LANXESS on track with EPDM project in China

Cologne/Geleen/Shanghai – LANXESS is progressing according to plan with the construction of its world-scale EPDM (ethylene propylene diene monomer) plant in Changzhou (Jiangsu Province), China. The German specialty chemicals company is investing EUR 235 million in the plant - the largest investment the company has made in China to date. Some 45 percent of the investment total will be spent by the end of 2013.

The plant will have a capacity of 160,000 metric tons per year and the investment will create up to 200 new jobs. The plant is expected to achieve mechanical completion at the end of 2014 and will probably start selling products to customers as of 2015.

LANXESS is the world's leading producer of EPDM, marketing its products under the brand name Keltan. China is the world’s largest market for EPDM, driven above all by automotive and construction industries.

“We are very happy with progress made so far and this plant clearly underlines our commitment to being closer to our customers and supplying them with premium products,” said Torsten Derr, Head of the Keltan Elastomers business unit.

The new EPDM plant is located at the well-established Changzhou Yangtze Riverside Industrial Park, with access to excellent storage and ship uploading facilities. Up to 2,000 people are currently working on the site.

LANXESS will use Keltan ACE technology to enable sustainable production at its new plant. In comparison to conventional technology, the Keltan ACE catalyst technology reduces energy requirements for production and it does not require catalyst extraction as a result of high catalyst efficiency. Furthermore, the process
enables the manufacture of new EPDM rubber grades, such as oil-extended EPDM and special high molecular weight EPDM. The new plant will produce in total ten premium grades of EPDM tailored to Chinese customer needs.

LANXESS already operates EPDM production sites in Geleen, the Netherlands, Marl, Germany, Orange, USA and Triunfo, Brazil.

EPDM is used above all in the automotive industry as door sealants, hoses, belts or anti-vibration parts. The product is also used in the plastics modification, cable and wire, construction and oil additives industries. Its properties include very low density, good resistance to heat, oxidation, chemicals and weathering as well as good electrical insulation properties.

LANXESS is a leading specialty chemicals company with sales of EUR 9.1 billion in 2012 and roughly 17,500 employees in 31 countries. The company is currently represented at 52 production sites worldwide. The core business of LANXESS is the development, manufacturing and marketing of plastics, rubber, intermediates and specialty chemicals. LANXESS is a member of the leading sustainability indices Dow Jones Sustainability Index (DJSI) World and FTSE4Good as well as the Carbon Disclosure Leadership Index (CDLI).

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Forward-Looking Statements.
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News Release

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