Press release

Lenzing Reports Strongly Improved Half-Year Results and Accelerates Strategic Transformation Agenda

- Focus on profitability rather than volume growth: Revenue of EUR 1.27 bn (previous year: EUR 1.34 bn)
- Net result after tax more than doubled to EUR 35.6 mn in the first half of 2026 (previous year: EUR 15.2 mn)
- Free cash flow improved to EUR 45.8 mn (previous year: EUR 43.1 mn)
- Improved profitability driven by a stronger focus on higher-margin products, sales measures and realized cost reductions

Lenzing, August 5, 2026 – Despite a persistently challenging market environment in the first half of 2026, characterized by volatile energy and raw material prices, subdued global consumer demand and intensified competition from Asia, the Lenzing Group achieved a significantly positive result. Net result after tax more than doubled to EUR 35.6 mn, compared with EUR 15.2 mn in the previous year. Free cash flow improved to EUR 45.8 mn. EBITDA amounted to EUR 239.2 mn, while revenue totaled EUR 1.27 bn.

“The results for the first half of 2026 demonstrate that our sales initiatives and disciplined cost management are delivering results. At the same time, they confirm both the necessity and the potential of our strategic realignment. With ‘Grow Nonwovens, Reset Textiles’, we are laying the foundation for a structurally more profitable and resilient Lenzing Group,” says Mathias Breuer, CFO of the Lenzing Group.

Development of Results in the First Half of 2026

The decline in revenue compared with the first half of 2025 was primarily attributable to the deliberate reduction of low-margin fiber volumes and the resulting lower fiber production, as well as lower revenues from the external pulp business. Compared with the first quarter of 2026, revenue increased from EUR 615.7 mn to EUR 651.7 mn in the second quarter of 2026, supported by targeted sales initiatives, particularly consistent pricing measures.

EBITDA amounted to EUR 239.2 mn in the first half of 2026, compared with EUR 268.6 mn in the same period of the previous year. Compared with the first quarter of 2026, EBITDA increased from EUR 116.3 mn to EUR 123 mn in the second quarter of 2026, underscoring the Group’s focus on sustainably improving profitability. The EBITDA margin stood at 18.9 percent (previous year: 20.0 percent). Earnings performance was supported by the consistent implementation of the performance program and positive non-recurring effects.

EBIT amounted to EUR 83.7 mn (previous year: EUR 109 mn), corresponding to an EBIT margin of 6.6 percent (previous year: 8.1 percent). Earnings before tax (EBT) totaled EUR 42.6 mn, compared with EUR 22.1 mn in the same period of the previous year. Net result after tax improved significantly to EUR 35.6 mn (previous year: EUR 15.2 mn). This improvement was primarily driven by a stronger financial result due to positive effects from foreign currency valuation.

Cash flow from operating activities increased to EUR 160.4 mn in the first half of 2026, compared with EUR 150.1 mn in the same period of the previous year. Key drivers included targeted working capital management and inventory reductions. Free cash flow improved to EUR 45.8 mn, compared with EUR 43.1 mn in the same period of the previous year. Unlevered free cash flow increased to EUR 98.5 mn (previous year: EUR 89.4 mn).

As of June 30, 2026, liquid assets, including liquid bills of exchange, amounted to EUR 618 mn. (December 31,2025: EUR 690.9 mn). Capital expenditures (CAPEX) on intangible assets, property, plant and equipment, and biological assets totaled EUR 62.3 mn (previous year: EUR 61.3 mn).

Total assets amounted to EUR 4.61 bn, equal to December 31, 2025. Adjusted equity increased by 0.5 percent to EUR 1.37 bn, resulting in an adjusted equity ratio of 29.7 percent (compared to 29.6 percent as at December 31, 2025). Net financial debt remained largely unchanged, rising slightly by 1 percent to EUR 1.36 bn.

Strategic Transformation Accelerates

The new “Grow Nonwovens, Reset Textiles” strategy builds on the operational progress achieved in recent months and consistently aligns the company toward profitable growth, greater resilience and focused market segments. The strategy aims to further expand the nonwovens business organically, sharpen the focus of the textiles business on differentiated premium market segments and strategic customer partnerships, and further strengthen the pulp and biorefinery business. With the consolidation of fiber production sites approved by the Management Board on July 27, 2026, Lenzing is accelerating the Group’s strategic transformation and implementing decisive measures to position the company for long-term success in a fundamentally changed market environment. In doing so, Lenzing is laying the foundation for profitable growth and an even more resilient and focused Lenzing Group.

Having already realized savings of more than EUR 200 mn in the 2025 financial year, Lenzing is implementing additional efficiency measures in 2026. The focused Performance Program targets savings of EUR 120 mn compared with the 2025 cost base, which are intended to have their full earnings impact by the end of 2027.

At the same time, Lenzing continues to focus on high-margin specialty fibers and premium market segments marketed under the TENCEL™, LENZING™ ECOVERO™ and VEOCEL™ brands. Innovation, proven sustainability, transparency and strong brands remain key differentiating factors.

Effective June 1, 2026, the Supervisory Board appointed Georg Kasperkovitz as Chief Executive Officer (CEO) of Lenzing AG. The Management Board continues to consist of Georg Kasperkovitz (CEO), Mathias Breuer (CFO) and Christian Skilich (CPO/CTO), who will jointly drive forward the strategic realignment of the Lenzing Group.

Outlook

The International Monetary Fund (IMF) expects global economic growth of 3 percent in 2026. This forecast remains below the historical pre-pandemic average. Risks continue to arise in particular from geopolitical tensions in the Middle East, volatile energy and raw material markets, and subdued consumer demand in key sales markets.

The Lenzing Group plans to consistently pursue the implementation of its new “Grow Nonwovens, Reset Textiles” strategy in order to unlock further value creation potential. In the nonwovens business, Lenzing intends to leverage the ongoing shift from fossil-based materials to cellulosic fiber solutions and aims to significantly expand its nonwovens business in the medium term. To achieve this the plan is to convert production capacities from textile fibers to nonwovens fibers, to expand the existing product portfolio, particularly in the attractive hygiene segment, and to develop and bring to market next-generation innovative fibers for nonwovens applications. In the textiles business, Lenzing is focusing on differentiated premium segments, innovative specialty solutions and strategic customer partnerships. At the same time, the company is gradually withdrawing from low-margin standard fibers for textile applications. A strong innovation pipeline based on proprietary fiber technologies and next-generation platforms, including TreeToTextile, LENZING™ Nonwoven Technology and advanced filament solutions, is expected to accelerate growth in both business areas.

The company’s strategic objective is to return to revenue growth in the medium term, while increasing EBITDA by EUR 150 mn, achieving an EBITDA margin of 20 to 25 percent, and reducing leverage to below 2.5x.

Selected indicators of the Lenzing Group EUR mn	01-06/2026	01-06/2025
Revenue	1,267.5	1,341.2
EBITDA (earnings before interest, tax, depreciation and amortization)	239.2	268.6
EBITDA margin	18.6 %	20.0 %
Net profit/loss after tax	35.6	15.2
Earnings per share in EUR	(0.09)	(0.90)
Cash flow from operating activities	160.4	150.1
Free cash flow	45.8	43.1
CAPEX	62.3	61.3

	30/06/2026	31/12/2025
Net financial debt	1,363.3	1,350.1
Adjusted equity ratio	29.7 %	29.6 %
Employees (full-time equivalents)	7.556	7,738

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Your contact for
Media Relations:

Corporate Communications

Lenzing Aktiengesellschaft
Werkstraße 2, 4860 Lenzing, Austria

Phone +43 7672 701 2743
E-mail media@lenzing.com
Web www.lenzing.com

Investor Relations:

Alexander Schwaiger
VP Corp. Treasury & Investor Relations
Lenzing Aktiengesellschaft
Werkstraße 2, 4860 Lenzing, Austria

Phone +43 7672 701 8947
E-mail a.schwaiger@lenzing.com
Web www.lenzing.com

About the Lenzing Group

The Lenzing Group stands for the responsible production of specialty and premium fibers based on regenerated cellulose. As an innovation leader, Lenzing is a partner of global textile and nonwoven manufacturers and drives many new technological developments. The Lenzing Group's high-quality fibers are the raw material for a wide range of textile applications – ranging from functional, comfortable, and fashionable clothing through to durable and sustainable home textiles. TÜV-certified biodegradable and compostable Lenzing fibers are also ideal for demanding use in everyday hygiene applications.

The Lenzing Group's business model extends far beyond that of a traditional fiber producer. Together with its customers and partners, Lenzing develops innovative products along the value chain, adding value for consumers. The Lenzing Group strives for efficient utilization and processing of all raw materials and offers solutions for the transition of the textile industry from the current linear economic system to a circular economy. In order to align its commitment to limiting man-made climate change with the goals of the Paris Agreement, Lenzing has a clear, science-based climate action plan that provides for a significant reduction in greenhouse gas emissions (Scopes 1, 2, and 3) by 2030 and a net-zero target by 2050.

Key Facts & Figures Lenzing Group 2025
Revenue: EUR 2.60 bn
Nominal capacity (fibers): 1,110,000 tonnes
Employees (full-time equivalents): 7,738