

Growing car production in India increases demand for high-tech plastics from LANXESS

Mumbai, October 12, 2010: LANXESS, a specialty chemicals firm and a premium supplier of high quality engineering plastics, is optimistic about the increase in use of high-tech plastics by the automobile industry in India. In terms of potential, India is set to become the third-largest consumer market for plastics after the United States and China and the domestic automotive industry would play an important role in this feat.

Triggered by a burgeoning middle class, the demand for passenger cars is on the rise and is likely to grow at 13-15% on current level of 2.4 million units per year. To improve fuel efficiency, minimize carbon dioxide gas emissions auto manufacturers are now looking at reducing the weight of the vehicle, which will trigger more usage of high-tech plastics from LANXESS in Indian cars.

The business unit semi crystalline products of LANXESS manufactures high-tech plastics, namely, Durethan® (based on polyamide) and Pocan® (based on polybutylenterephthalat), which are well-suited for making auto parts as well as electrical and electronic components .

It is forecasted that usage of plastics in Indian passenger cars is set to move towards 120kg/car level from the current level of 77kg/car. This will certainly open up new and latest applications of plastics in automotive engineering for Indian cars. Options like replacement of the structural components of automobiles with plastics or metal-plastic hybrid components are now a possibility which were hitherto only steel or metal-based. Plastic-metal hybrid technology based on Durethan® is an interesting innovation patented by LANXESS. Such plastic-metal hybrid front end module reduces the weight of the vehicle by 30 percent as compared to complete metal structures.

This technology is now firmly established in the automotive industry for light-weight, high-strength structural parts and is used in more than 40 million cars worldwide.

Durethan® is also used for making auto products like pedals and pedal brackets, outer and inner door handles, wheel covers, body re-inforcements, vehicle interiors, roof modules, under the hood components like intake manifolds, cylinder head cover, fuel rails, oil pans, engine fan and shrouds, radiator tanks.

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Product release



With the recent development of Durethan® Easy Flow resins, polyamide compounds with as high as 60 percent glass fibre reinforcement are available, Durethan DP BKV 60 H2 EF would be an example. These grades mould easily and are currently used for metal replacement in various applications.

Pocan® is used for applications like headlamp bezels, interior and exterior mirrors, and connectors to name a few.

Durethan® and Pocan® are already used and acclaimed by almost all major auto manufacturers worldwide and the penetration level in India is also increasing rapidly since LANXESS products are valuable to the customer in terms of performance, price, quality and service.

Indian is one of the fastest growing auto markets in the world and almost all globally operating car manufacturers and systems suppliers now also have their own production facilities in India or are in the process of building them.

LANXESS, as a true partner of the auto industry is setting up its compounding facilities of capacity 20,000 tons per year, for Durethan® and Pocan® in Jhagadia in the state of Gujarat and is expected to start production by early 2012. With an investment of ten million euros, the new production plant will produce primarily for the Indian market, and also for other Asian countries. This demonstrates our commitment for Indian market. This investment together with the manufacturing facility in Wuxi in China which has a production capacity of 40,000 tons per year and to be enhanced to 60000 tons per by mid 2011, will form the new semi-crystalline products production network for the Asia Pacific market for LANXESS.

Other than automobiles, LANXESS enjoys a good customer base for high-tech plastics in industries like electronics and electrical components, domestic appliances, IT and construction industry, all of which are growing in India. LANXESS works closely also with customers in these sectors to provide more environment friendly and energy efficient products.

The SCP business unit belongs to the performance polymers segment of LANXESS, which achieved total sales in fiscal 2009 of approximately EUR 2.4 billion.

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About LANXESS:

LANXESS is a leading specialty chemicals company with sales of EUR 5.06 billion in 2009 and currently around 14,300 employees in 23 countries. The company is represented at 42 production sites worldwide. The core business of LANXESS is the development, manufacturing and marketing of plastics, rubber, intermediates and specialty chemicals.

Information for editors:

100 years of synthetic rubber – interesting information about the anniversary and the numerous areas of application can be found at <http://www.worldrubberday.com/>.

Information on chemical products from LANXESS can also be found in our Web Magazine at <http://webmagazine.lanxess.com/>

All LANXESS news releases and accompanying photo, video and audio material can be found on <http://press.lanxess.com/>

Forward-Looking Statements:

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