

Economic growth with environmental responsibility

### **LANXESS Expands Iron Oxide Manufacturing Facility in China**

Production increase of 10,000 metric tons per year

**LANXESS AG**

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**Leverkusen/Shanghai** – LANXESS started a new production unit for high quality black iron oxide pigments at its site in Jinshan, Shanghai. The produced color shades are the most advanced bluish type black pigments in the industry. With the annual capacity of 10,000 metric tons of black iron oxides, in addition to the already existing 28,000 metric tons of high quality yellow iron oxides, LANXESS can service customers globally out of the most sophisticated iron oxide plant in Asia with these high-end Bayferrox pigments. Important market segments for these products are the construction industry and the paints and coatings sector, as well as the plastics and paper industries.

The rising demand for inorganic pigments in China is mainly driven by China's ongoing urbanization. This mega-trend has led to a boom in the construction and paint industry. LANXESS' new production unit progresses further in new markets for the bluish type blacks in the Asia region including China, Australia and India.

"Our product portfolio will be extended to meet our customers' specific demands even better," said Joerg Hellwig, Global Head of the LANXESS Inorganic Pigments business unit.

The new facility sets high standards in terms of environmental protection. The manufacturing unit not only recycles by-products from other processes into high quality black iron oxide pigments, it is also among the first in the country equipped with an ultra-modern

wastewater treatment facility that is directly linked to an industrial water treatment plant. Thanks to this modern wastewater treatment technology and closed circuits throughout the whole plant, significantly less wastewater is generated in comparison to existing production units in the region.

“We are uncompromising when it comes to environmental protection. All of this shows that LANXESS places tremendous importance on all aspects of environmental protection,” said Dr. Wolfgang Oehlert, Vice President of the LANXESS Inorganic Pigments business unit in Asia Pacific. “We are proactive. By doing so, LANXESS demonstrates that it understands how to successfully combine economic growth with environmental responsibility.”

LANXESS Inorganic Pigments started production in Shanghai in 1996. In 2008, LANXESS acquired this manufacturing site for iron oxide pigments in Jinshan. In April 2010, LANXESS completed the first phase of the technical improvement for the yellow iron oxide pigments production. The plant can run at a full capacity of 28,000 metric tons. The second phase is scheduled for completion in 2011 and will again reduce the plant's emissions and further improve its already world-class environmental performance.

The Inorganic Pigments business unit belongs to the LANXESS Performance Chemicals segment, which achieved total sales in fiscal 2009 of EUR 1,530 million.

LANXESS is a leading specialty chemicals company with sales of EUR 5.06 billion in 2009 and currently around 14,400 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.

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### **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:**

The latest news from LANXESS direct to your mobile phone: **mobile.lanxess.com**

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 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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