

LANXESS expands capacity of butyl rubber plant in Belgium

- **EUR 20 million investment**
- **Additional 14,000 tons per year**
- **Completion in Q2, 2012**

Leverkusen – LANXESS will expand the production capacity of its butyl rubber plant in Zwijndrecht, Belgium, by 10 percent to meet growing global demand for regular butyl and halobutyl synthetic rubber. The company will invest EUR 20 million to increase capacity by an extra 14,000 metric tons per year. The current capacity of the plant is about 135,000 metric tons per year. The expansion will mainly take place during a scheduled turnaround of the plant in the third quarter of 2011 and is expected to be completed in the second quarter of 2012. The plant will produce a superior quality of butyl rubber, which underlines LANXESS' standing as the global technology leader for synthetic rubber.

“Overall demand for butyl rubber has returned to pre-crisis levels already this year,” said Axel C. Heitmann, Chairman of the Board of Management of LANXESS. “And in the coming decade, we expect demand to grow further so that the new capacities in Antwerp and from our upcoming plant in Singapore will be fully absorbed by the market.”

The new capacities will help serve the rising demand for tires that is being driven by the global mega-trend towards greater mobility. Especially the growing middle-class in emerging markets such as China and India are embracing this trend. In addition, the distinct properties of butyl rubber make it an important product of choice for the pharmaceutical industry, particularly in Asia.

In May, LANXESS broke ground for a new butyl rubber facility on Jurong Island, Singapore, with a total capacity of 100,000 metric tons per year. The plant, which will be the most modern of its kind, is

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expected to start up in the first quarter of 2013. It represents a record investment for LANXESS of up to EUR 400 million. The company has another butyl rubber plant in Sarnia, Canada, with a capacity of 150,000 metric tons per year. Both Sarnia and Zwijndrecht are currently running at full capacity.

Butyl rubber is a synthetic rubber with high air impermeability based on the raw materials isobutene and isoprene. The largest application is in the manufacturing of tire innerliners and tire innertubes. The tire industry uses halobutyl as an innerliner for car, truck, bus and airplane tires. Regular butyl is used in innertubes for cars, trucks and bicycles or sports balls. Special applications include protective clothing and medical devices. The use of butyl in chewing gum production represents one particularly interesting niche market.

The Butyl Rubber business unit has annual sales of over EUR 500 million and is part of the Performance Polymers segment. The segment recorded sales of EUR 2,388 million in 2009.

LANXESS is a leading specialty chemicals company with sales of EUR 5.06 billion in 2009 and currently around 14,300 employees in 23 countries. The company is represented at 42 production sites worldwide. The core business of LANXESS is the development, manufacturing and marketing of plastics, rubber, intermediates and specialty chemicals.

Leverkusen, June 28, 2010
das (2010-00115e)

Forward-Looking Statements.

This news release may contain forward-looking statements based on current assumptions and forecasts made by LANXESS AG management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Information for editors:

All LANXESS news releases and their accompanying photos can be found at <http://press.lanxess.com>. Recent photos of the Board of Management and other LANXESS image material are available at <http://photos.lanxess.com>. The latest TV

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footage, audiofiles and podcasts can be found at
<http://corporate.lanxess.com/en/media/audio-video/>.

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

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