



LENZING INVESTOR PRESENTATION – Nine-month report 2014
November 13, 2014

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Q3/2014: Executive summary

Positive effects from excellENZ and TENCEL® fiber production

- Sales volume +5.2% to 233 k tons (Q3/2013: 221.5 k tons)
- Average fiber price
 - Recovery Q3/Q2/2014 from EUR 1.52 to EUR 1.57 per kg
- Sales increase EUR 457.7 mn (Q2/2014: EUR 448.3 mn)
- Earnings improvement because of
 - better product mix
 - additional TENCEL® fiber volumes
 - positive effects from sharpened excellENZ program
 - EBITDA EUR 68.0 mn, 14.9% margin (Q2/2014: EUR 45.6 mn, 10.2% margin)

9M/2014: Executive summary

Financials improving, continued tough market pricing

- New record sales volume of +7.1% to 707 k tons (9M/2013: 660 k tons)
- TENCEL® fiber jumbo line production fully effective
- Successful promotion of TENCEL® fiber, focus on market penetration
- Efficiency gains in production due to operational excellence
- Financials (“like for like”)
 - Sales of EUR 1,357.7 mn down 2.8% vs 9M/2013 EUR 1,397.1¹ mn
 - Average fiber price EUR 1.55 per kg
 - -10.4% vs 9M/2013 (EUR 1.73 per kg)
 - EBITDA EUR 159.8 mn (9M/2013: EUR 190.2² mn), EBITDA margin 11.8%
 - EBIT EUR 69.5 mn (9M/2013: EUR 106.6³ mn), EBIT margin 5.1%
 - Net financial debt with EUR 484 mn below EUR 500 mn target

taking into account Business Unit Plastics sold in the first nine month of 2013 :

1) Sales EUR 1,447.0 mn, change y-on-y 6.2%, >50% of decrease due to Plastics sale

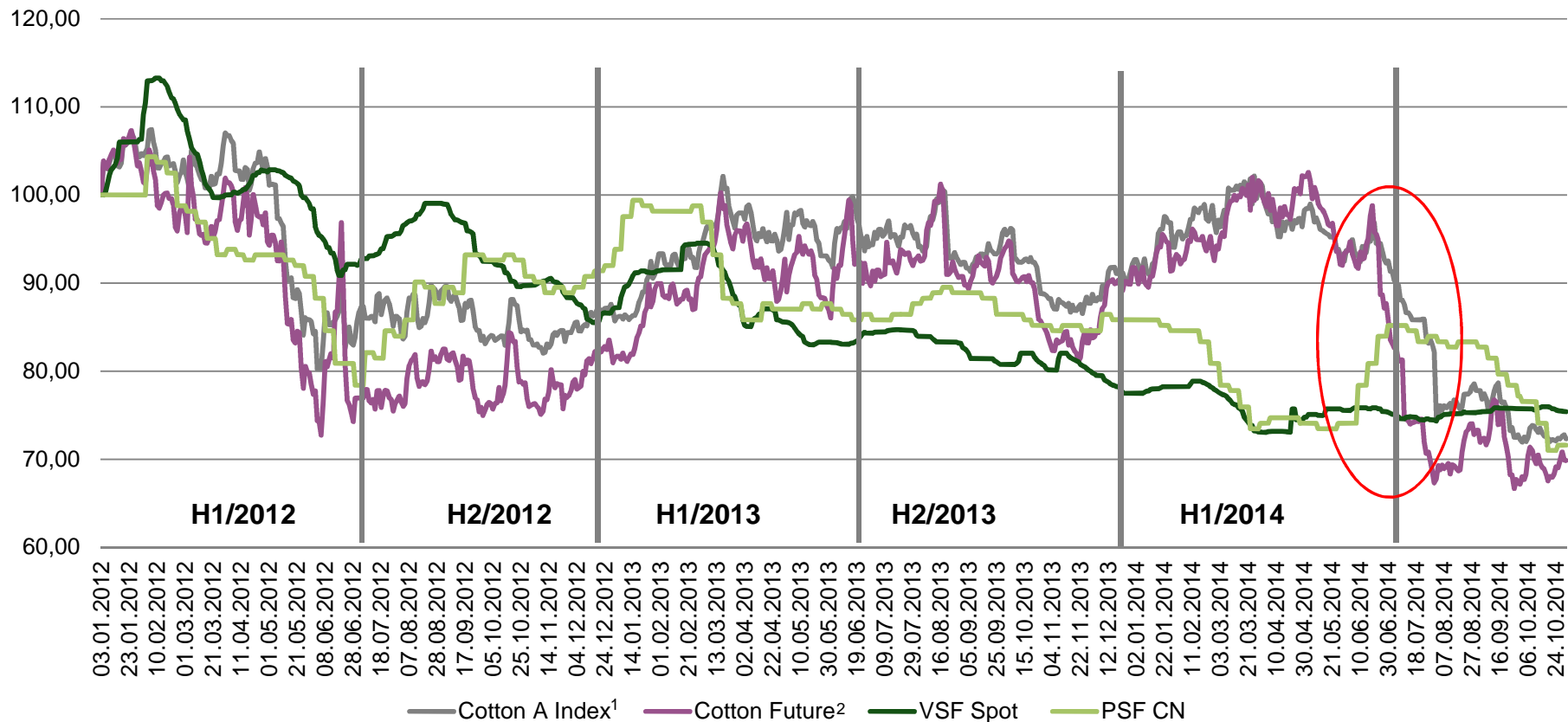
2) EBITDA EUR 223.8 mn, 15.5% margin

3) EBIT EUR 136.4 mn, 9.4% margin

9M/2014: Chinese viscose fiber spot prices regaining premium over cotton

Cotton price reduction ytd (23.8%), against ytd high (35.2%)¹

(in USct/lbs)



1) Cotton A index as of November 4, 2014 at 64.13 USct/lbs vs. 84.04 USct/lbs at January 2, 2014; ytd high 98.90 USct/lbs

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

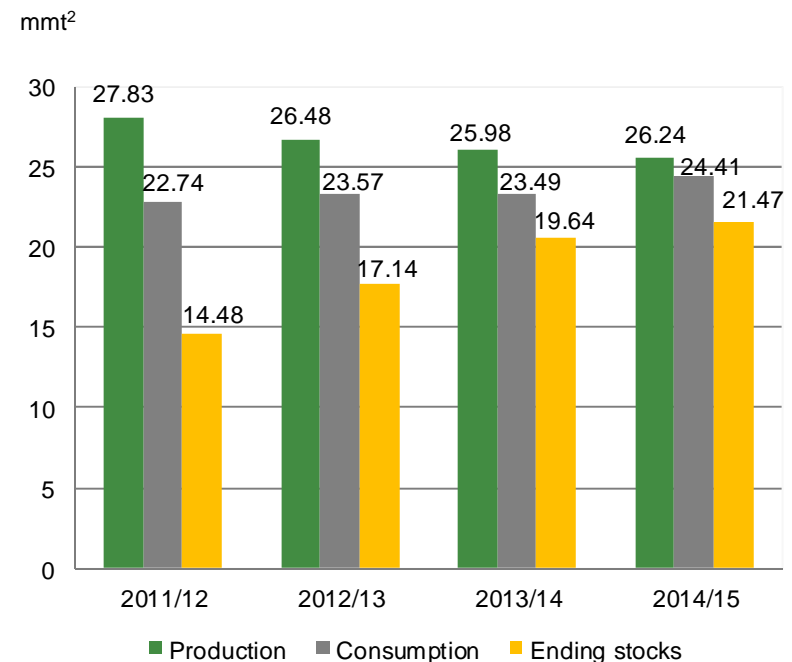


9M/2014: Low cotton prices putting pressure on the fiber market

Cotton production higher than demand, stock on record level

- Cotton prices on a low level after sharp drop in July
 - Average Cotton A Index still falling; currently below 70 USct/lbs
 - Chinese cotton prices also fell from 19.000 RMB to 15.300 RMB (approx. 1.11 UScts/lbs)
- Abrupt changes in China's cotton subsidy policy
 - Decreased cotton import quotas of only 900 k tons
 - Subsidies to support the cotton farmers' income and not regulating market prices
- Cotton oversupply for the fifth consecutive season
 - Still increase in China's cotton stock from 12.1 mmt to 12.6 mmt in next harvest season
 - Stock-to-use-ratio 2013/14¹
 - China 158%
 - ROW 54% (very low)

Cotton market¹



Source:

1) ICAC, October 1, 2014

2) million metric tons

9M/2014: Competitive viscose environment

Viscose spot price stabilized on low level – regaining premium over cotton

- Viscose fiber spot prices stabilized in Q3/2014 on a low level around 12.000 RMB
- Regaining premium over cotton after sharp drop in cotton prices

- No change of tough viscose market pricing
 - Low cotton prices could put price pressure on the fiber market
 - Chinese competitors are short of cash therefore cash driven
 - New capacities around 200 – 250 k tons in 2014, but also some shutdowns because of environmental reasons

- No impact of Chinese DWP¹ anti-dumping regulation
 - Soft DWP environment with expected overcapacities in coming years

1) dissolving wood pulp

9M/2014: Increased TENCEL® market penetration

Apparel

- Strong promotion in denim/jeans, most of the denim producers have TENCEL® fiber in their collection
- GAP US, co-branding activity for jeans

Home

- Market focus bed linen in China, promotion activity at Intertextile Shanghai Home in August 2014
- First large TENCEL® fiber towel programs in US retail Target, Bed, Bath & Beyond, 6 mn pieces and growing

Nonwovens

- New study presented: TENCEL® BIOSOFT considerably increases comfort of incontinence products

TENCEL® fiber promotion

- TENCEL® fiber plant promotion in the textile value chain
- Roll out of knit promotion for the fiber types A100 and LF



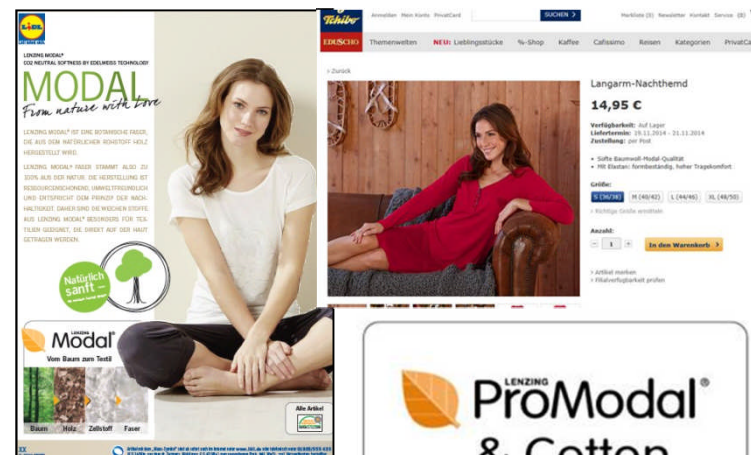
9M/2014: Lenzing MODAL® marketing activities

Apparel

- Lidl Europe – brand co-operation in all shops, and European TV channels, 3.3 mn pieces
- Tchibo/Eduscho: new brand licence in Lenzing Modal® with 2.6 mn pieces

Home

- A-fontane®, China: ProModal® street-advertising
- Akemi, South East Asia: start of ProModal® cotton blend bed linen and towels
- Lenzing Modal® towel at Walmart, USA, licence with 0.5 mn pieces



9M/2014: Financial overview

Financials improving, continued tough market pricing

Only continuing operations ("like for like")	Q3/2014	Q3/2013	Change %	9M/2014	9M/2013	Change %
Sales volume k tons	233.0	221.5	5.2	707.0	660.0	7.1
Ø fiber price EUR/kg	1.57	1.67	(6.0)	1.55	1.73	(10.4)
Sales (EUR mn)	457.7	457.1	0.1	1,357.7	1,397.1	(2.8)
EBITDA (EUR mn)	68.0	61.1 ¹	11.3	159.8	190.2 ¹	(16.0)
Margin %	14.9	13.4 ¹	-	11.8	13.6 ¹	-
EBIT (EUR mn)	37.1	32.7 ²	13.4	69.5	106.6 ²	(34.8)
Margin %	8.1	7.2 ²	-	5.1	7.6 ²	-

taking into account Business Unit Plastics sold in the first nine months of 2013 :

1) EBITDA Q3/2013: EUR 61.8 mn, margin 13.5%; 9M/2013: EUR 223.8 mn, margin 15.5%

2) EBIT Q3/2013: EUR 33.4 mn, margin 7.3%, 9M/2013: EUR 136.4 mn, margin 9.4%



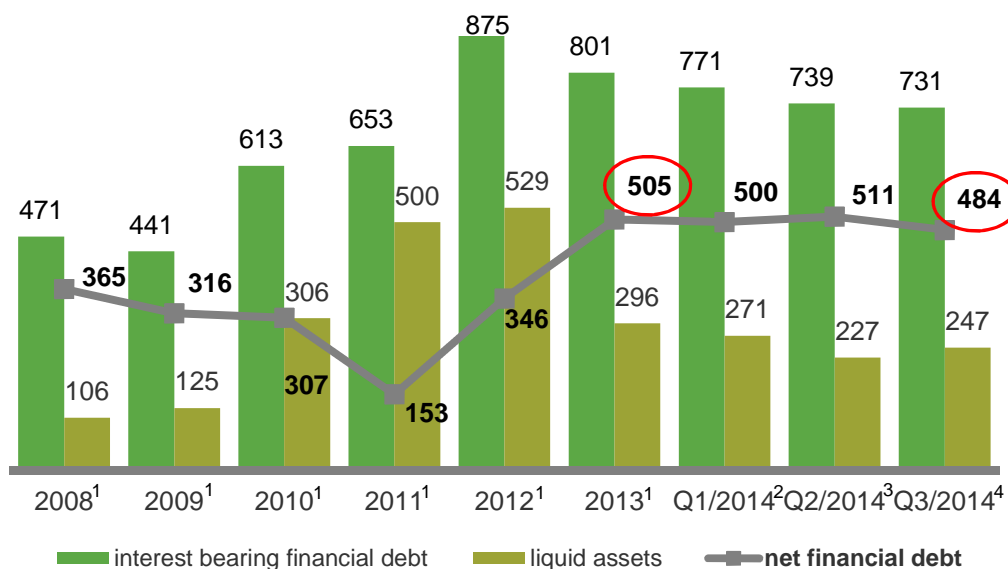
9M/2014: Weak fiber prices negatively impact sales and earnings in Q1-Q3

Only continuing operations ("like for like") ¹ (EUR mn)	Q3/2014	As of sales %	Q3/2013	As of sales %	Change %	1-9/2014	As of sales%	1-9/2013	As of sales%	Change %
Consolidated sales	457.7		457.1		0.1	1,357.7		1,397.1		(2.8)
Total opex	(413.1)		(434.0)		(4.8)	(1,273.5)		(1,274.6)		(0.1)
Personnel expenses	(73.0)	15.9	(77.2)	16.9	(5.5)	(225.8)	16.6	(230.1)	16.5	(1.9)
Cost of material and purchased services	(296.5)	64.8	(303.4)	66.4	(2.3)	(896.7)	66.0	(880.7)	63.0	1.8
Other operating expenses	(43.6)	9.5	(53.3)	11.7	(18.2)	(151.0)	11.1	(163.8)	11.7	(7.8)
EBITDA/EBITDA margin	68.0	14.9	61.1	13.4	11.3/1.5	159.8	11.8	190.2	13.6	(16.0)/(1.8)
EBIT/EBIT margin	37.1	8.1	32.7	7.2	13.4/0.9	69.5	5.1	106.6	7.6	(34.8)/(2.5)

1) taking into account Business Unit Plastics sold in the first nine month of 2013: sales (6.2%), EBITDA (28.6%) , EBIT (49.0%)

9M/2014: Financials

Net financial debt below EUR 500 mn target



Improved cash flows

- Cash flow from operating activities EUR 159.1 mn (9M/2013: EUR 57.3 mn)
- Investment Cash flow EUR (84.1) mn (9M/2013: EUR (97.2) mn)
- Free Cash flow (adj) EUR 74.5 mn (9M/2013: EUR (121.6) mn)

9M/2014 net financial debt decrease of EUR 21 mn vs FY/2013

Improvement of net trading working capital of ~ EUR 21 mn

Total liquidity cushion of EUR 547.9 mn

- EUR 246.6 mn liquid assets⁵
- EUR 301.3 mn of unused credit lines

Adjusted equity of EUR 1,132 mn

- 46.9 % equity ratio (FY/2013: 45.5%)
- Net gearing of 42.8% (FY/2013: 45.5%)

1) as at December 31

2) as at March 31, 2014,

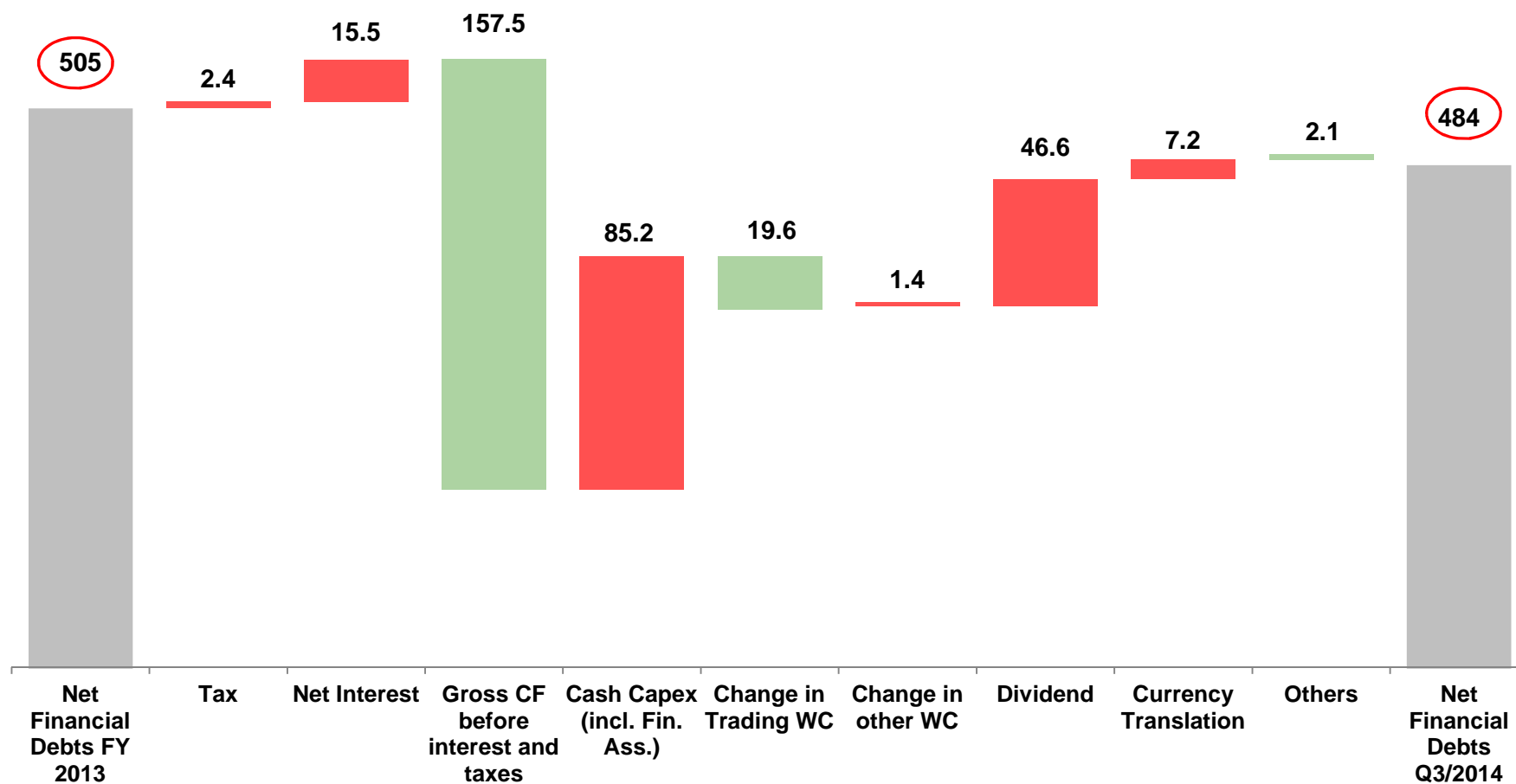
3) as at June 30, 2014,

4) as at September 30, 2014

5) including cash and cash equivalents (EUR 239.4 mn), current securities, liquid investments and liquid bills of exchange

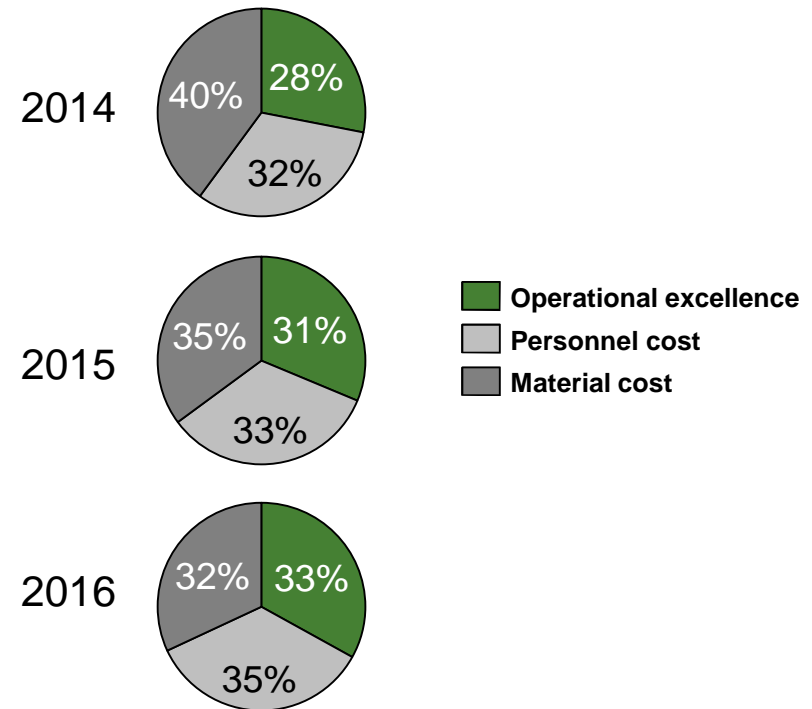
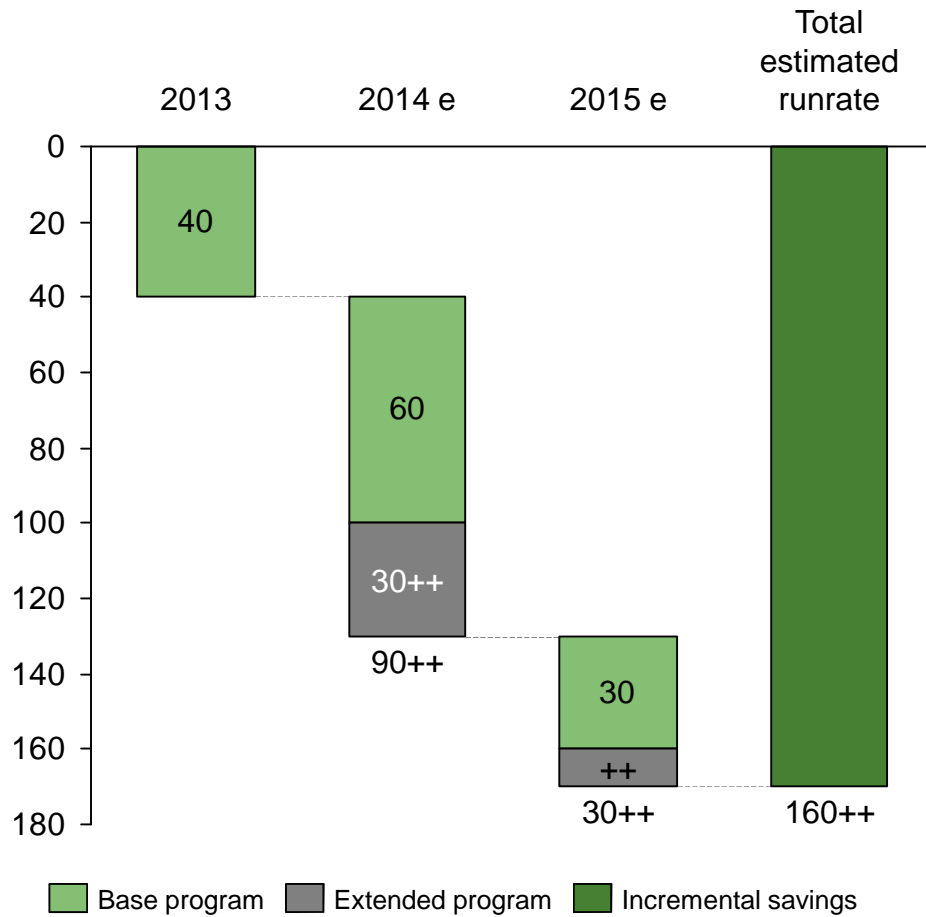
9M/2014: Financials

Net debt cascade



exceLENZ cost saving program

A sustainable improvement of Lenzing's cost position



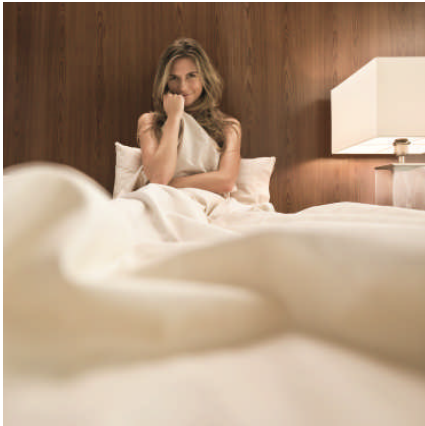
Outlook: Full Year 2014

Tough pricing to continue - focus on cost savings and fiber specialties

- No short-term improvement of global fiber market
 - Good volume demand but tough pricing to continue
 - Low cotton prices and high cotton stock to increase pressure on all fiber prices
 - Chinese competitors are still cash driven
- Focus on fiber specialties to be continued
 - 30 k tons additional TENCEL[®] fiber production until end of 2014
 - Focus on TENCEL[®] and Lenzing Modal[®] marketing
 - Increasing Nonwoven prices
- Strategic review for cost competitiveness, asset foot print and production portfolio
- Financials
 - excellENZ program with cost savings of EUR 90++ mn
 - Net financial debt below target of EUR 500 mn
 - Active cash flow management



Q3/2014 – Financial information



Q3/2014: Consolidated Group P&L

(EUR mn)	Q3/2014	Q3/2013 ¹
Total sales	457.7	457.1
Inventory change/work in progress	8.4	18.9
Work performed by the group and capitalized	6.4	13.5
Other operating income	8.6	6.4
Cost of material and purchased services	(296.5)	(303.4)
Personnel	(73.0)	(77.3)
Other operating expenses	(43.6)	(53.3)
EBITDA/Margin	68.0/14.9%	61.8/13.5%
Depreciation & Amortization	(31.6)	(29.1)
Income from resolution of investment benefits	0.7	0.7
EBIT/Margin	37.1/8.1%	33.4/7.3%
Financial result	(4.6)	(5.8)
Results from terminable non-controlling interest	0.8	0.6
EBT/Margin	33.3/7.3%	28.2/6.2%
Tax	(4.2)	(6.9)
Tax rate	12.5%	24.6%
Net income/Margin	29.1/6.4%	21.3/4.7%
Net income after minorities/Margin	29.3/6.4%	21.1/4.6%
EPS (in EUR)	1.10	0.80

1) the prior-year figures have been restated due to change in presentation (see Financial Statement, Note 2, Annual Report 2013)

Q3/2014: Topline breakdown

More volume but low pricing

(EUR mn)	Q3/2014	Q3/2013	Change y-o-y (%)
Breakdown of fibers segment sales			
Textile fibers	250.6	253.9	(1.3)
Nonwoven fibers	114.5	116.7	(1.9)
Others ¹	14.1	13.5	4.4
Total fibers only sales	379.2	384.1	(1.3)
Other fibers segment sales ²	53.1	49.4	7.5
Total fibers segment sales	432.3	433.5	(0.3)
Segment Engineering	23.2	31.8	(27.2)
BU Plastics and EPG (discontinued operations)	0.0	0.0	0.0
Others ³ and consolidation	2.2	(8.2)	-
Total sales	457.7	457.1	0.1

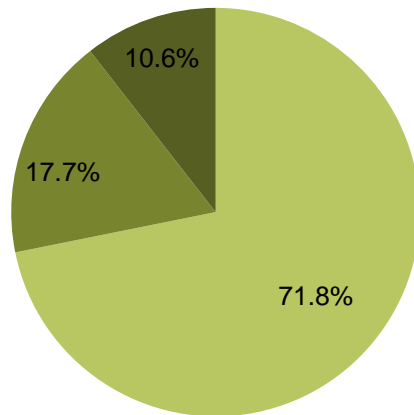
1) includes sales of sodium sulfate and black liquor

2) includes external sales of pulp, wood and energy

3) includes Dolan and BZL (Bildungszentrum Lenzing)

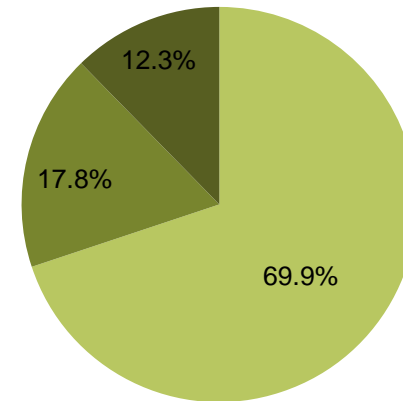
Q3/2014: Total Opex

Q3/2014 (Total Opex EUR 413.1 mn)



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

Q3/2013 (Total Opex EUR 434.0 mn)



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

Q3/2014: Opex breakdown

Positive effects from excellENZ

(EUR mn)	Q3/2014	Q3/2013 ¹	Change y-o-y (%)
Total Opex	(413.1)	(434.0)	(4.8)
Total costs of material and purchased services	(296.5)	(303.4)	(2.3)
Dissolving wood pulp ²	(154.2)	(147.5)	4.5
<i>as % of total cost of material and purchased services</i>	52.0	48.6	-
Key chemicals	(42.8)	(46.7)	(8.4)
<i>as a % of total cost of material and purchased services</i>	14.4	15.4	-
Energy	(38.5)	(40.7)	(5.4)
<i>as a % of total cost of material and purchased services</i>	13.0	13.4	-
Other ³	(61.0)	(68.7)	(11.2)
<i>as a % of total cost of material and purchased services</i>	20.6	22.6	-
Total personnel expenses	(73.0)	(77.3)	(5.7)
Total other operating expenses	(43.6)	(53.3)	(18.3)

1) the prior-year figures have been restated due to change in presentation (see Financial Statement, Note 2, Annual Report 2013)

2) including cost for wood

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

Q3/2014: Opex as of total sales

Positive effects from excellENZ

(EUR mn)	Q3/2014	Q3/2013 ¹	Change y-o-y (%)
Total sales	457.7	457.1	0.1
Total Opex²	(413.1)	(434.0)	(4.8)
Total cost of material and purchased services	(296.5)	(303.4)	(2.3)
as % of total sales	64.8	66.4	-
Total personnel expenses	(73.0)	(77.3)	(5.7)
as % of total sales	15.9	16.9	-
Total other operating expenses	(43.6)	(53.3)	(18.3)
as % of total sales	9.5	11.7	-

1) the prior-year figures have been restated due to change in presentation (see Financial Statement, Note 2, Annual Report 2013)

2) includes cost of material and purchased services, personnel expenses and other operating expenses

Q3/2014: Cash flow by quarter

Considerably better cash flows

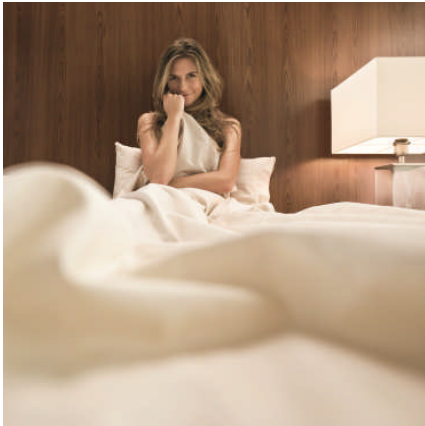
(EUR mn)	Q3/2014	Q3/2013 ¹	Change y-o-y (%)
Gross CF (before taxes and interest)	71.3	66.5	7.3
Taxes and interest	(4.0)	(17.2)	(76.7)
Gross CF (after taxes and interest)	67.3	49.3	36.6
Change in total working capital ²	(11.5)	(37.4)	(69.4)
CF from discontinued operations	0.0	(1.4)	-
Operating Cash flow	55.9	10.5	429.9
Investment Cash flow³	(20.4)	(38.8)	(47.6)
Free Cash flow	35.5	(28.3)	-
Net inflow from sale of subsidiary	0.0	0.0	-
Acquisition of other financial assets	0.1	(0.1)	-
Proceeds/repayments of other financial assets	(0.3)	(7.2)	(95.8)
Free Cash flow adj.	35.3	(35.7)	-

1) the prior-year figures have been restated due to change in presentation (see Financial Statement, Note 2, Annual Report 2013)

2) including trade and other working capital

3) including investment in financial assets and disposal proceeds

9M/2014 – Financial information



9M/2014: Consolidated Group P&L

(EUR mn)	9M/2014	9M/2013 ¹
Total sales	1,357.7	1,447.0
Inventory change/work in progress	14.2	3.6
Work performed by the group and capitalized	29.6	43.1
Other operating income	31.8	51.6
Cost of material and purchased services	(896.7)	(910.7)
Personnel	(225.8)	(241.2)
Other operating expenses	(151.0)	(169.9)
EBITDA/Margin	159.8/11.8%	223.8/15.5%
Depreciation & Amortization	(92.4)	(89.5)
Income from resolution of investment benefits	2.1	2.1
EBIT/Margin	69.5/5.1%	136.4/9.4%
Financial result	(16.3)	(19.1)
Results from terminable non-controlling interest	2.9	1.4
EBT/Margin	56.1/4.1%	118.6/8.2%
Tax	(11.8)	(32.0)
<i>Tax rate</i>	<i>21.1%</i>	<i>27.0%</i>
Net income/Margin	44.3/3.3%	86.6/6.0%
Net income after minorities/Margin	44.5/3.3%	85.2/5.9%
EPS (in EUR)	1.68	3.21

1) the prior-year figures have been restated due to change in presentation (see Financial Statement, Note 2, Annual Report 2013)

Q1-Q3/2014: Consolidated Group P&L

(EUR mn)	Q3/2014	Q2/2014	Q1/2014
Total sales	457.7	448.3	451.7
Inventory change/work in progress	8.4	5.9	(0.1)
Work performed by the group and capitalized	6.4	10.6	12.6
Other operating income	8.6	10.7	12.5
Cost of material and purchased services	(296.5)	(298.5)	(301.7)
Personnel	(73.0)	(78.3)	(74.6)
Other operating expenses	(43.6)	(53.1)	(54.3)
EBITDA/Margin	68.0/14.9%	45.6/10.2%	46.3/10.2%
Depreciation & Amortization	(31.6)	(30.6)	(30.3)
Income from resolution of investment benefits	0.7	0.7	0.7
EBIT/Margin	37.1/8.1%	15.7/3.5%	16.7/3.7%
Financial result	(4.6)	(5.3)	(6.3)
Results from terminable non-controlling interest	0.8	1.3	0.8
EBT/Margin	33.3/7.3%	11.6/2.6%	11.2/2.5%
Tax	(4.2)	(4.1)	(3.5)
Tax rate	12.5%	35.7%	31.3%
Net income/Margin	29.1/6.4%	7.5/1.7%	7.7/1.7%
Net income after minorities/Margin	29.3/6.4%	7.7/1.7%	7.5/1.7%
EPS (in EUR)	1.10	0.3	0.28



9M/2014: Topline breakdown

Affected by Nonwoven business (+), low pricing (-), discontinued operations (-)

(EUR mn)	9M/2014	9M/2013	Change y-o-y (%)
Breakdown of fibers segment sales			
Textile fibers	742.3	795.8	(6.7)
Nonwoven fibers	352.8	345.9	2.0
Others ¹	40.6	40.2	1.0
Total fibers only sales	1,135.7	1,181.9	(3.1)
Other fibers segment sales ²	149.7	144.6	2.9
Total fibers segment sales	1,285.4	1,326.5	(3.1)
Segment Engineering	68.4	97.8	(30.1)
BU Plastics ⁴ and EPG (discontinued operations)	0.0	54.0	-
Others ³ and consolidation	3.9	(31.2)	-
Total sales	1,357.7	1,447.0	(6.2)

1) includes sales of sodium sulfate and black liquor

2) includes external sales of pulp, wood and energy

3) includes Dolan and BLZ (Bildungszentrum Lenzing)

4) end consolidation as at June 30, 2013

Q1-Q3 Topline breakdown

Affected by low pricing and discontinued operations

(EUR mn)	Q3/2014	Q2/2014	Q1/2014
Breakdown of fibers segment sales			
Textile fibers	250.6	244.3	247.5
Nonwoven fibers	114.5	118.3	119.9
Others ¹	14.1	13.8	12.7
Total fibers only sales	379.2	376.4	380.1
Other fibers segment sales ²	53.1	46.8	49.9
Total fibers segment sales	432.3	423.2	430.0
Segment Engineering	23.2	21.9	23.4
BU Plastics and EPG (discontinued operations)	0.0	0.0	0.0
Others ³ and consolidation	2.2	3.2	(1.7)
Total sales	457.7	448.3	451.7

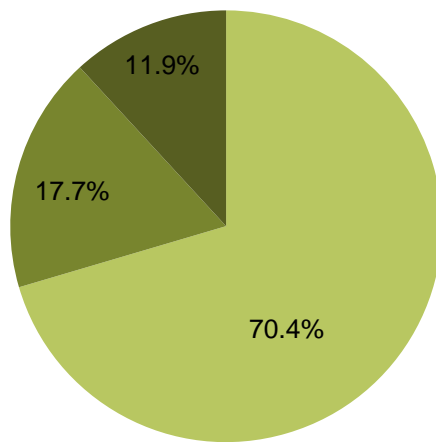
1) includes sales of sodium sulfate and black liquor

2) includes external sales of pulp, wood and energy

3) Includes Dolan and BZL (Bildungszentrum Lenzing)

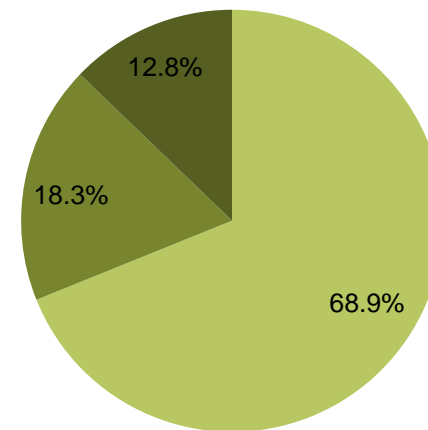
9M/2014: Total Opex

9M/2014 (Total Opex EUR 1,273.5 mn)



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

9M/2013 (Total Opex EUR 1,321.5 mn)



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

9M/2014: Opex breakdown

Positive effects from excellENZ

(EUR mn)	9M/2014	9M/2013 ¹	Change y-o-y (%)
Total Opex	(1,273.5)	(1,321.5)	(3.6)
Total costs of material and purchased services	(896.7)	(910.7)	(1.5)
Dissolving wood pulp ²	(444.1)	(419.9)	5.8
<i>as % of total cost of material and purchased services</i>	49.5	46.1	-
Key chemicals	(129.3)	(138.3)	(6.5)
<i>as % of total cost of material and purchased services</i>	14.4	15.2	-
Energy	(112.5)	(118.2)	(4.8)
<i>as % of total cost of material and purchased services</i>	12.5	13.0	-
Other ³	(210.7)	(234.3)	(10.1)
<i>as % of total cost of material and purchased services</i>	23.5	25.7	-
Total personnel expenses	(225.8)	(241.2)	(6.4)
Total other operating expenses	(151.0)	(169.6)	(11.0)

1) the prior-year figures have been restated due to change in presentation (see Financial Statement, Note 2, Annual Report 2013)

2) including cost for wood

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

9M/2014: Opex breakdown

Positive effects from excellENZ

Only continuing operations ("like for like") ¹ (EUR mn)	Q3/2014	Q3/2013	Change y-o-y (%)	9M/2014	9M/2013 ¹	Change y-o-y (%)
Total Opex	(413.1)	(434.0)	(4.8)	(1,273.5)	(1,274.6)	(0.1)
Total costs of material and purchased services	(296.5)	(303.4)	(2.3)	(896.7)	(880.7)	1.8
Dissolving wood pulp ²	(154.2)	(147.5)	4.5	(444.1)	(419.9)	5.8
<i>as % of total cost of material and purchased services</i>	52.0	48.6		49.5	47.7	
Key chemicals	(42.8)	(46.7)	(8.4)	(129.3)	(138.3)	(6.5)
<i>as % of total cost of material and purchased services</i>	14.4	15.4		14.4	15.7	
Energy	(38.5)	(40.7)	(5.4)	(112.5)	(118.2)	(4.8)
<i>as % of total cost of material and purchased services</i>	13.0	13.4		12.5	13.4	
Other ³	(61.0)	(68.7)	(11.2)	(210.7)	(204.3)	3.1
<i>as % of total cost of material and purchased services</i>	20.6	22.6		23.5	23.2	
Total personnel expenses	(73.0)	(77.2)	(5.5)	(225.8)	(230.1)	(1.9)
Total other operating expenses	(43.6)	(53.3)	(18.2)	(151.0)	(163.8)	(7.8)

1) the prior-year figures have been restated due to change in presentation (see Financial Statement, Note 2, Annual Report 2013)

2) including cost for wood

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

Q1-Q3/2014: Opex breakdown

Positive effects from excellenz

(EUR mn)	Q3/2014	Q2/2014	Q1/2014
Total Opex	(413.1)	(429.8)	(430.6)
Total costs of material and purchased services			
Dissolving pulp ¹	(154.2)	(149.1)	(140.8)
as % of total cost of material and purchased services	52.0	50.0	46.7
Key chemicals	(42.8)	(41.9)	(44.7)
as % of total cost of material and purchased services	14.4	14.0	14.8
Energy	(38.5)	(36.2)	(37.8)
as % of total cost of material and purchased services	13.0	12.1	12.5
Other ²	(61.0)	(71.3)	(78.4)
as % of total cost of material and purchased services	20.6	23.9	26.0
Total personnel expenses	(73.0)	(78.3)	(74.6)
Total operating expenses	(43.0)	(53.1)	(54.3)

1) including cost for wood

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

9M/2014: Opex as of total sales

(EUR mn)	9M/2014	9M/2013 ¹	Change y-o-y (%)
Total sales	1,357.7	1,447.0	(6.2)
Total Opex²	(1,273.5)	(1,321.5)	(3.6)
Total cost of material and purchased services	(896.7)	(910.7)	(1.5)
as % of total sales	66.0	62.9	-
Total personnel expenses	(225.8)	(241.2)	(6.4)
as % of total sales	16.6	16.7	-
Total other operating expenses	(151.0)	(169.6)	(11.0)
as % of total sales	11.1	11.7	-

1) the prior-year figures have been restated due to change in presentation (see Financial Statement, Note 2, Annual Report 2013)

2) includes cost of material and purchased services, personnel expenses and other operating expenses

Q1-Q3/2014: Opex as of total sales

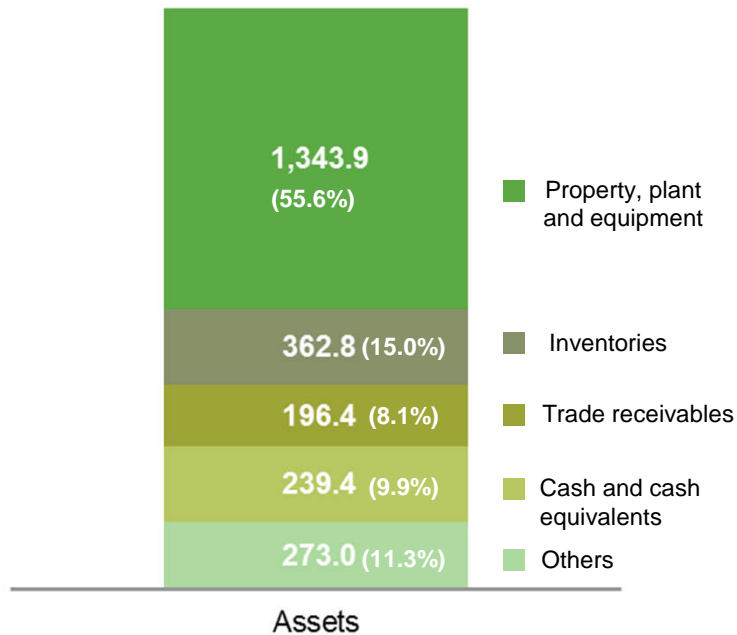
(EUR mn)	Q3/2014	Q2/2014	Q1/2014
Total sales	457.7	448.3	451.7
Total Opex¹	(413.1)	(429.8)	(430.6)
Total cost of material and purchased services	(296.5)	(298.5)	(301.7)
as % of total sales	64.8	66.6	66.8
Total personnel expenses	(73.0)	(78.3)	(74.6)
as % of total sales	15.9	17.5	16.5
Total other operating expenses	(43.6)	(53.1)	(54.3)
as % of total sales	9.5	11.8	12.0

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

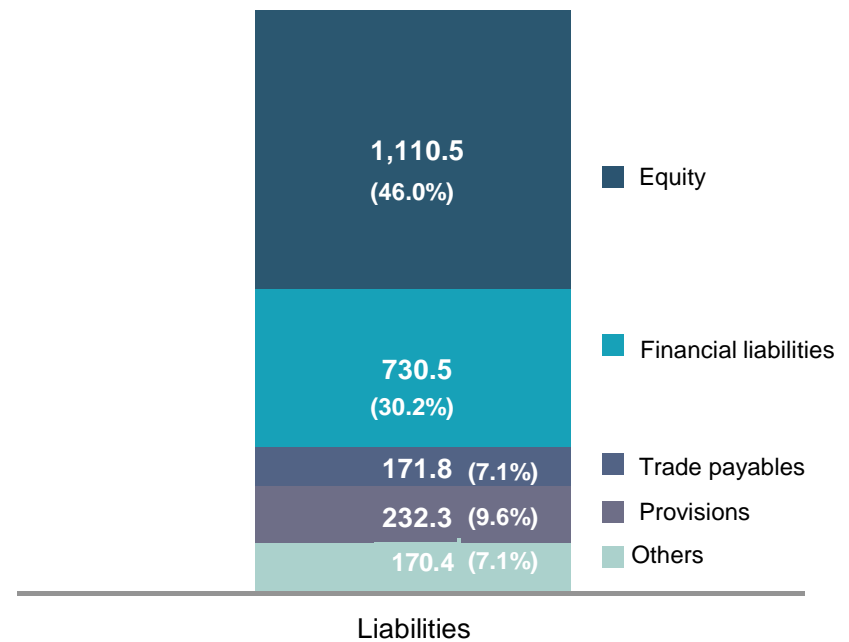
9M/2014: Solid balance sheet

As of September 30, 2014

Σ 2,415.5 EUR mn



Σ 2,415.5 EUR mn



9M/2014: Cash flow

Considerably improved cash flows

(EUR mn)	9M/2014	9M/2013 ¹	Change y-o-y (%)
Gross CF (before taxes and interest)	157.5	202.5	(22.2)
Taxes and interest	(17.9)	(73.3)	(75.6)
Gross CF (after taxes and interest)	139.6	129.2	8.0
Change in total working capital ²	19.5	(68.1)	-
CF from discontinued operations	0.0	(3.8)	-
Operating Cash flow	159.1	57.3	177.7
Investment Cash flow^{3 4}	(84.1)	(97.2)	(13.5)
Free Cash flow	75.0	(39.9)	-
Net inflow from sale of subsidiary	0.0	(61.7)	-
Acquisition of other financial assets	0.5	8.0	-
Proceeds/repayments of other financial assets	(1.0)	(28.0)	(96.6)
Free Cash flow adj.	74.5	(121.6)	-

1) the prior-year figures have been restated due to changes in presentation (see Financial Statement, Note 2, Annual Report 2013)

2) including trade and other working capital

3) including investment in financial assets and disposal proceeds

4) including cash from Plastics sale

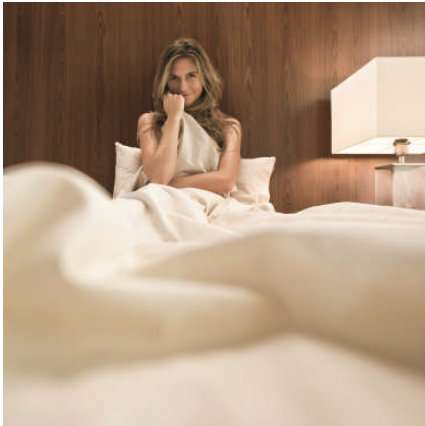
Q1-Q3/2014: Cash flow by quarter

(EUR mn)	Q3/2014	Q2/2014	Q1/2014
Gross CF (before taxes and interest)	71.4	43.9	23.8
Taxes and interest	(4.0)	(4.6)	(9.2)
Gross CF (after taxes and interest)	67.4	39.3	33.0
Change in total working capital ¹	(11.5)	21.1	9.8
CF from discontinued operations	0.0	0.0	0.0
Operating Cash flow	55.9	60.4	42.8
Investment Cash flow²	(20.3)	(27.3)	(36.5)
Free Cash flow	35.6	33.1	6.3
Net inflow from sale of subsidiary	0.0	0.0	-
Acquisition of other financial assets	0.1	0.2	0.2
Proceeds/repayments of other financial assets	(0.3)	(0.5)	(0.2)
Free Cash flow adj.	35.3	32.8	6.3

1) including trade and other working capital

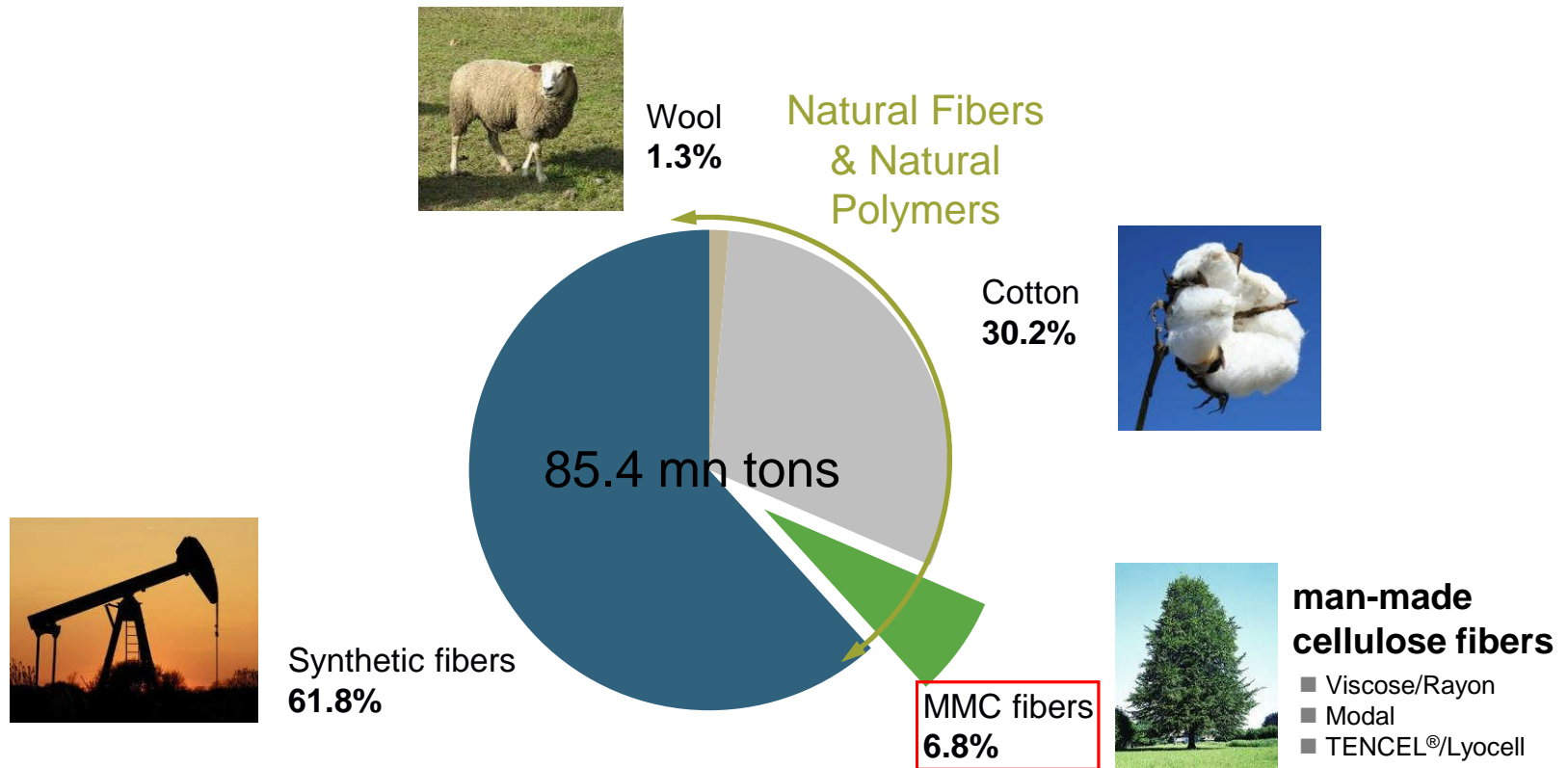
2) including investment in financial assets and disposal proceeds

Appendix – Equity story



Global fiber market at a glance




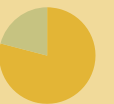


2013 production numbers



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

Lenzing: 75 years of innovation

Only producer of three fiber generations – increased share of TENCEL® sales

	Market Position and Market Share in 2013 ¹	Unique Selling Proposition	Key End Markets	% of Fiber Sales Q3/2014 ²
 Innovation drives specialties	# 1  95%	...the new age fiber – outstanding sustainability <ul style="list-style-type: none"> Environmentally friendly process Breathable, next to skin characteristics Can be blended with cotton Strength (wash ability, denim process) 	<ul style="list-style-type: none"> Jeans, bed linen, underwear Special technical applications 	24.6%³
 Innovation drives specialties	# 1  79%	...makes the world a softer place <ul style="list-style-type: none"> Natural softener for fabrics Next to skin characteristics Can be blended with cotton 	<ul style="list-style-type: none"> Textile applications only High performance apparel (high-end underwear) 	14.4%⁴
 Sets industry standard	# 2  16%	...sets the industry standard <ul style="list-style-type: none"> Superior quality allows for use of high-end textile machinery⁵ Consistent in dyeing and finishing Global service package 	<ul style="list-style-type: none"> Consumer applications Technical applications 	61.0%

Source: Lenzing

1) by production capacity

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

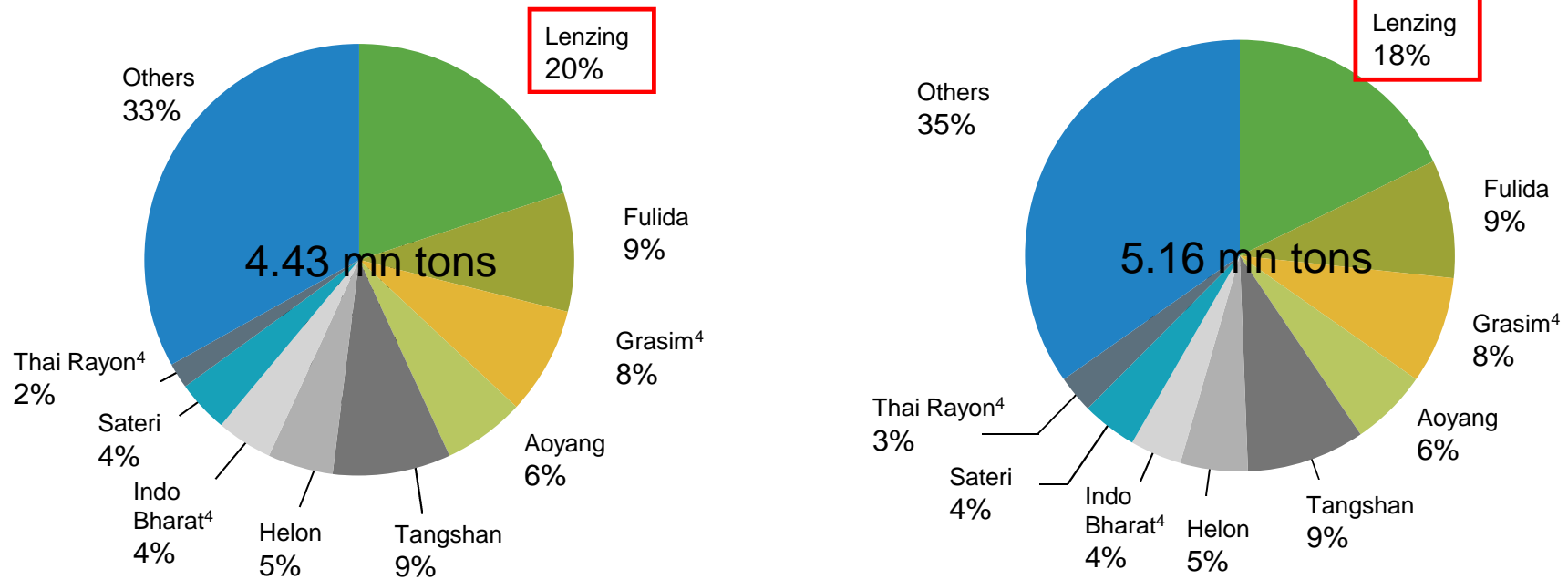
3) Q1/2014: 18.9%

4) including Lenzing FR®

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

Lenzing: Global market leader in VSF¹ (2013)

Lenzing with 20% share of production² Lenzing with 18% share of capacities³



Source: CIRFS, FEB, Trade statistics, Company estimates

1) Viscose Stable Fibers (including Modal and Tencel), excluding Viscose filaments, acetate tow, cigarette filters

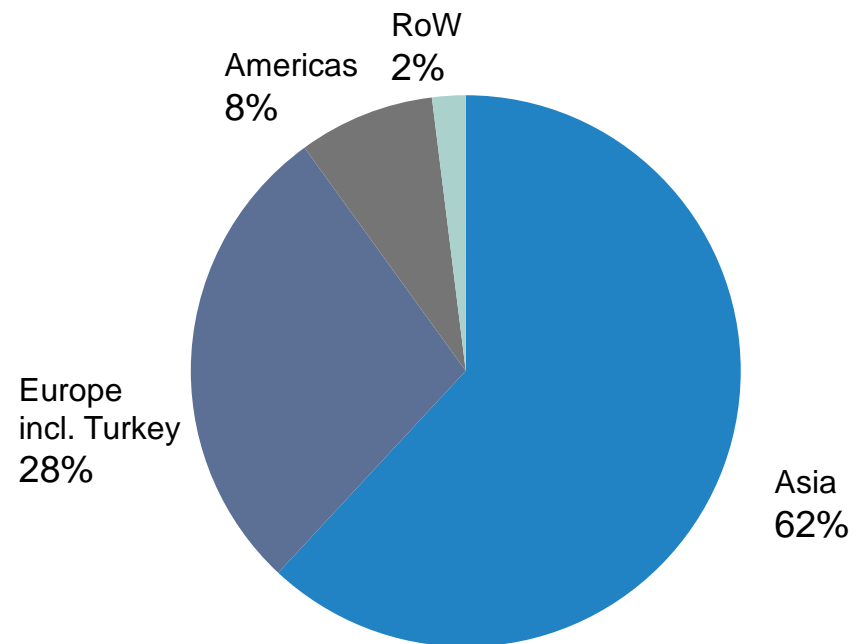
2) Production China: based on 84% utilization

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

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

Lenzing: Only global player

Sales volume by region¹ – strong footprint in Asia

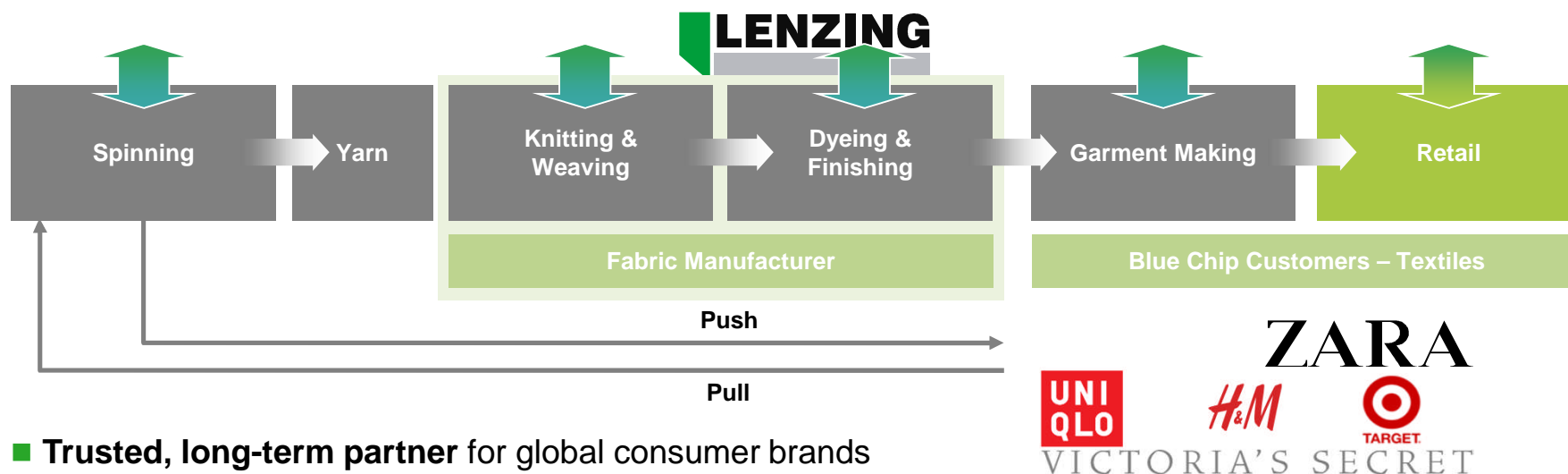


Source: Company information

1) fiber sales by volume in metric tons, 9M/2014

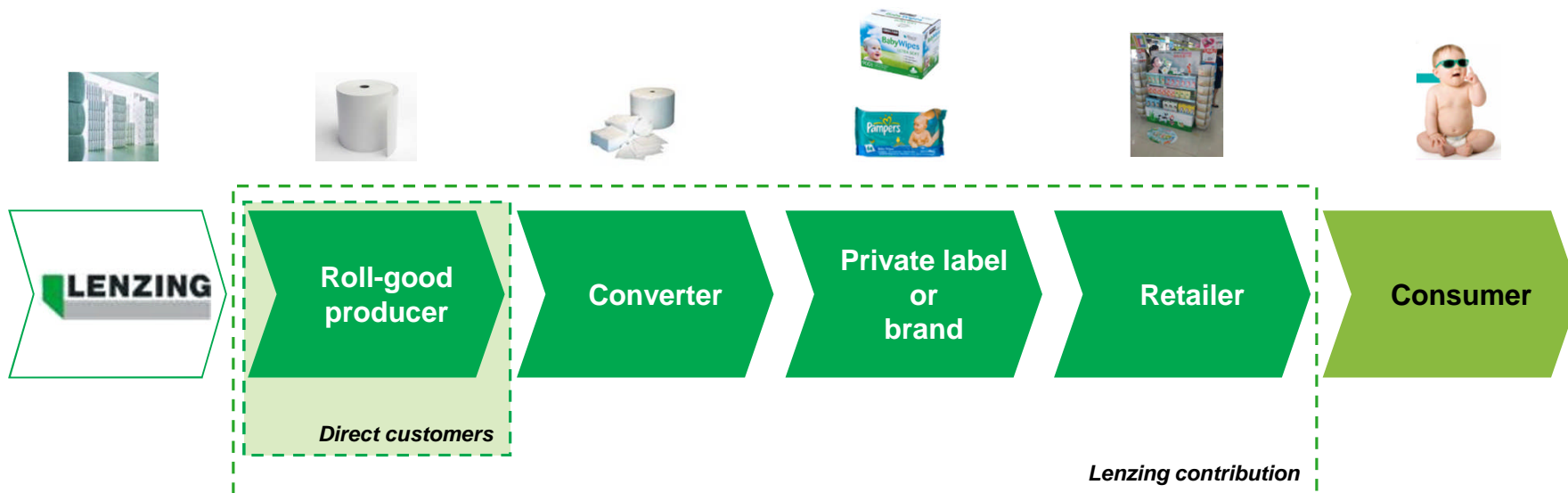
Textile: Building barriers to entry

Global branded supplier to blue chip customer base



- **Trusted, long-term partner** for global consumer brands
- **Global integrated marketing and sales network**
- **Branded supplier** with involvement in value chain decision process of customers
 - ➔ **Push:** Close collaboration with manufacturers of spinning machinery
 - ➔ **Pull:** Marketing through tailored and innovative branded products unique to Lenzing
- **Customer stickiness**

Nonwoven value chain



Price reference:



➔ Lenzing is very close to the customer due to short value chain and significant certification requirements

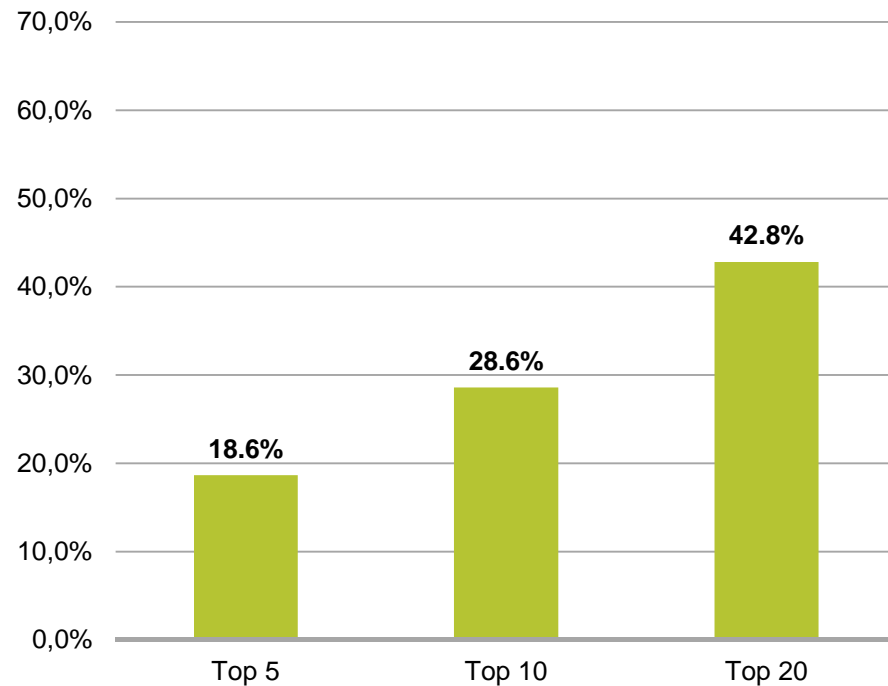
Blue Chip Customers – Nonwoven

Johnson & Johnson P&G
 KIRKLAND Signature COSTCO WHOLESALE
 TARGET BJs WHOLESALE CLUB Ontex Hygienic Disposables
 LENZING

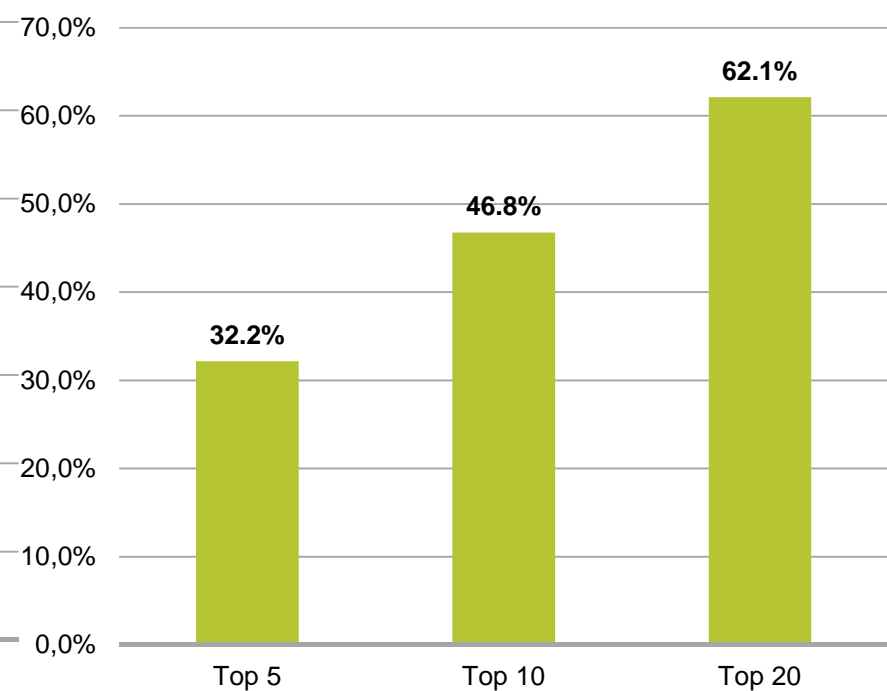
Sales and marketing

Customer concentration

Textiles – % of sales by customers
(Q1 – Q3/2014)



Nonwoven – % of sales by customers
(Q1 – Q3/2014)



Source: LAG

Fiber strategy with focus on TENCEL®

Essential strategic review of site production, market positioning and innovation (till Q1/2015)

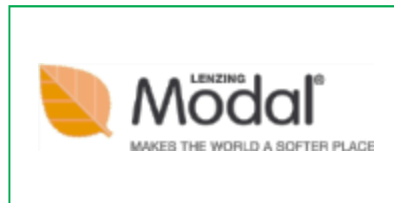
Strategic measures

Strategic direction



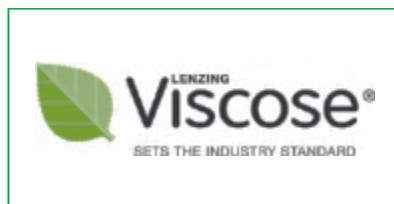
- Priority focus area of Lenzing's growth strategy
- Gain market share in applications/regions by scaling up Textile and Nonwoven applications
- Exploit first mover advantage

Scale



- Expansion of selected high end target markets / applications
- Hold premium by further specializing (MicroModal®, ProModal®, etc.)

Niche



- Focus on differentiation
- Investments in selected markets with above industry returns

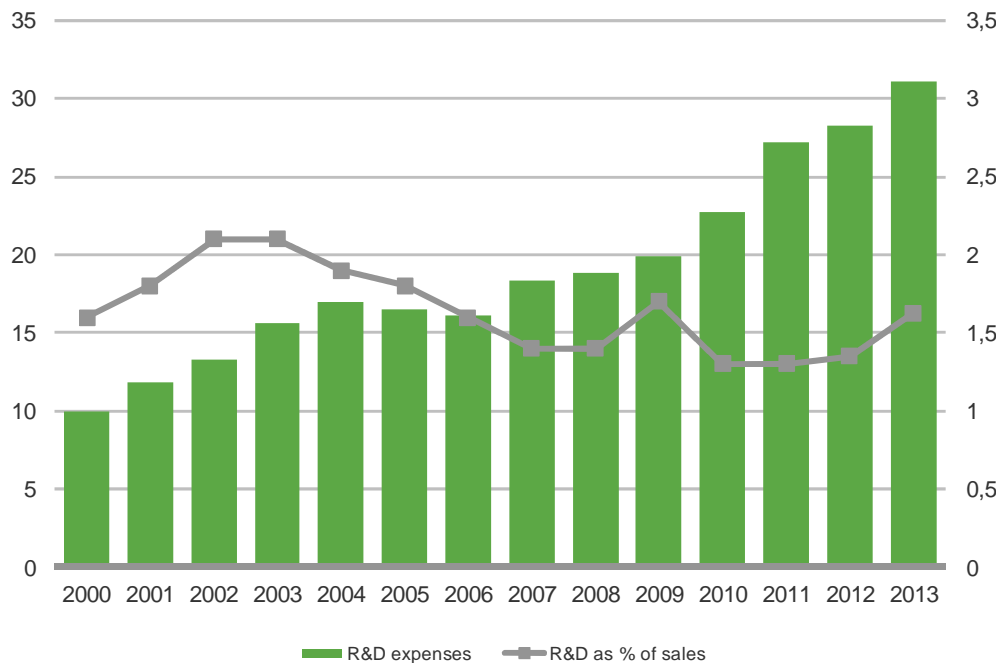
Differentiated commodity



Lenzing is the innovation leader

Industry leading R&D spend (EUR 31.1¹ mn in 2013)

R&D expenses (2000-2013)



Source: LAG, as at December 31, 2013

1) pursuant Frascati

Intellectual property

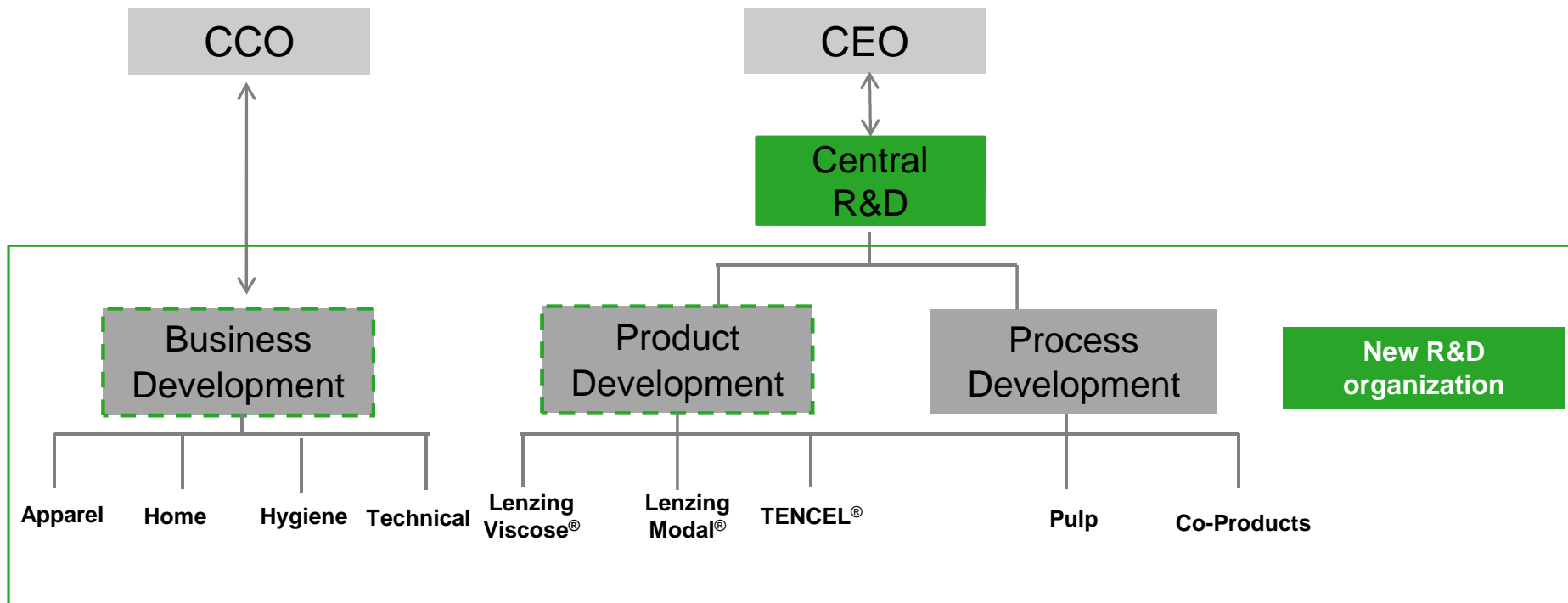
- As of December 2013, Lenzing owned approx. 1,400 patent applications and patents in 63 countries belonging to 248 patent families
- All significant patents are filed and maintained in Asia, the European Union and the Americas
- The majority of the patent portfolio focuses on lyocell technology (TENCEL®)
- As of December 2013, Lenzing owned approx. 1,600 trademark applications and trademarks in 93 countries belonging to 116 trademark families



Innovation process adapted to new functional organization



New innovation process „PRO²“

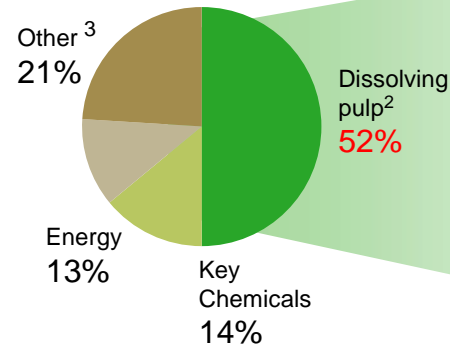


Lenzing has cost advantages

Through pulp integration and long-term pulp supply contract

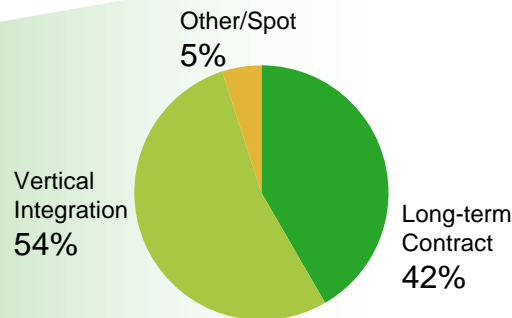
- Pulp is the main input factor with **52% share of total costs of material and purchased services**
- 90+% of long-term pulp supply secured through own production (vertical integration) and long-term supply contracts
- Long-term contract **linked to paper pulp index** (not to spot price of dissolving pulp)

Cost structure Lenzing Group (Q3/2014)¹



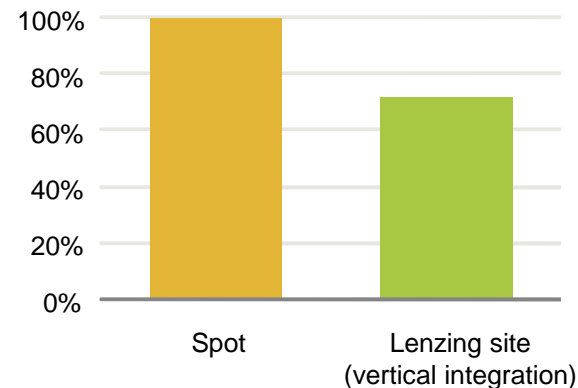
Source: Lenzing

Lenzing Group pulp sourcing (Q3/2014)⁴



Source: Lenzing

Indicative spot pulp procurement cost vs. vertical integration⁵



1) cost structure based on cost of materials and purchased services amounting to EUR 296.5 mn in Q3/2014

2) including wood

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

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

5) assuming spot price of \$ 820 per metric ton

Our production sites

**Lenzing AG –
Austria (Fiber and pulp)**



**PT. South Pacific Viscose –
Indonesia (Viscose)**



**Biocel Paskov a.s. –
Czech Republic (Pulp)**



**Grimsby –
Great Britain (TENCEL®)**



**Heiligenkreuz –
Austria (TENCEL®)**



**Mobile –
USA (TENCEL®)**



**Lenzing (Nanjing) Fibers
Co. Ltd. – China (Viscose)**

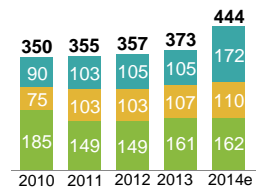


Capacity expansion to 2014¹ ~ 1 mn tons

Successful start-up of TENCEL[®] plant (07/2014)

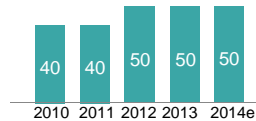
Europe²

CAGR 6.1%



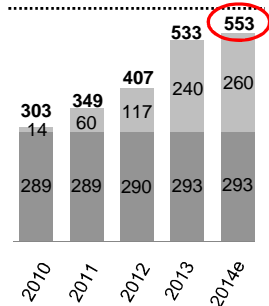
USA

CAGR 5.7%



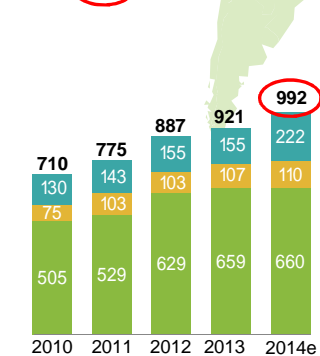
Total pulp capacity

CAGR 16.2%



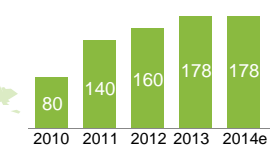
Total capacity at year end

CAGR 8.7%



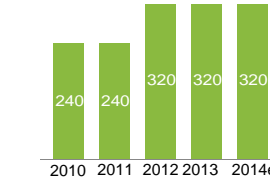
China

CAGR 22.1%



Indonesia

CAGR 7.5%



Annual capacity in '000 metric tons



1) figures are shown in mn tons

2) includes Lenzing (A), Heiligenkreuz (A) and Grimsby (UK), does not include Kelheim capacity



Capacities by site and year

Result of significant investments over the past years

Plant location	Capacity – YE 2011 (metric tons)	Capacity – YE 2012 (metric tons)	Capacity – YE 2013 ¹ (metric tons)	Planned capacity – YE 2014 (metric tons)
Lenzing / Austria	252,000	252,000	268,000	339,000
Lenzing Viscose®	149,000	149,000	161,000	162,000
Lenzing Modal®	103,000	103,000	107,000	110,000
TENCEL®	-	-	-	67,000
Heiligenkreuz / Austria, TENCEL®	63,000	65,000	65,000	65,000
Purwakarta / Indonesia, Lenzing Viscose®	240,000	320,000	320,000	320,000
Nanjing / China, Lenzing Viscose®	140,000	160,000	178,000	178,000
Grimsby / UK, TENCEL®	40,000	40,000	40,000	40,000
Mobile / USA, TENCEL®	40,000	50,000	50,000	50,000
Total fibers	775,000	887,000	921,000	992,000
Lenzing / Austria (pulp)	289,000	290,000	293,000	293,000
Paskov / Czech Republic (pulp)	60,000 ¹	117,000	240,000	260,000

1) adjusted

Capacity by site 2014

(metric tons)	Capacity per March 31, 2014	Capacity per June 30, 2014	Capacity per September 30, 2014	Capacity per December 31, 2014
Lenzing	268,000	335,000	337,000	339,000
Indonesia	320,000	320,000	320,000	320,000
Nanjing	178,000	178,000	178,000	178,000
Heiligenkreuz	65,000	65,000	65,000	65,000
Grimsby	40,000	40,000	40,000	40,000
Mobile	50,000	50,000	50,000	50,000
Total	921,000	988,000	990,000	992,000

Where our fibers end up



Where our fibers end up

Ladies' wear – close to skin

- 100% TENCEL®



H&M

- 100% TENCEL®



H&M

- Jacket: 35% TENCEL® / 18% Ramie / 47% Organic cotton, Jumpsuit: 100% TENCEL®



H&M

LENZING

Where our fibers end up

Ladies' wear – close to skin

- Asymmetric Hem Dress
- EUR 29.95
- 100% TENCEL®



ZARA

- 100% TENCEL®



ESPRIT

- 65% TENCEL® / 35% Cotton



DIESEL
FOR SUCCESSFUL LIVING

LENZING

Where our fibers end up

Ladies' wear – close to skin

- 100% TENCEL®



BOSS
HUGO BOSS

- T-shirt
- EUR 10.71
- 43% Lenzing Modal® / 57% Cotton



UNI QLO with Vera Bradley

- Dri-Fit Sprint Crew
- USD 90.00
- 53% TENCEL® / 39% Polyester / 8% Spandex



LENZING

Where our fibers end up

Nonwoven applications

- **Wipes**

Sustainable convenience

- **Medical**

Naturally pure

- **Hygiene**

Safety in sensitive areas

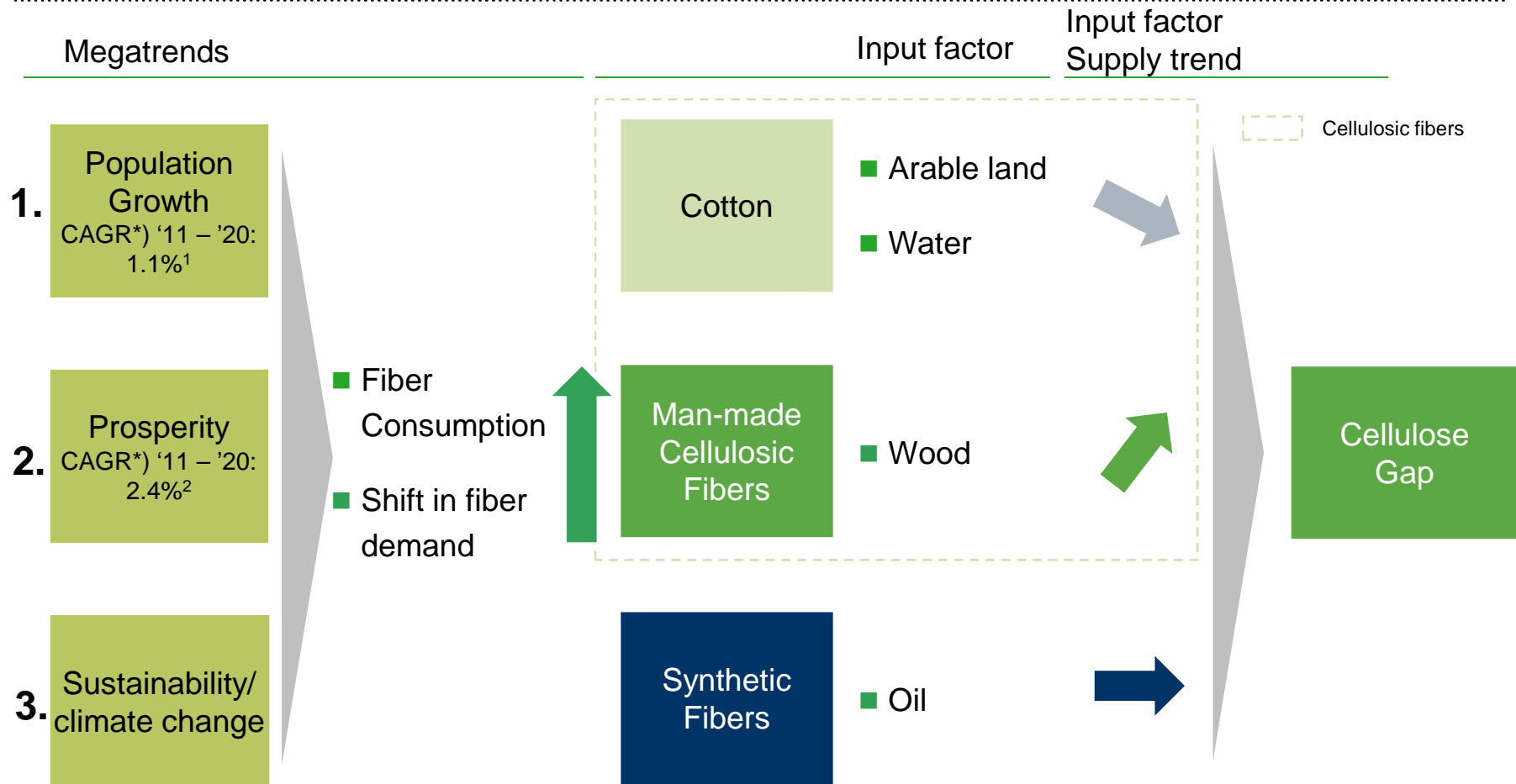
- **Technical**

Leading fiber innovation



Our growth opportunity: Cellulose Gap

MMC: Strong fiber demand through three megatrends



*) compound annual growth rate

1) forecasted growth from UN Population Division

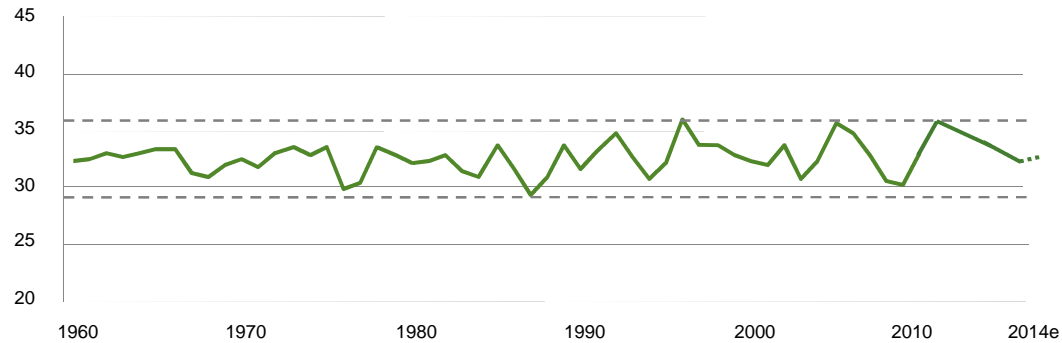
2) forecasted growth of global real GDP per capita by Global Insight

Cellulose Gap

Limited potential to increase cotton supply increases demand for MMC fibers

Cotton planted area expected to remain within historical narrow band (1960-2014e)

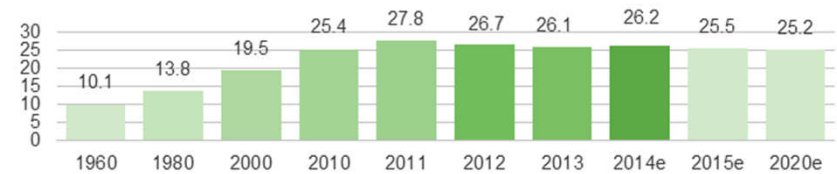
Million hectares



Source: U.S. Department of Agriculture
ICAC, October 1, 2014

Structural limitations in cotton production: effects from yield expansion leveling out

Million metric tonnes



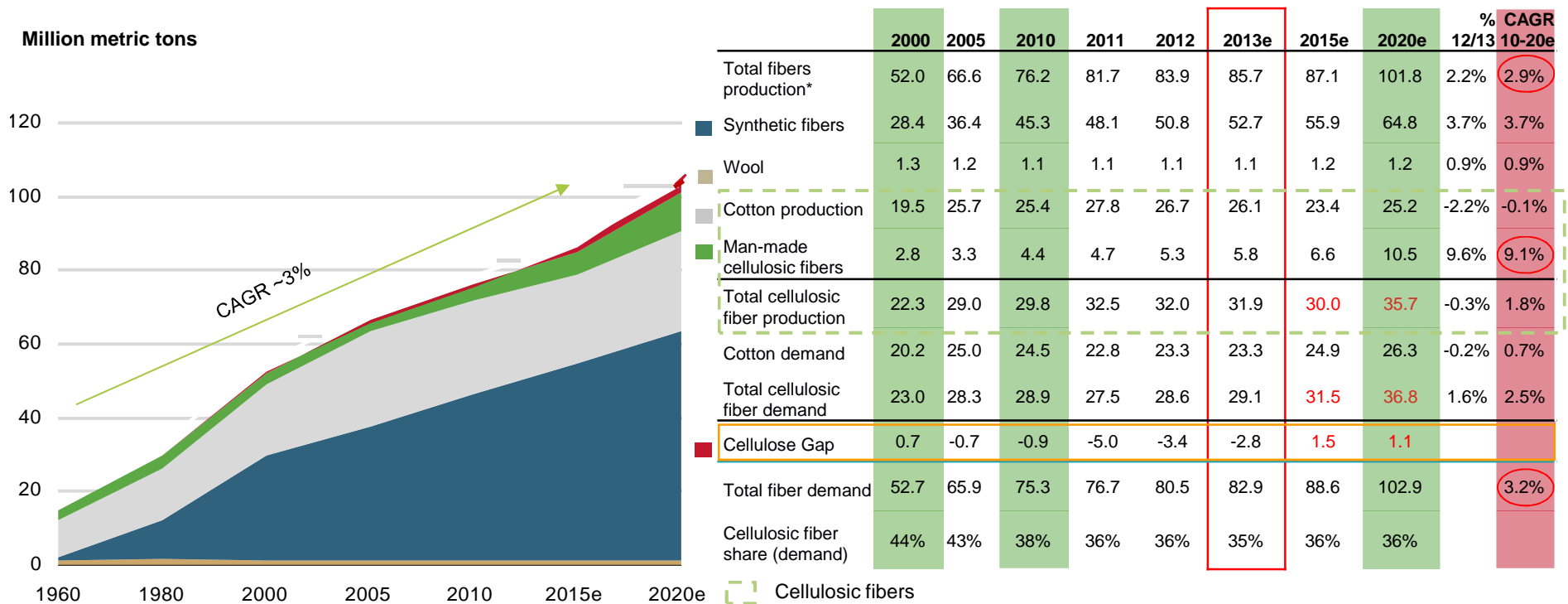
Source: ICAC, October 1, 2014

Cellulose Gap

9% p.a. forecast for MMC over current decade

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

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



* w/o bast and other fibers, which are no blending partner for MMC and of minor importance

Sources: ICAC, CIRFS, Fiber Economics Bureau, National Statistics, The Fiber Year, Lenzing estimates – all based on latest available data per August 2014. Percentage increases based on exact figures



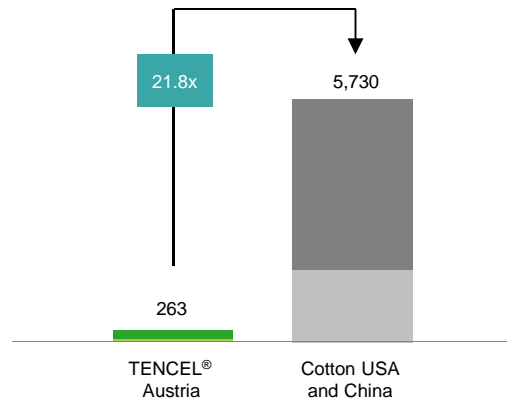
Mega-trend: Sustainability

Green footprint of MMC: Significantly more environmentally friendly than cotton

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

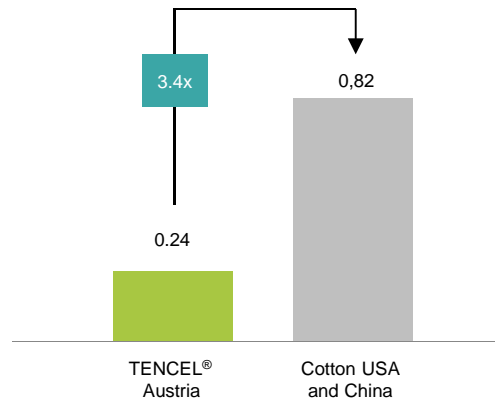
Water consumption

m³ per metric ton of fiber



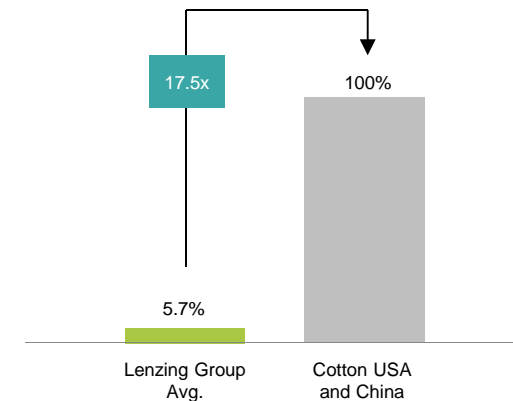
Required acreage for production of one metric ton of fiber

Hectares per metric ton and year



Environmental impact of production¹

Relative to cotton



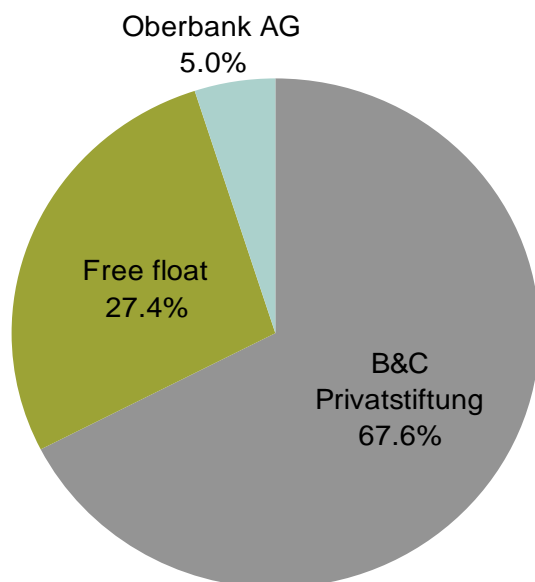
■ Process water ■ Cooling water ■ Groundwater irrigation ■ Surface water irrigation

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

1) including freshwater ecotoxicity, terrestrial ecotoxicity and others



Lenzing share information



Overview of B & C Privatstiftung¹

- 67.6% owner of Lenzing is B & C Privatstiftung (B & C Private Foundation). Its purpose is the promotion of Austrian entrepreneurship.
- B & C Industrieholding GmbH is the management holding of B & C Foundation with 3 representatives on Lenzing's Supervisory Board.
- As the core shareholder, B & C takes a long-term view and supports the strategy of Lenzing Group.

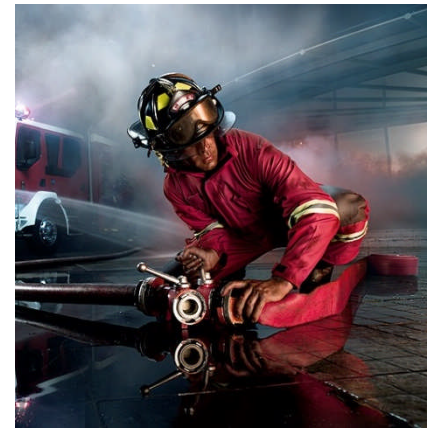
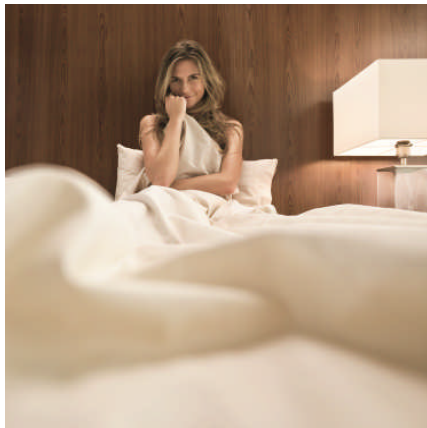
ISIN	LNZ / AT0000644505
Bloomberg	LNZ:AV
Reuters	LNZNF.PK
Indices	ATX Prime, ATX Global Players, VÖNIX Sustainability Index
Number of shares	26,550,000 mn
Share price September 30, 2014	EUR 49.00
Market capitalization September 30, 2014	1,301.0 mn

Coverage as of September 30, 2014:

Baader Bank	Hold
Bank of America Merrill Lynch	Underperform
Berenberg Bank	Hold
Citi Group	Sell
Deutsche Bank	Hold
Erste Group	Hold
Kepler Cheuvreux	Buy
Raiffeisen Centrobank AG	Hold

1) Link to B & C Privatstiftung homepage: <http://www.bcprivatstiftung.at/bc-privatstiftung/die-privatstiftung/> (only in German)

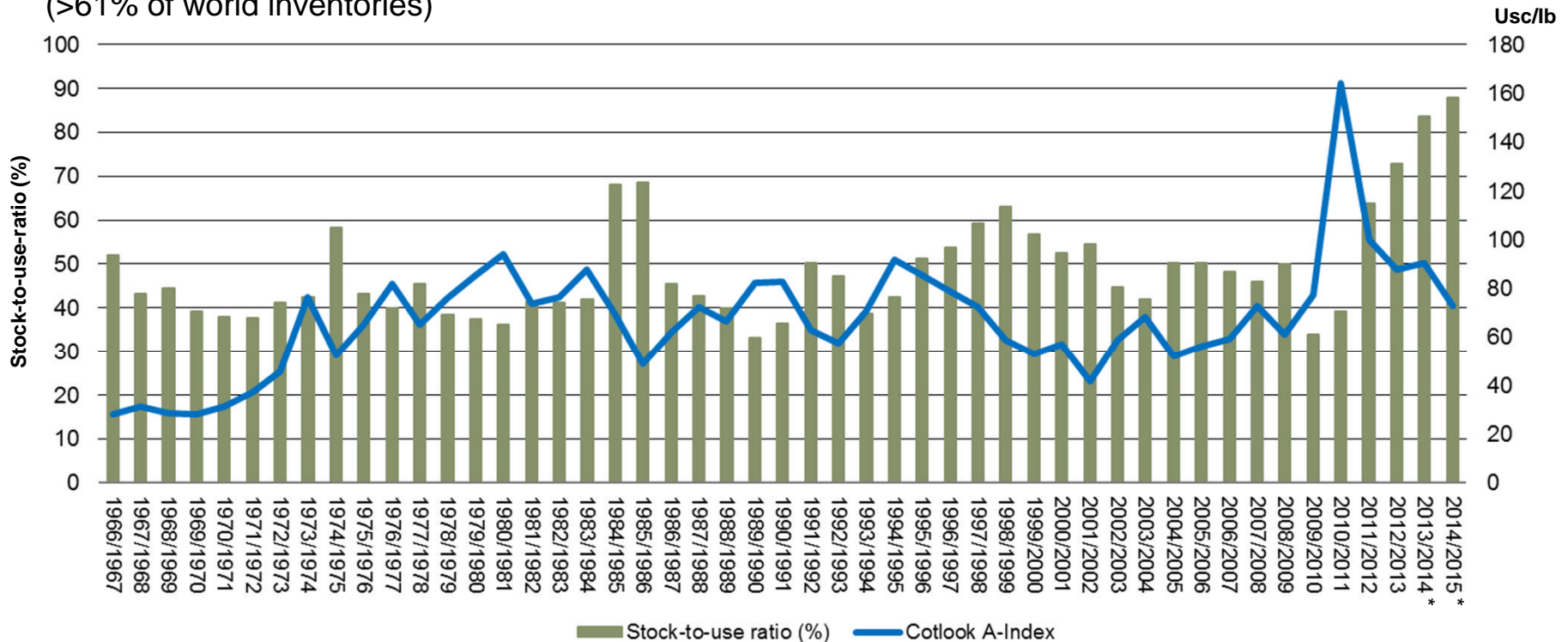
Back-up



Fiber market environment

Highest stock-to-use-ratio ever at approx. 83.6% (2013/2014)

- World cotton production of 25.98 mn tons, consumption of 23.49 mn tons and ending stocks of 19.64 mn tons
- Massive increase of Chinese national cotton reserve of estimated 12.07 mmt¹ tons (>61% of world inventories)



Source: ICAC, October 1, 2014

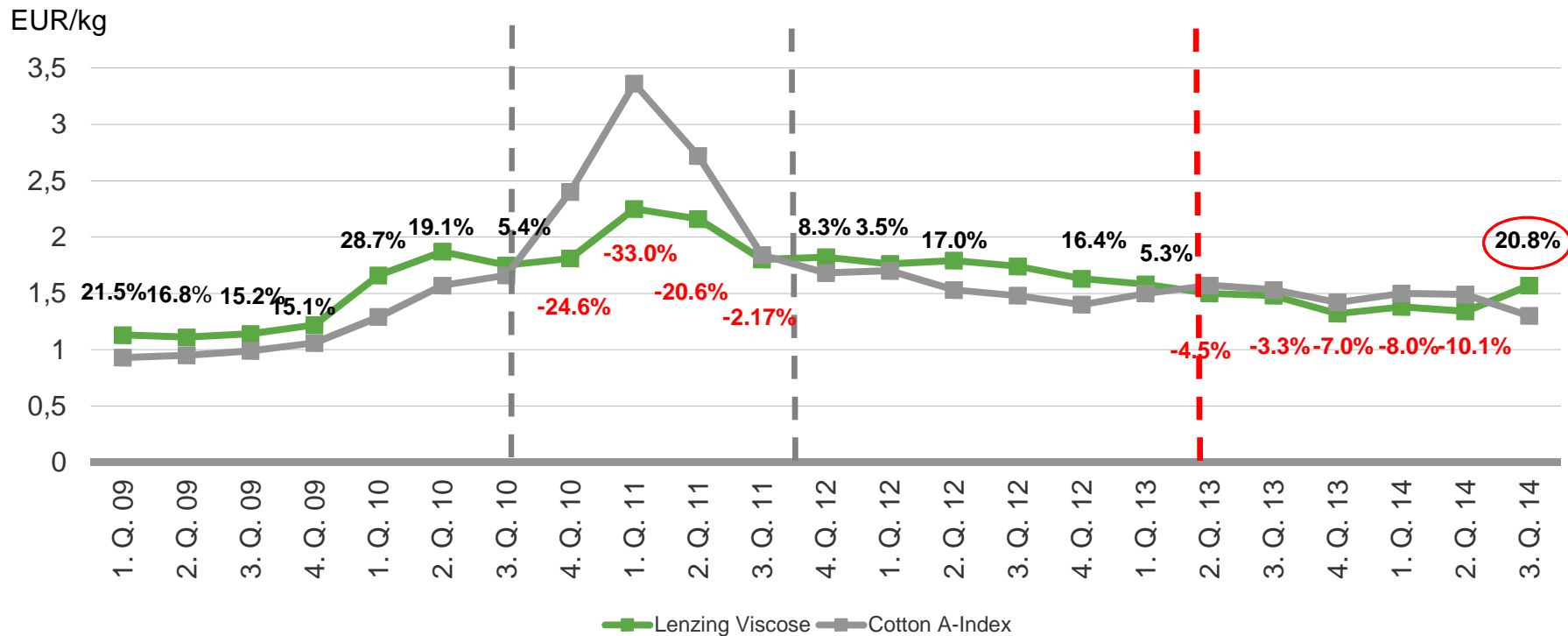
* estimated

1) million metric tons



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

VSF gained back premium over cotton in Q3/2014¹



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



Contacts and financial calendar

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■ Financial calendar

Financial calendar 2014

Full year results	March 21, 2014
70th Annual General Meeting	April 28, 2014
Results 1st quarter	May 15, 2014
Half year results	August 21, 2014
Results 3rd quarter	November 13, 2014

➔ Visit our IR website:

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

➔ Visit our sustainability site:

<http://www.lenzing.com/en/concern/lenzing-group/sustainability.html>