LANXESS at Chinaplas 2011, May 17-20, Booth E 21 in Hall 11.2

LANXESS steps up its commitment to sustainable growth in China

Leverkusen/Shanghai – Along with the markets in India and Brazil, the Chinese market is a pillar of LANXESS' long-term growth strategy. Based on its success in these countries, the specialty chemicals group has set a target EBITDA pre exceptionals of EUR 1.4 billion for fiscal 2015. “We are confident that we can achieve this goal because our business is so well aligned with the megatrends that are apparent here in China and across the globe,” explained LANXESS Greater China Country Representative Martin Kraemer to journalists at a press conference held in Guangzhou on May 17, 2011, in conjunction with Chinaplas 2011. LANXESS' Semi-Crystalline Products, Inorganic Pigments and Functional Chemicals business units are showcasing their latest developments at this event, one of the leading trade fairs for plastics and rubbers in Asia.

Trend toward urbanization and mobility drives growth
In his presentation, Kraemer made particular reference to two megatrends that are boosting the demand for customized products from LANXESS. One is rapidly increasing urbanization and the other fast-growing mobility. For example, LANXESS supplies highly effective phosphorus-based flame retardants that are used in China’s booming construction industry in products such as flame-retardant spray coatings and polyurethane slab foam. The automotive industry in China and other countries, meanwhile, benefits from the high-tech polyamides and polybutylene terephthalates (PBTs) Durethan and Pocan. “We work hard to be at the cutting edge of the innovative, high-tech plastics technology that is making cars lighter and more fuel-efficient,” said Kraemer.
News Release

Year of high-tech plastics
LANXESS has declared 2011 to be the “Year of High-Tech Plastics”. Its aim is to highlight the great importance of Durethan and Pocan in our daily lives. The outstanding properties of these two materials are an essential prerequisite for many achievements in modern life. They also play a key role in numerous sustainable and environmentally friendly technology solutions.

Great demand for high-tech plastics in China
Industry experts predict that the global demand for these high-tech plastics will grow by some 7 percent annually through 2020. This growth is being driven primarily by increasing vehicle production and the trend toward lightweight automotive components. The Chinese automotive industry is expected to grow by 9 percent in 2011.

“Demand for our high-tech plastic compounds recorded double-digit growth in China in the first quarter of this year,” revealed Dr. Michael Zobel, head of the Semi-Crystalline Products business unit.
LANXESS has made a series of investments in its global production network for Durethan and Pocan just recently. January 2011 saw the groundbreaking ceremony for a new compounding facility in Jhagadia, India. With an initial capacity of 20,000 metric tons per year, the new facility will start production at the beginning of 2012. The company is also investing EUR 10 million to increase the annual capacity of its facility in Wuxi, China, to approximately 60,000 metric tons per year from mid-2011.

Lightweight construction with nylon composite sheet hybrid technology
The majority of the innovations that are being presented by the Semi-Crystalline Products business unit at Chinaplas are intended for the automotive and electrical/electronics industries. One example is the use of nylon composite sheet instead of metal in the plastic/metal composite technology (hybrid technology) that achieves significant weight savings in components such as the front end of the Audi A8. Polyamides for newer engine concepts are a further focus of attention. For instance, a very soft Durethan polyamide 6 grade can
be used to produce charge air tubes with integrated bellows in a cost-effective single-material extrusion blow-molding solution.

**High-performance pigments for coloring plastics**

The presentation of the Inorganic Pigments business unit centers on its exceptionally lightfast weather- and chemical-resistant color pigments for coloring plastic. The red hues of the Bayferrox 100 iron oxide pigment series are a particular highlight. They cover a very wide color spectrum that extends from a light yellowish cast to a darker, bluish shade of red. The bright yellow Colortherm Yellow 10 and 20 iron oxide pigments designed specifically for high-temperature applications are also on show. Plasctics colored with these pigments exhibit unrivaled color stability during extrusion.

**Phthalate-free plasticizers and bonding agents**

The Functional Chemicals business unit is training the Chinaplas spotlight on its phthalate-free plasticizers and bonding agents, which represent an effective and safe alternative to equivalent products containing phthalates. One example is Mesamoll TP LXS 51067, a plasticizer specifically developed for processing PVC – above all for the production of PVC floor and wall coverings. It is ideal as a substitute for dibutyl phthalate (DBP) and benzyl butyl phthalate (BBP), and is also approved for applications involving contact with food.

LANXESS AG
Contact: Udo Erbstößer
Market Communications
Trade and Technical Press
51369 Leverkusen
Germany
Phone: +49 214 30-54529
Fax: +49 214 30-44865
udo.erbstoesser@lanxess.com

LANXESS is a leading specialty chemicals company with sales of EUR 7.1 billion in 2010 and currently around 15,500 employees in 30 countries. The company is at present represented at 46 production sites worldwide. The core business of LANXESS is the development, manufacturing and marketing of plastics, rubber, intermediates and specialty chemicals.

Leverkusen, May 17, 2011
rei/erb (2011-00111e)
News Release

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:

You can find further information concerning LANXESS chemistry in our WebMagazine at http://webmagazine.lanxess.com.