

Lenzing

Innovative by nature

Interim Report



01-09/2022

Lenzing Group

Selected Indicators of the Lenzing Group

Key earnings and profitability figures

EUR mn	01-09/2022	01-09/2021	Change
Revenue	1,970.1	1,588.5	24.0%
EBITDA (earnings before interest, tax, depreciation and amortization)	263.0	297.6	(11.6)%
EBITDA margin	13.3%	18.7%	
EBIT (earnings before interest and tax)	112.6	178.3	(36.9)%
EBIT margin	5.7%	11.2%	
EBT (earnings before tax)	126.4	159.6	(20.8)%
Net profit/loss for the year (/the period)	74.9	113.4	(33.9)%
Earnings per share in EUR	2.16	3.77	(42.7)%

Key cash flow figures

EUR mn	01-09/2022	01-09/2021	Change
Gross cash flow	248.2	301.1	(17.6)%
Cash flow from operating activities	34.8	307.8	(88.7)%
Free cash flow	(495.8)	(317.9)	56.0%
CAPEX	532.0	631.1	(15.7)%
EUR mn	30/09/2022	31/12/2021	Change
Liquid assets	756.2	1,124.1	(32.7)%
Unused credit facilities	240.7	454.5	(47.0)%

Key balance sheet figures

EUR mn	30/09/2022	31/12/2021	Change
Total assets	6,006.6	5,322.8	12.8%
Adjusted equity	2,261.5	2,115.7	6.9%
Adjusted equity ratio	37.7%	39.7%	
Net financial debt	1,714.2	977.0	75.4%
Net debt	1,795.6	1,079.3	66.4%
Net gearing	75.8%	46.2%	
Trading working capital	568.2	387.4	46.7%
Trading working capital to annualized group revenue	21.0%	16.0%	

Key stock market figures

EUR	30/09/2022	31/12/2021	Change
Market capitalization in mn	1,481.5	3,239.1	(54.3)%
Share price	55.80	122.00	(54.3)%

Employees

	30/09/2022	31/12/2021	Change
Number (headcount)	8,428	7,958	5.9%

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-q3>, 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 01-09/2022

The ongoing war in Ukraine, China's zero-Covid policy, as well as the simmering energy crisis in Europe and generally high inflation in large parts of the world are exerting an increasingly negative impact on the global economy. In its October outlook, the International Monetary Fund downgraded its growth forecast for next year to 2.7 percent. In the current calendar year, the global economy is forecast to expand by 3.2 percent. In China, consumer confidence remained at a historically low level. In some European countries, consumer confidence deteriorated even further from the long-term lows recorded at the mid-year stage.¹

Sentiment in the textile industry deteriorated further in the third quarter of 2022. Sentiment relating to the current business environment is continuing to worsen, according to a global survey conducted by the International Textile Manufacturers Federation (ITMF).² However, expectations for the business outlook proved to be even more downbeat than sentiment relating to the current business situation. Market participants are particularly concerned about a further drop in demand.

Retail sales of apparel reflect a negative trend in many countries due to a low level of low consumer confidence and falling household incomes in real terms. In a situation of great economic uncertainty, this is leading to a wait-and-see approach to the placing of orders and rising stocks along the textile value chain.

Cotton prices dropped sharply by 26 percent during the third quarter and stood at around 104 US cents per pound at the end of September, as measured by the Cotlook A index. The more restrictive monetary policies pursued by many central banks and the deteriorating economic outlook, combined with the weakening in consumer demand, have led to falling prices on the cotton market as well as on international commodity markets. By historical standards, however, cotton prices remain at elevated levels.

The price of polyester staple fiber in China decreased by 9 percent during the third quarter and stood at RMB 7,725 per tonne at the end of September. In addition to weakening crude oil prices, lower demand also caused prices to fall.

Standard viscose prices in China decreased by 12 percent during the third quarter to RMB 13,500 per tonne at the end of September. Diminishing demand put prices under pressure from mid-July onward. In anticipation of further price falls, yarn spinning mills held back on purchases, which led to higher stock levels. Viscose producers that lack backwards integration came under additional pressure due to continued high costs for dissolving wood pulp and chemicals.

Prices for wood-based specialty fibers such as TENCEL™, LENZING™ ECOVERO™ and VEOCEL™ branded fibers rose during the third quarter despite the general price development on the global fiber market.

The Chinese import price for hardwood-based dissolving wood pulp, the key raw material for the production of wood-based cellulosic fibers, recorded a further slight increase to USD 1,220 per tonne at the start of the third quarter, mainly due to production cuts by some producers. Nevertheless, the quarter saw a 13 percent decrease to USD 1,048 per tonne by the end of September. The price of paper pulp increased by 2 percent over the same period.

During the first three quarters of 2022, the Lenzing Group – like the entire manufacturing industry – was increasingly affected by the extreme developments on global energy and commodity markets. The market environment deteriorated sharply, especially during the course of the third quarter, and the worsening consumer climate placed additional pressure on Lenzing's business performance.

Revenue grew by 24 percent year-on-year to reach EUR 1.97 bn in the first three quarters of 2022, with slightly lower sales volumes, primarily due to higher fiber prices. Currency effects bolstered this price trend.

In addition to lower demand, the earnings trend particularly reflects the sharp rise in energy and raw material costs. As a consequence, earnings before interest, tax, depreciation and amortization (EBITDA) decreased by 11.6 percent year-on-year to EUR 263 mn in the first three quarters of 2022. The EBITDA margin reduced from 18.7 to 13.3 percent. Earnings before interest and tax (EBIT) amounted to EUR 112.6 mn (compared to EUR 178.3 mn in the first three quarters of 2021) and the EBIT margin stood at 5.7 percent (compared to 11.2 percent in the first three quarters of 2021). Earnings before tax (EBT) amounted to EUR 126.4 mn (compared to EUR 159.6 mn in the first three quarters of 2021).

Both this development and the significant deterioration in the market environment led the Lenzing Managing Board to launch a reorganization and cost reduction program. The program is already being implemented and is expected to save at least EUR 70 mn in costs annualized once fully implemented.

The tax expense of EUR 51.5 mn (after EUR 46.2 mn in the first three quarters of 2021) is influenced by currency effects due to the translation of tax items from local to functional currency as well as to some Group companies applying valuation allowances to tax assets.

Gross cash flow reduced by 17.6 percent to EUR 248.2 mn in the first three quarters of 2022, mainly reflecting the cost developments. Due to the higher level of working capital, cash flow from operating activities amounted to EUR 34.8 mn (compared to EUR 307.8 mn in the first three quarters of 2021). Free cash flow amounted to EUR minus 495.8 mn (compared to EUR minus 317.9 mn in the first three quarters of 2021), which especially reflected the investment activities related to the pulp project in Brazil. Capital expenditure on intangible assets, on property, plant and equipment and on biological assets (CAPEX) decreased by

¹ Source: IMF, World Economic Outlook, October 2022

² Source: ITMF, 16th Corona Survey, September 2022

15.7 percent to EUR 532 mn. The continued high level of investment volume primarily reflects the completion of the pulp project in Brazil. Liquid assets reduced by 32.7 percent compared to December 31, 2021, and amounted to EUR 756.2 bn as of the end of September 2022.

Total assets rose by 12.8 percent compared to December 31, 2021 and amounted to more than EUR 6 bn as of the end of September 2022. The most significant changes relate to the increase in property, plant and equipment due to investment activities and the associated increase in financial liabilities.

Adjusted equity grew by 6.9 percent to EUR 2.26 bn as a consequence of the operating profit trend and positive currency effects. As a consequence, the adjusted equity ratio is at 37.7 percent. Net financial debt amounted to EUR 1.71 billion as of the end of September 2022 (compared to EUR 977 mn as of December 31, 2021), whereby the higher level especially reflects the financing of the pulp project in Brazil. Accordingly, net gearing rose to 75.8 percent as of the reporting date (December 31, 2021: 46.2 percent). Trading working capital expanded by 46.7 percent to EUR 568.2 mn, mainly reflecting an increase in inventories of EUR 250 mn due to higher manufacturing costs as well as the start-up of the new plants in Thailand and in Brazil. This was offset by a positive effect of EUR 45.4 mn from the factoring program.

The successful commissioning of the two key projects in Thailand and Brazil as well as the implementation of projects at the existing sites in China and Indonesia formed the focus of Lenzing's investment activities in the first three quarters of 2022.

The opening of the lyocell plant in Thailand in the first quarter of 2022 enables Lenzing to significantly boost its share of specialties and thereby better serve structurally growing demand for TENCEL™ branded lyocell fibers. Despite the pandemic-related challenges, the project was realized on time and within the planned budget, and the volumes produced to date were successfully placed on the market. With a nameplate capacity of 100,000 tonnes per year, the production plant is the largest of its kind in the world.

Lenzing is currently investing more than EUR 200 mn in China and Indonesia in order to convert existing standard viscose capacities into capacities for environmentally responsible specialty fibers. In Nanjing, Lenzing is working on converting a line to modal fiber production. The Chinese location's product portfolio will thereby consist entirely of specialty fibers by the end of 2022. In Purwakarta, Lenzing is creating additional capacity for LENZING™ ECOVERO™ fibers. The Indonesian site will become a pure specialty viscose supplier in 2023.

As part of these investments, both sites will be gradually converted to renewable energy; conversion to green electricity was realized in the third quarter of 2022 in China and in Indonesia. Both the new lyocell plant in Thailand, which is operated in a carbon-neutral manner, and the investments in existing sites will help Lenzing achieve its ambitious climate targets. Lenzing aims to reduce its carbon emissions by 50 percent by 2030 and achieve net zero by 2050. In 2019, Lenzing became the world's first manufacturer of

wood-based cellulosic fibers to have its climate targets scientifically confirmed.

With the new pulp plant in Brazil, Lenzing is strengthening its own supply of dissolving wood pulp and thereby also growth in specialty fibers. It will rank as one of the world's most productive and energy-efficient plants and feed more than 50 percent of the electricity generated into the public grid as renewable energy. With the successful start-up on schedule, Lenzing, which holds a 51 percent interest in the LD Celulose joint venture, reached a further important milestone. The plant ramp-up phase will prospectively be completed by the end of 2022. The first volumes produced have already been successfully placed on the market.

In order to become less dependent on global energy markets and to further reduce carbon emissions in line with its strategic targets, Lenzing is also focusing to an even greater extent on electricity generated from renewable energies in Austria. During the reporting period, Lenzing constructed several photovoltaic plants at the Lenzing site in Upper Austria together with Austrian energy utility VERBUND. With a capacity of 5.6 MWp, the ground-mounted plant is the largest of its kind in this entire federal state. The output of the three roof systems amounts to 1.5 MWp.

Lenzing also announced the signing of a long-term electricity supply agreement with green power producer Eney and Energie Steiermark. Once commissioned, the photovoltaic plant that has thereby been financed will supply the fiber and pulp plant at the Lenzing site with further green electricity from the fourth quarter of 2023. The plant's output will amount to 5.5 MWp.

In March 2022, Stephan Sielaff was appointed as the new Chief Executive Officer of Lenzing. As of April 1, Sielaff succeeded Cord Prinzhorn, who took over as interim CEO in the fourth quarter of 2021. This reduced the Managing Board from five to four members. The Managing Board mandate of Chief Pulp Officer Christian Skilich was extended early by a further three years until May 31, 2026. The Lenzing Supervisory Board also appointed Nico Reiner as the new Chief Financial Officer with effect as of January 1, 2023. In this position he succeeds Thomas Obendrauf, who informed the Supervisory Board in March that he would not be available for a further extension of his contract, which expired in June 2022. Until Nico Reiner joins the company, Sielaff will continue to perform the duties of the CFO on an interim basis, while Thomas Obendrauf will support the company in an advisory capacity.

A comprehensive review of the corporate strategy was also conducted in the reporting period. As a consequence, Lenzing will continue on its profitable growth trajectory following the successful implementation of the two key projects in Thailand and Brazil, sharpen its focus on sustainable and high-quality premium textile fibers and nonwoven fibers, and further advance the transition from a linear to a circular economy model. On the basis of this further development of the corporate strategy, Lenzing also adjusted its financial targets and, assuming that a healthy economic environment prevails, will significantly increase its EBITDA to over EUR 1 bn by 2027, with a ROCE of over 12 percent.¹

¹ Adjusted for major plants under construction and in the start-up phase

In line with the corporate strategy that it has further developed, Lenzing will further strengthen its recycling activities and accelerate the transformation of the textile and nonwovens industries from a linear to a circular economy model. Lenzing has proactively developed and promoted innovations in recycling for several years (such as the REFIBRA™ and Eco Cycle technologies) in order to provide solutions to the global textile waste problem. Since 2021, Lenzing has also been working with Swedish pulp producer Södra to jointly develop new processes for the recycling of used textiles. The two companies are also planning to expand capacity to recover pulp from used textiles. The goal is to recycle approximately 25,000 tonnes of used textiles per year by 2025.

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 is celebrating 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, and is the fastest growing ingredient brand on the market. 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.

For the second time, Lenzing was awarded platinum status for its sustainability performance by EcoVadis, a leading international provider of corporate sustainability ratings. This places Lenzing in the top one percent of companies worldwide in its industry as rated by EcoVadis. Already 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 and MSCI.

Outlook

The war in Ukraine, China's zero-Covid policy and the sharp rise in inflation have had a significant impact on the global economy. In July, the International Monetary Fund downgraded its growth expectations for the current calendar year to 3.2 percent. This deterioration in the market environment is also increasingly affecting the consumer climate as well as sentiment in industries relevant for Lenzing. As a consequence, business prospects worsened significantly in the third quarter.

Given this deterioration in the market environment, Lenzing suspended its earnings guidance for the 2022 financial year on September 19, 2022.

The Lenzing Group anticipates earnings in the 2022 financial year in line with current market expectations.

Lenzing, October 31, 2022

Lenzing Aktiengesellschaft

The Managing Board

Stephan Sielaff

Chief Executive Officer and Chief Financial Officer a.i.

Robert van de Kerkhof

Chief Commercial Officer Fiber

Christian Skilich

Chief Pulp Officer

Consolidated Income Statement (condensed)

for the period from January 1 to September 30, 2022

	EUR mn			
	07-09/2022	07-09/2021	01-09/2022	01-09/2021
Revenue	676.5	555.2	1,970.1	1,588.5
Cost of sales	(583.3)	(433.6)	(1,593.7)	(1,192.1)
Gross profit	93.2	121.6	376.4	396.4
Other operating income	37.2	15.1	81.0	55.1
Selling expenses	(78.8)	(58.5)	(219.0)	(162.6)
Administrative expenses	(29.3)	(32.5)	(102.0)	(92.8)
Research and development expenses	(4.9)	(6.1)	(19.7)	(17.4)
Other operating expenses	(0.6)	(0.4)	(4.1)	(0.4)
Earnings before interest and tax (EBIT)	16.9	39.3	112.6	178.3
Financial result	9.4	(3.5)	13.9	(18.6)
Earnings before tax (EBT)	26.4	35.9	126.4	159.6
Income tax expense	(23.8)	(18.6)	(51.5)	(46.2)
Net profit for the period	2.6	17.3	74.9	113.4
Attributable to:				
Shareholders of Lenzing AG	(5.3)	18.8	57.3	100.0
Non-controlling interests	0.8	(8.7)	(4.0)	(8.2)
Share planned for hybrid capital owners	7.2	7.2	21.6	21.6
Earnings per share	EUR	EUR	EUR	EUR
Diluted = basic	(0.20)	0.71	2.16	3.77

Consolidated Statement of Comprehensive Income (condensed)

for the period from January 1 to September 30, 2022

	EUR mn			
	07-09/2022	07-09/2021	01-09/2022	01-09/2021
Net profit for the period as per consolidated income statement	2.6	17.3	74.9	113.4
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liability	5.4	0.0	20.4	0.0
Financial assets measured at fair value through other comprehensive income	(4.8)	5.0	(18.9)	29.7
Income tax relating to these components of other comprehensive income	(0.2)	(1.3)	(0.4)	(7.4)
	0.5	3.8	1.1	22.3
Items that may be reclassified to profit or loss				
Foreign operations – foreign currency translation differences	96.8	21.9	178.5	66.9
Financial assets measured at fair value through other comprehensive income	0.0	0.0	0.0	0.1
Cash flow hedges	7.2	(12.6)	42.2	(19.8)
Income tax relating to these components of other comprehensive income	(9.9)	(0.1)	(25.2)	(1.3)
Investments accounted for using the equity method - share of other comprehensive income (net of tax)	1.0	(1.1)	3.4	0.1
	95.0	8.1	198.9	46.0
Other comprehensive income (net of tax)	95.5	11.9	200.0	68.3
Total comprehensive income	98.1	29.1	275.0	181.8
Attributable to:				
Shareholders of Lenzing AG	65.3	30.8	207.6	165.2
Non-controlling interests	25.7	(8.9)	45.8	(5.0)
Share planned for hybrid capital owners	7.2	7.2	21.6	21.6

Consolidated Statement of Financial Position (condensed)

as at September 30, 2022

EUR mn

Assets	30/09/2022	31/12/2021
Intangible assets, property, plant and equipment, right-of-use assets and biological assets	3,784.6	3,079.6
Investments accounted for using the equity method and financial assets	52.7	63.7
Deferred tax assets	3.0	3.6
Other non-current assets	123.3	57.7
Non-current assets	3,963.5	3,204.5
Inventories	726.9	477.0
Trade receivables	323.1	325.2
Other current assets	245.2	202.9
Cash and cash equivalents	747.8	1,113.3
Current assets	2,043.0	2,118.3
Total assets	6,006.6	5,322.8
Equity and liabilities	30/09/2022	31/12/2021
Equity attributable to shareholders of Lenzing AG	1,918.3	1,879.6
Non-controlling interests	286.9	192.5
Equity	2,205.2	2,072.1
Financial liabilities	2,301.0	1,981.0
Deferred tax liabilities	103.6	59.8
Provisions	88.6	118.2
Other non-current liabilities	329.8	254.8
Non-current liabilities	2,823.1	2,413.9
Financial liabilities	169.4	120.1
Trade payables	481.8	414.8
Provisions	35.5	39.1
Other current liabilities	291.6	262.8
Current liabilities	978.3	836.8
Total equity and liabilities	6,006.6	5,322.8

Consolidated Statement of Changes in Equity (condensed)

for the period from January 1 to September 30, 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	65.2	121.6	186.8	(5.0)	181.8
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	29.8	0.0	29.8	28.1	57.9
Acquisition/disposal of non-controlling interests and other changes in the scope of consolidation	0.0	0.0	0.0	0.0	(2.7)	(2.7)	2.7	0.0
Increase in capital	0.0	0.0	0.0	0.0	0.0	0.0	2.9	2.9
Measurement of puttable non-controlling interest recognized directly in equity	0.0	0.0	0.0	0.0	(26.5)	(26.5)	0.0	(26.5)
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	(29.2)	(29.2)	5.4	(23.8)
As at 30/09/2021	27.6	133.9	496.6	(22.9)	1,285.2	1,920.3	177.0	2,097.3
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	150.3	78.9	229.2	45.8	275.0
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	3.0	0.0	3.0	3.2	6.2
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	0.0	0.0	0.0	(5.0)	5.0	0.0	0.0	0.0
Increase in capital	0.0	0.0	0.0	0.0	0.0	0.0	45.6	45.6
Measurement of puttable non-controlling interest recognized directly in equity	0.0	0.0	0.0	0.0	(78.0)	(78.0)	0.0	(78.0)
Dividends paid	0.0	0.0	0.0	0.0	(115.5)	(115.5)	(0.2)	(115.6)
Transactions with equity holders	0.0	0.0	0.0	0.0	(193.5)	(193.5)	45.4	(148.0)
As at 30/09/2022	27.6	133.9	496.6	163.4	1,096.8	1,918.3	286.9	2,205.2

Consolidated Statement of Cash Flows (condensed)

for the period from January 1 to September 30, 2022

	EUR mn	
	01-09/2022	01-09/2021
Net profit for the period	74.9	113.4
+ Amortization of intangible assets and depreciation of property, plant and equipment, right-of-use assets and depletion of biological assets	151.9	120.7
-/+ Other non-cash income/expenses	21.3	67.0
Gross cash flow	248.2	301.1
+/- Change in inventories	(247.0)	(108.8)
+/- Change in receivables	(6.5)	(75.3)
+/- Change in liabilities	40.1	190.8
Change in working capital	(213.4)	6.7
Cash flow from operating activities	34.8	307.8
- Acquisition of intangible assets, property, plant and equipment and biological assets (CAPEX)	(532.0)	(631.1)
- Acquisition of financial assets and investments accounted for using the equity method	(0.2)	(6.9)
+ Proceeds from the sale of intangible assets, property, plant and equipment and biological assets	1.4	5.4
+ Proceeds from the sale/repayment of financial assets and the sale of investments accounted for using the equity method	9.4	5.3
Cash flow from investing activities	(521.4)	(627.2)
+ Capital injections to consolidated companies by non-controlling interests	44.7	2.8
- Dividends paid	(115.6)	(0.2)
+ Investment grants	0.0	1.0
+ Increase in other financial liabilities	243.1	579.8
- Repayment of bonds and private placements	(36.0)	(56.0)
- Repayment of other financial liabilities	(31.6)	(54.8)
Cash flow from financing activities	104.5	472.7
Total change in liquid funds	(382.1)	153.2
Liquid funds at the beginning of the year	1,113.3	1,070.0
Currency translation adjustment relating to liquid funds	16.6	12.3
Liquid funds at the end of the period	747.8	1,235.5
Additional information on payments in the cash flow from operating activities:		
Interest payments received	9.1	2.4
Interest payments made	22.1	16.8
Income taxes paid	38.2	19.8
Distributions received from investments accounted for using the equity method	0.8	0.3

The condensed consolidated interim financial statements as at September 30, 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 the 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.