

**LANXESS AG**

Contact: Daniel Smith  
Corporate Communications  
51369 Leverkusen  
Germany

Phone +49 214 30-75179  
Fax +49 214 30-50691  
daniel-alexander.smith@  
lanxess.com

## LANXESS acquires U.S. bladder producer TCB

- Rhein Chemie expands global network for bladders
  - Mobility megatrend underpinning demand for tires
  - Third acquisition in the USA within six months
- 

**Leverkusen, Mannheim, Little Rock (AR)** – LANXESS is strengthening its position as a premium supplier to the tire industry. The specialty chemicals company's wholly-owned subsidiary Rhein Chemie has acquired USA-based Tire Curing Bladders LLC (TCB) – a leading manufacturer of bladders for the tire industry. Financial details were not disclosed. The transaction will close with immediate effect.

Privately-owned TCB is based in Little Rock, Arkansas, and operates a bladder production facility with an annual capacity in excess of 400,000 units. The company achieved sales of USD 21 million in 2011 and employs approximately 100 people. TCB serves primarily the North American market.

“The acquisition of TCB is a further cornerstone in our strategy to position Rhein Chemie as a global producer of high-quality bladders,” said Rainier van Roessel, Board Member of LANXESS. “We are gaining capacities to serve our growing list of tire customers and we also gain access to bladders for tires of trucks, off-road and agricultural vehicles, as well as building machines.”

“We are delighted that Rhein Chemie will give our committed workforce the platform to achieve even more success through its global reach and well-known brands,” said TCB's former joint owners Vernon Almon and Mark Nutt.

Rhein Chemie gained access to bladder production last year through the acquisition of Argentina's Darmex. Rhein Chemie bladders are marketed under the Rhenoshape brand.

"Rhenoshape bladders, together with our comprehensive portfolio of environmentally friendly Rhenodiv release agents, provide tire manufacturers worldwide with premium solutions for increasing significantly their efficiency and quality. Our future developments will continue to expand these competencies," said Anno Borkowsky, Head of Rhein Chemie.

Bladders are used in the manufacturing process of tires. A non-vulcanized tire is placed in a press. Once the press is shut, the internal pressure forces the tire against the internal wall of the tire mold. This is done using a butyl rubber bladder that is then inflated under high pressure and at high temperatures to give the tire its final shape.

The demand for bladders is expected to grow parallel to global tire production, which is expected to grow on average by five percent per year in the coming years. The megatrend of mobility is underpinning this growth, driven by a growing middle-class in countries such as Brazil, China and India.

In addition, an increasing number of tire companies are outsourcing their bladder production in order to optimize productivity and take advantage of the higher quality offered by bladder specialists. The size of the global bladder market is estimated at more than EUR 300 million.

Rhein Chemie achieved sales of roughly EUR 280 million in 2010 and employs about 1,000 people worldwide. Founded in 1889, Rhein Chemie is based in Mannheim, Germany, and has production sites in Belgium, USA, Uruguay, Brazil, India, China, Argentina and Japan.

The purchase of TCB is LANXESS' third acquisition in the USA within six months. LANXESS acquired in October last year the phthalate-free plasticizers company Unitex in Greensboro, North Carolina, and one month later the biocide material protection specialist Verichem in Pittsburgh, Pennsylvania.

“North America remains a very important market for specialty chemicals and technology-driven solutions developed by LANXESS,” said van Roessel.

**About Rhein Chemie:**

Rhein Chemie develops, produces and sells additives, specialty chemicals and service products for the rubber, lubricant and plastics industries. In fiscal 2010 Rhein Chemie achieved sales of EUR 283 million and has approximately 1,100 employees worldwide. The company is headquartered in Mannheim, Germany and has production facilities in Europe, Asia and North and South America. Rhein Chemie is a wholly owned subsidiary of the specialty chemicals group LANXESS, Leverkusen, Germany.

Mannheim, March 14, 2012

smi (2012-03-805 EN)

Please supply a sample copy.

**Forward-Looking Statements**

This news release contains forward-looking statements based on current assumptions and forecasts made by the management of Rhein Chemie Rheinau GmbH. 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 our sole stockholder LANXESS Deutschland GmbH and the estimates given here. These factors include those discussed in LANXESS AG's reports to the Frankfurt Stock Exchange. LANXESS AG and Rhein Chemie Rheinau GmbH assume no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.