

EUR 60 million investment for Saltigo

- **Capacity expansion for custom manufacturing owing to high demand**
- **Construction of two multi-purpose production lines and new container warehouse from mid 2016**
- **Strengthening of Leverkusen site**

Leverkusen – Specialty chemicals company LANXESS is investing around EUR 60 million in the expansion of the Leverkusen production facilities of Saltigo GmbH – a leading supplier in the field of exclusive synthesis. The biggest single investment in Saltigo since it was founded as a fine chemicals company in 2006 should sustainably strengthen the LANXESS subsidiary's market position. "Once again this year, we have many projects in the pipeline and see further growth potential," says Saltigo Managing Director Wolfgang Schmitz. This is why the LANXESS subsidiary is significantly expanding its multi-purpose production facilities in the Central Organics Pilot Plant (ZeTO). "This expansion will further expand our flexibility and also ensure in the future that Saltigo remains optimally positioned in the dynamic custom manufacturing market," adds Schmitz. "In the crop protection segment alone we anticipate annual market growth of 3 percent on average through 2025 despite weaker demand at the moment. To grow with our customers, we are expanding synthesis capacities for custom manufacturing in the ZeTO by around a third," says Schmitz. A part of these future capacities is already contractually secured.

Saltigo will use a large share of this investment to add further reactors to its existing multi-purpose facilities and to construct two new solids isolation and drying lines. In addition, it will ensure an even more efficient raw material and solvent supply of the production facilities through the installation of a new container warehouse next to the plant. Planning also leaves scope for further expansion of this storage capacity. The complete facility will be equipped with a modern new process control system to combine the highest possible qualitative requirements with maximum productivity.

Saltigo GmbH
Contact:
Frank Grodzki
LANXESS AG
Corporate Communications /
Head of General Press and
Trade & Technical Press
Kennedyplatz 1
50569 Cologne
Germany

Phone +49 221 8885-4043
frank.grodzki@lanxess.com

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

Phone +49 221 8885-1684
Fax +49 221 8885-4865
ilona.kawan@lanxess.com

The construction launch is scheduled for the middle of next year, while production should start at the end of 2017. The expansion should create 10 new jobs.

The ZeTO – the heart of fine chemistry in Leverkusen

The ZeTO is of central importance for Saltigo. At the moment, a combination of 70 flexibly connectible reactor modules and 10 solids isolation lines manufactures a great variety of products on a scale ranging from below 100 kg to several thousand 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 adjusted to the requirements of customers.

“Our core business primarily revolves around custom manufacturing for the life science industries, particularly for the agrochemical sector. We have had great success with this in the past and the outlook for the future looks promising too,” says Jörg Schneider, head of Marketing at Saltigo GmbH.

Ideal production conditions

With this investment in Leverkusen LANXESS is strengthening its biggest production site for the agrochemicals market. More than a third of the company's plants there manufacture products that are used in agriculture following further processing by agrochemical companies.

Yet another advantage: Saltigo's plants are ideally placed within a highly developed integrated network, the benefits of which include reliable supply and disposal facilities. “There is no doubt that efficient processes and network structures pay dividends when it comes to large production volumes, such as in the agrochemical and fine chemicals fields,” explains Schneider.

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,

News Release

which achieved total sales in 2014 of EUR 1,847 million. Saltigo, headquartered in Leverkusen and with production facilities in Leverkusen and Dormagen, employs around 1,200 staff worldwide.

Cologne, November 5, 2015
kaw/fgr (2015-00055e)

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>.