

LANXESS joins the Indian Beverage Association

- LANXESS manufactures Velcorin, a microbial control agent
- Velcorin can be used for soft drinks such as fruit-based drinks, flavored waters, ice teas, carbonated drinks and wines
- LANXESS plans to increase its presence in the Indian beverage market through Velcorin.

Mumbai, June 20, 2012. Specialty chemicals company LANXESS has joined the Indian Beverage Association (IBA), the trade association for non-alcoholic beverage industry, following the launch of its premium product Velcorin in India. Velcorin is a microbial control agent that stabilizes the beverage during the production process. It offers some unique advantages over the existing technologies. It prevents the growth of microbes such as yeasts, molds and bacteria in the beverage from the moment they are produced to their consumption, while retaining its freshness, color and taste. After addition to the beverage, it quickly breaks down into natural components and is not present in the beverage when the drink is consumed by the customer.

IBA is an active congregation of leading companies with direct and allied interests in the non-alcoholic beverage industry. It provides a common platform to all stakeholders and thus acts as a common voice in promoting the growth of this industry.

“Our premium product Velcorin is one of the best technologies for beverage stabilization and we would like to get involved with IBA to explore further possibilities with Indian beverage manufacturers. We see this association as an important interface between the government, customers, partners and the public,” says Vinod Agnihotri, head of the business unit, Material Protection Products, LANXESS India.

With increasing urbanization and rise in disposable income, the Indian beverage market is already seeing a double digit growth year-

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on-year. Many new products are being launched every year in new categories like energy drinks, flavored waters, ready to drink tea and juice based drinks. The young and urban Indians now demand trendy beverages which are in packaged form, yet fresh to taste. Velcorin helps in meeting these requirements of beverages. It makes them stable against growth of microbes for a long distance transport, say, to rural areas.

Manufacturers of beverages face certain challenges in packaging the product while maintaining its quality (microbial stability and freshness) and taste for a longer period of time. Currently there are two kinds of packaging technologies available to beverage manufacturers in India, namely, *hot fill* and *cold fill*. While 'hot fill' technology ensures elimination of microbes, the taste of the beverage gets negatively affected due to the heat treatment. This technology also limits the design of the PET bottles, which are a common storage device for these beverages. Velcorin offers an alternative to this issue. With Velcorin, beverage producers can fill their beverage using the 'cold fill' process. Thus, the manufacturers get fresh and better tasting drinks which are microbially stable. In addition, they can use different shapes for the PET bottles, can reduce the weight of the bottles or minimize cost by using other packaging options. Secondly, using Velcorin to stabilize the drinks can also save a lot of energy. The hot fill process is energy intensive as the beverage needs to be kept at a high temperature for a long time in order to completely eliminate microbes.

Another key benefit of using Velcorin as a stabilizer is the fact that it is not contained in the end product. It disintegrates into negligible amounts of naturally occurring compounds present in many beverages such as fruit and vegetable juices.

"On one hand, manufacturers are challenged to create new variations of drinks, with improved taste and nutritional value and on the other, high standards in production need to be maintained to ensure optimum quality of the drinks. We not only offer Velcorin as an

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effective cold sterilization solution, but we also provide suitable metering equipment Velcorin DT backed by our technical expertise, making it a complete solution for our customers,” said Ingo Broda, Head of the business line Beverage Technology, which is part of the BU MPP, LANXESS AG.

The experts in the Material Protection Products business unit offer technical advice, support for laboratory and practical testing and extensive registration management. Detailed information can be found on the internet at www.velcorin.com.

The MPP business unit belongs to LANXESS’ Performance Chemicals segment, which achieved total sales of EUR 1.98 billion in fiscal 2010.

About LANXESS.

LANXESS is a leading specialty chemicals company with sales of EUR 8.8 billion in 2011 and currently around 16,800 employees in 30 countries. The company is at present represented at 49 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 sustainable indices Dow Jones Sustainability Index (DJSI) World and FTSE4Good.

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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