



Innovative by nature

Lenzing Investor Presentation

Results 01-03/2018

May 8, 2018

Lenzing

Innovative by nature

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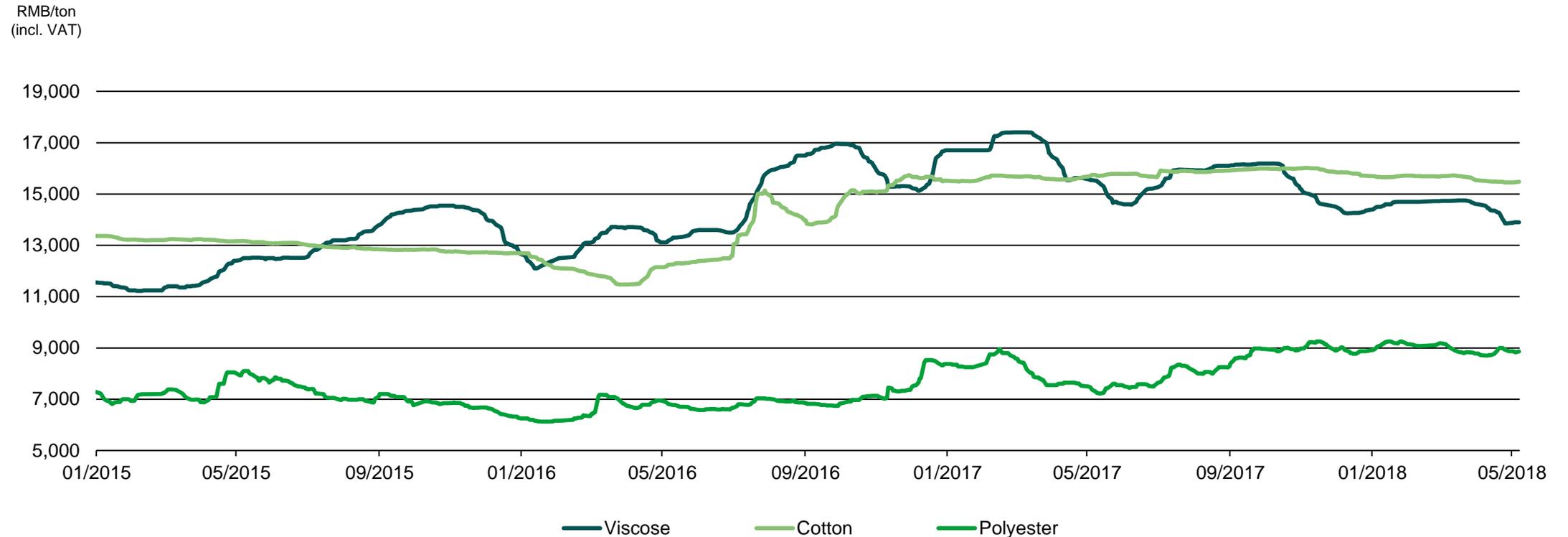
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- Definition and further details on the calculation of financial key indicators can be derived from the Management Report, the "Notes on financial performance indicators", the consolidated financial statements and the glossary in the Annual Financial Report. This report is also available online on the website of the Lenzing Group www.lenzing.com in the section "Investors".

Highlights Q1/2018

- Lenzing with a good first quarter in a more demanding market environment compared to Q1/2017
 - Group revenue down 6.1% to EUR 550.3 mn
 - EBITDA down 24.8% to EUR 101.6 mn
- Strong balance sheet
 - Adjusted equity ratio at 60.5%
 - Low net financial debt of EUR 11.6 mn
- Dividend of EUR 3.00 per share and increased special dividend of EUR 2.00 per share approved by AGM on April 12, 2018
- Execution of sCore TEN strategy in full swing
 - Pulp and lyocell expansions progress well
 - LENZING™ ECOVERO™ and TENCEL™ Luxe brand launches very promising
- Strong message to consumers – new master brand and product brand presented

Interfiber price development¹

Staple fiber prices in RMB/ton - Development in China



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

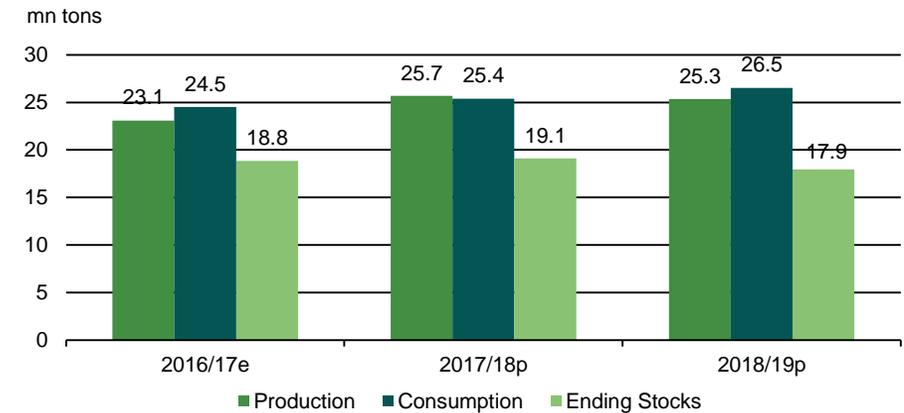
1) Price development until May 7, 2018

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

Cotton market with a positive outlook

- 2017/18: price projection for the average Cotlook A-Index: USD 83 cents/lbs
- Positive outlook for season 2018/19p
 - Cotlook A-Index price projection: USD 84 cents/lbs
 - Consumption is expected to continue rising due to
 - Rising production costs of synthetics
 - Growing awareness of environmental damage with respect to non-biodegradable plastics

Cotton market



Cotton stocks and China's share

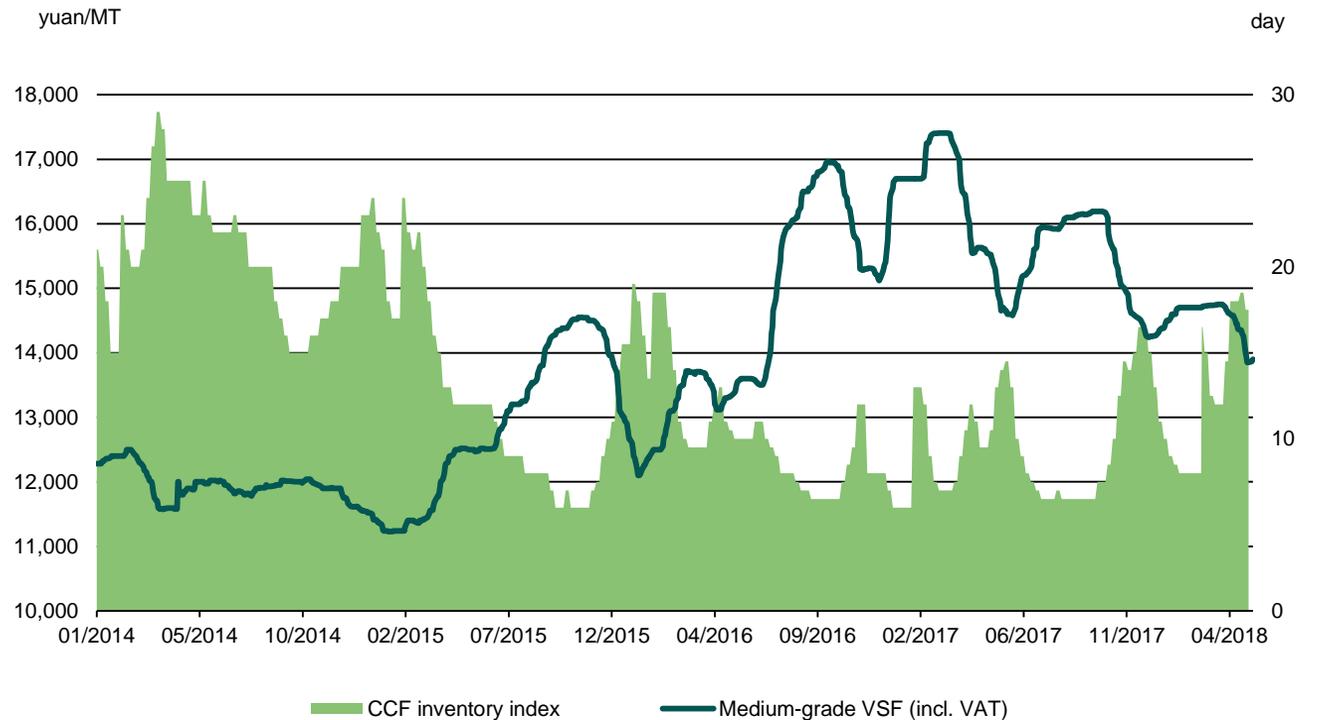


Sources: Cotton Outlook, ICAC April 1, 2018, percentage changes based on exact figures

Chinese VSF market

- Overall stable VSF-pricing in Q1 due to postponed start-ups of new capacities and rising input costs
- Since Q1-peak of RMB 14,750 in mid-March continuous price-decline
- VSF inventory inched up due to softer sales after Chinese New Year
- Increase in dissolving wood pulp price from 918 USD/MT up to currently 940 USD/MT

VSF¹ price trend and inventory of China



1) Viscose staple fibers, price development until May 3rd, 2018

Source: CCF Group

Launch of TENCEL™

- Cellulosics' growth goes along with increase in customer/consumer demand for quality apparel and home textile products
- „Feels so right“: Launch of the new textile premium brand TENCEL™
 - Focus on product quality, functional benefits and sustainable features
 - Work closely with brands and retailers to enable consumers to 'feel good, look good and do good' by choosing the “right” product
 - Transformation from a B2B fiber producer to a business-to-me (B2ME) brand
- Celebrating TENCEL™ at exclusive events in Paris, Istanbul, Tokyo and Shanghai



TENCEL™ Co-branding initiatives



Jos Berry x Lenzing Partnership f t yd in



Lenzing Teams Up with Lingerie Master Jos Berry to Introduce the Nature-inspired TENCEL™ Luxe Lounge Dress

Lenzing teamed up with Jos Berry, renowned lingerie master, Founder and Creative Director of Concepts Paris, to introduce a nature-inspired lounge dress made with TENCEL™ Luxe, a



Metro Jack Advertising campaign f t yd in



TENCEL™ Makes Tokyo Metro “Feels So Right” with Latest Advertising Campaign in Japan



Any Co-branding program f t yd in



Allbirds Goes Greener with its TENCEL™ Footwear-enabled “Tree” Line

Allbirds has recently unveiled the company’s “Tree” footwear line, which is made from TENCEL™ branded Lyocell fibers under the TENCEL™ Footwear branded offer. The brand-new “Tree” line is produced with fibers from botanic origin and according to Allbirds,



Any Co-branding program f t yd in



GAP Leads the Way to Sustainable Fashion

It all began with a simple idea to make it easier to find a pair of jeans and a commitment to do more 46 years ago. Since then, GAP has grown from a single store to a global fashion business. In 2017, in an



Any Co-branding program f t yd in



G-Star Dyes Denim with Colors Derived from Recycled Plant Waste

If any brand could take waste and make it look cool, it is probably G-Star RAW. The latest innovation from the Dutch designer clothing company is a denim dyeing technique that uses dyestuffs made from

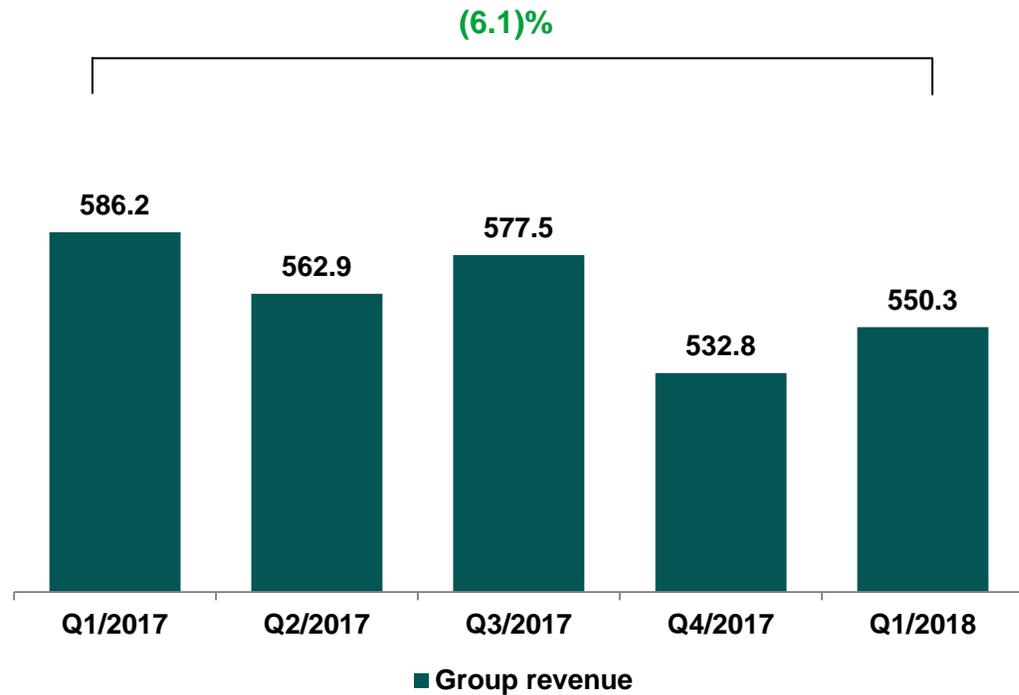


your brand

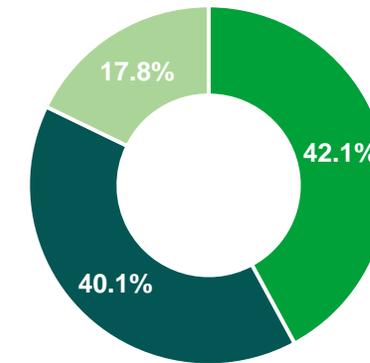
Versatile TENCEL™ Lyocell and Modal fibers of botanic origin define a new standard of sustainability and natural comfort for your brand

Financials – Revenue

EUR mn



Revenue split Q1/2018



- Specialty fibers¹
- Standard fibers
- Other business areas

1) LENZING™ Lyocell, LENZING™ Modal, LENZING™ Specialty Viscose

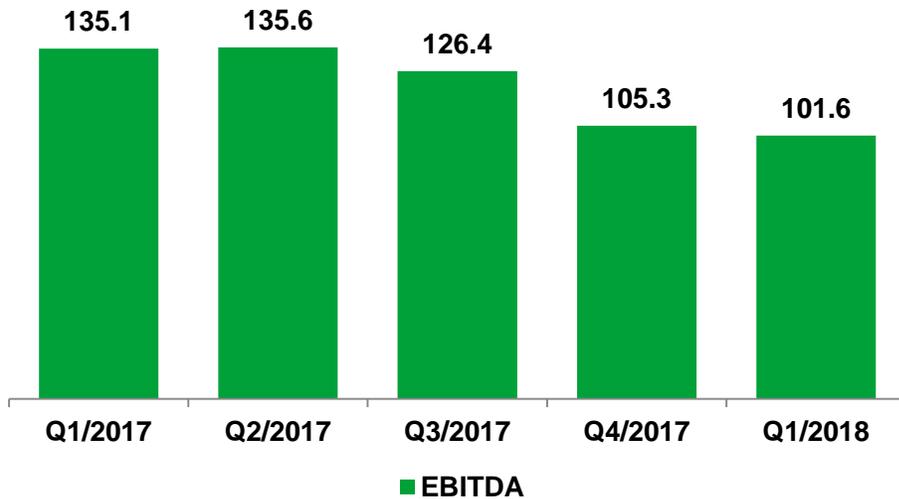
Financials – Earnings per quarter (1/2)

EBITDA margin

23.0% 24.1% 21.9% 19.8% 18.5%

EUR mn

(24.8)%

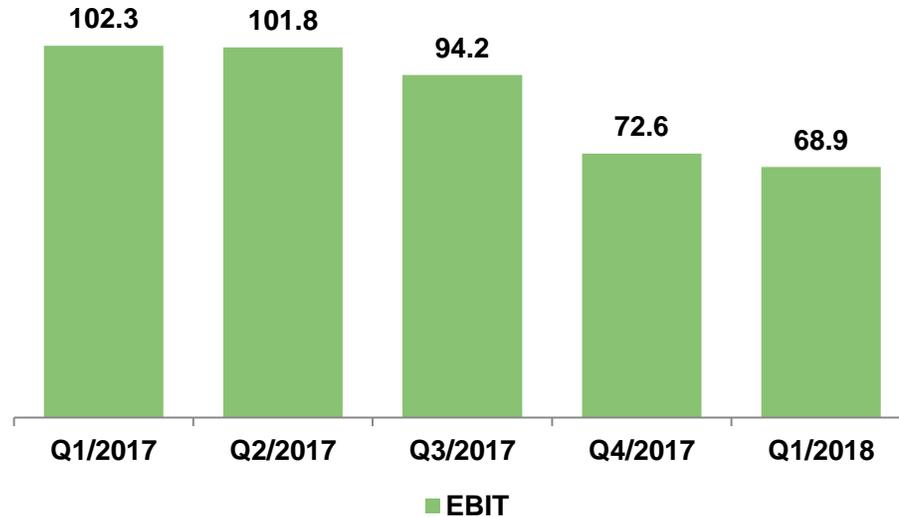


EBIT margin

17.5% 18.1% 16.3% 13.6% 12.5%

EUR mn

(32.7)%

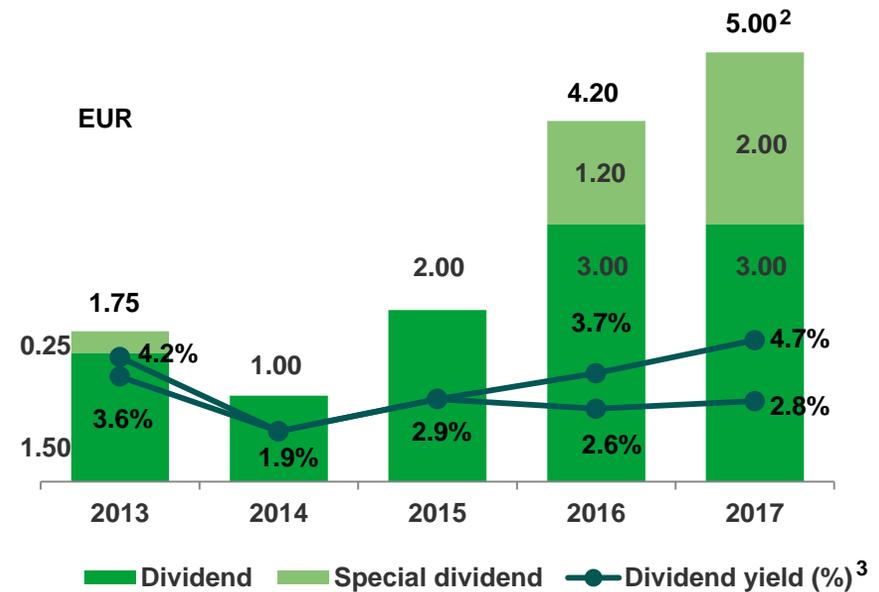
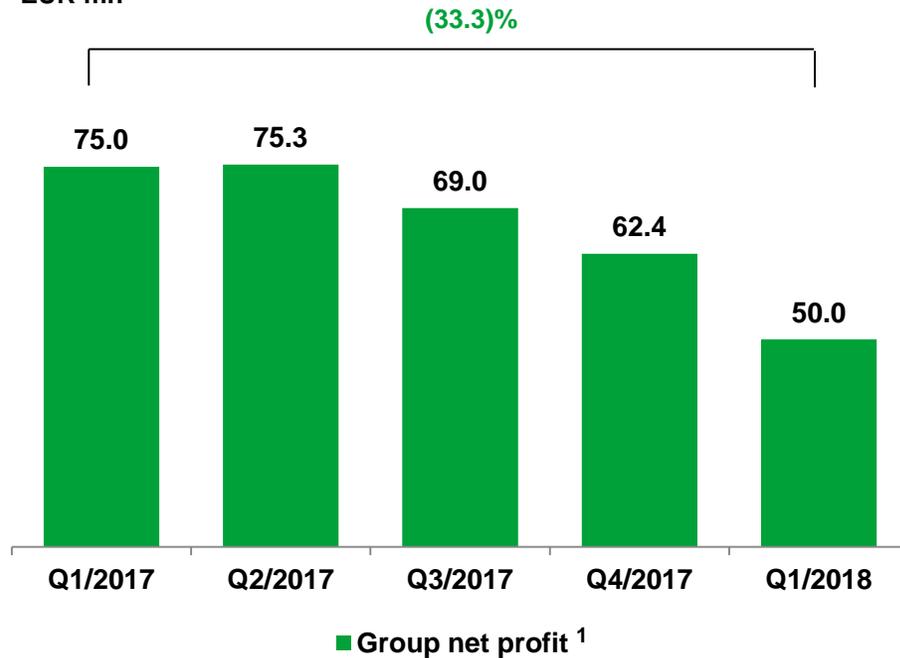


Financials – Earnings per quarter (2/2)

EPS¹ (EUR)



EUR mn



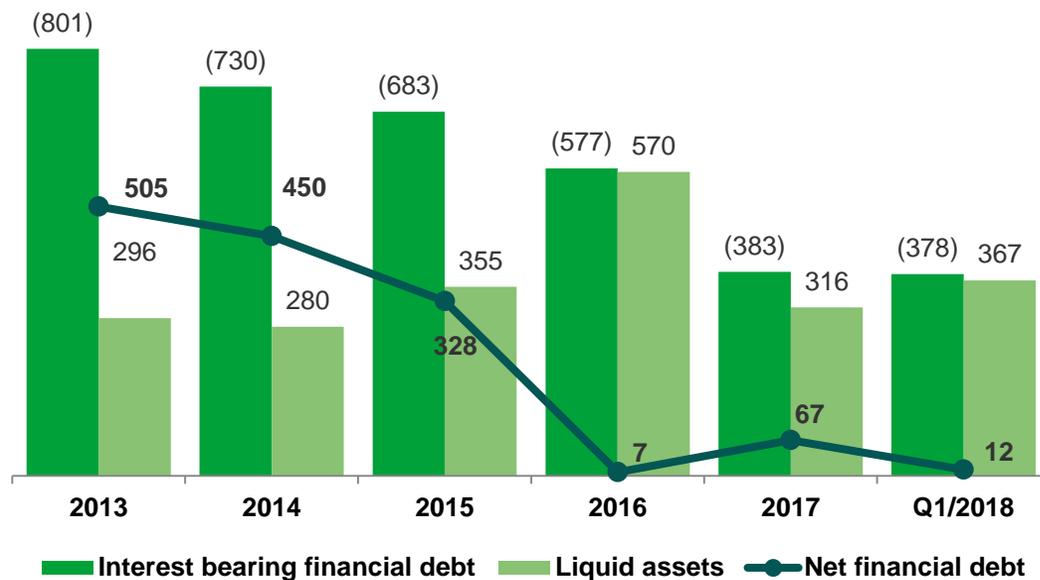
1) Attributable to Lenzing AG shareholders

2) Dividend payout from April 18, 2018

3) Dividend yield based on last share price of the year

Financials Q1/2018 – Key figures

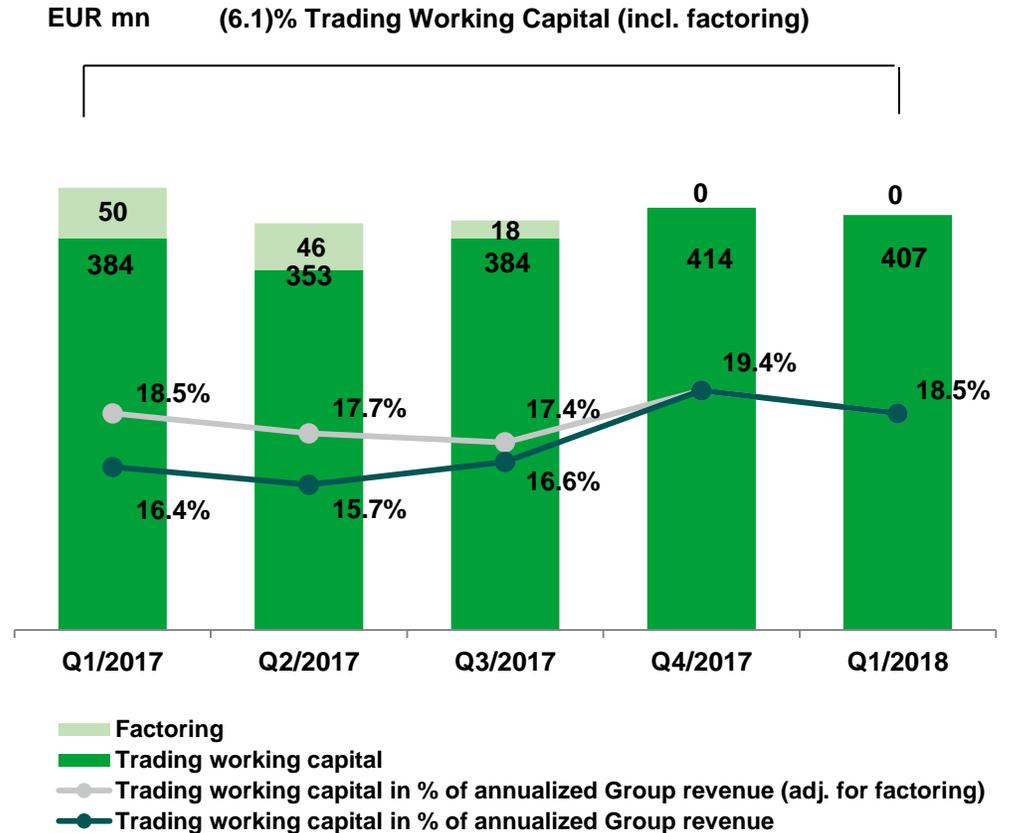
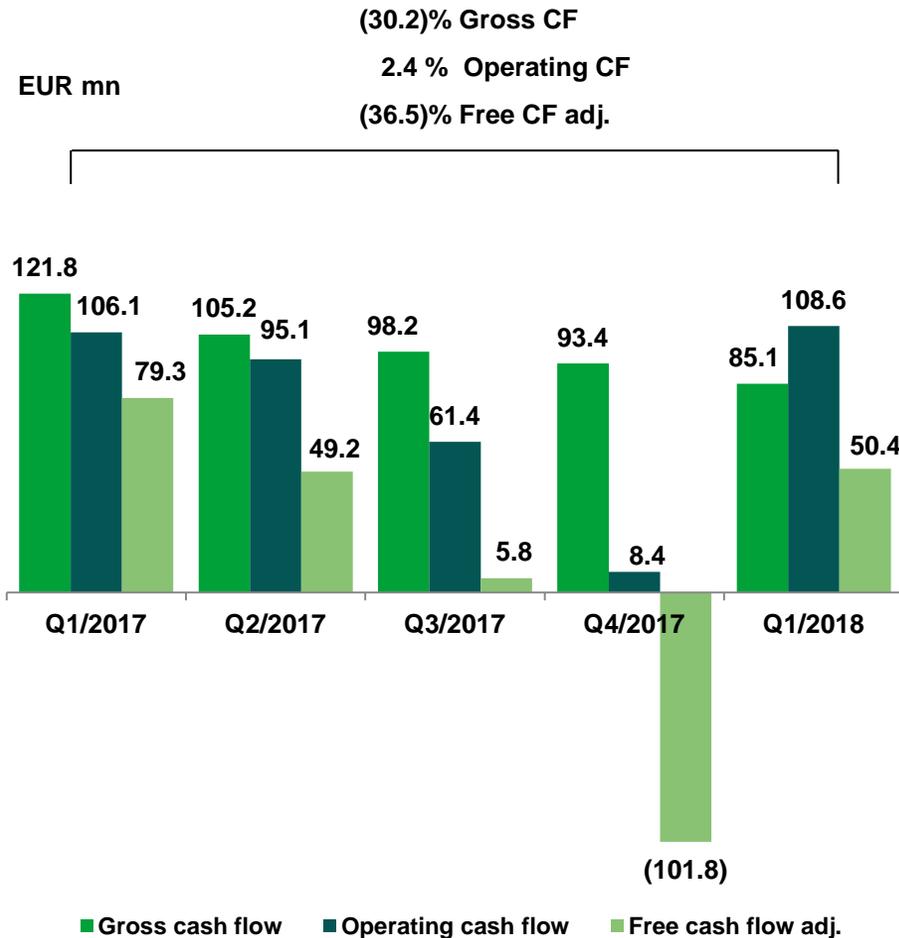
EUR mn



According to IFRS (EUR mn)	31 March 2018	31 Dec. 2017	Change in %
Total assets	2,602.1	2,497.3	4.2
Liquid assets¹	366.8	315.8	16.1
thereof liquid funds	352.5	306.5	15.0
Total liabilities	1,049.4	989.4	6.1
thereof financial liabilities	378.4	382.6	(1.1)
Adjusted equity²	1,574.5	1,527.7	3.1
Adjusted equity ratio (%)	60.5	61.2	-
Net gearing (%)	0.7	4.4	-
Net financial debt	11.6	66.8	(82.6)

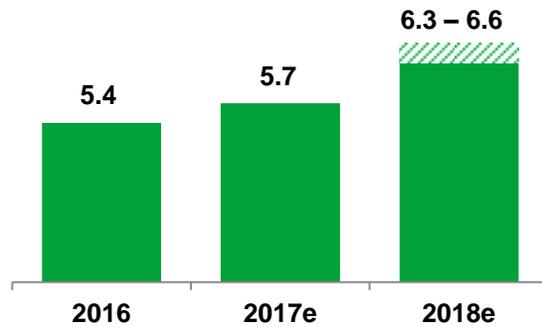
According to IFRS (EUR mn)	31 March 2018	31 Dec. 2017	Change in %
Total liquidity cushion	629.7	529.6	18.9
thereof liquid assets ¹	366.8	315.8	16.1
thereof unused credit facilities	262.9	213.8	23.0

Cash flow development and trading working capital

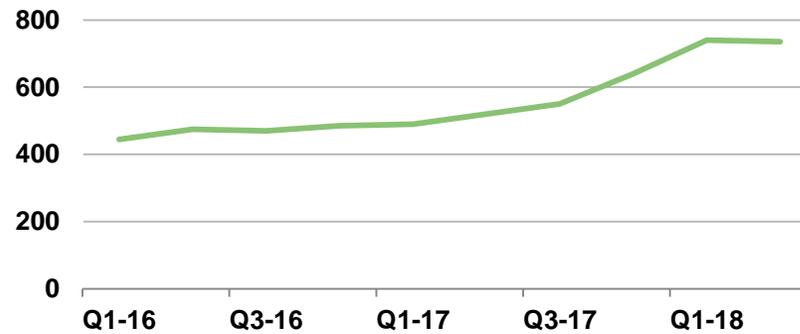


Market environment more challenging

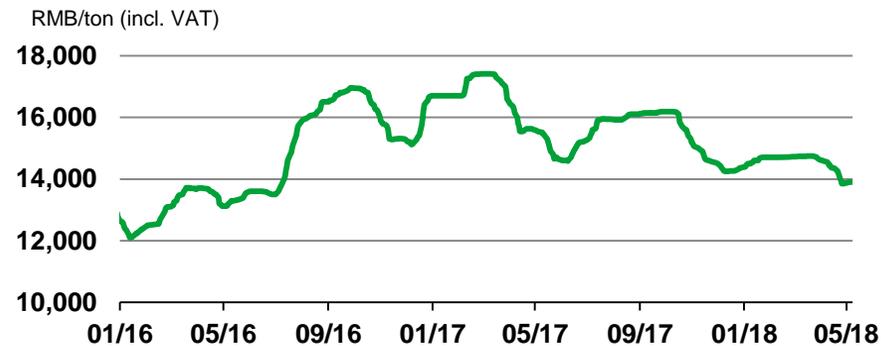
2018e: 600 – 900 kt viscose net capacity additions expected to come on stream¹



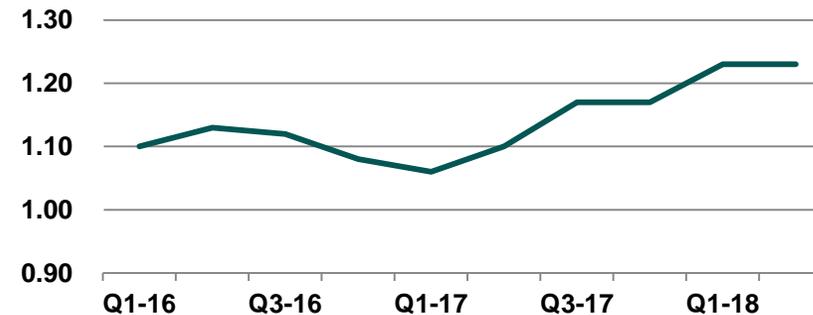
Harriman index increased over the last two quarters (Caustic soda, IHS Europe low, EUR/t)



China viscose staple fiber prices in RMB/ton



Euro strengthened substantially against USD and other currencies



1) Source: Official data from various sources and Lenzing estimates

Outlook 2018: Execution priorities

- Strengthen the core
 - Continue debottlenecking of 35 kt pulp until 2019
 - Finalize decision on backward integration
- Specialization
 - Start-up with 25 kt lyocell from debottlenecking in Heiligenkreuz, Austria, in Q2/2018
 - Finalize 90 kt lyocell brownfield project in the USA in 2019
 - Finalize preparation of lyocell project in Thailand
- Customer intimacy
 - Implement new brand architecture
 - Strengthen direct sales/marketing channels to (end-) customers and brands
 - Decide on TENCEL™ Luxe commercial production
- Corporate culture
 - Focus on continuous improvement, efficiency, quality and safety
 - Efficient cost management to partly compensate external headwinds

Outlook 2018 – Fiber market and Lenzing Group

The International Monetary Fund expects a further acceleration in global economic growth to 3.9 percent in 2018. However, growing protectionist tendencies in the political arena represent a source of uncertainty. Export-oriented companies in the Eurozone will also be faced with an additional challenge from the currency environment.

Developments on the fiber markets should remain positive, but with continuing volatility. The rising demand for cotton should support prices and will help inventory levels to remain at the current levels despite the increase in production. Polyester fiber prices have stabilized after the increase in previous years.

The wood-based cellulose 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 are expected to enter the market in 2018. This was reflected in rising pressure on commodity viscose prices beginning in the first quarter and a further increase during the second quarter. 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 sees a number of, in part contradictory, factors which limit the visibility over fiber prices in 2018. The prices for several key raw materials, e.g. caustic soda, remain at a very high level and their further development is difficult to estimate. These general conditions are expected to form the basis for a challenging market environment in the commodity viscose fiber business during the coming quarters. Coupled with anticipated exchange rate fluctuations, the Lenzing Group expects its results for 2018 to be lower than the outstanding results in the last two years.

Q1/2018

Financial information

Q1/2018: Consolidated Group P&L

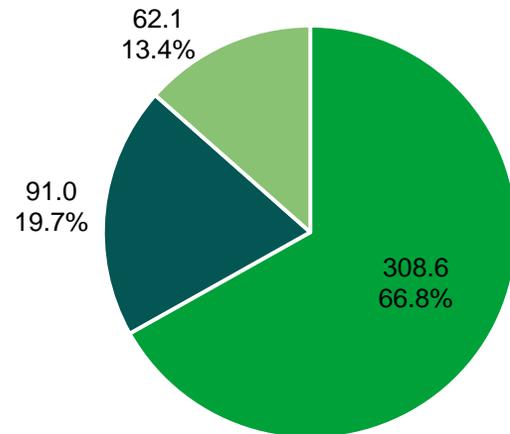
(EUR mn)	Q1/2018	Q4/2017	Q1/2017	Change Q1/Q4 (%)	Change Q1/Q1 (%)
Revenue	550.3	532.8	586.2	3.3	(6.1)
Change in inventories of finished goods and work in progress	(15.0)	20.3	(21.4)	-	(29.9)
Own work capitalized	15.1	13.7	9.3	10.8	63.5
Other operating income	12.8	11.3	12.7	13.0	0.5
Cost of material and purchased services	(308.6)	(321.3)	(299.2)	(4.0)	3.1
Personnel expenses	(91.0)	(86.3)	(85.5)	5.5	6.4
Other operating expenses	(62.1)	(65.1)	(66.9)	(4.7)	(7.2)
EBITDA/Margin	101.6/18.5%	105.3/19.8%	135.1/23.0%	(3.5)	(24.8)
Depreciation & amortization	(33.4)	(33.8)	(33.4)	(1.2)	0.0
Income from the release of investment grants	0.7	1.1	0.6	(36.0)	6.2
EBIT/Margin	68.9/12.5%	72.6/13.6%	102.3/17.5%	(5.1)	(32.7)
Financial result	(3.8)	2.0	(3.4)	-	10.0
Allocation of profit or loss to puttable non-controlling interests	(0.3)	(0.5)	(1.6)	(52.5)	(84.1)
EBT/Margin	64.9/11.8%	74.1/13.9%	97.3/16.6%	(12.4)	(33.4)
Income tax expense	(14.8)	(11.7)	(22.3)	26.9	(33.5)
Tax rate (%)	22.9	15.8	22.9	-	-
Net profit/Margin	50.0/9.1%	62.4/11.7%	75.0/12.8%	(19.8)	(33.3)
Net profit attributable to shareholders of Lenzing AG/Margin	50.1/9.1%	62.3/11.7%	73.0/12.4%	(19.5)	(31.3)
EPS (in EUR)	1.89	2.35	2.75	(19.5)	(31.3)

Q1/2018: Topline breakdown

(EUR mn)	Q1/2018	Q4/2017	Change Q1/Q4 (%)	Q1/2017	Change y-o-y (%)
Breakdown of Fibers segment revenue					
Textile fibers (%)	70.4	69.0	2.0	71.5	(1.5)
Nonwoven fibers (%)	29.6	31.0	(4.4)	28.5	3.9
Fibers only	456.9	468.6	(2.5)	508.5	(10.1)
Other ¹	90.6	62.0	46.2	75.6	19.9
Total segment Fibers	547.6	530.6	3.2	584.0	(6.2)
Total segment Lenzing Technik	13.7	10.9	25.4	9.9	37.7
Other and consolidation	(10.9)	(8.7)	25.0	(7.8)	40.7
Total Group revenue	550.3	532.8	3.3	586.2	(6.1)

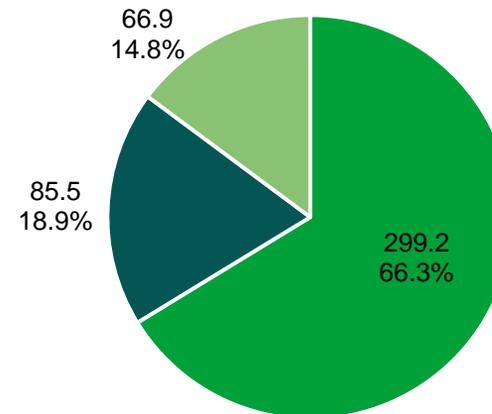
Q1/2018 Total opex structure

Q1/2018 (Total Opex EUR 461.6 mn)



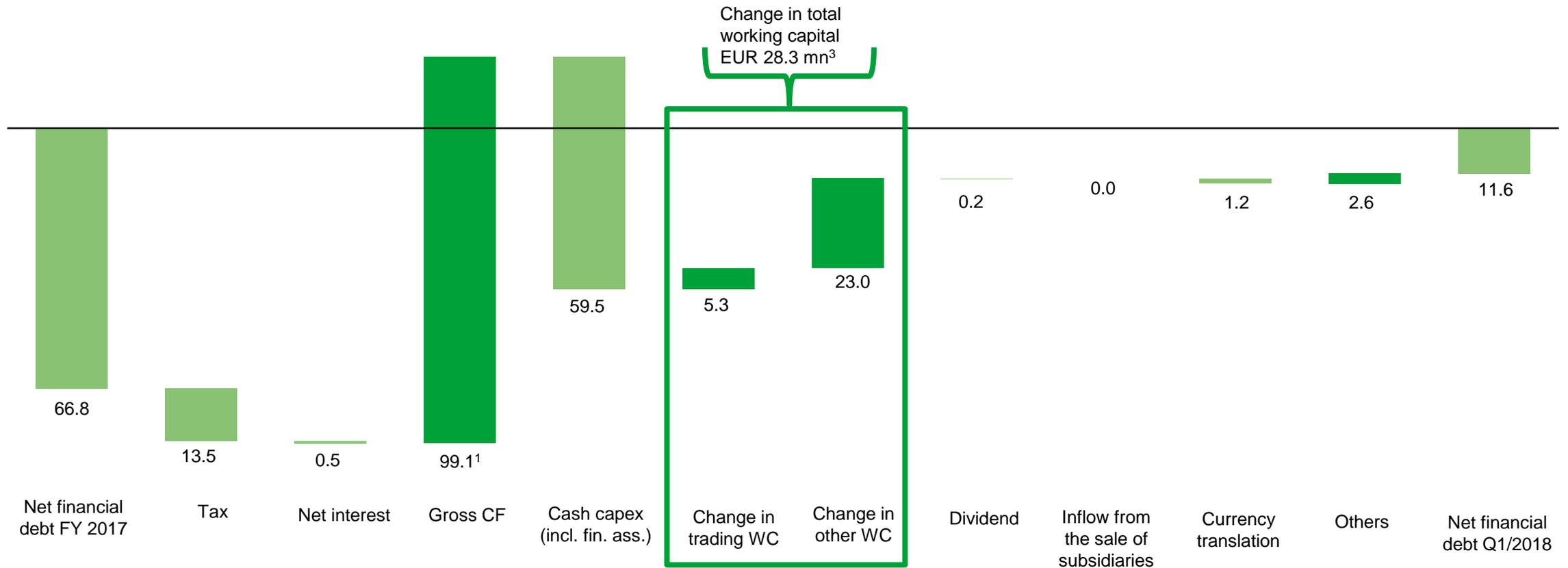
- Cost of material and purchased services
- Personnel expenses
- Other operating expenses

Q1/2017 (Total Opex EUR 451.7 mn)



- Cost of material and purchased services
- Personnel expenses
- Other operating expenses

Q1/2018: Net debt bridge



- 1) Gross cash flow before taxes and interest
- 2) Including CAPEX of EUR (58.9) mn and financial assets of EUR (0.6) mn
- 3) Change in total working capital EUR 23.5 mn (according to cash flow statement)
- Adjustment change in liquid bills of exchange EUR (4.8) mn
- Change in total working capital adj. EUR 28.3 mn (according to net debt)

Q1/2018: Cash flow

(EUR mn)	Q1/2018	Q4/2017	Change Q1/Q4 (%)	Q1/2017	Change Q1/Q1 (%)
Gross cash flow (before taxes and interest)	99.1	114.8	(13.7)	132.5	(25.3)
Taxes and interest	(14.0)	(21.4)	(34.6)	(10.7)	30.5
Gross cash flow (after taxes and interest)	85.1	93.4	(8.9)	121.8	(30.2)
Change in total working capital ¹	23.5	(85.0)	-	(15.7)	-
Operating cash flow	108.6	8.4	-	106.1	2.4
Investment cash flow ²	(57.0)	(93.6)	(39.1)	(25.9)	-
Free cash flow unadj.	51.6	(85.2)	-	80.2	(35.7)
Net inflow from sale of subsidiary	0.0	0.0	-	(0.6)	(100.0)
Acquisition of other financial assets	0.6	5.5	(89.3)	0.4	59.4
Proceeds/repayments of other financial assets	(1.8)	(22.2)	(91.9)	(0.7)	-
Free cash flow adj.	50.4	(101.8)	-	79.3	(36.5)

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

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

FY 2017: Consolidated Group P&L - Quarters

(EUR mn)	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Change Q4/Q3 (%)	Q4/2016	Change Q4/Q4 (%)
Revenue	586.2	562.9	577.5	532.8	(7.8)	555.7	(4.1)
Change in inventories of finished goods and work in progress	(21.4)	20.4	(2.5)	20.3	-	18.2	11.2
Own work capitalized	9.3	10.5	12.6	13.7	8.5	3.8	261.5
Other operating income	12.7	14.1	11.8	11.3	(4.2)	11.6	(2.5)
Cost of material and purchased services	(299.2)	(319.2)	(318.2)	(321.3)	1.0	(338.9)	(5.2)
Personnel expenses	(85.5)	(88.3)	(89.3)	(86.3)	(3.3)	(80.1)	7.8
Other operating expenses	(66.9)	(64.8)	(65.6)	(65.1)	(0.7)	(62.6)	4.0
EBITDA/Margin	135.1/23.0%	135.6/24.1%	126.4/21.9%	105.3/19.8%	(16.7)	107.7/19.4%	(2.2)
Depreciation & Amortization	(33.4)	(34.5)	(32.8)	(33.8)	3.1	(34.2)	(1.1)
Income from the release of investment grants	0.6	0.7	0.7	1.1	60.2	1.1	0.0
EBIT/Margin	102.3/17.5%	101.8/18.1%	94.2/16.3%	72.6/13.6%	(23.0)	74.6/13.4%	(2.7)
Financial result	(3.4)	(2.7)	(3.2)	2.0	-	14.5	(86.0)
Allocation of profit or loss to puttable non-controlling interests	(1.6)	(1.7)	(2.4)	(0.5)	(77.9)	(1.6)	(66.4)
EBT/Margin	97.3/16.6%	97.3/17.3%	88.7/15.4%	74.1/13.9%	(16.5)	87.5/15.8%	(15.4)
Income tax expense	(22.3)	(22.0)	(19.7)	(11.7)	(40.5)	(20.5)	(43.1)
Tax rate (%)	22.9	22.6	22.2	15.8	-	23.5	-
Net profit/Margin	75.0/12.8%	75.3/13.4%	69.0/11.9%	62.4/11.7%	(9.6)	67.0/12.1%	(6.9)
Net profit attributable to shareholders of Lenzing AG/Margin	73.0/12.4%	74.4/13.2%	68.4/11.8%	62.3/11.7%	(8.9)	66.4/11.9%	(6.2)
EPS (in EUR)	2.75	2.80	2.57	2.35	(8.9)	2.50	(6.2)

FY 2017: Topline breakdown

(EUR mn)	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Change Q4/Q3 (%)	Q4/2016	Change Q4/Q4 (%)	2017	2016	Change y-o-y (%)
Breakdown of Fibers segment revenue										
Textile fibers (%)	71.5	69.2	70.2	69.0	(1.6)	71.0	(2.8)	70.0	70.9	(1.3)
Nonwoven fibers (%)	28.5	30.8	29.8	31.0	3.9	29.0	6.8	30.0	29.1	3.1
Fibers only	508.5	488.4	493.2	468.6	(5.0)	489.0	(4.2)	1,958.7	1,897.2	3.2
Other ¹	75.6	71.7	83.2	62.0	(25.6)	64.0	(3.3)	292.5	228.0	28.3
Total segment Fibers	584.0	560.1	576.4	530.6	(8.0)	553.0	(4.1)	2,251.2	2,125.2	5.9
Total segment Lenzing Technik	9.9	11.4	10.1	10.9	8.2	10.7	1.8	42.3	35.9	17.7
Other and consolidation	(7.8)	(8.6)	(9.0)	(8.7)	(2.9)	(8.1)	8.2	(34.1)	(27.0)	26.2
Total Group revenue	586.2	562.9	577.5	532.8	(7.8)	555.7	(4.1)	2,259.4	2,134.1	5.9

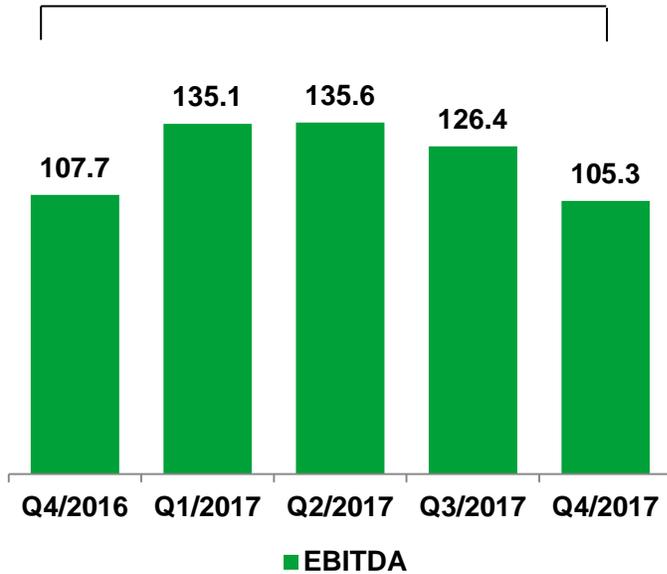
Financials 2017 – Earnings per quarter

EBITDA margin

19.4% 23.0% 24.1% 21.9% 19.8%

EUR mn

(2.2)%

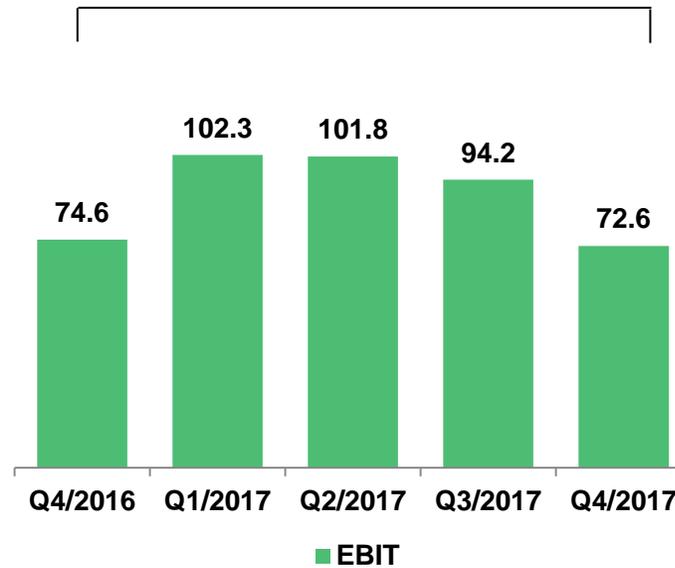


EBIT margin

13.4% 17.5% 18.1% 16.3% 13.6%

EUR mn

(2.7)%

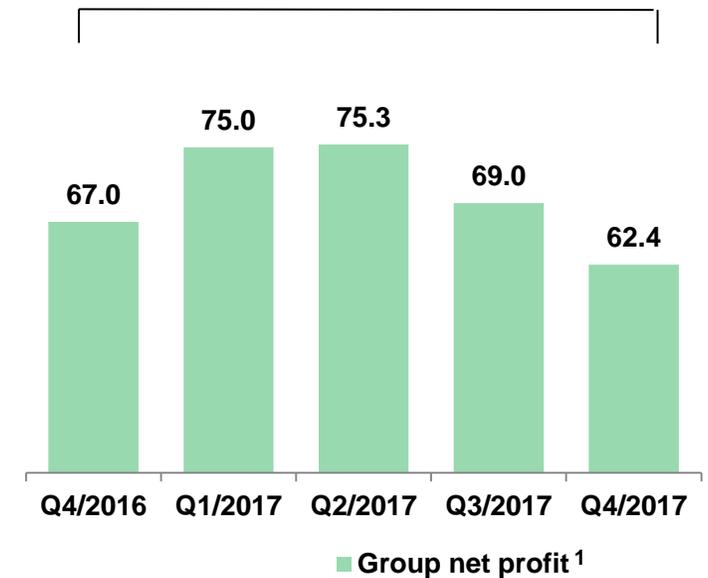


EPS¹ (EUR)

2.50 2.75 2.80 2.57 2.35

EUR mn

(6.9)%



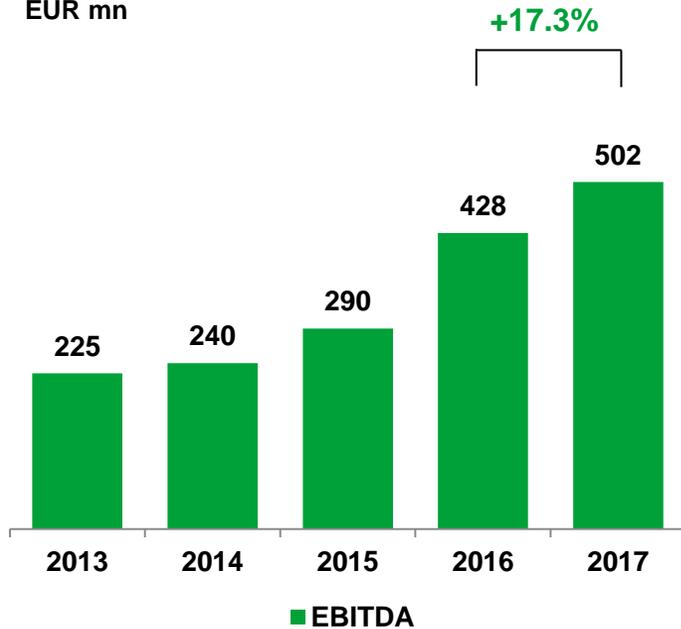
1) Attributable to Lenzing AG shareholders

Financials – Earnings

EBITDA margin



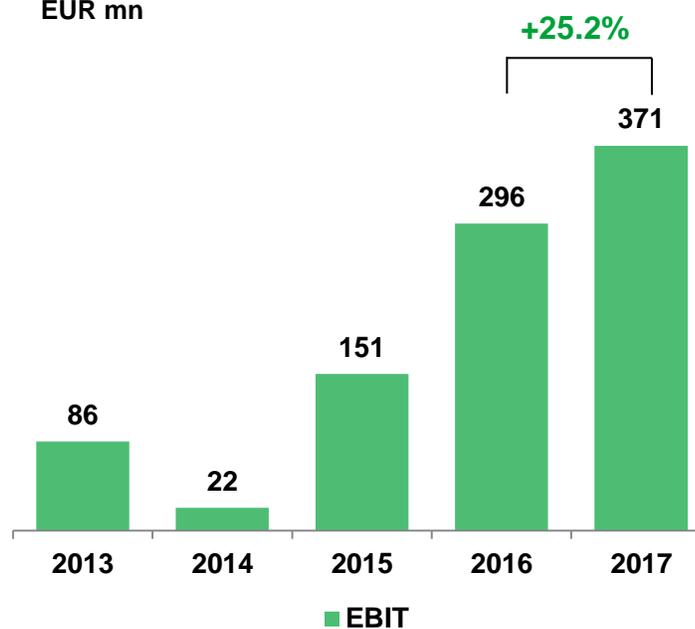
EUR mn



EBIT margin



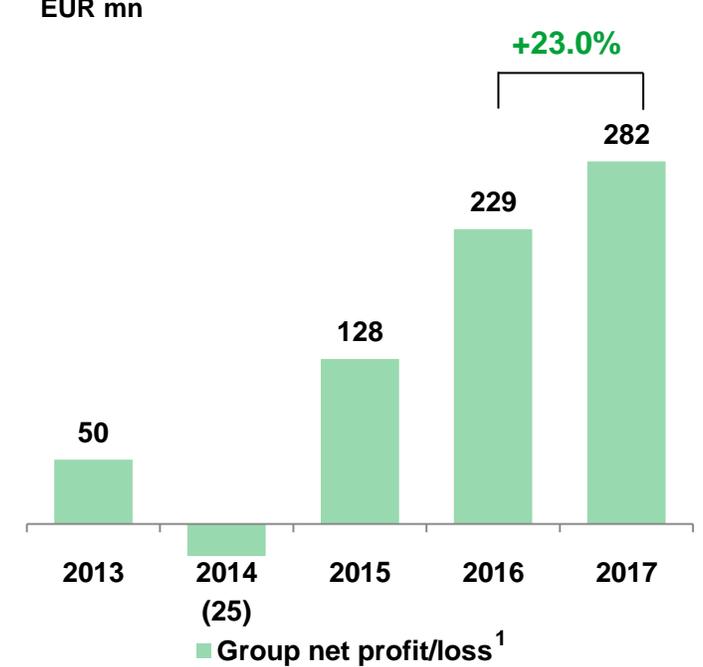
EUR mn



EPS^{1,2} (EUR)



EUR mn



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

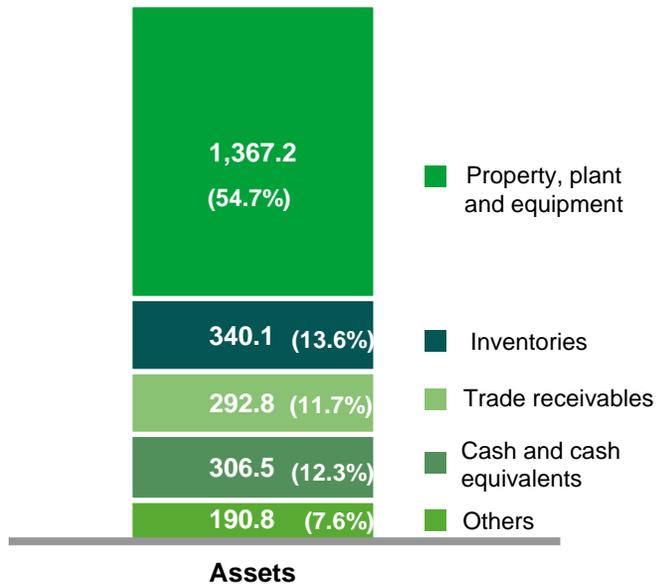
(EUR mn)	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Change Q4/Q3 (%)	Q4/2016	Change Q4/Q4 (%)	2017	2016	Change y-o-y (%)
Total sales	586.2	562.9	577.5	532.8	(7.8)	555.7	(4.1)	2,259.4	2,134.1	5.9
Total OPEX¹	(451.7)	(472.2)	(473.1)	(472.7)	(0.1)	(481.6)	(1.9)	(1,869.7)	(1,779.6)	5.1
Total cost of material and purchased services	(299.2)	(319.2)	(318.2)	(321.3)	1.0	(338.9)	(5.2)	(1,258.0)	(1,223.8)	2.8
as % of total sales	51.0	56.7	55.1	60.3	-	61.0	-	55.7	57.3	-
Total personnel expenses	(85.5)	(88.3)	(89.3)	(86.3)	(3.3)	(80.1)	7.8	(349.4)	(319.2)	9.4
as % of total sales	14.6	15.7	15.5	16.2	-	14.4	-	15.5	15.0	-
Total other operating expenses	(66.9)	(64.8)	(65.6)	(65.1)	(0.7)	(62.6)	4.0	(262.4)	(236.6)	10.9
as % of total sales	11.4	11.5	11.4	12.2	-	11.3	-	11.6	11.1	-
Total sales	586.2	562.9	577.5	532.8	(7.8)	555.7	(4.1)	2,259.4	2,134.1	5.9
Total OPEX¹	(451.7)	(472.2)	(473.1)	(472.7)	(0.1)	(481.6)	(1.9)	(1,869.7)	(1,779.6)	5.1

1) Includes cost of material and purchased services, personnel expenses and other operating expenses

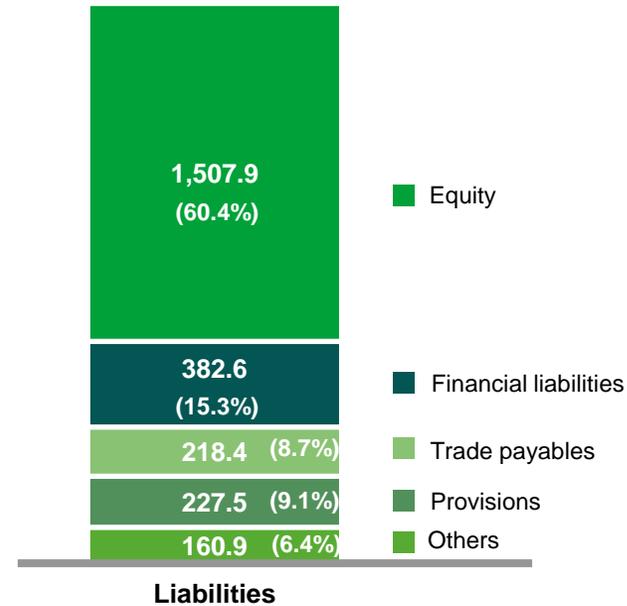
FY 2017: Solid balance sheet, strong ROCE

as at Dec. 31, 2017

Σ EUR 2,497.3 mn



Σ EUR 2,497.3 mn



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

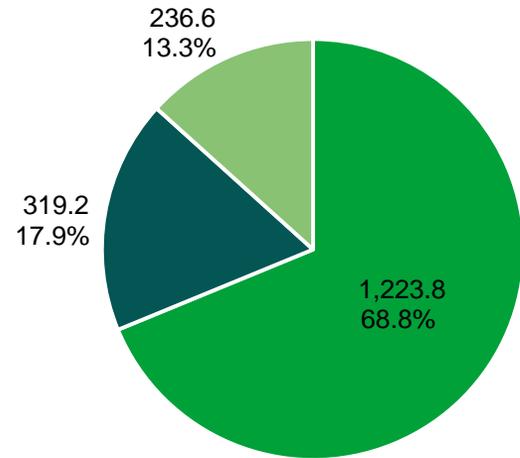
According to IFRS (EUR mn)	31 Dec. 2017	31 Dec. 2016	Change in %
Total liquidity cushion	529.6	788.0	(32.8)
thereof liquid assets ¹	315.8	570.4	(44.6)
thereof unused credit facilities	213.8	217.7	(1.8)

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

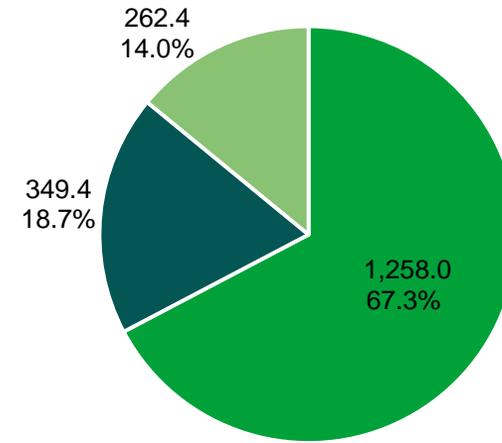
FY 2017 Total opex structure

2016 (Total Opex EUR 1,779.6 mn)



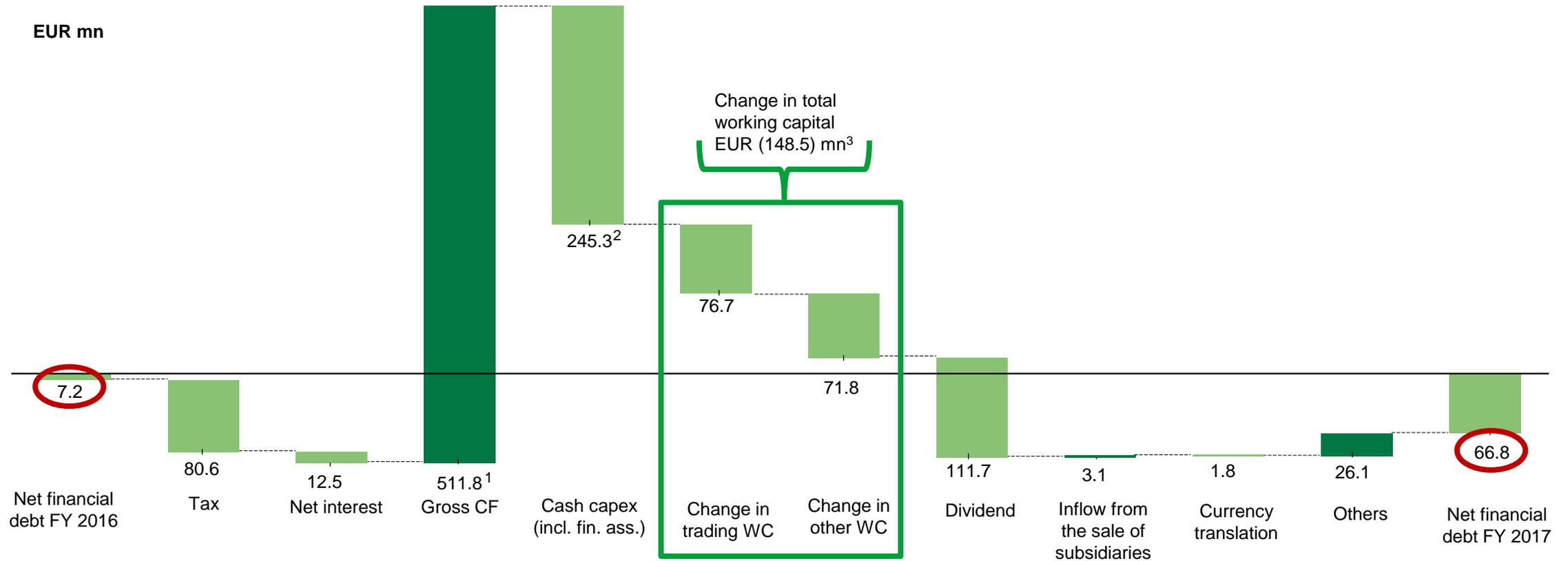
- Cost of material and purchased services
- Personnel expenses
- Other operating expenses

2017 (Total Opex EUR 1,869.7 mn)



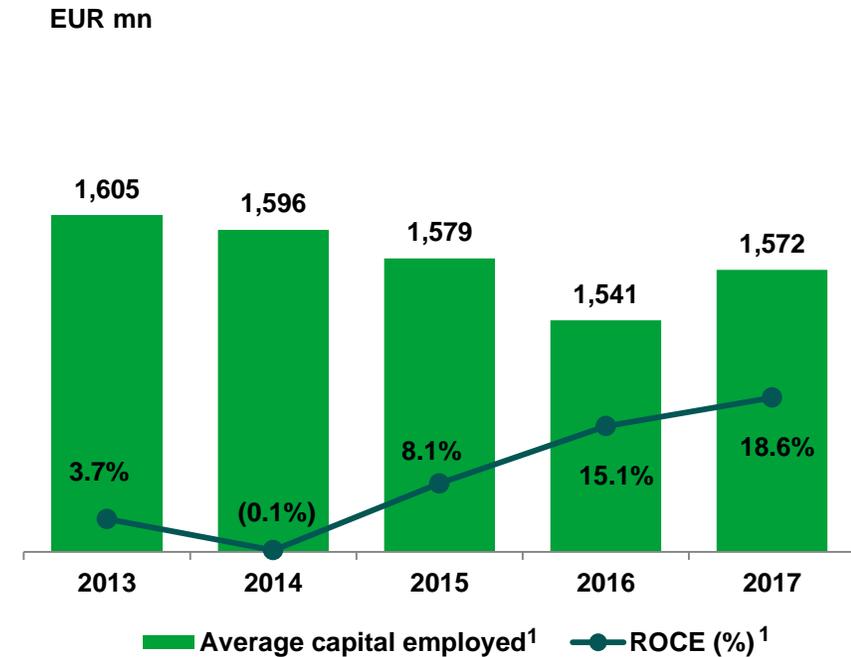
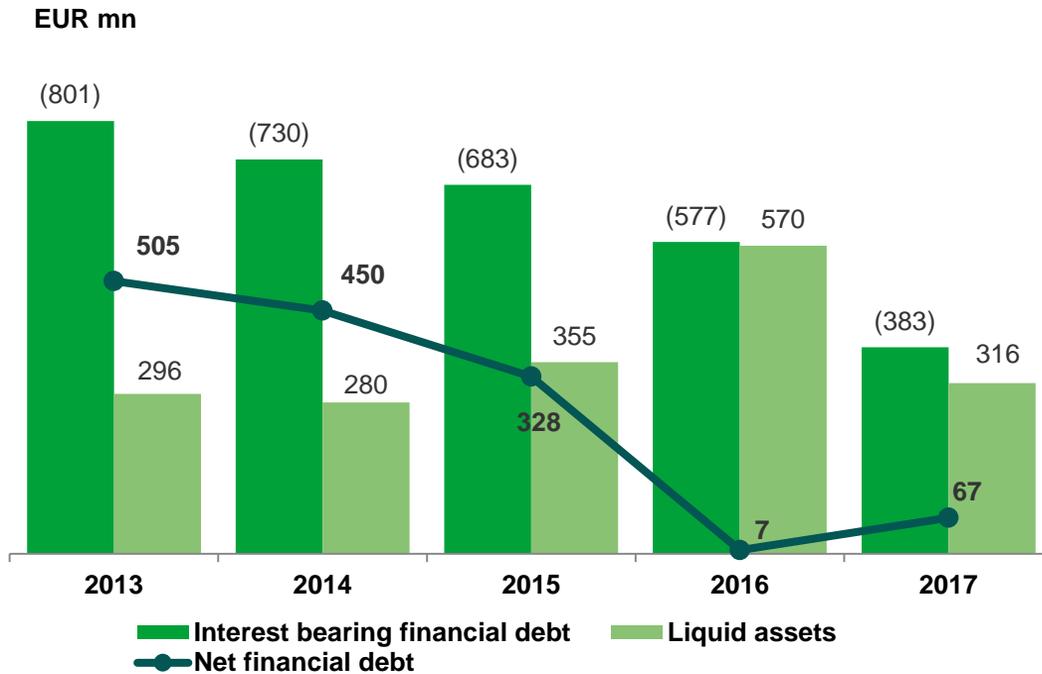
- Cost of material and purchased services
- Personnel expenses
- Other operating expenses

FY 2017: Net debt bridge



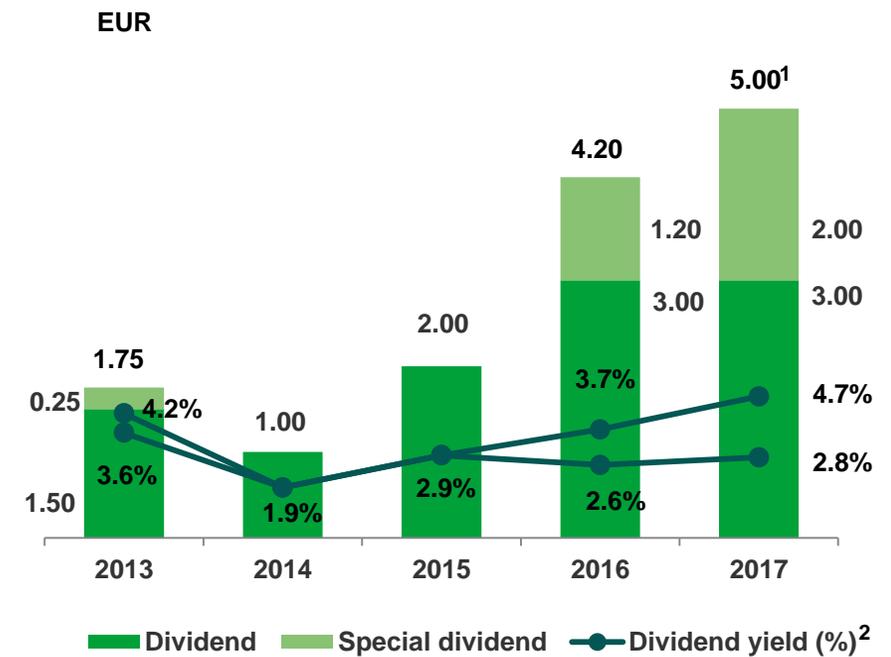
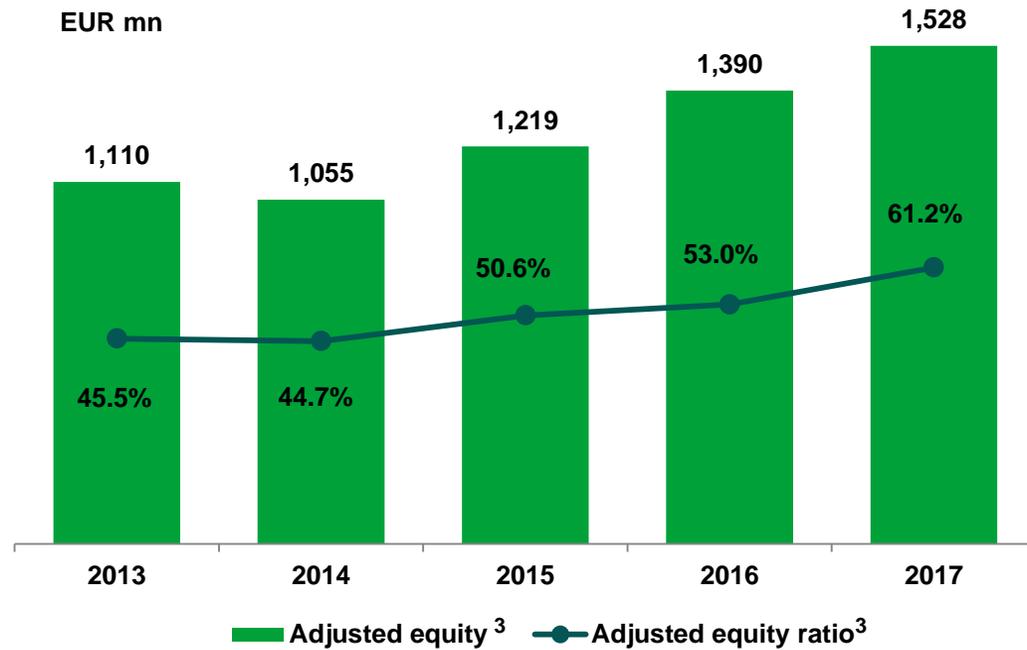
- 1) Gross cash flow before taxes and interest
- 2) Including CAPEX of EUR (238.8) mn and financial assets of EUR (6.5) mn
- 3) Change in total working capital EUR (147.6) mn (according to cash flow statement)
 Adjustment change in liquid bills of exchange EUR (1.0) mn
 Change in total working capital 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) Proposal to AGM on April 12, 2018

2) Dividend yield based on last share price of the year

3) Error correction in accordance with IAS 8 (see Consolidated Financial Statements 2016 of the Lenzing Group)

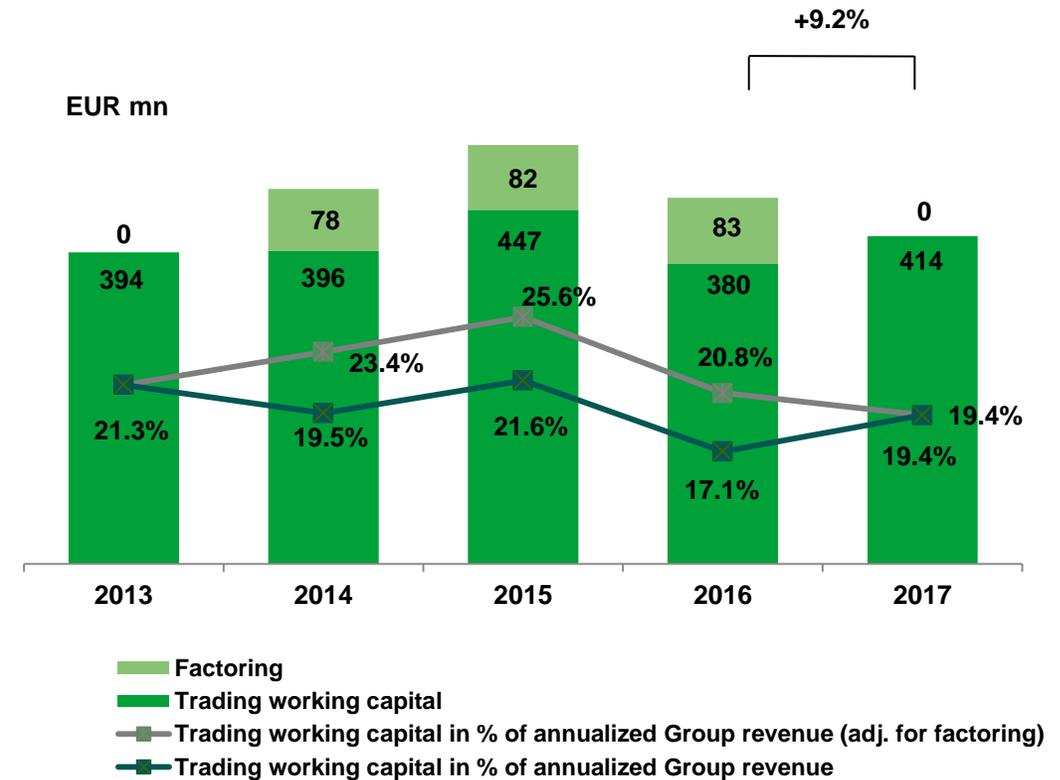
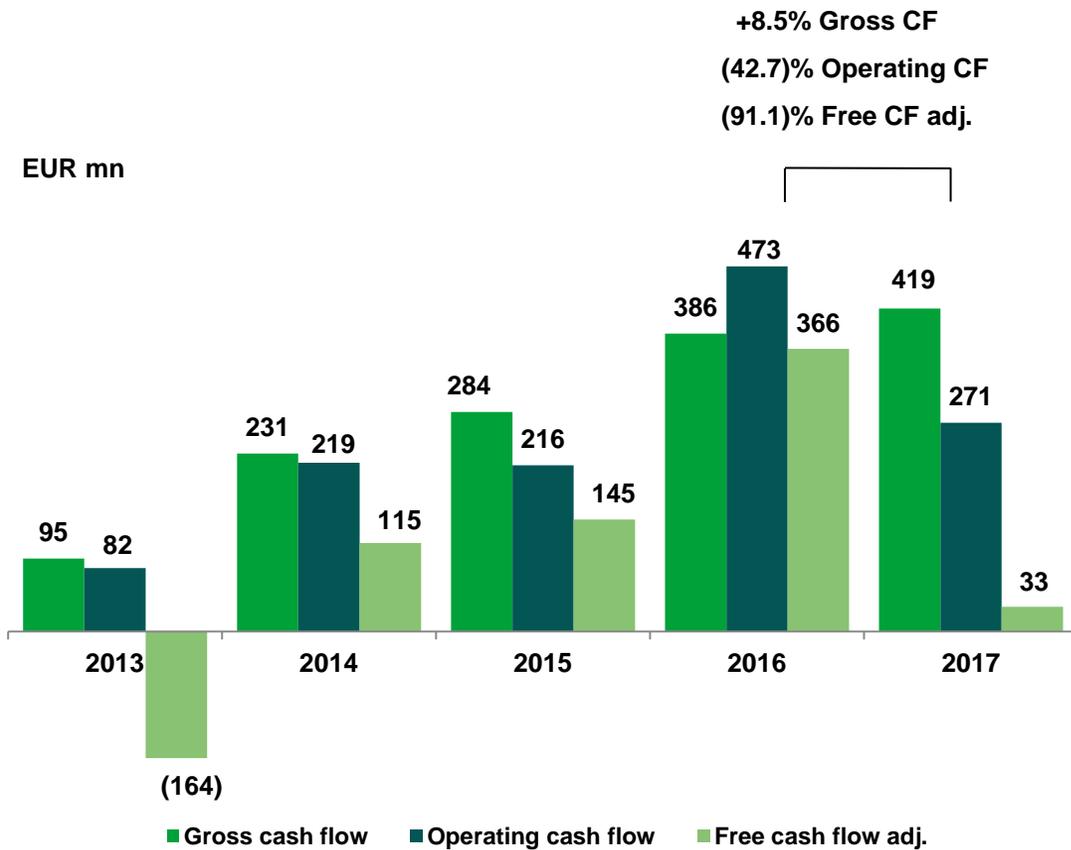
FY 2017: Cash flow by quarters

(EUR mn)	Q1/2017	Q2/2017	Q3/2017	Q4/2017	Change Q4/Q3 (%)	Q4/2016	Change Q4/Q4 (%)	2017	2016	Change y-o-y (%)
Gross cash flow (before taxes and interest)	132.5	134.1	130.4	114.8	(12.1)	124.8	(8.1)	511.8	445.4	14.9
Taxes and interest	(10.7)	(28.9)	(32.1)	(21.4)	(33.7)	(21.7)	(1.3)	(93.1)	(59.5)	56.6
Gross cash flow (after taxes and interest)	121.8	105.2	98.2	93.4	(5.0)	103.1	(9.5)	418.7	385.9	8.5
Change in total working capital ¹	(15.7)	(10.1)	(36.8)	(85.0)	130.8	(4.7)	-	(147.6)	87.5	(268.7)
Operating cash flow	106.1	95.1	61.4	8.4	(86.3)	98.5	(91.5)	271.1	473.4	(42.7)
Investment cash flow ²	(25.9)	(43.7)	(55.4)	(93.6)	68.9	(43.1)	116.9	(218.6)	(103.6)	111.0
Free cash flow unadj.	80.2	51.4	6.0	(85.2)	-	55.3	-	52.5	369.8	(85.8)
Net inflow from sale of subsidiary	(0.6)	(2.5)	0.0	0.0	-	0.0	-	(3.1)	(1.4)	112.7
Acquisition of other financial assets	0.4	0.6	0.1	5.5	-	2.7	105.1	6.5	3.5	85.4
Proceeds/repayments of other financial assets	(0.7)	(0.3)	(0.2)	(22.2)	-	(2.5)	-	(23.4)	(5.6)	-
Free cash flow adj.	79.3	49.2	5.8	(101.8)	-	55.5	-	32.6	366.3	(91.1)

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

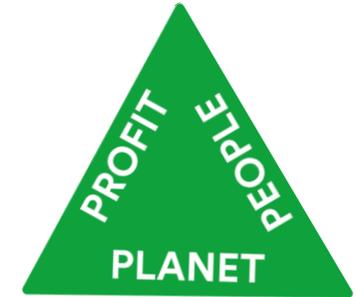


Appendix

Equity story

Lenzing – Our mission

“Lenzing is a performance materials company that turns CO₂ and sunlight into highly functional, emotional and aesthetic products across the globe”



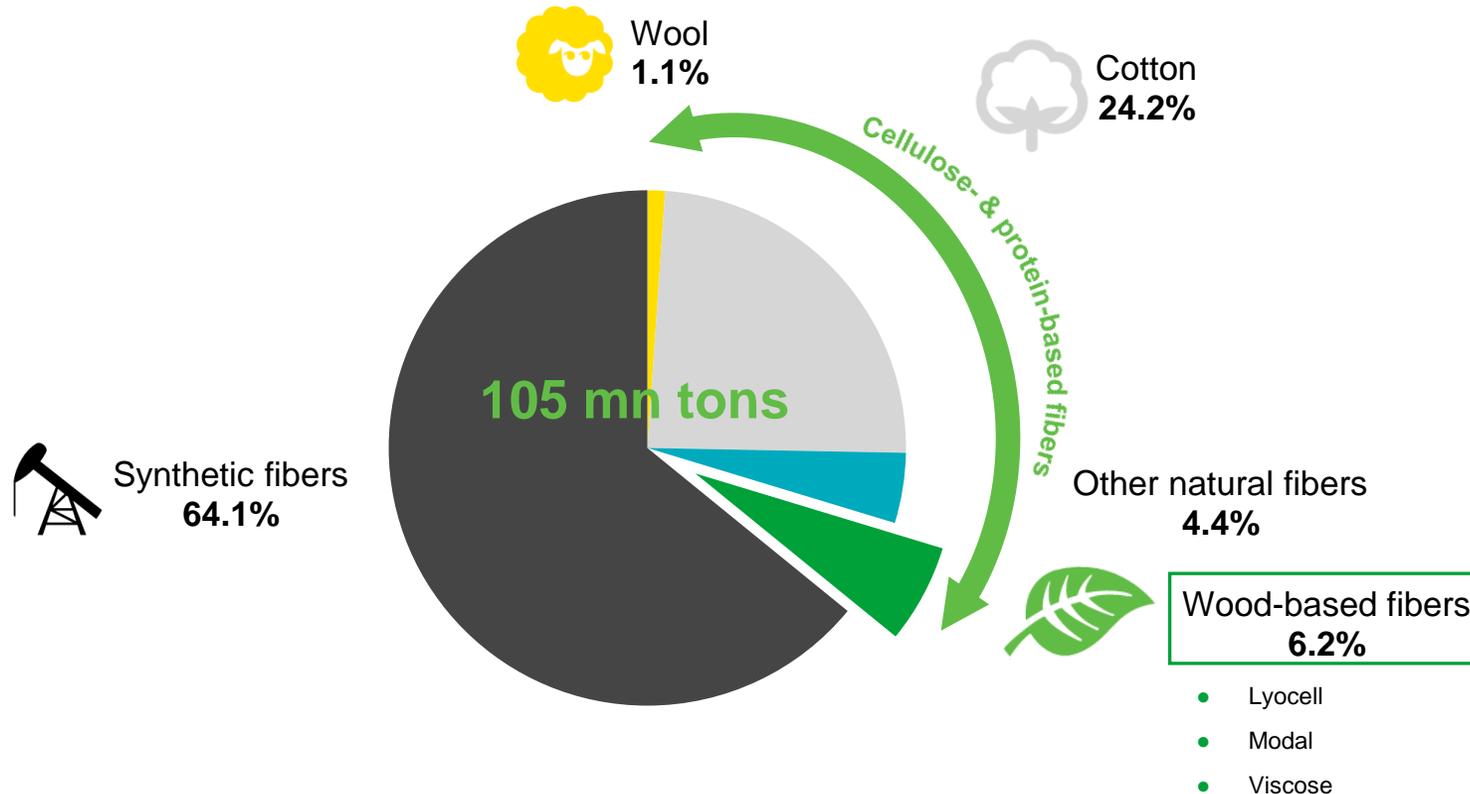
Textile



Nonwoven

Global fiber market at a glance

2017e consumption numbers



1) Incl. bast, flax, hemp, jute, silk and allied fibers

2) Wood-based and cotton linter-based cellulose fibers, previously named man-made cellulose

Source: CIRFS, The Fiber Year, The Fiber Organon, Lenzing estimates

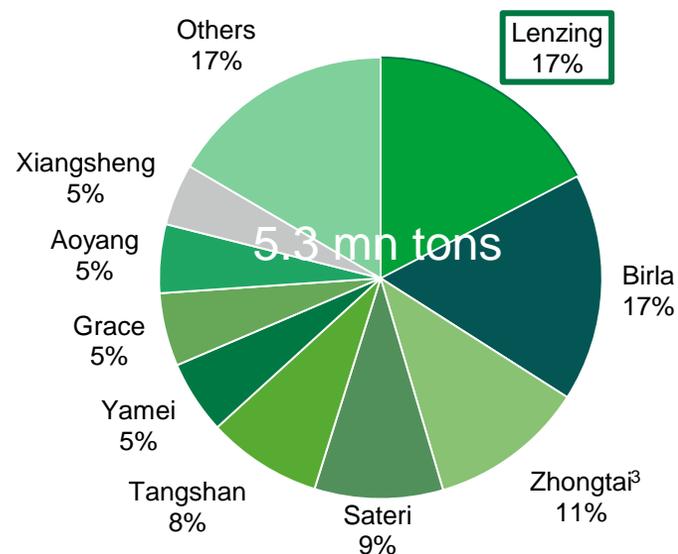
Lenzing - Market leader in all three fiber generations

Fiber Types	Market Position	Competitive Intensity
Lyocell	# 1	Low
Modal	# 1	Medium
Viscose	# 2	High

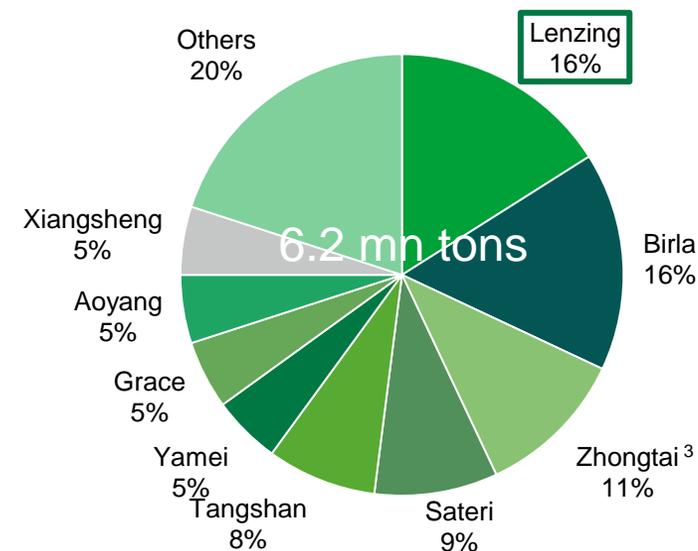
Source: Lenzing data 2017, CCFG, CCFEI

Lenzing is the only player with European roots in the viscose staple fibers market¹ (2017e) ...

Lenzing with 17% share of production



Lenzing with 16% share of capacities²



Source: CIRFS, FEB, Trade statistics, Company estimates

1) Viscose staple fibers (including Modal and TENCEL® fibers), excluding viscose filaments, acetate tow, cigarette filters

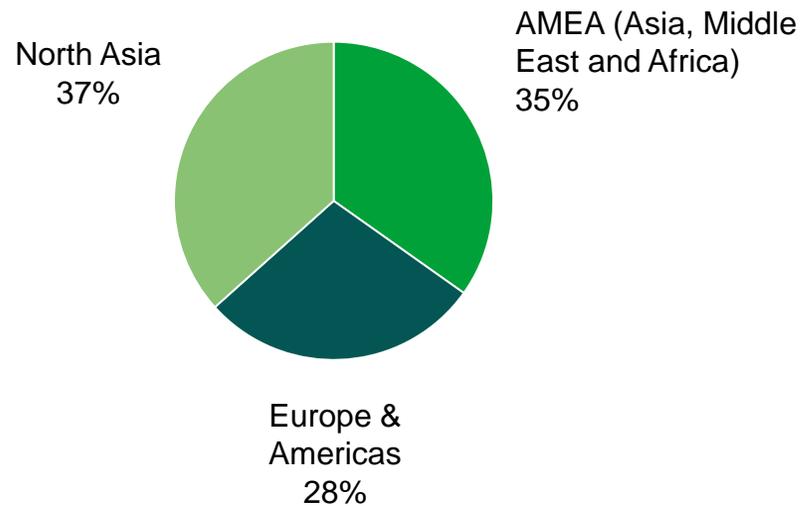
2) Based on latest available company information from company websites and annual/interim reports

3) Fulida Kuerle, Tiantai Xinjiang, Fulida Alaer, Shunguan Manasi

... and is a global leader in wood-based cellulose fibers

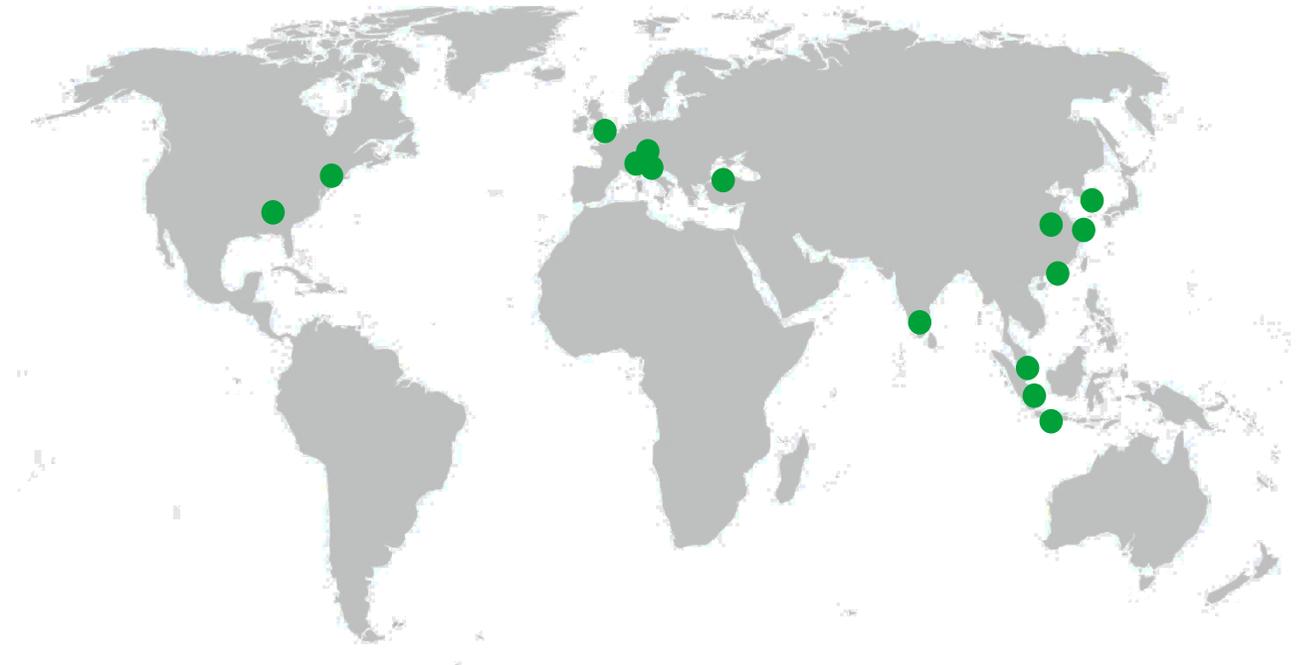
Balanced exposure to matured and emerging markets

Fiber revenue by region



Global network of production sites and sales offices

2017 footprint



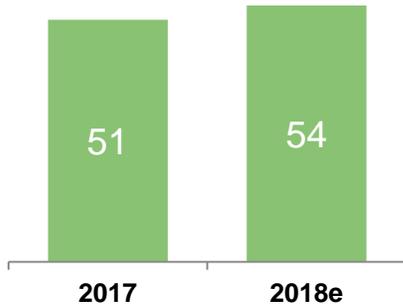
Source: Lenzing data as at March 31, 2018

Capacity 2018¹: A global footprint

Europe²



USA

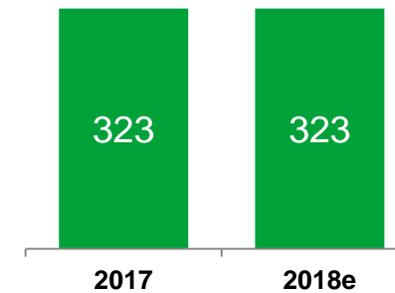


1) Figures are shown in k metric tons, year-end name plate capacity
 2) Includes Lenzing (A), Heiligenkreuz (A) and Grimsby (UK)
 3) Lenzing fiber types

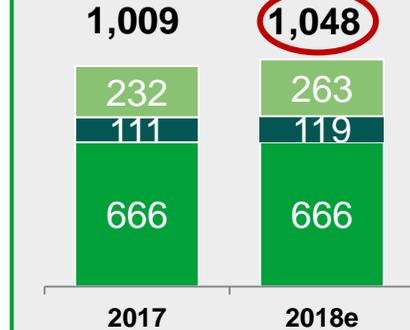
China



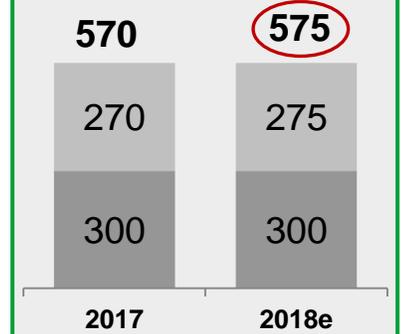
Indonesia



Total capacity



Total pulp capacity



● Lenzing (A) dissolving pulp capacity
 ● Paskov (CZ) dissolving pulp capacity

● Lyocell³
 ● Modal³
 ● Viscose³

Textile and Nonwovens are the two main applications

Textile



Nonwovens



Size



~90 mt



~10 mt

Regional focus



Over 90% of spinning and fabric making located in China, India and Asia-Pacific



Mainly a **regional market** (due to high logistic costs)

Fragmentation



High



Low: Top 5 to 10 players hold between 60-80% share

Decision making



Brands/retailers with some influence of fabric makers



Brands and converters

Key drivers



- Ongoing trend towards **lower cost fashion**
- Trends towards **sustainability, convenience and functionality**
- **Volatile demand** due to fast fashion and changing trends



- Due to disposability of products **high focus on cost**
- **Flushability and bio-degradable** is an emerging differentiator
- **Wood-based fibers¹** adding performance to products

End users



Markets strongly driven by **end-consumers**



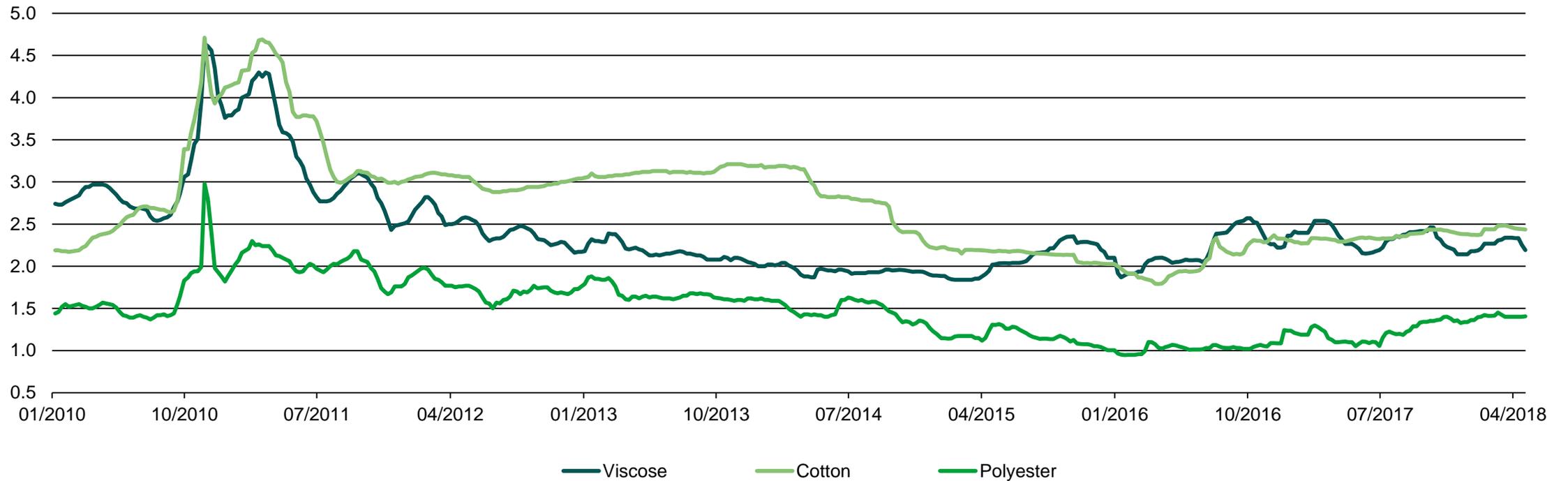
Strong focus on **application of product**

1) Wood-based and cotton linter-based cellulose fibers
Source: ICAC 2017, Smithers Apex 2015, Fiber Year 2017

Long-term interfiber price development¹

Staple fiber prices - Development in China

USD/kg (incl. VAT)

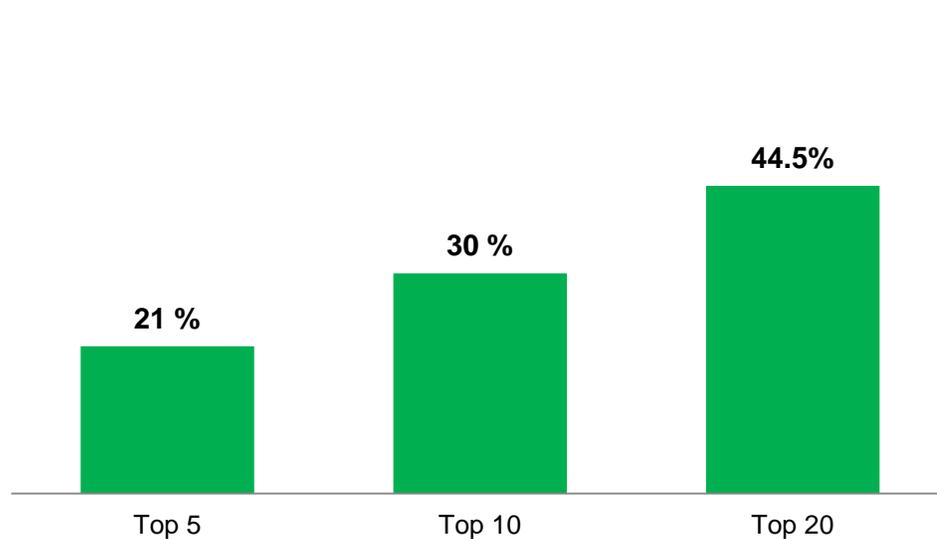


Sources: China Cotton Association, China Chemical & Fiber Economic Information Network, China Chemical Fiber Group

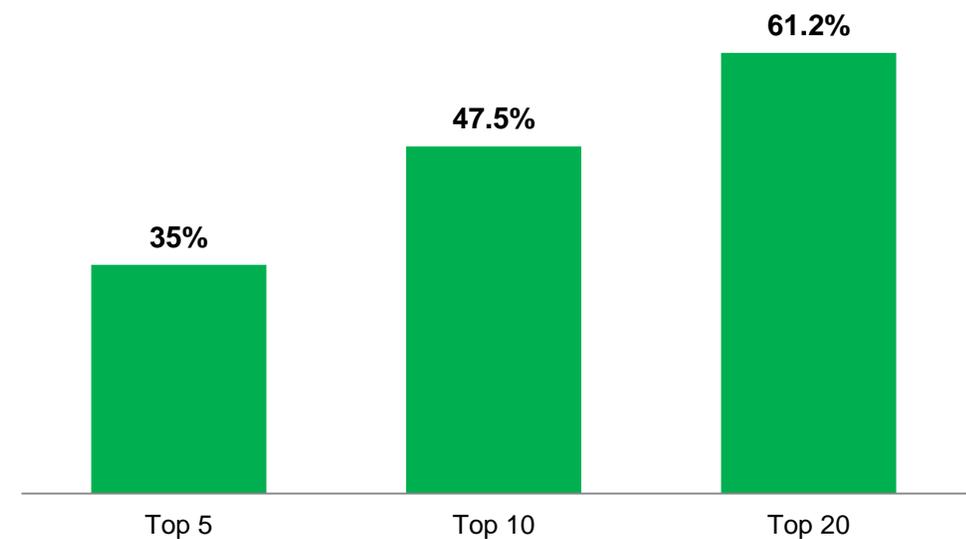
1) Price development until April 26, 2018

Sales and marketing - Customer concentration

**Textiles – Percent of sales by customers
(2017¹)**



**Nonwovens – Percent of sales by customers
(2017¹)**



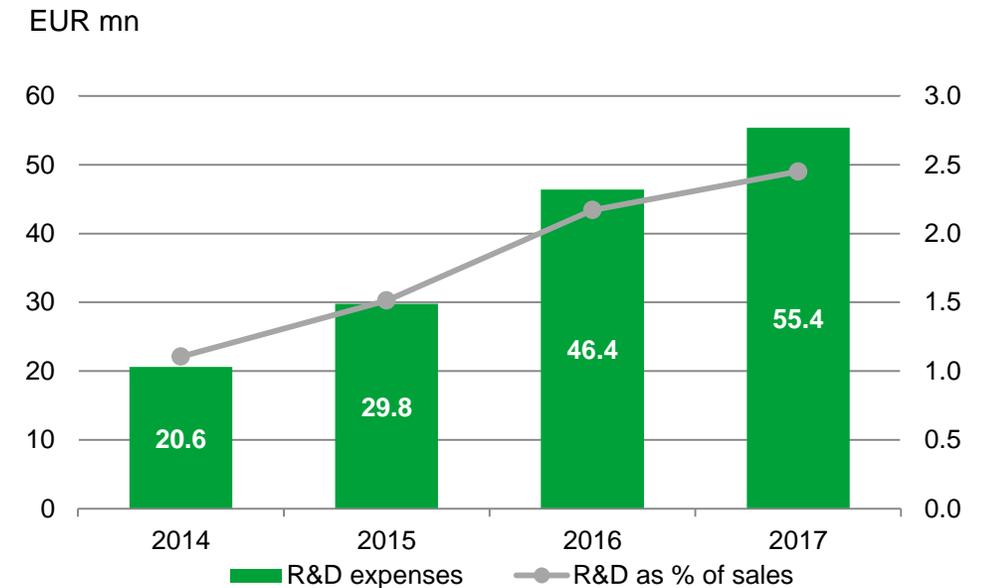
Source: Lenzing data 2017

Lenzing underpins its innovation leadership

Industry leading R&D spend (EUR 55.4¹ mn in 2017)

- R&D is an essential part of the sCoreTEN 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™ recycling technology and LENZING™ ECOVERO™ fibers
 - TENCEL™ 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



Source: Lenzing

1) Pursuant Frascati

sCore TEN investment program

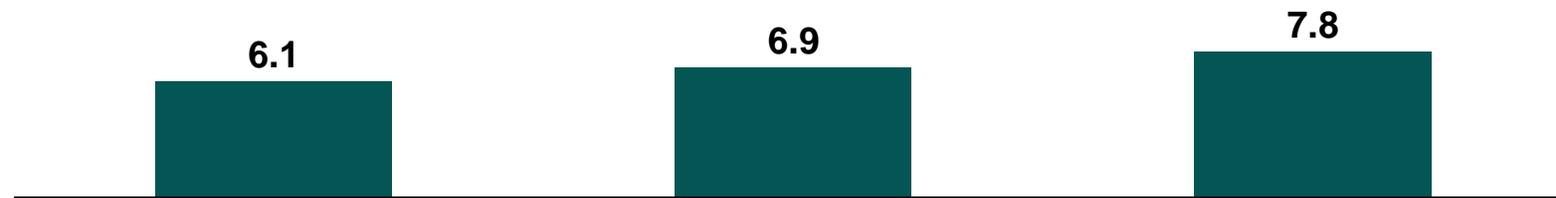
- Debottlenecking of pulp and specialty fibers
 - Around EUR 100 mn in pulp (in 2019)
 - Around EUR 100 mn in specialty fibers (in 2018)
- Lyocell brownfield project of 90 kt in Mobile/USA (in 2019)
 - Investment of USD 293 mn at existing site in Mobile/USA
 - Construction started in H1/2017
- Lyocell greenfield expansion in Asia (est. in 2021)
 - Prachinburi (Thailand) selected for new large scale lyocell fiber expansion
 - Subsidiary (office in Bangkok), recruiting (already started), land reservation finalizing of approvals and technical planning

Looking forward: Megatrends support fiber demand growth

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

World

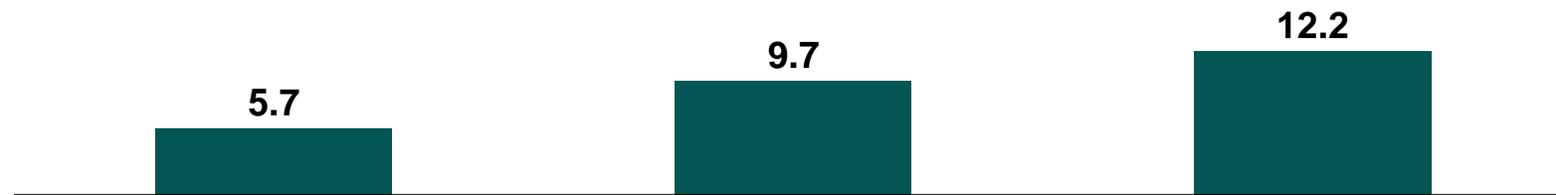
Population
bn



CAGR
2010-2020

+1.1%

GDP per capita
(current prices)
ths. USD/capita



+2.4%

Fiber consumption
kg/capita



+2.2%

2000

2010

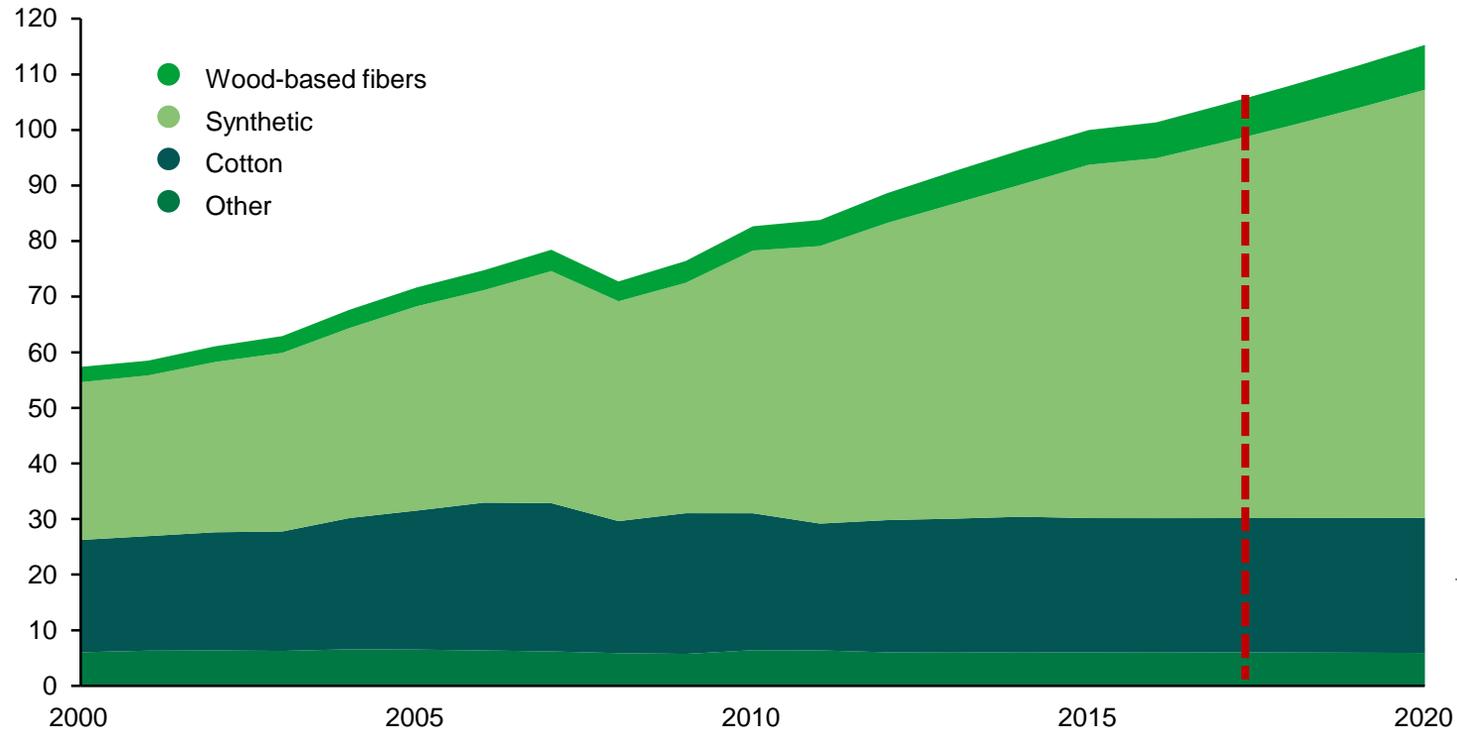
2020

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

Wood-based fibers¹ outgrow market

Expected growth of global fiber demand until 2020

Million metric tons



**CAGR
(2015e – 2020p²)**

- Wood-based fibers¹ **5-6% p.a.**
- Synthetic fibers **4-5% p.a.**
- Cotton **0-1% 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)

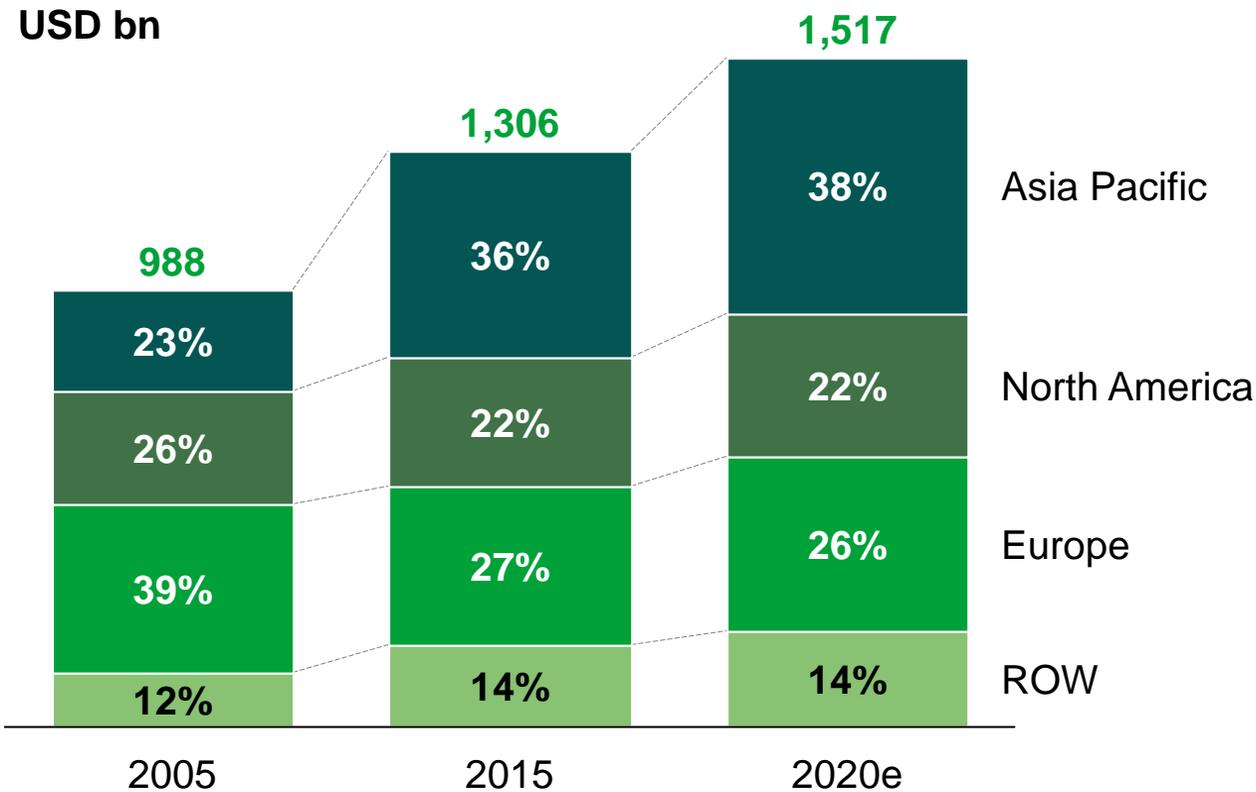
2) Projected

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)

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

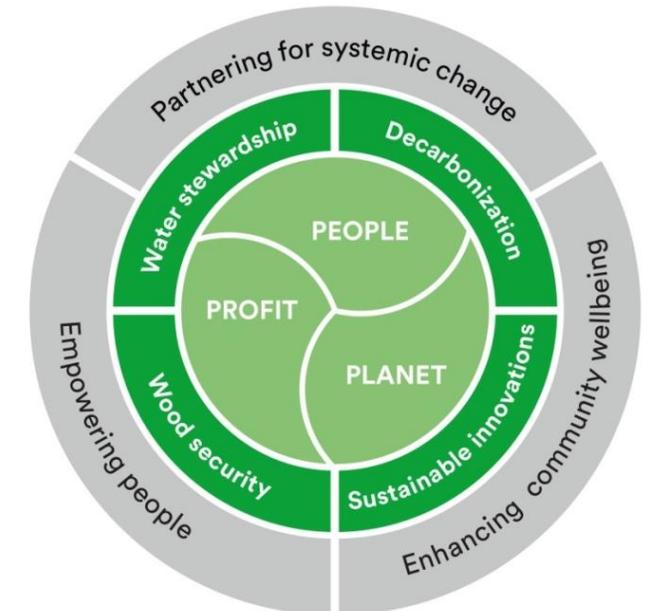
- Sooner or later “peak oil” will be reached
- New sources can only be tapped by taking high ecological risks



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

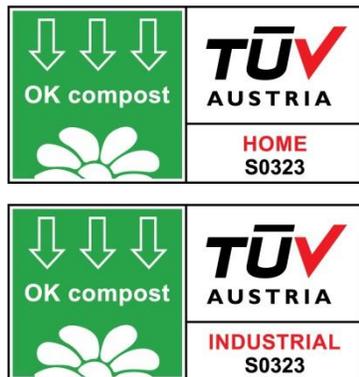


Certificates and recognitions

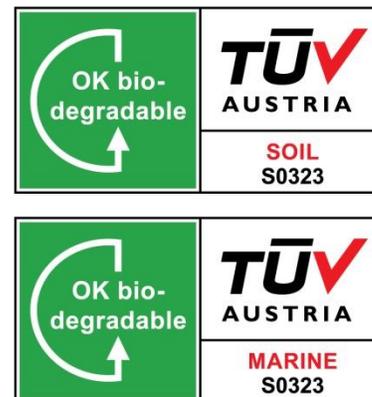
- VÖNIX (Austrian Sustainability Index)
- The European Eco-Label (European Flower)
- Responsible Care®
- OEKO-TEX® Standard 100
- European Award for the Environment (TENCEL™ fibers)
- PEFC™ (Chain of Custody)
- FSC® (Chain of Custody)
- 100% USDA Biobased certification for all Lenzing fibers (LENZING™ 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



www.lenzing.com



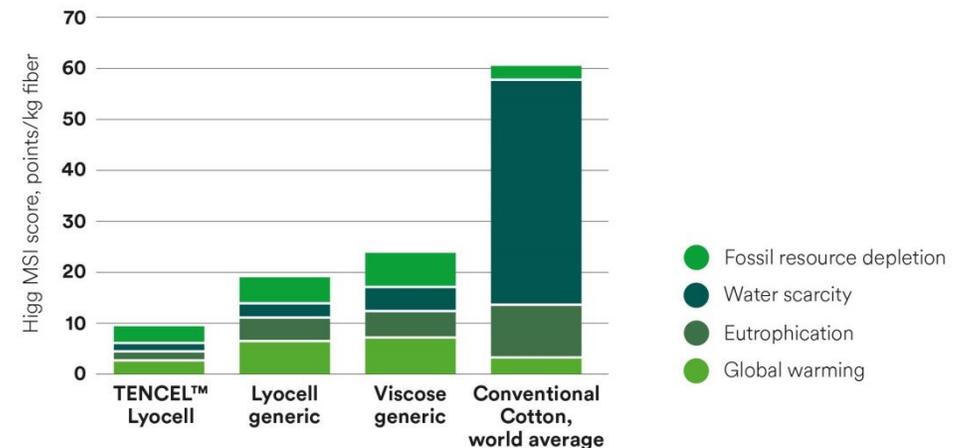
08.05.2018 - 54



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

Comparison of environmental impacts of TENCEL™ Lyocell fibers vs. generic viscose and conventional cotton cultivation, world average



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. Lenzing™ ECOVERO™ branded viscose fibers' Higg MSI score was calculated based on Lenzing fibers which are already in the Higg MSI."

REFIBRA™: The game changing recycling technology

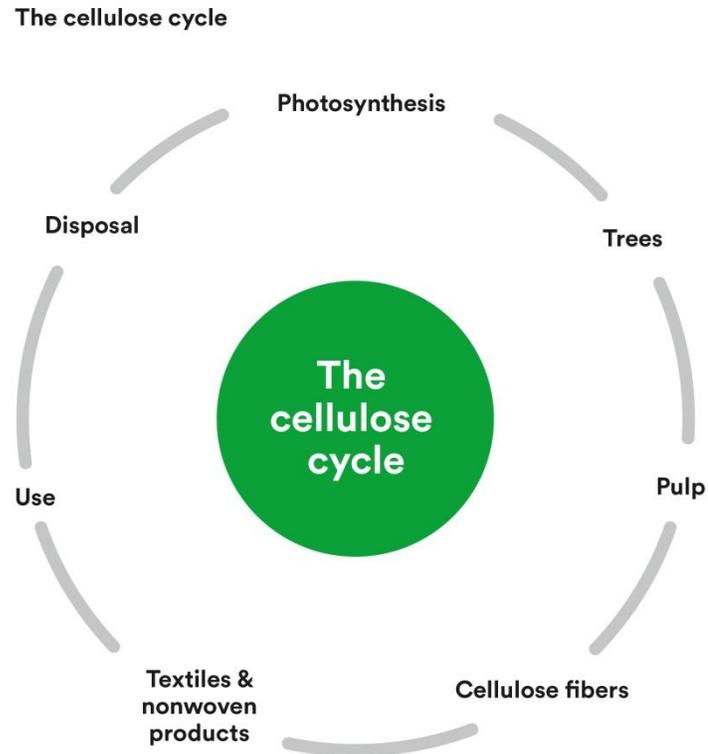


- REFIBRA™ recycling technology for the circular economy (Closed loop system)
 - Combination of lyocell technology with pioneering use of recycled cotton off-cuts
 - Upscaling of cotton and significant reduction of cotton scraps in the garment production
 - New system to identify the fiber in finished garment
- Directly commercialized at retailers
 - Key innovation for world leading retailer Inditex
 - Since spring 2017 REFIBRA™ recycling technology are part of the “Join life” collection¹
 - Huge interest of other brands, retailers and NGOs
 - 25 leading and influencing brands are developing collections for 2018 ff.
 - Around 30 other brands are evaluating the use of REFIBRA™ recycling technology

1) The collection is built on: a) Care for water, b) Care for climate, c) Care for fiber (Best material: organic cotton, recycled polyester, TENCEL® branded lyocell fibers and REFIBRA™ recycling technology)

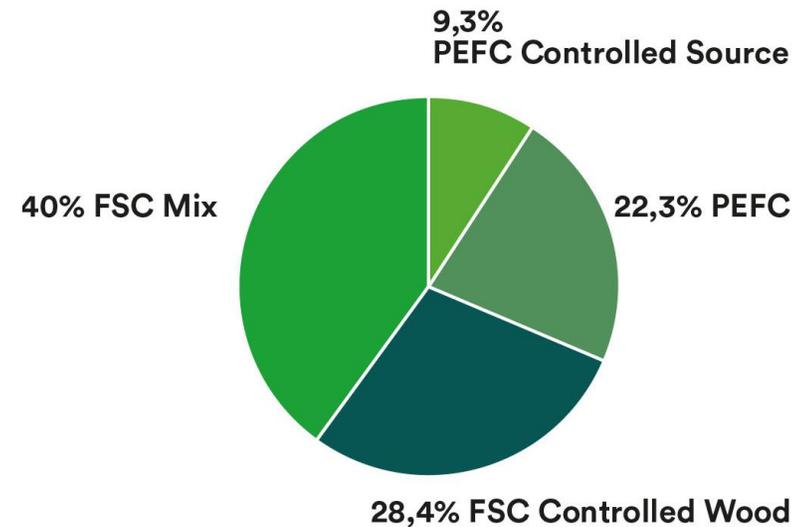
Dissolving wood pulp is the basis for our sustainable products

Our business is part of a natural closed cycle



We only use wood from sustainable forestry

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.

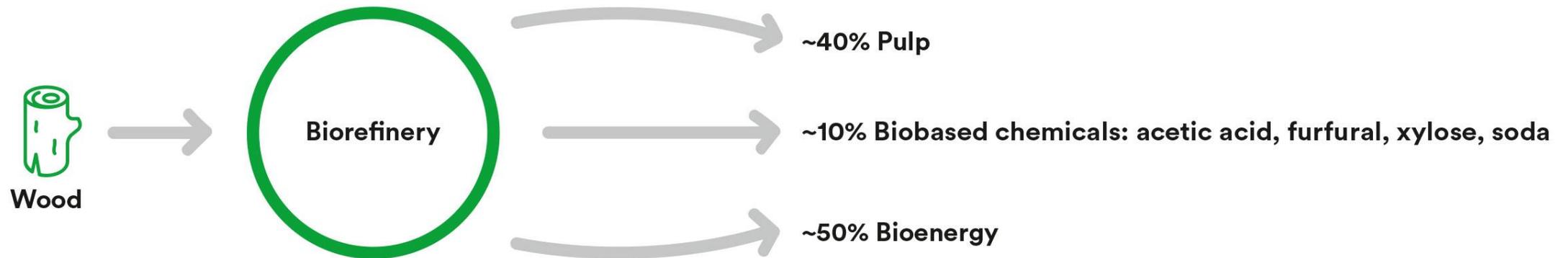


1) Controlled = Internally audited according to the standards of the wood certifiers and externally verified

Highly efficient use of the raw materials

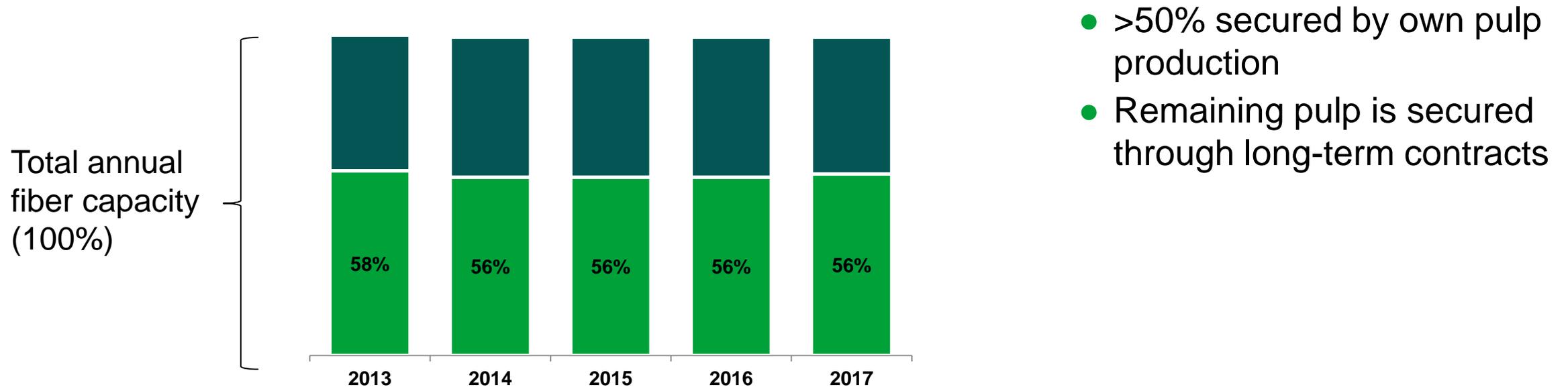
The Lenzing site is fully integrated. Dissolving wood pulp production at the Lenzing and Paskov sites achieve a wood utilization rate of about 100% (incl. energy use).

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



Fiber production fully secured by a robust pulp supply

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



The strategy – driving value growth



sC  reTEN

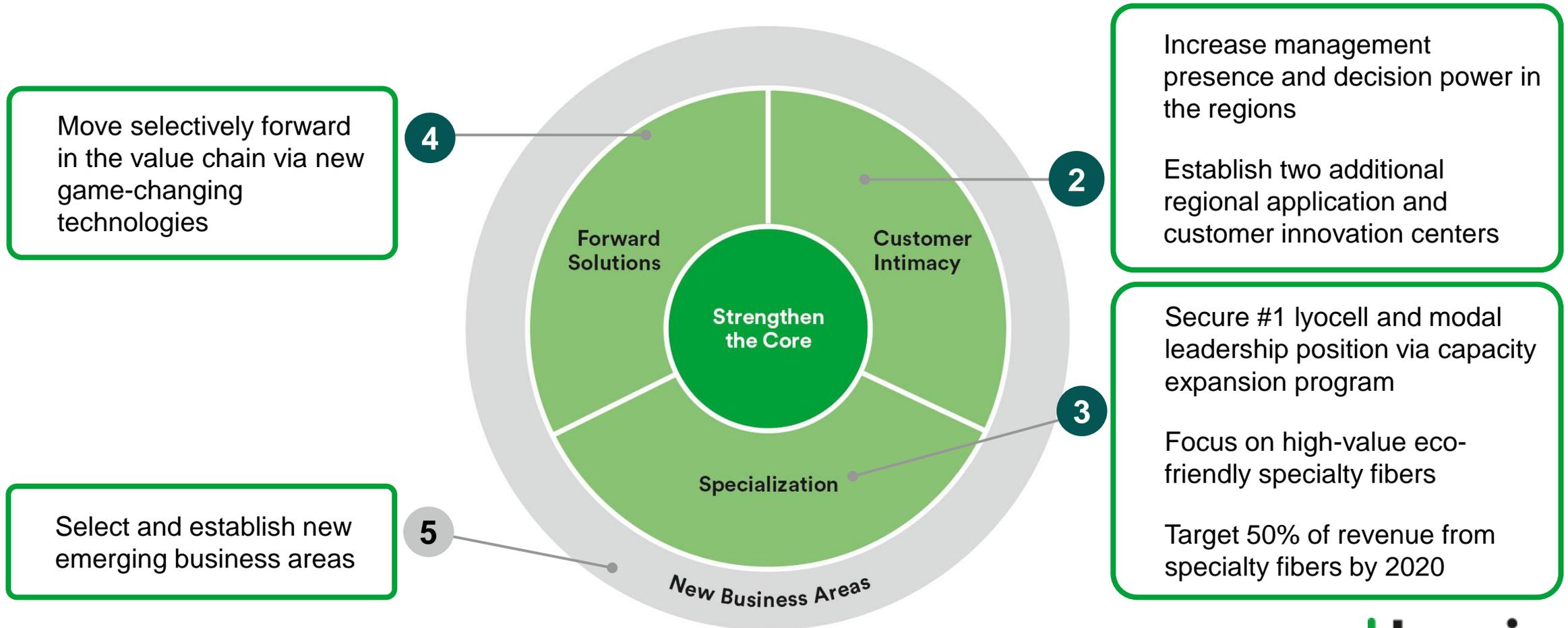
Strengthen the Core

- 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

1



Customer Intimacy, Specialization, Forward Solutions and New Business Areas

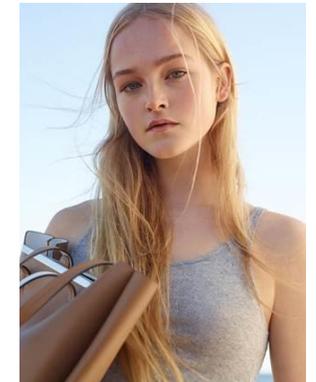


Backup



Where you can find our fibers

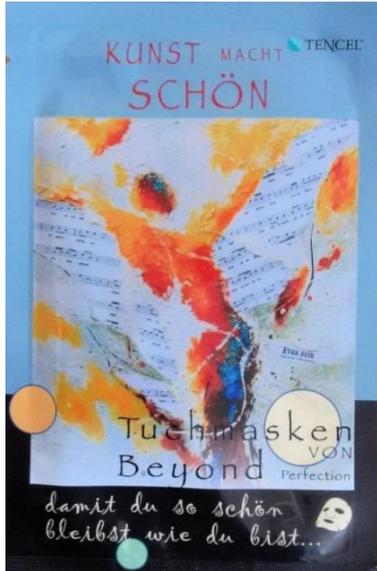
Apparel/Home & Interiors - close to skin



Where you can find our fibers

Nonwovens

- Facial masks



- Wipes



- Hygiene articles



Where you can find our fibers

New Business Development & Technical textiles

- In automotive (car seats, tires, injection molding, ...)



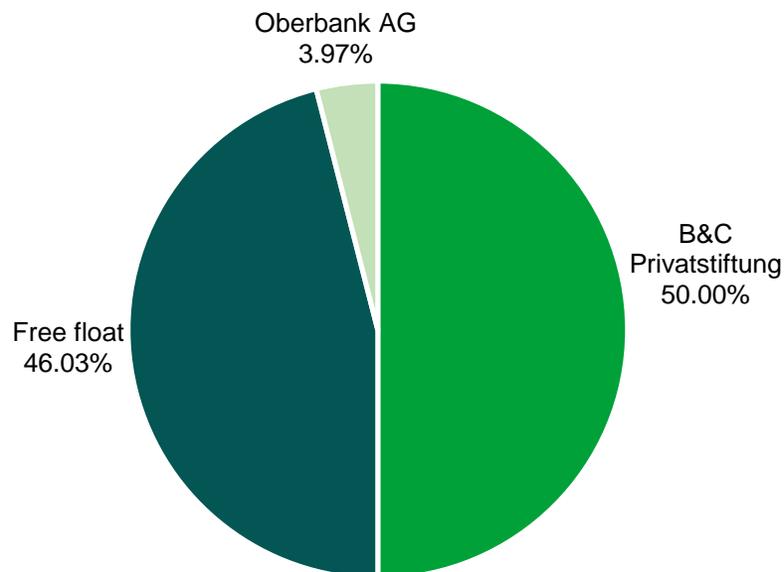
- Packing solutions with Lenzing Modal® COLOR fiber (vegetable and fruit nets – eg. at REWE Austria and ALDI Austria – Hofer)



- Botanic Shoe with TENCEL® fiber TENCEL® fiber shoe complete (shoe soles, lining, upper fabric and shoe laces)



Lenzing share information



ISIN	LNZ / AT0000644505
Bloomberg	LNZ:AV
Reuters	LNZNF.PK
Indices	ATX Prime, ATX Global Players, VÖNIX Sustainability Index
Number of shares	26,550,000
Share price March 29, 2018	EUR 100.30
Market capitalization March 29, 2018	EUR 2,662.97 mn

Coverage as at May 8, 2018:

Baader Bank	Buy
Berenberg Bank	Hold
Deutsche Bank	Hold
Erste Group	Buy
Kepler Cheuvreux	Hold
Landesbank Baden-Württemberg	Hold
Raiffeisen Centrobank AG	Hold

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 three representatives on Lenzing's Supervisory Board.
- As the core shareholder, B & C takes a long-term view and supports the strategy of Lenzing Group.

1) Link to B & C Privatstiftung website: <https://www.bcholding.at/en/b-c-holding>

Contacts and financial calendar

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- Visit our SRI sites
<https://www.lenzing.com/en/sustainability>
<https://www.lenzing.com/en/sustainability-reports>

Financial calendar

Full year results 2017	March 14, 2018
74 th Annual General Meeting	April 12, 2018
Results 01-03/2018	May 8, 2018
Half-year results 2018	August 8, 2018
Results 01-09/2018	November 7, 2018