

LANXESS opens new chemical plant for water technology in Bitterfeld

- **LANXESS now a full service provider for water technology**
- **200 new jobs**
- **EUR 30 million investment in new production process**
- **Inauguration ceremony involving State Premier of Saxony-Anhalt Reiner Haseloff**

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Bitterfeld – Specialty chemicals company LANXESS has inaugurated a new chemical plant for membrane filtration technology for water treatment at its site in Bitterfeld. Chairman of the LANXESS Board of Management, Axel C. Heitmann, and State Premier of Saxony-Anhalt, Reiner Haseloff, today officially opened the state-of-the-art facility. The company is investing a total of around EUR 30 million in this project. Some 200 new jobs are being created at the site. An area totaling 4,000 square meters incorporates production facilities, laboratories, logistics areas and offices. The new facility had first successfully been started up for piloting and development phases in May of this year. The State of Saxony-Anhalt has supported the construction of the facility and related research and development activities with funding of around EUR eight million.

“Worldwide, clean water is becoming ever more precious, because consumption and the world’s population are increasing constantly. With its new membrane filtration products, in combination with its high-performance ion exchange resins, LANXESS is helping to reduce global water problems,” said Axel C. Heitmann, Chairman of the Board of Management of LANXESS AG, during the inauguration ceremony held in Bitterfeld today, Friday. Only last year, the United Nations General Assembly recognized access to clean water as a basic human right. “Thanks to our new membrane filtration products we shall open up further profitable areas of business and considerably expand our strong market position in water technology and purification.” The specialty chemicals company is already a leader in ion exchange technology. The new plant in Bitterfeld will

turn LANXESS into a full service provider in the strategic business area of water treatment.

Haseloff: “Seal of quality for the business location”

“The expansion of LANXESS AG's commitment is a pleasing expression of faith in the Bitterfeld-Wolfen location,” said State Premier Reiner Haseloff in praise of the company. “This commitment will, however, also benefit our entire state. The fact that such a renowned company is investing here is a seal of quality for Saxony-Anhalt as a business location.”

Membrane filtration technology for water treatment

In the future, LANXESS is to produce membrane elements for water treatment in Bitterfeld. These filter out undesirable substances from water such as salts, pesticides, herbicides, viruses, bacteria and also minute particles. Among the most important applications for reverse osmosis membranes are the treatment of process water for power plants and the generation of ultrapure water in the microelectronics sector. The new LANXESS products, which are to be marketed under the brand name Lewabrane, lower the salt and particle content of water and are often combined with ion exchange resins to render a highly efficient and very powerful demineralization system. In the future, it is also planned to use Lewabrane to produce drinking water from brackish water or seawater.

With the pioneering reverse osmosis technology for water desalination that is new to the company, LANXESS is broadening its product range and opening up further areas of application in water treatment. The volume of the global membrane market alone is currently estimated at around EUR one billion annually, and this figure is set to rise further still.

The specialty chemicals company will produce the membrane elements for reverse osmosis at the Bitterfeld site. These elements

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are based on a three-layer composite structure, whose desalination performance is state-of-the-art. The membrane's active separating layer forms a wafer-thin polyamide film that separates the salt from water. The membrane is assembled by an automated machine into a spiral wound element with a diameter of 20 centimeters and a length of one meter. LANXESS plans to introduce Lewabrane reverse osmosis elements for industrial water treatment at the beginning of 2012.

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LANXESS backs research and development in the region

In Bitterfeld, LANXESS already has a highly modern facility with an outstanding infrastructure in which Lewatit ion exchange resins are manufactured. "The excellent conditions and the extensive research and development program that we have established in collaboration with colleges, universities and research institutions in the region underline that Germany can compete internationally as a business location, above all through its know-how and high-performance technologies," explained Heitmann. LANXESS already maintains research cooperations with the Leibnitz Institute in Dresden, three Fraunhofer Institutes in Magdeburg and Halle and the Martin Luther University of Halle-Wittenberg. "The new facility is a further sign of the future viability of both the chemical industry in Germany and our chemical site in Bitterfeld," added Heitmann. This year alone, LANXESS is planning to invest approximately EUR 160 million in its German sites, somewhat more than in 2010.

The Ion Exchange Resins (ION) business unit currently has a workforce of around 500 worldwide, of which some 300 are located in Germany. ION is part of the Performance Chemicals segment of LANXESS, which recorded sales of EUR 1.97 billion in fiscal 2010.

LANXESS is a leading specialty chemicals company with sales of EUR 7.1 billion in 2010 and currently around 15,800 employees in 30 countries. The company is at present represented at 46 production sites worldwide. The core business of LANXESS is the

News Release

development, manufacturing and marketing of plastics, rubber, intermediates and specialty chemicals.

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Forward-Looking Statements.

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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 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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