



First Quarter 2010

# Earnings Conference Call

Jim Gallogly - Chief Executive Officer  
Kent Potter - Executive Vice President and Chief Financial Officer

May 7, 2010



[lyondellbasell.com](http://lyondellbasell.com)

# Disclaimer and Notice

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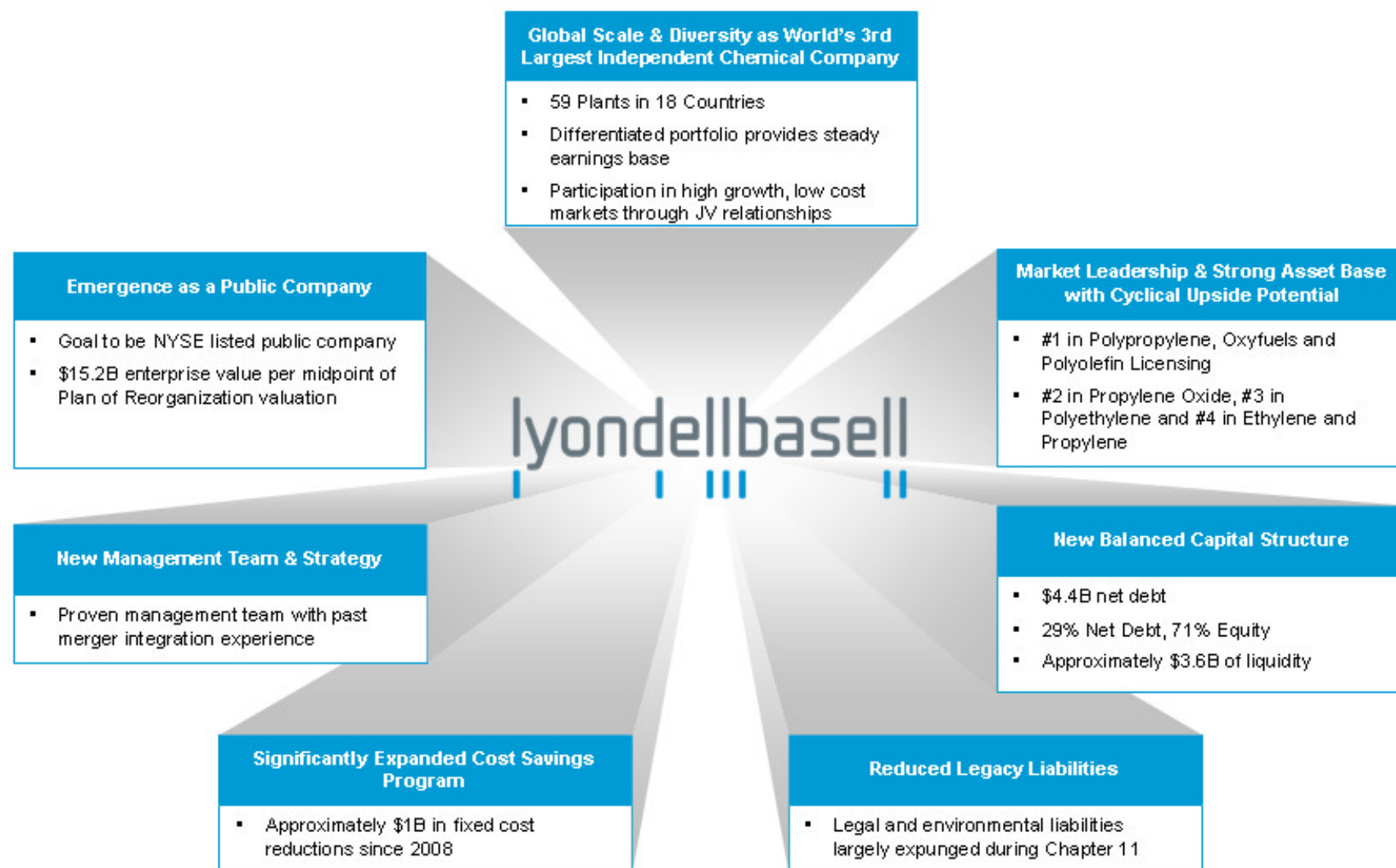
The statements in this presentation relating to matters that are not historical facts are forward-looking statements. These forward-looking statements are based upon assumptions of management which are believed to be reasonable at the time made, and are subject to significant risks and uncertainties. Actual results could differ materially based on factors including, but not limited to, the ability to comply with the terms of our credit facilities and other financing arrangements; the costs and availability of financing; the ability to maintain adequate liquidity; the ability to implement business strategies; availability, cost and price volatility of raw materials and utilities; supply/demand balances; industry production capacities and operating rates; uncertainties associated with the U.S. and worldwide economies; legal, tax and environmental proceedings; cyclical nature of the chemical and refining industries; operating interruptions; current and potential governmental regulatory actions; terrorist acts; international political unrest; competitive products and pricing; technological developments; risks of doing business outside of the U.S.; access to capital markets; and other risk factors. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in our financial reports, which are available at [www.lyondellbasell.com](http://www.lyondellbasell.com) on the Investor Relations page.

This presentation makes reference to certain non-GAAP financial measures, including EBITDAR. A “non-GAAP financial measure” is a financial measure that is derived on the basis of methodologies other than in accordance with U.S. GAAP. Management believes these non-GAAP financial measures provide useful supplemental information to investors regarding the underlying business trends and performance of the company's ongoing operations and are useful for period-over-period comparisons of such operations. These non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, the financial measures prepared in accordance with GAAP.

EBITDAR should not be considered as an alternative to profit or operating profit for any period as an indicator of our performance, or as an alternative to operating cash flows as a measure of our liquidity. While we believe that EBITDAR is a measure commonly used by investors, EBITDAR, as presented herein, may not be comparable to a similarly titled measure reported by other companies due to differences in the way the measure is calculated. For purposes of this presentation, EBITDAR means earnings before interest, taxes, depreciation, amortization and restructuring costs. Our financial statements utilize a combination of First-In, First-Out and Last-In, First-Out inventory methods. As supplemental segment information, EBITDAR figures are prepared on a current cost basis unless otherwise stated.

This presentation contains time sensitive information that is accurate only as of the time hereof. Information contained in this presentation is unaudited and is subject to change. We undertake no obligation to update the information presented herein except to the extent required by law.

# Key Investment Highlights



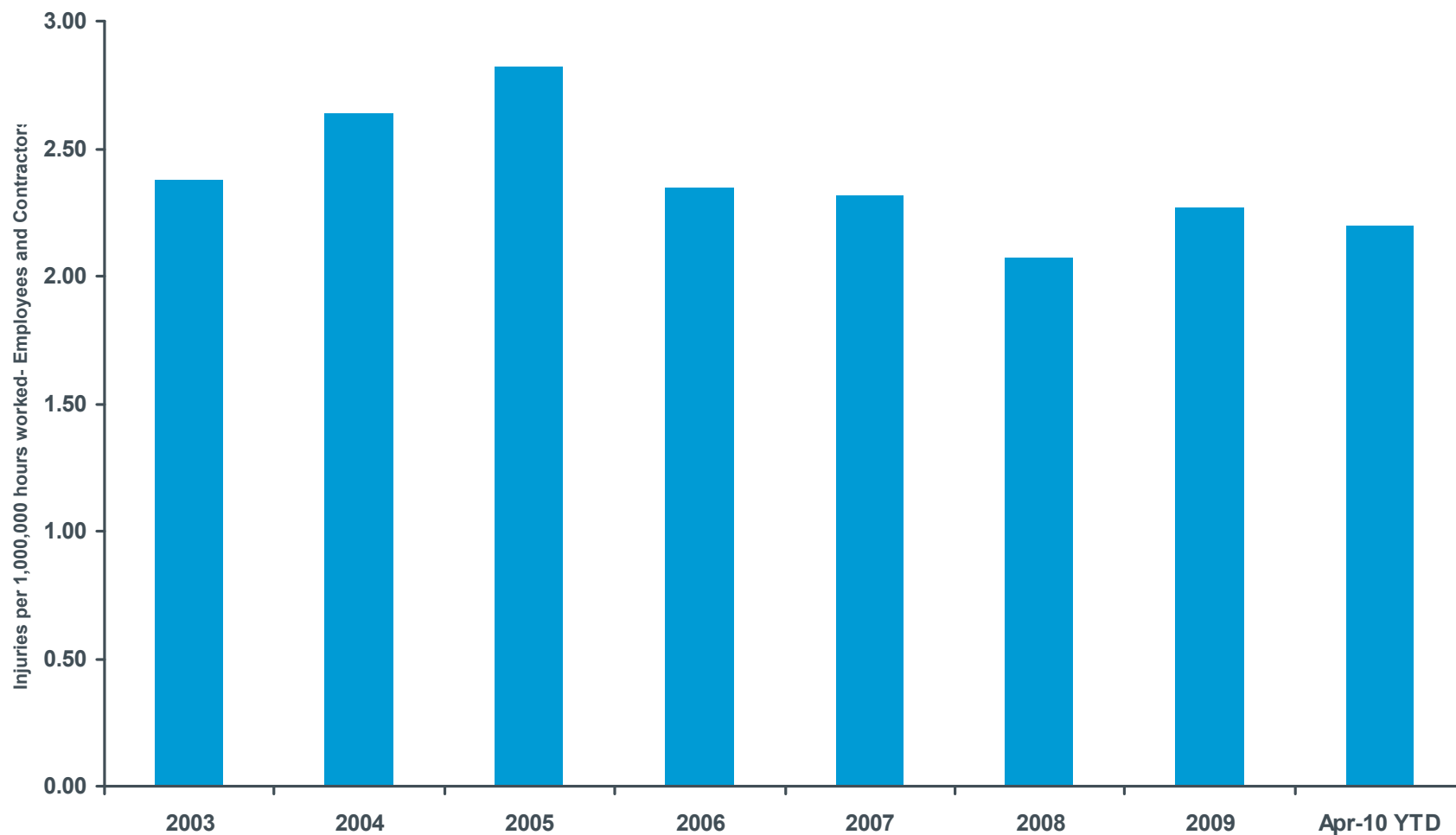
## First-Quarter Highlights

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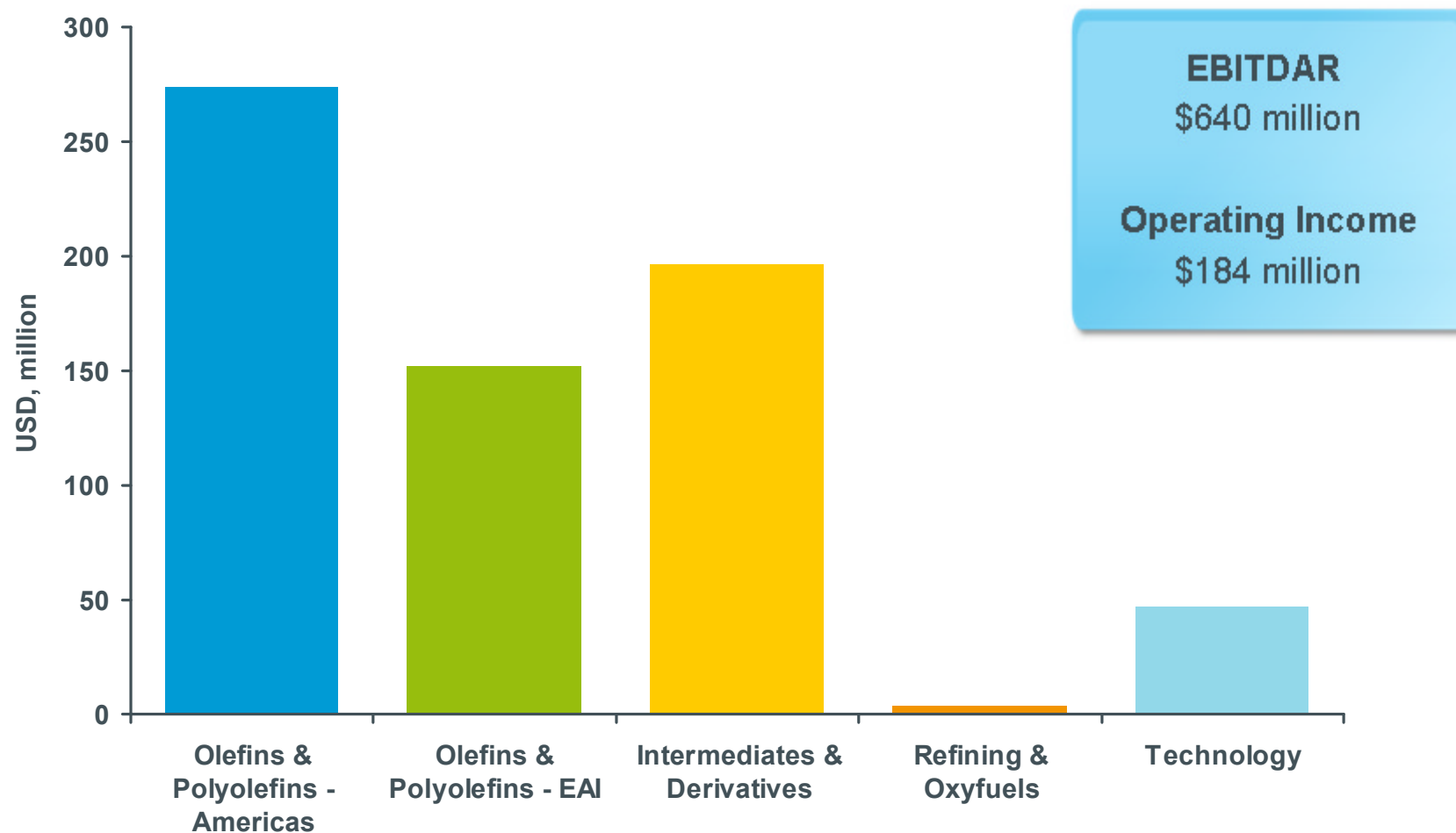
- EBITDAR: \$640 million
- Strong North American ethylene and Intermediates & Derivatives results
- Improving refining margins
- March results represent nearly half of quarterly EBITDAR



# LyondellBasell Safety Performance 2003-2010



# LyondellBasell First-Quarter 2010 EBITDAR



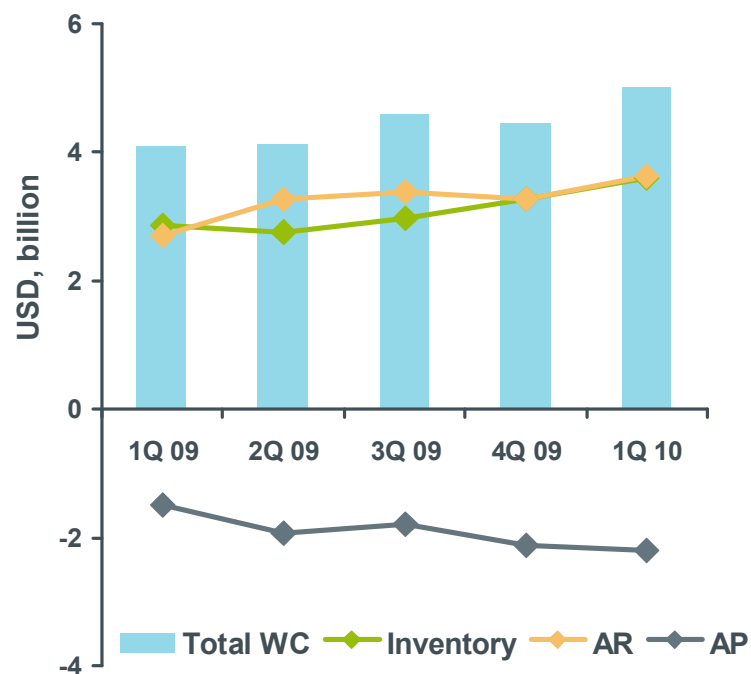
# First-Quarter Cash Flow



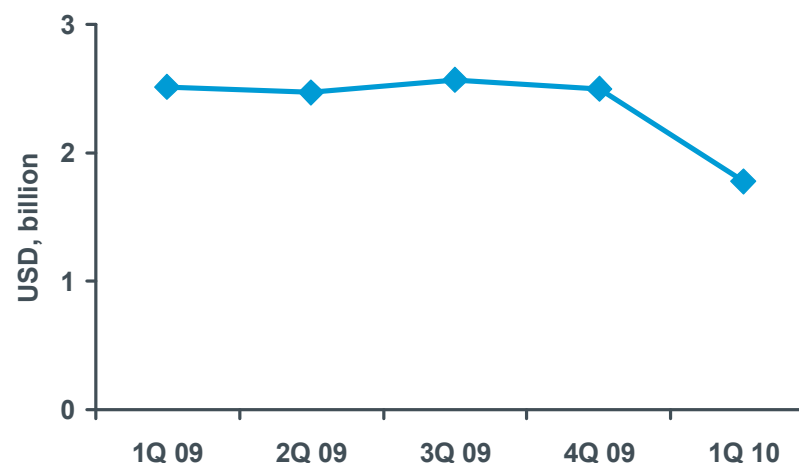
1) Includes deferred spending

# Working Capital and Liquidity

## Working Capital



## Liquidity



**Liquidity on Emergence – April 30**  
**~ \$3.6 billion**



# Corporate Items

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## Capex

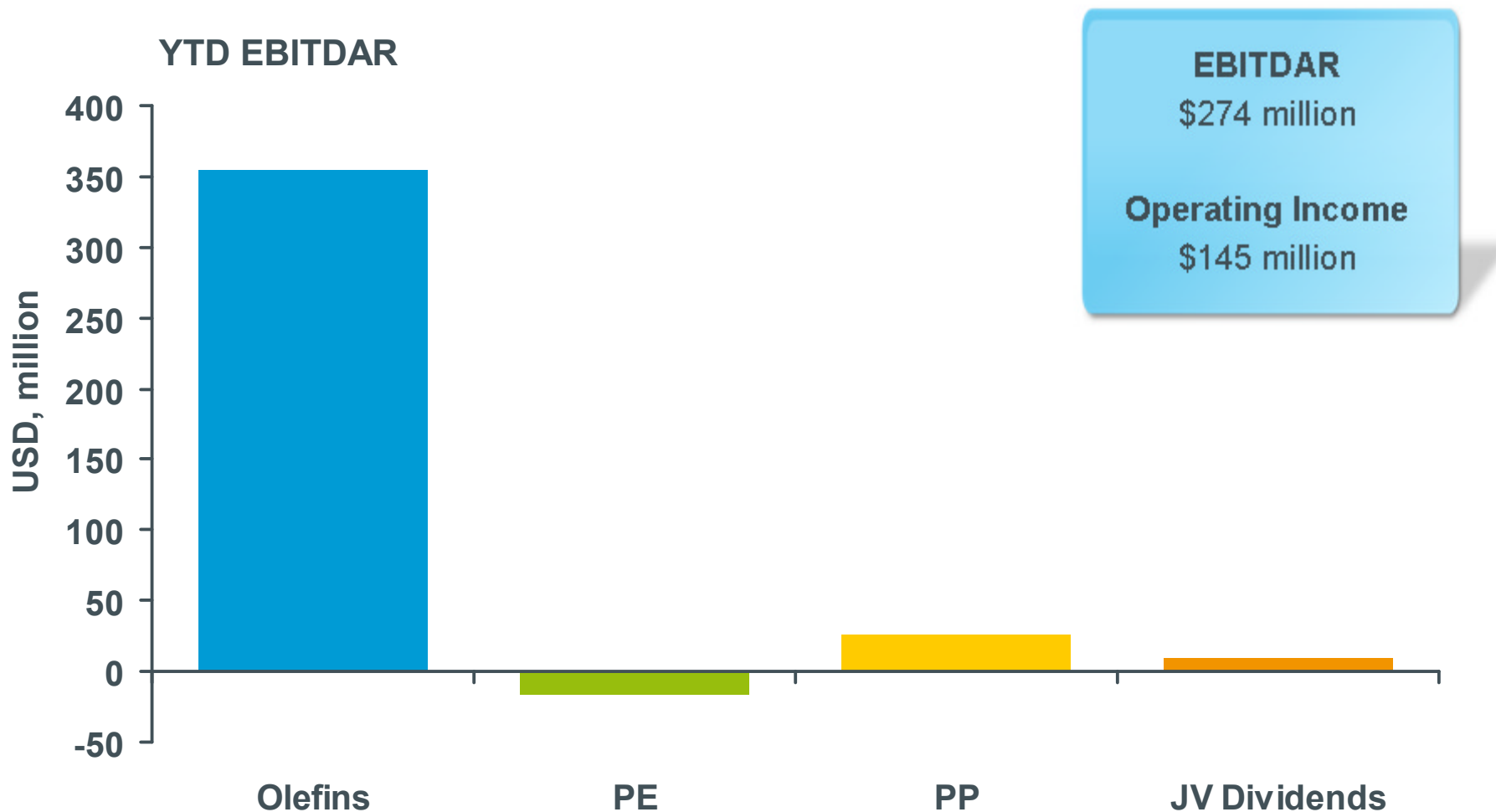
## Cost Reduction

- | Employee/Contractor reductions
- | Terni PP Plant

## Future Accounting Measures



# Olefins & Polyolefins – Americas Performance



# Olefins & Polyolefins – Americas

## Highlights and Business Drivers – 1Q10

### First-Quarter 2010 Results

\$274 million EBITDAR

#### US Olefins

- Strong ethylene margins / industry supply disruptions
- ~70% of ethylene from NGLs

#### Polyethylene

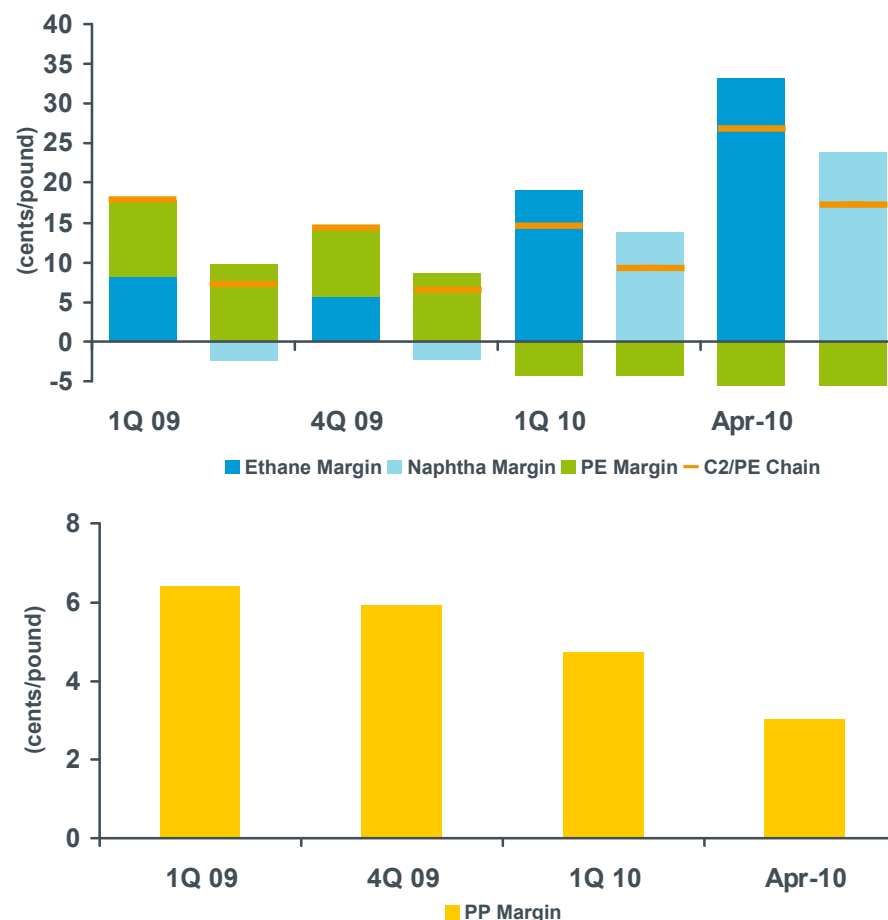
- Pressured by monomer prices
- Reduced exports in favor of domestic ethylene sales

#### Polypropylene <sup>(1)</sup>

- Results in line with previous quarter

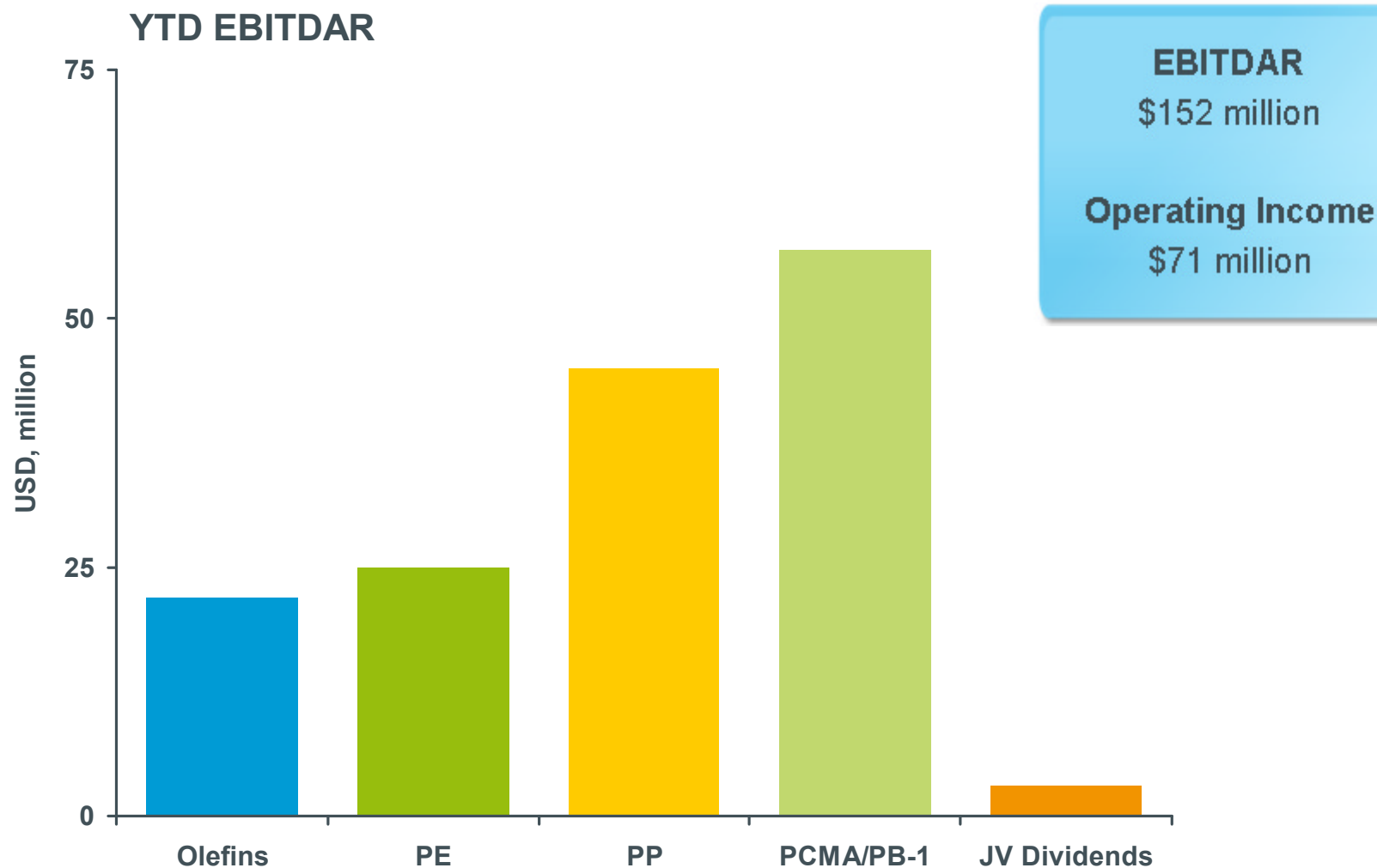
(1) Includes *Catalloy*

### Indicative Margins



Source: CMAI

# Olefins & Polyolefins – Europe, Asia, International Performance



# Olefins & Polyolefins – Europe, Asia, International Highlights and Business Drivers – 1Q10

## First-Quarter 2010 Results

\$152 million EBITDAR

### EU Olefins

- Results generally in line with 4Q
- Berre turnaround

### Polyethylene

- Improved spreads

### Polypropylene <sup>(1)</sup>

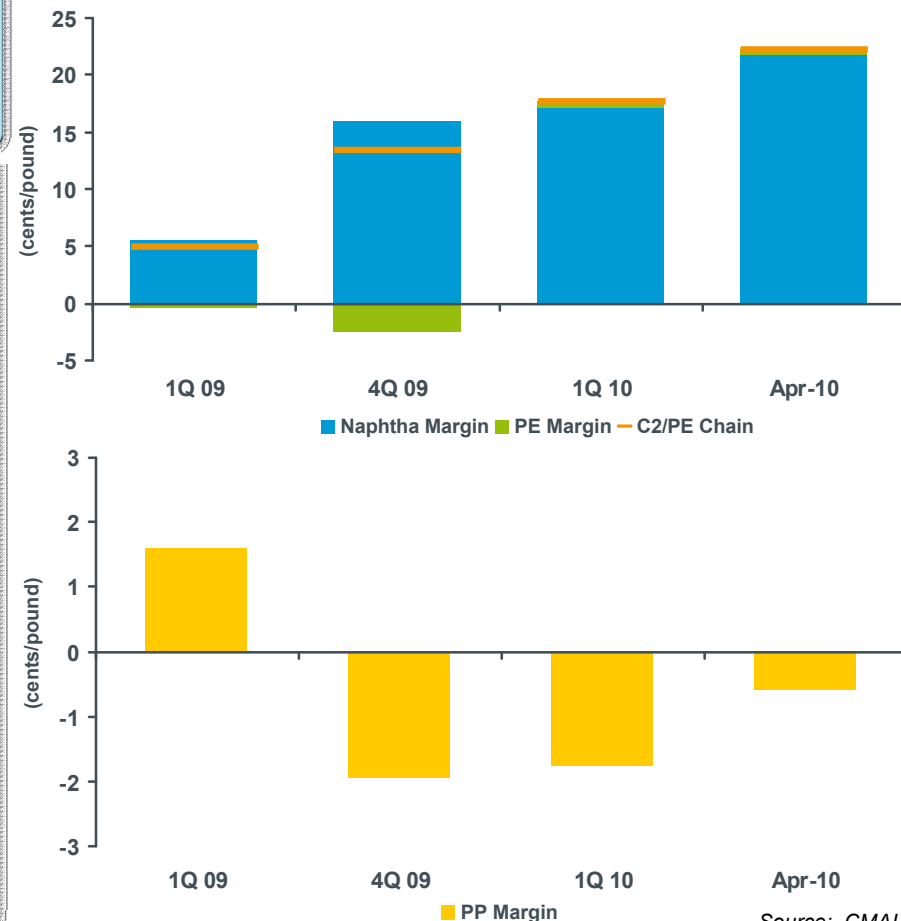
- Seasonally improving volumes

### PCMA/PB-1

- Record PCMA volumes

(1) Includes Catalloy

## Indicative Margins



# Intermediates & Derivatives Performance

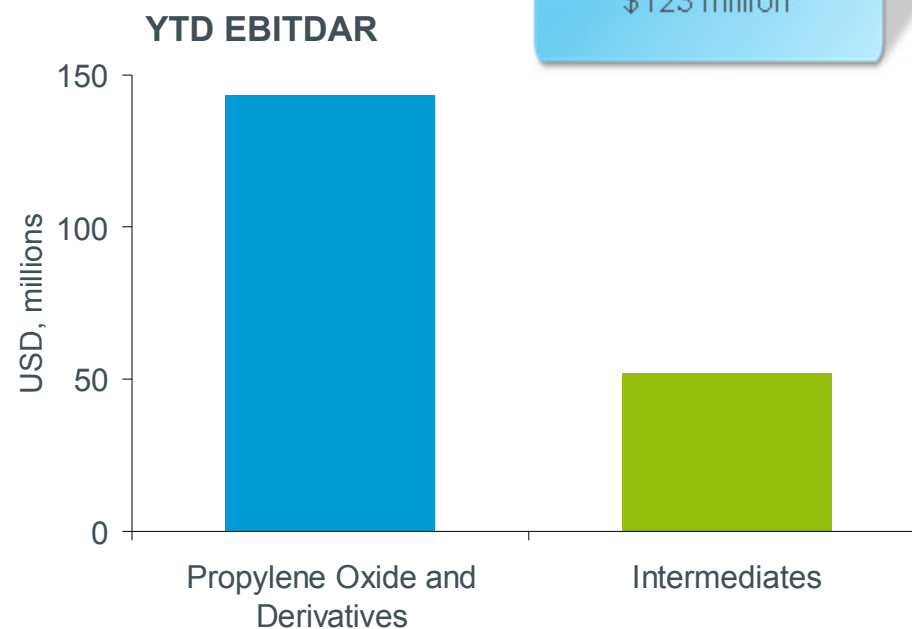
## First-Quarter 2010 Results

### Propylene Oxide and Derivatives

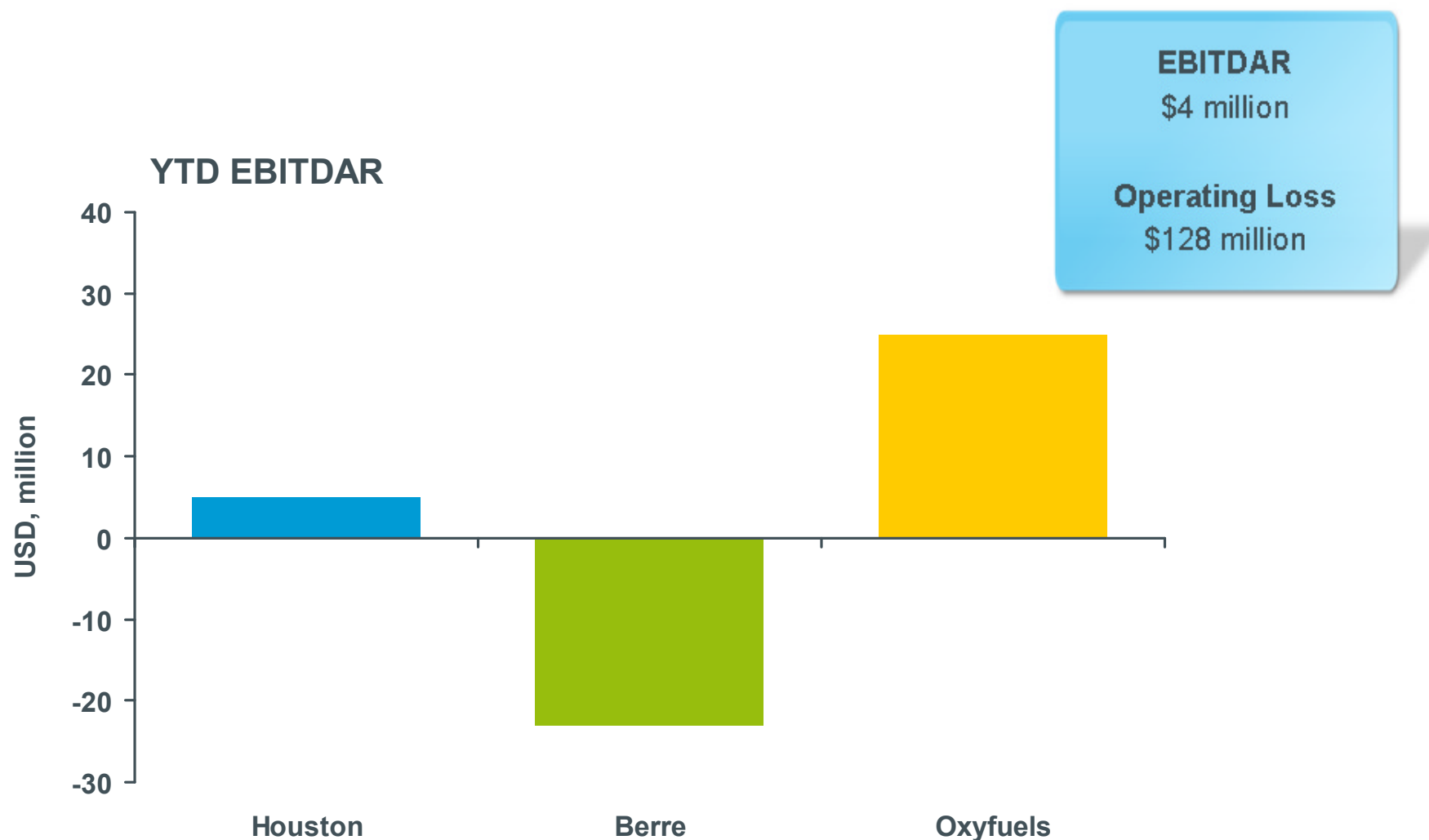
- Improved volumes due to expanding end-use demand, competitor downtime

### Intermediates

- Stronger C<sub>4</sub> chemical margins partially offset acetyls weakness



# Refining & Oxyfuels Performance



# Refining & Oxyfuels

## Highlights and Business Drivers – 1Q10

### First-Quarter Results

\$4 million EBITDAR

#### Houston Refining

- Crude throughput: 263 MB/D
- Maya 2-1-1 spread: \$15.79/bbl
- Improved operations and heavy-light crude differential

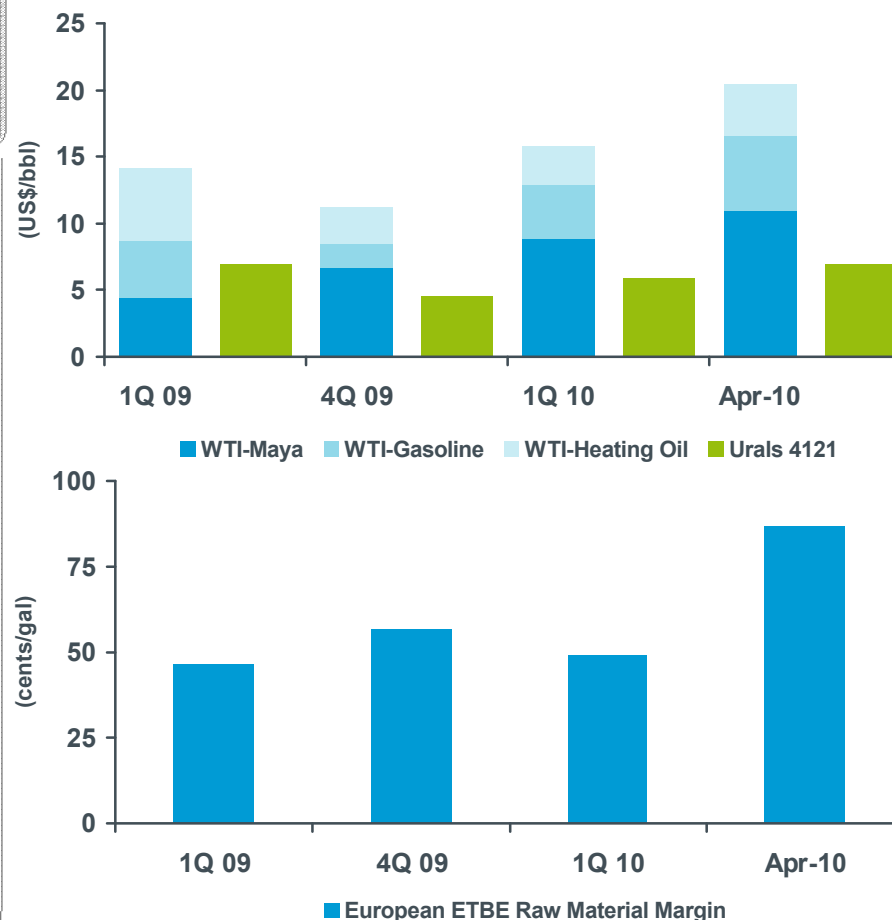
#### Berre Refining

- Crude throughput: 73 MB/D
- Urals 4-1-2-1 spread: \$5.91/bbl

#### Oxyfuels

- Seasonal trends, March improvement

### Spreads



Source: Platts



# Technology Performance

## First-Quarter 2010 Results

- Increased catalyst volumes
- Lower licensing results

**EBITDAR**

\$47 million

**Operating Income**

\$31 million



# First-Quarter Summary and Outlook

## First-Quarter Summary

- Strength in North American olefins – supply driven
- Solid O&P EAI results
- Increased demand in durable-goods-driven products such as propylene oxide and polypropylene compounds
- Widening refining spreads in the US at end of quarter
- Strong internal production

## Near-Term Outlook

- Moderation of North American olefins results
- Heavy crude discount continues
- Lower interest expense and other accounting impacts after emergence from Chapter 11 protection

# Our Back-To-Basics Strategy

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- Operational excellence
- Cost reduction and revenue enhancement
- Capital discipline
- Portfolio management
- Performance culture
- Technology-driven growth