News Release



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Saltigo – partner to agrochemical companies – offering flexibility and reliability to meet customer needs

Saltigo GmbH

Contact: Ilona Bolz LANXESS AG Market Communications Trade & Technical Press 51369 Leverkusen Germany

Phone: +49 214 30-61684 Fax: +49 214 30-44865 ilona.bolz@lanxess.com

Langenfeld – Saltigo GmbH, part of specialty chemicals group LANXESS,

specializes in exclusive synthesis of chemical intermediates and active ingredients for the agrochemical and pharmaceutical industries and numerous sectors outside the life sciences field. Customers expect high levels of flexibility in production volumes and available capacity, particularly in custom manufacturing for companies in the agrochemical industry. Within the context of a successful market launch, demand for an active ingredient can quickly rise to 100 metric tons or more a year. In addition, the crop protection agent business is naturally subject to sharp seasonal fluctuations that producers also need to factor into the equation.

Wherever production planning can no longer meet customer demand for substances by using existing assets alone, intelligent, fast and cost-effective solutions are called for to ensure reliable supply. This was recently underlined by Dr. Uwe Brunk, head of the Agro & Specialty Chemicals business line at Saltigo, in his presentation "Expanding capacity for agrochemicals" at the second "Strategic Production Management" annual conference in Cologne.

Brunk's case study included discussion of various options for expanding capacity in ongoing operations to achieve significant increases in capacity as soon and as cost-effectively as possible by using plant expansion projects in conjunction with process optimization. These kinds of capacity expansion can be achieved in various ways. As well as building new production facilities – generally the most expensive and time-consuming alternative – (modular) expansion or conversion of existing production areas is also a viable option. Temporary solutions are also possible, i.e. meeting an increase in demand of limited duration by integrating further, existing capacity.

The optimal strategy in many respects is often to expand ongoing operations, i.e. to increase existing production capacity. This provides a relatively fast and cost-effective means of creating the necessary capacity,

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frequently without having to go through complex approval processes. In addition, synergies can usually be harnessed with existing assets and infrastructures in areas such as facility management and logistics. On the other hand, this solution requires detailed planning, extensive experience and what is probably the most comprehensive degree of analysis. A balance always needs to be found between the shortest possible downtimes and the stability of the production process needed to ensure reliable supply at all times and to therefore minimize risks for customers. For this to work effectively, it is important to work with the customer in order to estimate the anticipated development in demand during the expansion project as accurately as possible. At the heart of all such projects is a continuous improvement process with defined milestones that can be used to ensure reliable control of all changes occurring during implementation of a project. This also includes the forward-looking development of alternative / fallback scenarios to ensure unforeseen events, too, do not lead to unforeseeable consequences. Professional project and resource management and the smallest number of interfaces, clearly defined, are key factors for success.

Saltigo has many years of experience with such projects and processes and leverages this experience to serve its customers from the agrochemical industry as part of a comprehensive range of services. As a premium supplier of a wide range of custom manufacturing services, the company focuses on the highest quality standards that go beyond the certification requirements of popular standards.

Saltigo GmbH is a leading supplier in the field of custom synthesis. The company of specialty chemicals group LANXESS belongs to the Advanced Intermediates segment, which achieved total sales in 2009 of EUR 1,104 million. Saltigo, headquartered in Langenfeld and with production facilities in Leverkusen and Dormagen, employs around 1,400 staff worldwide. LANXESS Corporation operates a site for Saltigo in Redmond (Washington, United States).

Detailed information about the company can be found on the internet at http://www.saltigo.com.

Information for editors:

All Saltigo news releases and their accompanying photos can be found at http://press.lanxess.com.

You can find further information concerning LANXESS chemistry in our WebMagazine at http://webmagazine.lanxess.com.

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