

85 years of iron oxide color pigments from Uerdingen

For a more colorful world

Experience and innovation ensure sustainable growth for a global group of customers

Leverkusen – For 85 years, Bayferrox iron oxides from Krefeld-Uerdingen have been adding color to building projects around the world. Customers in a wide variety of industries have full confidence in these pigments. Since production started back in 1926, over 12 million metric tons of these high-quality color pigments have left the LANXESS plant on Germany's River Rhine. It is, in fact, the biggest plant of its kind in the world. Such a volume would require a freight train about 4,200 kilometers long to transport it. With annual global capacities of over 350,000 metric tons, LANXESS is one of the world's largest manufacturers of these pigments. "In recent years, we have been able to expand our business at a faster rate than our competitors thanks to our highly efficient and, in some cases, quite unique manufacturing methods, our excellent quality, our innovative products and our focus on environmental protection, said Jörg Hellwig, head of the Inorganic Pigments business unit on the occasion of this year's production anniversary, adding: "To enable us to accompany our customers' growth on a sustainable basis, we will continue to step up our investments at all our production sites."

Mounting global demand will necessitate further capital expenditures at all production sites

A wealth of expertise gained from 85 years of experience provides the basis for the company's present-day global network of production, sales and service operations. As well as in Uerdingen, Bayferrox pigments are also manufactured in Brazil and China. Last year alone, a total of around EUR 20 million was invested at these sites in process optimization and capacity expansion. "This is the only way to ensure proximity to our customers all over the world and enable us to

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meet the constantly growing global demand for high-quality iron oxide and chrome oxide pigments," said Hellwig. There is no let-up in the strong market growth around the world. One of the main reasons is the increasing trend towards urbanization, especially in the BRIC countries. The main beneficiaries of this are the construction industry and the surface coatings segment, which are among the biggest customers for these pigments. "For these industries, our pigments are absolutely indispensable because of their lightfastness, weather stability, chemical resistance and environmental friendliness," added Hellwig. The product range now contains well over 100 different color shades – and the number will continue to grow. Furthermore, the LANXESS pigment business is also growing in the non-pigments sector. In 2011, alongside the further development of color pigments, other innovative products will again be launched onto the market for the industrial application of iron and chrome oxides.

Krefeld-Uerdingen – The heart of the LANXESS pigments business

Krefeld-Uerdingen in western Germany is home to the global LANXESS inorganic color pigments business. The management team, the research and development division, and the global marketing, product and supply chain management units are all located there. The production plant is embedded in a highly modern chemical park with its own fire department, hospital and other facilities. The production of Bayferrox pigments in Uerdingen has experienced an exceptionally steep rise. In 1926 – the year production began – pigment sales stood at around 1,200 metric tons. Just a year later, the figure had risen to 5,000 tons. In the 1960s, annual production hit the 100,000 ton barrier for the first time, and now stands at about 280,000 tons per annum. The pigments are manufactured both by the Laux process and by the precipitation process. The facilities for both processes are the biggest of their kind in the world. The logistics at this site are specifically geared to these volumes in order to ensure the reliable supply of pigments to end-

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customers and distribution partners. Up to 1,600 tons of pigments can be dispatched every day.

Special red shades thanks to a unique production process

The Laux process in Krefeld-Uerdingen is an outstanding example of a unique, resource-saving production method. It was with this process that the Bayferrox success story began back in 1926. It is exemplary in its consistent use of the heat generated during the chemical reaction. This heat is used for the production of the steam and hot water that is needed to dissolve the iron sulfates or wash the pigments. The result is a process that requires virtually no external heat and whose energy efficiency is currently unsurpassed. The LANXESS pigments business has long been committed to and expert in the kind of sustainable production processes that have been propagated in recent years.

The Laux process is the decisive factor for generating the special quality properties of the company's black and red shades. Especially with the reds, a very broad range of hues can be produced – extending from a yellowish cast to a distinct bluish shade. The red shades with a blue cast are quite unique compared with other iron oxide reds available on the market because they do not change their shade even with intensive grinding or dispersion. This outstanding milling stability is an important reason for the widespread popularity of these pigments in virtually all areas of application. Furthermore, these red pigments are also very heat-stable, which is a particular advantage for the coloring of plastics. This excellent property spectrum of the Laux-type pigments is rounded off by their outstanding quality consistency, which is indispensable for all customers whose products have to comply with very tight and consistent color specifications over a period of many years – and in some cases over several decades.

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The Inorganic Pigments business unit is part of the LANXESS Performance Chemicals segment, which posted sales in 2009 of EUR 1.53 billion.

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LANXESS is a leading specialty chemicals company with sales of EUR 5.06 billion in 2009 and currently around 14,700 employees in 24 countries. The company is represented at 45 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.

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

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