</td>
<td>101.6</td>
<td>93.2</td>
</tr>
<tr>
<td></td>
<td>(31.3)%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

**Notice:**
- The numbers represent EBITDA and EBITDA margin for different periods.
- EBITDA is measured in EUR mn.
- The EBITDA margin percentages are shown for each period.
### Financials – EBIT

**EBIT margin**

<table>
<thead>
<tr>
<th></th>
<th>Q2/2017</th>
<th>Q3/2017</th>
<th>Q4/2017</th>
<th>Q1/2018</th>
<th>Q2/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR mn</td>
<td>101.8</td>
<td>94.2</td>
<td>72.6</td>
<td>68.9</td>
<td>59.8</td>
</tr>
<tr>
<td>EBIT</td>
<td>11.4%</td>
<td>18.1%</td>
<td>13.6%</td>
<td>12.5%</td>
<td>11.4%</td>
</tr>
</tbody>
</table>

**EBIT margin**

<table>
<thead>
<tr>
<th></th>
<th>H1/2017</th>
<th>H1/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR mn</td>
<td>204.2</td>
<td>128.7</td>
</tr>
<tr>
<td>EBIT</td>
<td>17.8%</td>
<td>12.0%</td>
</tr>
</tbody>
</table>

**EBIT**

- **Q2/2017**: 101.8 EUR mn
- **Q3/2017**: 94.2 EUR mn
- **Q4/2017**: 72.6 EUR mn
- **Q1/2018**: 68.9 EUR mn
- **Q2/2018**: 59.8 EUR mn

- **H1/2017**: 204.2 EUR mn
- **H1/2018**: 128.7 EUR mn
Financials – Net profit and earnings per share

EPS\(^1\) (EUR)

<table>
<thead>
<tr>
<th></th>
<th>Q2/2017</th>
<th>Q3/2017</th>
<th>Q4/2017</th>
<th>Q1/2018</th>
<th>Q2/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR mn</td>
<td>75.3</td>
<td>69.0</td>
<td>62.4</td>
<td>50.0</td>
<td>41.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(45.2)%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Attributable to Lenzing AG shareholders

EPS\(^1\) (EUR)

<table>
<thead>
<tr>
<th></th>
<th>H1/2017</th>
<th>H1/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR mn</td>
<td>150.3</td>
<td>91.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(39.3)%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Attributable to Lenzing AG shareholders
Financials – Key figures

According to IFRS (EUR mn) | 30 June 2018 | 31 Dec. 2017 | Change in %
--- | --- | --- | ---
Total assets | 2,524.2 | 2,497.3 | 1.1
Liquid assets\(^1\) | 263.8 | 315.8 | (16.5)
thereof liquid funds | 241.4 | 306.5 | (21.2)
Total liabilities | 1,054.6 | 989.4 | 6.6
thereof financial liabilities | 408.0 | 382.6 | 6.6
Adjusted equity\(^2\) | 1,490.5 | 1,527.7 | (2.4)
Adjusted equity ratio (%) | 59.0 | 61.2 | -
Net gearing (%) | 9.7 | 4.4 | -
Net financial debt | 144.2 | 66.8 | 116.0

According to IFRS (EUR mn) | 30 June 2018 | 31 Dec. 2017 | Change in %
--- | --- | --- | ---
Total liquidity cushion | 670.6 | 529.6 | 26.6
thereof liquid assets\(^1\) | 263.8 | 315.8 | (16.5)
thereof unused credit facilities | 406.8 | 213.8 | 90.3

---

1) Including cash and cash equivalents, liquid securities and liquid bills of exchange
2) Including government grants less proportionate deferred taxes on government grants
### Cash flow development and trading working capital

#### Gross Cash Flow

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EUR mn</th>
<th>Q2/2017</th>
<th>Q3/2017</th>
<th>Q4/2017</th>
<th>Q1/2018</th>
<th>Q2/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2/2017</td>
<td>105.2</td>
<td>95.1</td>
<td>98.2</td>
<td>93.4</td>
<td>85.1</td>
<td>108.6</td>
</tr>
<tr>
<td>Q3/2017</td>
<td>49.2</td>
<td>61.4</td>
<td>5.8</td>
<td>8.4</td>
<td>50.4</td>
<td>49.1</td>
</tr>
<tr>
<td>Q4/2017</td>
<td>5.8</td>
<td>8.4</td>
<td>108.6</td>
<td>65.6</td>
<td>(9.0)</td>
<td>(101.8)</td>
</tr>
</tbody>
</table>

#### Operating Cash Flow

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EUR mn</th>
<th>Q2/2017</th>
<th>Q3/2017</th>
<th>Q4/2017</th>
<th>Q1/2018</th>
<th>Q2/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2/2017</td>
<td>(37.7)%</td>
<td>105.2</td>
<td>95.1</td>
<td>98.2</td>
<td>93.4</td>
<td>85.1</td>
</tr>
<tr>
<td>Q3/2017</td>
<td>(48.4)%</td>
<td>49.2</td>
<td>61.4</td>
<td>5.8</td>
<td>8.4</td>
<td>50.4</td>
</tr>
<tr>
<td>Q4/2017</td>
<td></td>
<td>5.8</td>
<td>8.4</td>
<td>108.6</td>
<td>65.6</td>
<td>(9.0)</td>
</tr>
</tbody>
</table>

#### Free Cash Flow adj.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EUR mn</th>
<th>Q2/2017</th>
<th>Q3/2017</th>
<th>Q4/2017</th>
<th>Q1/2018</th>
<th>Q2/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2/2017</td>
<td>(101.8)</td>
<td>49.2</td>
<td>61.4</td>
<td>5.8</td>
<td>8.4</td>
<td>50.4</td>
</tr>
<tr>
<td>Q3/2017</td>
<td>17.7%</td>
<td>61.4</td>
<td>5.8</td>
<td>8.4</td>
<td>50.4</td>
<td>49.1</td>
</tr>
<tr>
<td>Q4/2017</td>
<td>15.7%</td>
<td>5.8</td>
<td>8.4</td>
<td>108.6</td>
<td>65.6</td>
<td>(9.0)</td>
</tr>
</tbody>
</table>

#### Trading Working Capital (incl. factoring)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EUR mn</th>
<th>Q2/2017</th>
<th>Q3/2017</th>
<th>Q4/2017</th>
<th>Q1/2018</th>
<th>Q2/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2/2017</td>
<td>46</td>
<td>353</td>
<td>18</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q3/2017</td>
<td>18</td>
<td>384</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q4/2017</td>
<td>0</td>
<td>414</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q1/2018</td>
<td>0</td>
<td>407</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Q2/2018</td>
<td>0</td>
<td>421</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

#### Trading Working Capital in % of annualized Group revenue

- Factoring
- Trading working capital
- Trading working capital in % of annualized Group revenue (adj. for factoring)
- Trading working capital in % of annualized Group revenue

**Legend**

- Gross cash flow
- Operating cash flow
- Free cash flow adj.
Outlook: Challenging environment to continue

- Macro industry indicators positive
  - Good market demand for wood-based cellulose fibers
  - Strong cotton market
  - Increasing awareness of sustainability

- Commodity viscose to remain under pressure
  - Start up of new viscose capacities started end of Q2 and will continue well into 2019
  - VSF prices and margins expected to remain under pressure
    - Input costs remain on very high level
    - Industry break even around 14,850 RMB
    - Tariff threats could affect textile market

- Lenzing’s specialty fiber prices further increased

1) Source: Official data from various sources and Lenzing estimates
The International Monetary Fund expects a further acceleration in global economic growth to 3.9 percent for 2018. However, growing protectionist tendencies in the political arena represent a source of uncertainty. Export-oriented companies in the Eurozone are faced with additional challenges from the currency environment.

Developments on the fiber markets should remain positive, but with continuing volatility. The rising demand for cotton should support prices despite the increase in production. Polyester fiber prices have stabilized after the increase in previous years.

The wood-based cellulosic fiber segment, which is relevant for Lenzing, should see further strong demand. After years of moderate capacity expansion in the viscose sector, significant additional volumes will enter the market in 2018 and 2019. As a result, standard viscose prices will remain under pressure. The Lenzing Group is very well positioned in this market environment with its corporate strategy sCore TEN and will continue its consistent focus on growth with specialty fibers.

The Lenzing Group still sees challenging market conditions for the second half of 2018. In addition to the price pressure on standard viscose, the prices of some key raw materials such as caustic soda are still at a very high level and exchange rates continue to be volatile. Our specialty fibers are expected to continue their very positive development. In this context, the Lenzing Group is satisfied with the earnings development to date, but underlines its estimate that the results for the year 2018 will be lower than the outstanding results in the last two years.
Q2/2018
Financial information
### Q2/2018: Consolidated Group P&L

<table>
<thead>
<tr>
<th></th>
<th>Q2/2018</th>
<th>Q1/2018</th>
<th>Q2/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>525.0</td>
<td>550.3</td>
<td>562.9</td>
</tr>
<tr>
<td>Change in inventories of finished goods and work in progress</td>
<td>17.8</td>
<td>(15.0)</td>
<td>20.4</td>
</tr>
<tr>
<td>Own work capitalized</td>
<td>13.0</td>
<td>15.1</td>
<td>10.5</td>
</tr>
<tr>
<td>Other operating income</td>
<td>16.7</td>
<td>12.8</td>
<td>14.1</td>
</tr>
<tr>
<td>Cost of material and purchased services</td>
<td>(317.6)</td>
<td>(308.6)</td>
<td>(319.2)</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>(95.0)</td>
<td>(91.0)</td>
<td>(88.3)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(66.8)</td>
<td>(62.1)</td>
<td>(64.8)</td>
</tr>
<tr>
<td><strong>EBITDA/Margin</strong></td>
<td>93.2/17.7%</td>
<td>101.6/18.5%</td>
<td>135.6/24.1%</td>
</tr>
<tr>
<td>Depreciation &amp; amortization</td>
<td>(34.0)</td>
<td>(33.4)</td>
<td>(34.5)</td>
</tr>
<tr>
<td>Income from the release of investment grants</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>EBIT/Margin</strong></td>
<td>59.8/11.4%</td>
<td>68.9/12.5%</td>
<td>101.8/18.1%</td>
</tr>
<tr>
<td>Financial result</td>
<td>(4.2)</td>
<td>(3.8)</td>
<td>(2.7)</td>
</tr>
<tr>
<td>Allocation of profit or loss to puttable non-controlling interests</td>
<td>0.4</td>
<td>(0.3)</td>
<td>(1.7)</td>
</tr>
<tr>
<td><strong>EBT/Margin</strong></td>
<td>56.0/10.7%</td>
<td>64.9/11.8%</td>
<td>97.3/17.3%</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(14.8)</td>
<td>(14.5)</td>
<td>(22.0)</td>
</tr>
<tr>
<td>Tax rate (%)</td>
<td>26.4</td>
<td>22.9</td>
<td>22.6</td>
</tr>
<tr>
<td><strong>Net profit/Margin</strong></td>
<td>41.2/7.9%</td>
<td>50.0/9.1%</td>
<td>75.3/13.4%</td>
</tr>
<tr>
<td>Net profit attributable to shareholders of Lenzing AG/Margin</td>
<td>41.2/7.9%</td>
<td>50.1/9.1%</td>
<td>74.4/13.2%</td>
</tr>
<tr>
<td>EPS (in EUR)</td>
<td>1.55</td>
<td>1.89</td>
<td>2.80</td>
</tr>
</tbody>
</table>
### Q2/2018: Topline breakdown

<table>
<thead>
<tr>
<th>(EUR mn)</th>
<th>Q2/2018</th>
<th>Q1/2018</th>
<th>Change Q2/Q1 (%)</th>
<th>Q2/2017</th>
<th>Change Q2/Q2 (%)</th>
<th>H1/2018</th>
<th>H1/2017</th>
<th>Change H1/H1 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Breakdown of Fibers segment revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Textile fibers (%)</td>
<td>70.3</td>
<td>70.4</td>
<td>(0.1)</td>
<td>69.2</td>
<td>1.6</td>
<td>70.4</td>
<td>70.4</td>
<td>0.0</td>
</tr>
<tr>
<td>Nonwoven fibers (%)</td>
<td>29.7</td>
<td>29.6</td>
<td>0.3</td>
<td>30.8</td>
<td>(3.6)</td>
<td>29.6</td>
<td>29.6</td>
<td>0.0</td>
</tr>
<tr>
<td>Fibers only</td>
<td>458.5</td>
<td>456.9</td>
<td>0.3</td>
<td>488.4</td>
<td>(6.1)</td>
<td>915.4</td>
<td>996.9</td>
<td>(8.2)</td>
</tr>
<tr>
<td>Other¹</td>
<td>65.0</td>
<td>90.6</td>
<td>(28.3)</td>
<td>71.7</td>
<td>(9.3)</td>
<td>155.6</td>
<td>147.2</td>
<td>5.7</td>
</tr>
<tr>
<td><strong>Total segment Fibers</strong></td>
<td>523.4</td>
<td>547.6</td>
<td>(4.4)</td>
<td>560.1</td>
<td>(6.5)</td>
<td>1,071.0</td>
<td>1,144.1</td>
<td>(6.4)</td>
</tr>
<tr>
<td><strong>Total segment Lenzing Technik</strong></td>
<td>10.9</td>
<td>13.7</td>
<td>(19.9)</td>
<td>11.4</td>
<td>(3.6)</td>
<td>24.6</td>
<td>21.3</td>
<td>15.7</td>
</tr>
<tr>
<td>Other and consolidation</td>
<td>(9.3)</td>
<td>(10.9)</td>
<td>(14.5)</td>
<td>(8.6)</td>
<td>9.1</td>
<td>(20.3)</td>
<td>(16.3)</td>
<td>24.1</td>
</tr>
<tr>
<td><strong>Total Group revenue</strong></td>
<td>525.0</td>
<td>550.3</td>
<td>(4.6)</td>
<td>562.9</td>
<td>(6.7)</td>
<td>1,075.4</td>
<td>1,149.1</td>
<td>(6.4)</td>
</tr>
</tbody>
</table>
Q2/2018 Total opex structure

Q2/2018 (Total Opex EUR 479.4 mn)

- Cost of material and purchased services: 66.8 (13.9%)
- Personnel expenses: 95.0 (19.8%)
- Other operating expenses: 317.6 (66.2%)

Q2/2017 (Total Opex EUR 472.2 mn)

- Cost of material and purchased services: 64.8 (13.7%)
- Personnel expenses: 88.3 (18.7%)
- Other operating expenses: 319.2 (67.6%)

H1/2018 (Total Opex EUR 941.0 mn)

- Cost of material and purchased services: 128.9 (13.7%)
- Personnel expenses: 186.0 (19.8%)
- Other operating expenses: 626.1 (66.5%)

H1/2017 (Total Opex EUR 923.9 mn)

- Cost of material and purchased services: 131.7 (14.3%)
- Personnel expenses: 173.8 (18.8%)
- Other operating expenses: 618.4 (66.9%)
Q2/2018: Net debt bridge

<table>
<thead>
<tr>
<th>Change in total working capital EUR (8.2) mn³</th>
<th>Change in trading WC</th>
<th>Change in other WC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in total working capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUR (16.5) mn (according to cash flow statement)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in liquid bills of exchange</td>
<td>EUR (16.5) mn (according to cash flow statement)</td>
<td></td>
</tr>
<tr>
<td>2.0</td>
<td>1.1</td>
<td></td>
</tr>
<tr>
<td>25.6</td>
<td>9.4</td>
<td></td>
</tr>
<tr>
<td>11.6</td>
<td></td>
<td>132.8</td>
</tr>
<tr>
<td>59.0¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>93.3¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net liquidity Q1/2018</td>
<td>Tax</td>
<td>Net interest</td>
</tr>
<tr>
<td>59.0²</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Gross cash flow before taxes and interest
2) Including CAPEX of EUR (58.3) mn and financial assets of EUR (0.7) mn
3) Change in total working capital

Adjustment change in liquid bills of exchange: EUR (16.5) mn (according to cash flow statement)
Change in total working capital adj. EUR (8.2) mn (according to net debt)
H1/2018: Net debt bridge

1) Gross cash flow before taxes and interest
2) Including CAPEX of EUR (117.2) mn and financial assets of EUR (1.3) mn
3) Change in total working capital
   Adjustment change in liquid bills of exchange EUR 7.0 mn (according to cash flow statement)
   Change in total working capital adj. EUR 20.1 mn (according to net debt)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net financial debt FY 2017</td>
<td>66.8</td>
</tr>
<tr>
<td>Tax</td>
<td>39.1</td>
</tr>
<tr>
<td>Net interest</td>
<td>2.5</td>
</tr>
<tr>
<td>Gross CF</td>
<td>192.3(^1)</td>
</tr>
<tr>
<td>Cash capex (incl. fin. ass.)</td>
<td>118.5(^2)</td>
</tr>
<tr>
<td>Change in trading WC</td>
<td>6.5</td>
</tr>
<tr>
<td>Change in other WC</td>
<td>13.6</td>
</tr>
<tr>
<td>Dividend</td>
<td>132.9</td>
</tr>
<tr>
<td>Inflow from the sale of subsidiaries</td>
<td>0.1</td>
</tr>
<tr>
<td>Currency translation</td>
<td>0.0</td>
</tr>
<tr>
<td>Others</td>
<td>3.0</td>
</tr>
<tr>
<td>Net financial debt H1/2018</td>
<td>144.2</td>
</tr>
</tbody>
</table>

Change in total working capital
EUR 20.1 mn\(^3\)
## Q2/2018: Cash flow

<table>
<thead>
<tr>
<th>(EUR mn)</th>
<th>Q2/2018</th>
<th>Q1/2018</th>
<th>Change Q2/Q1 (%)</th>
<th>Q2/2017</th>
<th>Change Q2/Q2 (%)</th>
<th>H1/2018</th>
<th>H1/2017</th>
<th>Change H1/H1 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross cash flow (before taxes and interest)</td>
<td>93.3</td>
<td>99.1</td>
<td>(5.9)</td>
<td>134.1</td>
<td>(30.5)</td>
<td>192.3</td>
<td>266.7</td>
<td>(27.9)</td>
</tr>
<tr>
<td>Taxes and interest</td>
<td>(27.7)</td>
<td>(14.0)</td>
<td>97.8</td>
<td>(28.9)</td>
<td>(4.2)</td>
<td>(41.6)</td>
<td>(39.6)</td>
<td>5.2</td>
</tr>
<tr>
<td>Gross cash flow (after taxes and interest)</td>
<td>65.6</td>
<td>85.1</td>
<td>(22.9)</td>
<td>105.2</td>
<td>(37.7)</td>
<td>150.7</td>
<td>227.1</td>
<td>(33.6)</td>
</tr>
<tr>
<td>Change in total working capital¹</td>
<td>(16.5)</td>
<td>23.5</td>
<td>-</td>
<td>(10.1)</td>
<td>63.3</td>
<td>7.0</td>
<td>(25.8)</td>
<td>-</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>49.1</td>
<td>108.6</td>
<td>(54.8)</td>
<td>95.1</td>
<td>(48.4)</td>
<td>157.7</td>
<td>201.3</td>
<td>(21.6)</td>
</tr>
<tr>
<td>Investment cash flow²</td>
<td>(58.5)</td>
<td>(57.0)</td>
<td>2.5</td>
<td>(43.7)</td>
<td>33.8</td>
<td>(115.5)</td>
<td>(69.6)</td>
<td>65.9</td>
</tr>
<tr>
<td>Free cash flow unadj.</td>
<td>(9.4)</td>
<td>51.6</td>
<td>-</td>
<td>51.4</td>
<td>-</td>
<td>42.2</td>
<td>131.7</td>
<td>(67.9)</td>
</tr>
<tr>
<td>Net inflow from sale of subsidiary</td>
<td>(0.1)</td>
<td>0.0</td>
<td>-</td>
<td>(2.5)</td>
<td>(94.4)</td>
<td>(0.1)</td>
<td>(3.1)</td>
<td>(95.4)</td>
</tr>
<tr>
<td>Acquisition of other financial assets</td>
<td>0.7</td>
<td>0.6</td>
<td>19.3</td>
<td>0.6</td>
<td>20.1</td>
<td>1.3</td>
<td>1.0</td>
<td>35.3</td>
</tr>
<tr>
<td>Proceeds/repayments of other financial assets</td>
<td>(0.2)</td>
<td>(1.8)</td>
<td>(87.3)</td>
<td>(0.3)</td>
<td>(27.5)</td>
<td>(2.0)</td>
<td>(1.0)</td>
<td>95.1</td>
</tr>
<tr>
<td>Free cash flow adj.</td>
<td>(9.0)</td>
<td>50.4</td>
<td>-</td>
<td>49.2</td>
<td>-</td>
<td>41.4</td>
<td>128.5</td>
<td>(67.8)</td>
</tr>
</tbody>
</table>

¹ Including trade and other working capital
² Including investment in and proceeds from disposal of financial assets
FY 2017
Back-up financial information
### FY 2017: Consolidated Group P&L

<table>
<thead>
<tr>
<th>(EUR mn)</th>
<th>2017</th>
<th>2016</th>
<th>Change y-o-y (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,259.4</td>
<td>2,134.1</td>
<td>5.9</td>
</tr>
<tr>
<td>Change in inventories of finished goods and work in progress</td>
<td>16.8</td>
<td>6.4</td>
<td>160.5</td>
</tr>
<tr>
<td>Own work capitalized</td>
<td>46.1</td>
<td>21.8</td>
<td>111.1</td>
</tr>
<tr>
<td>Other operating income</td>
<td>49.9</td>
<td>45.5</td>
<td>9.6</td>
</tr>
<tr>
<td>Cost of material and purchased services</td>
<td>(1,258.0)</td>
<td>(1,223.8)</td>
<td>2.8</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>(349.4)</td>
<td>(319.2)</td>
<td>9.4</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(262.4)</td>
<td>(236.6)</td>
<td>10.9</td>
</tr>
<tr>
<td>EBITDA/Margin</td>
<td>502.5/22.2%</td>
<td>428.3/20.1%</td>
<td>17.3</td>
</tr>
<tr>
<td>Depreciation &amp; amortization</td>
<td>(134.6)</td>
<td>(135.1)</td>
<td>(0.4)</td>
</tr>
<tr>
<td>Income from the release of investment grants</td>
<td>3.1</td>
<td>3.1</td>
<td>(1.7)</td>
</tr>
<tr>
<td>EBIT/Margin</td>
<td>371.0/16.4%</td>
<td>296.3/13.9%</td>
<td>25.2</td>
</tr>
<tr>
<td>Financial result</td>
<td>(7.3)</td>
<td>3.1</td>
<td>-</td>
</tr>
<tr>
<td>Allocation of profit or loss to puttable non-controlling interests</td>
<td>(6.3)</td>
<td>(4.8)</td>
<td>31.0</td>
</tr>
<tr>
<td>EBT/Margin</td>
<td>357.4/15.8%</td>
<td>294.6/13.8%</td>
<td>21.3</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(75.7)</td>
<td>(65.5)</td>
<td>15.5</td>
</tr>
<tr>
<td>Tax rate (%)</td>
<td>21.2</td>
<td>22.2</td>
<td>-</td>
</tr>
<tr>
<td>Net profit/Margin</td>
<td>281.7/12.5%</td>
<td>229.1/10.7%</td>
<td>23.0</td>
</tr>
<tr>
<td>Net profit attributable to shareholders of Lenzing AG/Margin</td>
<td>278.0/12.3%</td>
<td>225.0/10.5%</td>
<td>23.5</td>
</tr>
<tr>
<td>EPS (in EUR)</td>
<td>10.47</td>
<td>8.48</td>
<td>23.5</td>
</tr>
</tbody>
</table>
## FY 2017: Consolidated Group P&L - Quarters

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>586.2</td>
<td>562.9</td>
<td>577.5</td>
<td>532.8</td>
<td>(7.8)</td>
<td>555.7</td>
<td>(4.1)</td>
</tr>
<tr>
<td>Change in inventories of finished goods and work in progress</td>
<td>(21.4)</td>
<td>20.4</td>
<td>(2.5)</td>
<td>20.3</td>
<td>-</td>
<td>18.2</td>
<td>11.2</td>
</tr>
<tr>
<td>Own work capitalized</td>
<td>9.3</td>
<td>10.5</td>
<td>12.6</td>
<td>13.7</td>
<td>8.5</td>
<td>3.8</td>
<td>261.5</td>
</tr>
<tr>
<td>Other operating income</td>
<td>12.7</td>
<td>14.1</td>
<td>11.8</td>
<td>11.3</td>
<td>(4.2)</td>
<td>11.6</td>
<td>(2.5)</td>
</tr>
<tr>
<td>Cost of material and purchased services</td>
<td>(299.2)</td>
<td>(319.2)</td>
<td>(318.2)</td>
<td>(321.3)</td>
<td>1.0</td>
<td>(338.9)</td>
<td>(5.2)</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>(85.5)</td>
<td>(88.3)</td>
<td>(89.3)</td>
<td>(86.3)</td>
<td>(3.3)</td>
<td>(80.1)</td>
<td>7.8</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(66.9)</td>
<td>(64.8)</td>
<td>(65.6)</td>
<td>(65.1)</td>
<td>(0.7)</td>
<td>(62.6)</td>
<td>4.0</td>
</tr>
<tr>
<td>EBITDA/Margin</td>
<td>135.1/23.0%</td>
<td>135.6/24.1%</td>
<td>126.4/21.9%</td>
<td>105.3/19.8%</td>
<td>(16.7)</td>
<td>107.7/19.4%</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Depreciation &amp; amortization</td>
<td>(33.4)</td>
<td>(34.5)</td>
<td>(32.8)</td>
<td>(33.8)</td>
<td>3.1</td>
<td>(34.2)</td>
<td>(1.1)</td>
</tr>
<tr>
<td>Income from the release of investment grants</td>
<td>0.6</td>
<td>0.7</td>
<td>0.7</td>
<td>1.1</td>
<td>60.2</td>
<td>1.1</td>
<td>0.0</td>
</tr>
<tr>
<td>EBIT/Margin</td>
<td>102.3/17.5%</td>
<td>101.8/16.1%</td>
<td>94.2/16.3%</td>
<td>72.6/13.6%</td>
<td>(23.0)</td>
<td>74.6/13.4%</td>
<td>(2.7)</td>
</tr>
<tr>
<td>Financial result</td>
<td>(3.4)</td>
<td>(2.7)</td>
<td>(3.2)</td>
<td>2.0</td>
<td>-</td>
<td>14.5</td>
<td>(66.0)</td>
</tr>
<tr>
<td>Allocation of profit or loss to puttable non-controlling interests</td>
<td>(1.6)</td>
<td>(1.7)</td>
<td>(2.4)</td>
<td>(0.5)</td>
<td>(77.9)</td>
<td>(1.8)</td>
<td>(66.4)</td>
</tr>
<tr>
<td>EBT/Margin</td>
<td>97.3/16.6%</td>
<td>97.3/17.3%</td>
<td>88.7/15.4%</td>
<td>74.1/13.9%</td>
<td>(16.5)</td>
<td>87.5/15.8%</td>
<td>(15.4)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(22.3)</td>
<td>(22.0)</td>
<td>(19.7)</td>
<td>(11.7)</td>
<td>(40.5)</td>
<td>(20.5)</td>
<td>(43.1)</td>
</tr>
<tr>
<td>Tax rate (%)</td>
<td>22.9</td>
<td>22.6</td>
<td>22.2</td>
<td>15.8</td>
<td>-</td>
<td>23.5</td>
<td>-</td>
</tr>
<tr>
<td>Net profit/Margin</td>
<td>75.0/12.8%</td>
<td>75.3/13.4%</td>
<td>69.0/11.9%</td>
<td>62.4/11.7%</td>
<td>(9.6)</td>
<td>67.0/12.1%</td>
<td>(6.9)</td>
</tr>
<tr>
<td>Net profit attributable to shareholders of Lenzing AG/Margin</td>
<td>73.0/12.4%</td>
<td>74.4/13.2%</td>
<td>68.4/11.8%</td>
<td>62.3/11.7%</td>
<td>(8.9)</td>
<td>66.4/11.9%</td>
<td>(6.2)</td>
</tr>
<tr>
<td>EPS (in EUR)</td>
<td>2.75</td>
<td>2.80</td>
<td>2.57</td>
<td>2.35</td>
<td>(6.9)</td>
<td>2.50</td>
<td>(6.2)</td>
</tr>
</tbody>
</table>
### FY 2017: Topline breakdown

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Breakdown of Fibers segment revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Textile fibers (%)</td>
<td>71.5</td>
<td>69.2</td>
<td>70.2</td>
<td>69.0</td>
<td>(1.6)</td>
<td>71.0</td>
<td>(2.8)</td>
<td>70.0</td>
<td>70.9</td>
<td>(1.3)</td>
</tr>
<tr>
<td>Nonwoven fibers (%)</td>
<td>28.5</td>
<td>30.8</td>
<td>29.8</td>
<td>31.0</td>
<td>3.9</td>
<td>29.0</td>
<td>6.8</td>
<td>30.0</td>
<td>29.1</td>
<td>3.1</td>
</tr>
<tr>
<td>Fibers only</td>
<td>508.5</td>
<td>488.4</td>
<td>493.2</td>
<td>468.6</td>
<td>(5.0)</td>
<td>489.0</td>
<td>(4.2)</td>
<td>1,958.7</td>
<td>1,897.2</td>
<td>3.2</td>
</tr>
<tr>
<td>Other¹</td>
<td>75.6</td>
<td>71.7</td>
<td>83.2</td>
<td>62.0</td>
<td>(25.6)</td>
<td>64.0</td>
<td>(3.3)</td>
<td>292.5</td>
<td>228.0</td>
<td>28.3</td>
</tr>
<tr>
<td><strong>Total segment Fibers</strong></td>
<td>584.0</td>
<td>560.1</td>
<td>576.4</td>
<td>530.6</td>
<td>(8.0)</td>
<td>553.0</td>
<td>(4.1)</td>
<td>2,251.2</td>
<td>2,125.2</td>
<td>5.9</td>
</tr>
<tr>
<td><strong>Total segment Lenzing Technik</strong></td>
<td>9.9</td>
<td>11.4</td>
<td>10.1</td>
<td>10.9</td>
<td>8.2</td>
<td>10.7</td>
<td>1.8</td>
<td>42.3</td>
<td>35.9</td>
<td>17.7</td>
</tr>
<tr>
<td>Other and consolidation</td>
<td>(7.8)</td>
<td>(8.6)</td>
<td>(9.0)</td>
<td>(8.7)</td>
<td>(2.9)</td>
<td>(8.1)</td>
<td>8.2</td>
<td>(34.1)</td>
<td>(27.0)</td>
<td>26.2</td>
</tr>
<tr>
<td><strong>Total Group revenue</strong></td>
<td>586.2</td>
<td>562.9</td>
<td>577.5</td>
<td>532.8</td>
<td>(7.8)</td>
<td>555.7</td>
<td>(4.1)</td>
<td>2,259.4</td>
<td>2,134.1</td>
<td>5.9</td>
</tr>
</tbody>
</table>
Financials 2017 – Earnings per quarter

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA margin</td>
<td>19.4%</td>
<td>23.0%</td>
<td>24.1%</td>
<td>21.9%</td>
<td>19.8%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>13.4%</td>
<td>17.5%</td>
<td>18.1%</td>
<td>16.3%</td>
<td>13.6%</td>
</tr>
<tr>
<td>EPS(^1) (EUR)</td>
<td>2.50</td>
<td>2.75</td>
<td>2.80</td>
<td>2.57</td>
<td>2.35</td>
</tr>
</tbody>
</table>

1) Attributable to Lenzing AG shareholders

www.lenzing.com
Financials – Earnings

EBITDA margin
- 11.8%
- 12.9%
- 14.7%
- 20.1%
- 22.2%

EBIT margin
- 4.5%
- 1.2%
- 7.6%
- 13.9%
- 16.4%

EPS¹,² (EUR)
- 1.89
- (0.92)
- 4.78
- 8.48
- 10.47

1) Error correction in accordance with IAS 8 (see Consolidated Financial Statements 2016 of the Lenzing Group)
2) Attributable to Lenzing AG shareholders
### FY 2017: OPEX as of total sales

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total sales</td>
<td>586.2</td>
<td>562.9</td>
<td>577.5</td>
<td>532.8</td>
<td>(7.8)</td>
<td>(4.1)</td>
<td>2,259.4</td>
<td>2,134.1</td>
<td>5.9</td>
</tr>
<tr>
<td>Total OPEX¹</td>
<td>(451.7)</td>
<td>(472.2)</td>
<td>(473.1)</td>
<td>(472.7)</td>
<td>(0.1)</td>
<td>(1.9)</td>
<td>(1,869.7)</td>
<td>(1,779.6)</td>
<td>5.1</td>
</tr>
<tr>
<td>Total cost of material and purchased services as % of total sales</td>
<td>(299.2) 51.0</td>
<td>(319.2) 56.7</td>
<td>(318.2) 55.1</td>
<td>(321.3) 60.3</td>
<td>1.0 (338.9) 61.0</td>
<td>(1,258.0) 55.7</td>
<td>(1,232.8) 57.3</td>
<td>2.8</td>
<td></td>
</tr>
<tr>
<td>Total personnel expenses as % of total sales</td>
<td>(85.5) 14.6</td>
<td>(88.3) 15.7</td>
<td>(89.3) 15.5</td>
<td>(86.3) 16.2</td>
<td>(3.3) (80.1) 14.4</td>
<td>(349.4) (319.2) 15.5</td>
<td>(319.2) 15.0</td>
<td>9.4</td>
<td></td>
</tr>
<tr>
<td>Total other operating expenses as % of total sales</td>
<td>(66.9) 11.4</td>
<td>(64.8) 11.5</td>
<td>(65.6) 11.4</td>
<td>(65.1) 12.2</td>
<td>(0.7) (62.6) 11.3</td>
<td>(262.4) (236.6) 11.6</td>
<td>(236.6) 11.1</td>
<td>10.9</td>
<td></td>
</tr>
<tr>
<td>Total sales</td>
<td>586.2</td>
<td>562.9</td>
<td>577.5</td>
<td>532.8</td>
<td>(7.8)</td>
<td>(4.1)</td>
<td>2,259.4</td>
<td>2,134.1</td>
<td>5.9</td>
</tr>
<tr>
<td>Total OPEX¹</td>
<td>(451.7)</td>
<td>(472.2)</td>
<td>(473.1)</td>
<td>(472.7)</td>
<td>(0.1)</td>
<td>(1.9)</td>
<td>(1,869.7)</td>
<td>(1,779.6)</td>
<td>5.1</td>
</tr>
</tbody>
</table>

¹) Includes cost of material and purchased services, personnel expenses and other operating expenses
FY 2017: Solid balance sheet, strong ROCE as at Dec. 31, 2017

According to IFRS (EUR mn)

<table>
<thead>
<tr>
<th>According to IFRS (EUR mn)</th>
<th>31 Dec. 2017</th>
<th>31 Dec. 2016</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>2,497.3</td>
<td>2,625.3</td>
<td>(4.9)</td>
</tr>
<tr>
<td>Liquid assets¹</td>
<td>315.8</td>
<td>570.4</td>
<td>(44.6)</td>
</tr>
<tr>
<td>thereof liquid funds</td>
<td>306.5</td>
<td>559.6</td>
<td>(45.2)</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>989.4</td>
<td>1,256.8</td>
<td>(21.3)</td>
</tr>
<tr>
<td>thereof financial liabilities</td>
<td>382.6</td>
<td>577.5</td>
<td>(33.8)</td>
</tr>
<tr>
<td>Adjusted equity²</td>
<td>1,527.7</td>
<td>1,390.5</td>
<td>9.9</td>
</tr>
<tr>
<td>Adjusted equity ratio (%)</td>
<td>61.2</td>
<td>53.0</td>
<td></td>
</tr>
<tr>
<td>Net gearing (%)</td>
<td>4.4</td>
<td>0.5</td>
<td>-</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>66.8</td>
<td>7.2</td>
<td>-</td>
</tr>
<tr>
<td>Net financial debt/EBITDA</td>
<td>0.1</td>
<td>0.0</td>
<td>-</td>
</tr>
<tr>
<td>ROCE</td>
<td>18.6%</td>
<td>15.1%</td>
<td>-</td>
</tr>
</tbody>
</table>

According to IFRS (EUR mn)

<table>
<thead>
<tr>
<th>According to IFRS (EUR mn)</th>
<th>31 Dec. 2017</th>
<th>31 Dec. 2016</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total liquidity cushion</td>
<td>529.6</td>
<td>788.0</td>
<td>(32.8)</td>
</tr>
<tr>
<td>thereof liquid assets¹</td>
<td>315.8</td>
<td>570.4</td>
<td>(44.6)</td>
</tr>
<tr>
<td>thereof unused credit facilities</td>
<td>213.8</td>
<td>217.7</td>
<td>(1.8)</td>
</tr>
</tbody>
</table>

Notes:
1) Including cash and cash equivalents, liquid securities and liquid bills of exchange
2) Including government grants less proportional share of deferred taxes on government grants

www.lenzing.com

08.08.2018 - 37
FY 2017 Total opex structure

2016 (Total Opex EUR 1,779.6 mn)

- Cost of material and purchased services: 319.2 (17.9%)
- Personnel expenses: 236.6 (13.3%)
- Other operating expenses: 1,223.8 (68.8%)

2017 (Total Opex EUR 1,869.7 mn)

- Cost of material and purchased services: 349.4 (18.7%)
- Personnel expenses: 262.4 (14.0%)
- Other operating expenses: 1,258.0 (67.3%)
FY 2017: Net debt bridge

1) Gross cash flow before taxes and interest
2) Including CAPEX of EUR (238.8) mn and financial assets of EUR (6.5) mn
3) Change in total working capital adjustment: EUR (147.6) mn (according to cash flow statement)
Change in liquid bills of exchange: EUR (1.0) mn
Change in total working capital adj.: EUR (148.5) mn (according to net debt)
Financials 2017 – Key figures (1/2)

1) Error correction in accordance with IAS 8 (see Consolidated Financial Statements 2016 of the Lenzing Group)
Financials 2017 – Key figures (2/2)

1) Error correction in accordance with IAS 8 (see Consolidated Financial Statements 2016 of the Lenzing Group
2) Dividend yield based on last share price of the year
## FY 2017: Cash flow by quarters

<table>
<thead>
<tr>
<th>(EUR mn)</th>
<th>Q1/2017</th>
<th>Q2/2017</th>
<th>Q3/2017</th>
<th>Q4/2017</th>
<th>Change Q4/Q3 (%)</th>
<th>Change Q4/Q4 (%)</th>
<th>2017</th>
<th>2016</th>
<th>Change y-o-y (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross cash flow (before taxes and interest)</td>
<td>132.5</td>
<td>134.1</td>
<td>130.4</td>
<td>114.8</td>
<td>(12.1)</td>
<td>(8.1)</td>
<td>511.8</td>
<td>445.4</td>
<td>14.9</td>
</tr>
<tr>
<td>Taxes and interest</td>
<td>(10.7)</td>
<td>(28.9)</td>
<td>(32.1)</td>
<td>(21.4)</td>
<td>(33.7)</td>
<td>(21.7)</td>
<td>(1.3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross cash flow (after taxes and interest)</td>
<td>121.8</td>
<td>105.2</td>
<td>98.2</td>
<td>93.4</td>
<td>(5.0)</td>
<td>103.1</td>
<td>(9.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in total working capital&lt;sup&gt;1&lt;/sup&gt;</td>
<td>(15.7)</td>
<td>(10.1)</td>
<td>(36.8)</td>
<td>(85.0)</td>
<td>130.8</td>
<td>(4.7)</td>
<td>(147.6)</td>
<td>87.5</td>
<td>(268.7)</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>106.1</td>
<td>95.1</td>
<td>61.4</td>
<td>8.4</td>
<td>(86.3)</td>
<td>98.5</td>
<td>(91.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment cash flow&lt;sup&gt;2&lt;/sup&gt;</td>
<td>(25.9)</td>
<td>(43.7)</td>
<td>(55.4)</td>
<td>(93.6)</td>
<td>68.9</td>
<td>(43.1)</td>
<td>116.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free cash flow unadj.</td>
<td>80.2</td>
<td>51.4</td>
<td>6.0</td>
<td>(85.2)</td>
<td>-</td>
<td>55.3</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net inflow from sale of subsidiary</td>
<td>(0.6)</td>
<td>(2.5)</td>
<td>0.0</td>
<td>0.0</td>
<td>-</td>
<td>0.0</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of other financial assets</td>
<td>0.4</td>
<td>0.6</td>
<td>0.1</td>
<td>5.5</td>
<td>-</td>
<td>2.7</td>
<td>105.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds/repayments of other financial assets</td>
<td>(0.7)</td>
<td>(0.3)</td>
<td>(0.2)</td>
<td>(22.2)</td>
<td>-</td>
<td>(2.5)</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Free cash flow adj.</td>
<td>79.3</td>
<td>49.2</td>
<td>5.8</td>
<td>(101.8)</td>
<td>-</td>
<td>55.5</td>
<td>-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Including trade and other working capital
2) Including investment in and proceeds from disposal of financial assets
Cash flow development and trading working capital

+8.5% Gross CF
(42.7)% Operating CF
(91.1)% Free CF adj.

EUR mn

2013 | 2014 | 2015 | 2016 | 2017
---|---|---|---|---
95 | 231 | 284 | 386 | 473
82 | 219 | 216 | 366 | 419

+9.2%

EUR mn

2013 | 2014 | 2015 | 2016 | 2017
---|---|---|---|---
0 | 78 | 447 | 82 | 0
394 | 396 | 419 | 414 | 414

Trading working capital
Trading working capital in % of annualized Group revenue (adj. for factoring)
Trading working capital in % of annualized Group revenue

Factoring
Operating cash flow
Free cash flow adj.

Gross cash flow

lenzing.com

08.08.2018 - 43
Appendix

Equity story
Lenzing – Our mission

“Lenzing is a performance materials company that turns CO\textsubscript{2} and sunlight into highly functional, emotional and aesthetic products across the globe”
Global fiber market at a glance

2017e consumption numbers

106 mn tons

- 24.7% Cotton
- 63.8% Synthetic fibers
- 4.3% Other natural fibers
- 1.1% Wool
- 6.1% Wood-based cellulose fibers
- Lyocell
- Modal
- Viscose

1) Incl. bast, flax, hemp, jute, silk and allied fibers
2) Wood-based and cotton linter-based cellulose fibers including Viscose, Lyocell, Modal, Acetate, Cupro, …

Sources: CIRFS, The Fiber Year, The Fiber Organon, Lenzing estimates
Lenzing – Market leader in all three fiber generations

<table>
<thead>
<tr>
<th>Fiber Types</th>
<th>Market Position</th>
<th>Competitive Intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lyocell</td>
<td># 1</td>
<td>Low</td>
</tr>
<tr>
<td>Modal</td>
<td># 1</td>
<td>Medium</td>
</tr>
<tr>
<td>Viscose</td>
<td># 2</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Lenzing data 2017, CCFG, CCFEI
Lenzing is the only player with European roots in the viscose staple fibers market\(^1\) (2017e) …

**Lenzing with 17% share of production**

- **Lenzing**: 17%
- **Others**: 18%
- **Xiangsheng**: 5%
- **Aoyang**: 5%
- **Grace**: 5%
- **Yamei**: 5%
- **Tangshan**: 8%
- **Sateri**: 9%
- **Zhongtai**\(^3\): 11%

5.3 mn tons

**Lenzing with 16% share of capacities**\(^2\)

- **Lenzing**: 16%
- **Birla**: 17%
- **Xiangsheng**: 4%
- **Aoyang**: 5%
- **Grace**: 5%
- **Yamei**: 5%
- **Tangshan**: 8%
- **Sateri**: 9%
- **Zhongtai**\(^3\): 11%

6.2 mn tons

---

1) Viscose staple fibers (including Modal and Lyocell fibers), excluding viscose filaments, acetate tow, cigarette filters
2) Based on latest available company information from company websites and annual/interim reports
3) Fulida Kuerle, Tiantai Xinjiang, Fulida Alaer, Shungquan Manasi

Sources: CIRFS, FEB, Trade statistics, Company estimates
... and is a global leader in wood-based cellulose fibers

Balanced exposure to matured and emerging markets
Fiber revenue by region

North Asia 38%
AMEA (Asia, Middle East and Africa) 35%
Europe & Americas 27%

Global network of production sites and sales offices
2017 footprint

Source: Lenzing data as at June 30, 2018
Capacity 2018¹: A global footprint

Europe²

- China
  - 2017: 178 metric tons
  - 2018e: 178 metric tons

- USA
  - 2017: 51 metric tons
  - 2018e: 54 metric tons

- Indonesia
  - 2017: 323 metric tons
  - 2018e: 323 metric tons

- Total pulp capacity
  - 2017: 570 metric tons
  - 2018e: 575 metric tons

1. Figures are shown in k metric tons, year-end name plate capacity
2. Includes Lenzing (A), Heiligenkreuz (A) and Grimsby (UK)
3. Lenzing fiber types

www.lenzing.com
# Textile and Nonwovens are the two main applications

## Textile

<table>
<thead>
<tr>
<th>Size</th>
<th>~90 mt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional focus</td>
<td>Over 90% of spinning and fabric making located in China, India and Asia-Pacific</td>
</tr>
<tr>
<td>Fragmentation</td>
<td>High</td>
</tr>
<tr>
<td>Decision making</td>
<td>Brands/retailers with some influence of fabric makers</td>
</tr>
</tbody>
</table>
| Key drivers | 1. Ongoing trend towards lower cost fashion  
 2. Trends towards sustainability, convenience and functionality  
 3. Volatile demand due to fast fashion and changing trends |
| End users | Markets strongly driven by end-consumers |

## Nonwovens

<table>
<thead>
<tr>
<th>Size</th>
<th>~10 mt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional focus</td>
<td>Mainly a regional market (due to high logistic costs)</td>
</tr>
<tr>
<td>Fragmentation</td>
<td>Low: Top 5 to 10 players hold between 60-80% share</td>
</tr>
<tr>
<td>Decision making</td>
<td>Brands and converters</td>
</tr>
</tbody>
</table>
| Key drivers | 1. Due to disposability of products high focus on cost  
 2. Flushability and bio-degradable is an emerging differentiator  
 3. Wood-based fibers\(^1\) adding performance to products |
| End users | Strong focus on application of product |

---

1) Wood-based and cotton linter-based cellulose fibers  
Source: ICAC 2017, Smithers Apex 2015, Fiber Year 2017  
[www.lenzing.com](http://www.lenzing.com)
Long-term interfiber price development

Staple fiber prices – Development in China

1) Price development until July 17th, 2018
VAT-rate-reduction (valid since May 1, 2018): VSF and PSF from 17% to 16%; Cotton from 11% to 10%

Sources: China Cotton Association, China Chemical & Fiber Economic Information Network, China Chemical Fiber Group

www.lenzing.com
Sales and marketing – Customer concentration

Textiles – Percent of sales by customers (2017¹)

<table>
<thead>
<tr>
<th></th>
<th>Top 5</th>
<th>Top 10</th>
<th>Top 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>21%</td>
<td>30%</td>
<td>44.5%</td>
<td></td>
</tr>
</tbody>
</table>

Nonwovens – Percent of sales by customers (2017¹)

<table>
<thead>
<tr>
<th></th>
<th>Top 5</th>
<th>Top 10</th>
<th>Top 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>35%</td>
<td>47.5%</td>
<td>61.2%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Lenzing data 2017
Lenzing underpins its innovation leadership
Industry leading R&D spend (EUR 55.4\(^1\) mn in 2017)

- R&D is an essential part of the sCore TEN strategy and contributes to all five fields
- Substantial progress with respect to strategic innovations and thus looking at a healthy R&D pipeline affecting focus areas
  - Fiber process innovation (e.g. for new plants in Mobile and Prachinburi), pulp integration, biorefinery concept
  - Fibers fulfilling highest environmental demands: REFIBRA\(^{TM}\) technology and LENZING\(^{TM}\) ECOVERO\(^{TM}\) fibers
  - TENCEL\(^{TM}\) Luxe – a novel lyocell filament for luxury fashion
  - New Application and Innovation Center in Hong Kong in addition to the facilities existing in Lenzing
- Strong investment in R&D infrastructure in 2016/17 – increasing running costs over the last five years
- As of December 2017, Lenzing owned 1,274 patent applications and patents in 49 countries belonging to 215 patent families as well as 2,487 trademark applications and trademarks in 118 countries belonging to 115 trademark families

R&D expenses (2014-2017)\(^1\)

![Graph showing R&D expenses from 2014 to 2017 with a steady increase]

Source: Lenzing
1) Pursuant Frascati
LENZING™ ECOVERO™
The new standard in eco-responsible viscose

- LENZING™ ECOVERO™ fibers are the innovative and unique answer to the increasing demand for sustainable products along the textile value chain

- Worldwide highest environmental standards in the viscose production relying on three major pillars
  - Use of certified and controlled wood (FSC®, PEFC™)
  - Sustainable production process proven by third parties (Higg index, EU Eco label)
  - Innovative identification system allows everyone in the supply chain transparency in all processing steps (yarn, fabric, ready made garment)

- LENZING™ ECOVERO™ fibers are positioned as specialty fibers in the viscose segment

Note: “These Results were calculated using the Higg Material Sustainability Index (Higg MSI) tools provided by the Sustainable Apparel Coalition. The Higg MSI tools assess impacts of materials from cradle-to-gate for a finished material (e.g. to the point at which the materials are ready to be assembled into a product). However, this figure only shows impacts from cradle to fiber production gate. Higg MSI score of Lenzing™ ECOVERO™ was calculated based on Lenzing fibers which are already in the Higg MSI.”
Lyocell fibers with REFIBRA™ technology
Contribution to circular economy

- Solves waste problems in the society and saves resources by replacement of virgin cotton fibers
- Environmentally responsible closed loop process
- High resource efficiency and low ecological impact
- Solvent-spinning process recycles process water and reuses the solvent at a rate of more than 99%
Looking forward: Megatrends support fiber demand growth

Population growth and higher purchasing power in the emerging markets drive overall fiber growth

Population growth and higher purchasing power in the emerging markets drive overall fiber growth

**Population growth and higher purchasing power in the emerging markets drive overall fiber growth**

- **World**
  - Population (bn): 6.1, 6.9, 7.8
  - GDP per capita (current prices) (ths. USD/capita): 5.7, 9.7, 12.2
  - Fiber consumption (kg/capita): 9.4, 11.9, 14.8

**Source:** IMF 2017, World Bank, The Fiber Year 2017, Lenzing estimates

**www.lenzing.com**
**Wood-based fibers\(^1\) outgrow market**

**Expected growth of global fiber demand until 2020**

- **Wood-based fibers\(^1\)**: 5-6% p.a.
- **Synthetic fibers**: 3-4% p.a.
- **Cotton**: 1-2% p.a.
- **Total fiber market**: 3-4% p.a.

1) Wood-based and cotton linter-based cellulose fibers (Viscose, Modal, Lyocell and other (acetate, cupro) both staple fiber and filament)

2) Projected

Source: ICAC 2017, The Fiber Year 2017, Lenzing data
Asia Pacific remains the growth engine in global textiles

Global apparel demand by value¹ (2005-2020)

<table>
<thead>
<tr>
<th>Year</th>
<th>Asia Pacific</th>
<th>North America</th>
<th>Europe</th>
<th>ROW</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>39%</td>
<td>26%</td>
<td>12%</td>
<td>23%</td>
</tr>
<tr>
<td>2015</td>
<td>36%</td>
<td>22%</td>
<td>14%</td>
<td>22%</td>
</tr>
<tr>
<td>2020e</td>
<td>38%</td>
<td>22%</td>
<td>14%</td>
<td>26%</td>
</tr>
</tbody>
</table>

CAGR (2015-2020e)

- Asia Pacific: 4%
- North America: 2%
- Europe: 2%
- ROW: 3%

1) Based on current prices and historic year-on-year exchange rates

Source: Euromonitor 2018, Lenzing

www.lenzing.com
Sustainability is gaining importance

Less than 1% of global water resources is available as fresh water for people
- But water consumption is rising due to population growth and changing consumption habits

Arable land is decreasing due to erosion and urbanization
- With a growing global population, this intensifies the competition for farm land

Oil is a finite resource causing negative externalities
- Sooner or later “peak oil” will be reached
- New sources can only be tapped by taking high ecological risks
Lenzing’s sustainability strategy

“Lenzing balances the needs of society, the environment and shareholders and is a sustainability leader in its industry. Creating substantially more positive impacts or benefits is the guiding torch for our innovation and business practices.”

● Four focus areas
  ● Wood security
  ● Water stewardship
  ● De-carbonization
  ● Sustainable innovations

● Reinforce the spheres of influence
  ● Partnering for systemic change
  ● Empowering people
  ● Enhancing community well-being
Certificates and recognitions

- VÖNIX (Austrian Sustainability Index)
- The European Eco-Label (European Flower)
- Responsible Care®
- OEKO-TEX® Standard 100
- European Award for the Environment (TENCEL™ fibers)
- PEFC™ (Chain of Custody)
- FSC® (Chain of Custody)
- 100% USDA Biobased certification for all Lenzing fibers (LENZING™ FR at 99%)
- OK compost HOME (TÜV AUSTRIA BELGIUM)
- OK biodegradable SOIL (TÜV AUSTRIA BELGIUM)
- OK biodegradable MARINE (TÜV AUSTRIA BELGIUM)
- Food contact compliance (mainly based on European legislation / certain standard fibers)
- MEDICALLY TESTED – TESTED FOR TOXINS
- FAIRTRADE INTERNATIONAL Textile Standard Responsible Fibres
Lenzing has a strict wood and pulp sourcing policy in place.

Lenzing does not source any wood or dissolving wood pulp from ancient and endangered forests as well as high conservation value areas.

Lenzing is committed to sourcing wood and dissolving wood pulp exclusively from non-controversial sources.

All Lenzing production sites are FSC® (Chain of Custody) certified.

The wood processed in Lenzing (Austria) and Paskov (Czech Republic) is procured by a team of experts who are educated and well-trained foresters with reliable long-term relationships to the suppliers.
Wood and pulp certifications in the Lenzing Group

Certification status of total wood and pulp used by Lenzing production sites, own and purchased pulp 2017

Basis: Pulp used by Lenzing for fiber production

Non-certified pulp was used for R&D purposes
Highly efficient use of the raw materials

The Lenzing site is fully integrated. Dissolving wood pulp production at the Lenzing and Paskov sites achieve a wood utilization rate of about 100% (incl. energy use).

Highly efficient use of the raw material wood at the Lenzing Group’s biorefineries

Wood → Biorefinery →
- ~40% Pulp
- ~10% Biobased chemicals: acetic acid, furfural, xylose, soda
- ~50% Bioenergy
Fiber production fully secured by a robust pulp supply

Level of backward integration: Own pulp supply in percentage of annual fiber capacity

- >50% secured by own pulp production
- Remaining pulp is secured through long-term contracts

Total annual fiber capacity (100%)

- 2013: 58%
- 2014: 56%
- 2015: 56%
- 2016: 56%
- 2017: 56%
DWP market is relatively concentrated with significant link to paper pulp market

DP for WBCF supply, 2017, mt

<table>
<thead>
<tr>
<th>Total</th>
<th>Other (CLP, other)</th>
<th>DWP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
</tr>
</tbody>
</table>

Capacity distribution, 2017, %

- Lenzing: 10%
- Sateri: 15%
- Birla: 10%
- Sappi: 21%
- Sun Paper: 3%
- Jari: 5%
- Rayonier: 4%
- Hunan Juntai: 4%
- Other: 28%

Forecasted capacity, mt

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>Additional</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6</td>
<td>~80%</td>
<td>8</td>
</tr>
<tr>
<td>thereof swing capacity (PP/DWP)</td>
<td>~20%</td>
<td>~30%</td>
<td></td>
</tr>
</tbody>
</table>
The strategy – driving value growth

sCoreTEN

- Strengthen the Core
- Customer Intimacy
- Specialization
- New Business Areas
- Forward Solutions
Strengthen the Core

- Further strengthen pulp position via backward integration and/or strategic co-operations
- Maintain quality leadership
- Deliver EUR 50 mn EBITDA by 2017 with commercial and operational excellence program
- Strengthen our co-products business
- Grow viscose position via strategic partnerships
- Finalize restructuring technical units
Customer Intimacy, Specialization, Forward Solutions and New Business Areas

1. Secure #1 lyocell and modal leadership position via capacity expansion program
2. Increase management presence and decision power in the regions
3. Focus on high-value eco-friendly specialty fibers
4. Move selectively forward in the value chain via new game-changing technologies
5. Select and establish new emerging business areas

Target 50% of revenue from specialty fibers by 2020
Backup
LENZING™ fibers field of application

Textile

Active

Home

Denim

Intimate

Luxe
LENZING™ fibers field of application

Nonwovens

Beauty

Body

Surface

Intimate
LENZING™ fibers field of application

Industrial

- Agriculture
- Workwear
- Protective Wear
- Engineering Products
- Packaging
- Biorefinery Products
- Footwear
Overview of B & C Privatstiftung (B & C Private Foundation)¹

- B & C holds a little more than 50.00%.
- Its purpose is the promotion of Austrian entrepreneurship.
- B & C Holding Österreich GmbH is the management holding of B & C Foundation with five representatives on Lenzing’s Supervisory Board.
- As the core shareholder, B & C takes a long-term view and supports the strategy of Lenzing Group.

Contacts and financial calendar

Investor Relations contact

- Stephanie Kniep
  Head of Investor Relations
  Corporate Communications & Investor Relations
  - Phone: +43 7672 701 4032
  - Fax: +43 7672 918 4032
  - E-Mail: s.kniep@lenzing.com

- Visit our IR website
- Visit our SRI sites

Financial calendar

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full year results 2017</td>
<td>March 14, 2018</td>
</tr>
<tr>
<td>74th Annual General Meeting</td>
<td>April 12, 2018</td>
</tr>
<tr>
<td>Results 01-03/2018</td>
<td>May 8, 2018</td>
</tr>
<tr>
<td>Half-year results 2018</td>
<td>August 8, 2018</td>
</tr>
<tr>
<td>Results 01-09/2018</td>
<td>November 7, 2018</td>
</tr>
</tbody>
</table>