

Address for the Opening of the Ion Exchange
Resins Plant at Jhagadia

Thursday, December 2, 2010

Speech

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Chairman of the Board of Management of
LANXESS AG



Thank you, Rainier and good afternoon, ladies and gentlemen.

Page 2 of 10

I want to begin by offering my special thanks to Honorable Chief Minister Narendra Modi for his support and cooperation in making this day possible.

I also want to thank and congratulate the many LANXESS colleagues who worked so hard to prepare for the opening of this new plant.

I especially commend:

- Dr. Michael Pies,
- Dr. Thomas Linn,
- Dr. Gunther Stolp,
- Mr. Uwe Tegtmeier,
- Mr. Namitesh Roychoudhury,
- Dr. Michael Zobel,
- Jean-Marc Vesselle and
- Dr. Dattaprasad Talekar

for their outstanding efforts.

Page 3 of 10

This ion exchange resins facility is a reality today because of the superb work of you and your fine teams.

Ladies and gentlemen, this is a wonderful day for LANXESS, an important day for Gujarat, and a beautiful day for clean water.

Because of the global need for clean water, we declared 2010 the Year of Water at LANXESS.

And I can think of no more fitting way to celebrate the Year of Water than today's inauguration of our new ion exchange resins plant here at our Jhagadia site.

It is the most modern plant of its kind in the world and the first ion exchange resins facility in Asia.

It is destined to make a vital contribution to a problem that must be addressed here in India and throughout the world:

The need for clean water.

The ion exchange resins that will be produced here will be used in water treatment, in the cleaning of industrial wastewater, and in the preparation of ultra-pure water solutions for many industries here and abroad.

So we are celebrating an important step toward building a more sustainable future.

For LANXESS, this marks another milestone in our ongoing commitment to India and in the realization of our global business strategy.

Since our company was formed six years ago, India has been one of the pillars of that strategy.

And what a mighty pillar it has turned out to be!

The eyes of the world have finally turned towards India's economic miracle.

But we at LANXESS have had our own eyes focused on this miracle for some time.

I see this extraordinary new plant as a living, working symbol of our commitment to grow along with India.

We made that commitment crystal clear in 2009 when we made our first major new investment in India – the purchase of Gwalior Chemical Industries.

Since then we have been steadily expanding our presence in India with added capacity, new facilities and state-of-the-art technologies.

In October, we inaugurated our new cogeneration plant in Nagda in Madhya Pradesh. It is fueled with soya husks and provides nearly all of the site's steam and power needs. This cogeneration plant typifies LANXESS' innovative approach to ensuring true sustainability at our sites.

We have now begun work on a cogeneration plant here in Jhagadia, which will generate power with clean natural gas.

In fact, much of the strongest evidence of our commitment to India can be seen right here in Jhagadia.

This March we inaugurated our modern Rubber Chemicals production facility here. It is now supplying the rapidly growing Indian tire and rubber industries with high-quality antioxidants from LANXESS' Vulkanox line.

In June we announced plans for the construction of a major production facility here for our Semi-Crystalline Products unit. The plant will start production in 2012 and be a premium supplier of high-tech plastics to the automotive industry – as well as a broad spectrum of other industries.

And in a few minutes, we will officially open the most modern plant in all of Asia at the largest LANXESS site in India.

So you see that we have been very busy in India, and Jhagadia has been at the center of a great deal of that activity.

None of this would have been possible without the enthusiastic support of the people and government of Gujarat.

Thanks to them, this wonderful site will be playing an ever-increasing role within our company as LANXESS continues to grow in India. We are looking forward to working with the community here to make our additional ambitious plans for the site into a reality.

But, ladies and gentlemen, our ambitions for India go beyond producing quality chemical products.

Wherever we do business in India – we strive to be part of the fabric of the community.

That is true here in Jhagadia and at all our other sites and offices in India.

It is why we are absolutely committed to maintaining the very highest safety and environmental standards at every LANXESS facility in India.

We consider it our profound responsibility to develop production processes that conserve energy and protect the quality of the environment wherever we operate.

You can see this both in small things – like the planting of trees at our sites – and in our major green investments – like our cogeneration facilities.

We are equally committed to being good corporate citizens, contributing in a meaningful way to the educational institutions, the cultural life and the well-being of our neighbors, the people who live in these communities.

One recent example of this was our contribution of nearly ten lakh rupees to outfit SEWA Rural's vocational training center near this site.

Comment [ooo1]: 16,000 Euros

But to me, this modern plant truly says everything that needs to be said about the spirit of our commitment to India.

Page 10 of 10

And that is why this is a wonderful day for LANXESS, an important day for Gujarat, and a beautiful day for clean water.

Thank you all.

And now, it is my great pleasure to introduce Chief Minister Modi, who has been kind enough to agree to deliver a few words to commemorate this special day.