

News Release

Saltigo at CPhI 2016 in Barcelona, Spain,
October 4 to 6, Stand 3C45

Creating value

- Fully integrated solutions address customer requirements quickly, flexibly and precisely
- Expansion of Central Organics Pilot Plant (ZeTO) on schedule
- Demand for Saltidin continues to grow – expansion of Saltigo's capacity

Saltigo GmbH
Contact:
Ilona Kawan
LANXESS AG
Corporate Communications /
Trade & Technical Press
Kennedyplatz 1
50569 Köln
Germany

Phone +49 221 8885-1684
ilona.kawan@lanxess.com

Leverkusen – Innovation remains a key means of creating value in the chemical industry. That is according to Deloitte's latest report "Innovation 4.0 – beyond pure product innovation." But innovative products are no longer the sole guarantee for market success. Fully integrated solutions to meet complex and dynamically changing customer requirements have taken their place. Added value is achieved with these kinds of customized solutions that combine technologies and services – in other words, diverse innovation.

"This observation is nothing new when it comes to exclusive synthesis," points out Dr. Torsten Derr, Managing Director of Saltigo GmbH. The customer's business success and the optimal support to achieve this take priority. "In this case, it remains important for us to keep on augmenting our project pipeline with new, innovative synthesis tasks that will enable us to put our technology portfolio and skills to maximum use. Services ranging from project management, process development, analytics and quality assurance right through to registration advice play an increasingly important role in generating sustainable value added for our customers," says Derr. The subsidiary of specialty chemicals company LANXESS embodies this fundamental principle in its work as a flexible service provider and one-stop supplier for the life science industries. The company is thus showcasing its wide range of services for the exclusive synthesis of chemical active ingredients and intermediates at this year's CPhI trade fair in Barcelona from October 4 to 6.

Service as a success factor

Service stretches across the entire value creation chain from synthesis planning through process development and piloting to joint campaign planning and supply chain optimization. It also includes involvement in the registration of new substances. In this way, the company supports its customers along the product life cycle up to the market readiness of the end products and beyond. Derr explains: “Companies can most readily stand out from the competition by offering an intelligently composed spectrum of services that provide extra benefits for their customers. And of course by demonstrating a high degree of flexibility. Because a rapid and targeted response to customers’ needs and the requirements of the market is a crucial success factor, as it enables them to leverage competitive advantages.”

Competent partner for more complex molecules

The Deloitte report rightly also points out that the number of molecules launched each year onto the market has been in decline for decades. However, the complexity of the new molecules keeps on increasing. The challenge for exclusive synthesis also represents a key unique selling point for versatile, flexible and experienced suppliers. This is where Saltigo can score points as a custom manufacturer with its comprehensive technology portfolio and many years of process development expertise. “We boast a network of more than 10 facilities, enabling us to perform every conceivable kind of chemistry – from phosgenation and high-pressure hydrogenation right through to low-temperature reactions. We can manufacture even the most complicated molecular compounds. Our chemists use these facilities to develop processes and construct molecules along the same lines as playing with toy construction blocks,” Derr adds. “Our high level of process engineering expertise is a key to success in this field. The know-how built up at Saltigo over decades enables the timely upgrading of syntheses of even highly complex chemicals from laboratory scale to industrial production.”

Expansion on schedule

Saltigo is one of the world’s largest custom manufacturers – its production facilities are located in Germany. “In recent years we have won many contracts against competitors from Asia – despite its frequently cited advantages as a

production location. Instead of pulling our company out of Germany, we are investing here – currently EUR 60 million in Leverkusen – so as to increase our synthesis capacities for customer projects by around one third,” Derr says. The conversion and development work that is mainly being carried out at ZeTO as part of this investment project is running according to plan. The project is due for completion by the end of 2017.

The ZeTO is of central importance for Saltigo. At the moment, a combination of 70 flexibly connectible reactor modules and 10 solids isolation lines manufacture a great variety of products on a scale ranging from below 100 kg to several thousand metric tons. Characteristic of the ZeTO and virtually unique is the broad portfolio of technical equipment and available synthesis technologies, which can be combined almost at will. These include chemical core competencies such as chlorination, fluorination, hydrogenation and low-temperature reactions down to -100 °C. Organometallic and homogeneously catalyzed reactions and enzyme-catalyzed synthesis steps complete the offering. The technology portfolio is being constantly expanded in cooperation with research departments and universities and molded to the requirements of customers.

High demand for Saltidin

One of the investment project measures is the announced increase in production capacities for Saltidin mosquito repellent. With this in mind, the plant in Dormagen is set to expand by the spring of 2017. This insect repellent with the non-proprietary name icaridin has recently been experiencing a boom as a result of the Zika virus, which has now spread around the world. Derr explains: “We identified this change in demand at an early stage and started to adapt our production capacity in good time to reflect market needs. We truly believe we can meet the demand not only in Brazil and the United States, which remains high, but also the rising demand in Europe.”

In chemical terms, Saltidin is 1-(1-methylpropoxycarbonyl)-2-(2-hydroxyethyl)piperidine. The active ingredient has a neutral odor and does not irritate, sensitize or stick to the skin. It is ideal for a very wide range of insect repellent formulations that are applied in a variety of ways and is used by numerous manufacturers of such products worldwide.

The Zika virus is spread by mosquitoes. Saltidin repels these insects by influencing their olfactory receptors so they can no longer recognize people as “blood donors.” The active ingredient from Saltigo is not an insecticide and is therefore not harmful to humans if used properly,” explains Dirk Sandri, head of Marketing Fine Chemicals at Saltigo. This is a further major benefit of the product in addition to good compatibility with the skin. Mosquito repellent substances such as icaridin are expressly recommended by the World Health Organization (WHO) in particular to protect pregnant women and nursing mothers against infection in endemic areas. The Zika virus causes severe malformation of the skull, known as microcephaly, in newborns.

Detailed information about Saltidin and Saltigo’s services can be obtained online at www.saltigo.com.

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 2015 of EUR 1,826 million. Saltigo, headquartered in Leverkusen and with production facilities in Leverkusen and Dormagen, employs around 1,200 staff worldwide.

Cologne, September 30, 2016
kaw (2016-00073e)

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

Detailed information about the company can be found on the internet at <http://www.saltigo.com>. You can find information concerning LANXESS chemistry in our WebMagazine at <http://webmagazine.lanxess.com>.