

Kemira to build two new coagulant plants at Bayer sites in Europe

Kemira will strengthen its European manufacturing network by constructing two new coagulant plants in Germany and Spain. The investment is EUR 40 million and the plants are expected to be operational during 2012.

Kemira has entered a strategic partnership with Bayer MaterialScience through which it will purchase hydrochloric acid (= HCl) - a by-product of Bayer's polyurethane production - to produce coagulants for use in various water treatment applications, including drinking water and waste water treatment.

Kemira will build the new coagulant plants next to Bayer MaterialScience's isocyanate production plants in Dormagen, Germany and Tarragona, Spain. At the same time, Kemira will close an existing coagulant plant in Europoort, the Netherlands. In Spain, the coagulant manufacturing in Tarragona will be moved into the new plant in the Bayer Industrial Park. Kemira has informed the Works Councils about the restructuring plan and started the co-determination negotiations in Spain and the Netherlands. The impact on personnel is minor, as most employees will be able to transfer to other positions within Kemira.

"Kemira and Bayer have a long history of working together. We are extremely pleased to enter this partnership, as it strengthens our position in western and southern Europe, securing a long term, cost-efficient access to hydrochloric acid. Coagulants are one of Kemira's core product lines and ensuring cost efficient supply of raw materials is one of our key strategic objectives", says **Harri Kerminen**, President and CEO of Kemira.

"Bayer MaterialScience is pleased to be entering the strategic partnership with Kemira," says **Tony Van Osselaer**, the company's head of Industrial Operations and a member of its Executive Committee. "This partnership provides an environmental benefit, as we will reduce the current transport of our HCl from roads and rail networks. By positioning these new facilities next to our manufacturing units everyone benefits and it gives us a perfect outlet for HCl of our planned TDI (toluene diisocyanate) facility in Dormagen," he adds.

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Kemira is a global two billion euro chemicals company that is focused on serving customers in water-intensive industries. The company offers water quality and quantity management that improves customers' energy, water, and raw material efficiency. Kemira's vision is to be a leading water chemistry company.

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