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Covestro doubles production capacities for high-tech plastic at Shanghai site

Global number one in polycarbonate resins

- **Inauguration of two new production lines**
- **Responding to growing demand in Asia**
- **Last cornerstone of multi-year investment program**

To satisfy growing demand for polycarbonates in Asia, Covestro is doubling production capacities for the high-tech plastic from 200,000 to 400,000 metric tons per year at its site in Shanghai, China. Two new world-scale production lines for polycarbonate resins were inaugurated there on Wednesday, with state-of-the-art technologies and energy saving processes. This thrusts Covestro into becoming the world's largest producer of such resins.

During the inauguration celebration, Michelle Jou, Head of the Polycarbonates segment at Covestro, said: "In Asia and especially China, the demand for polycarbonates and solutions based on it is growing in important industries like electronics, healthcare and automotive. By expanding our polycarbonates production capacity in the region, we can adapt and react even better to the changing needs of our customers. And we optimize our service, guaranteeing sustainable supply and relentless innovation."

Satisfying customer needs

Especially lightweight, highly transparent, unbreakable and easy to shape, polycarbonates are used in many areas of modern life – from medical devices to automotive parts to smartphones and LED lighting. Polycarbonate resins can also be combined with other substances to produce blends with an optimally balanced set of properties. With the two new production lines, compounding capacities at the Shanghai site have also nearly doubled, further enhancing



Covestro's ability to meet the increasing customer requirements for diversified and individual solutions.

The new production lines are the last cornerstone of a multi-year investment program for the Shanghai site with a volume of more than EUR 3 billion. Earlier this year, another new world-scale plant had been opened there producing up to 50,000 metric tons of HDI per year – a crucial raw material used in coatings and adhesives.

Commitment to China

Dr. Klaus Schäfer, Covestro Management Board member responsible for production and technology, said: "The addition of the new production lines makes Shanghai the largest production center for polycarbonate resins in the world. The successful completion of this project strengthens our global production network and demonstrates Covestro's continuous commitment to the Chinese market."

At the same time, Covestro underscores its leading position in highly efficient and environmentally compatible technology by recycling process water. It is used to produce chlorine and sodium hydroxide – two chemicals that in turn are needed as raw materials for polycarbonates. Contributing to innovative, sustainable technologies, products and application solutions, is among Covestro's top priorities – according to the company's purpose "to make the world a brighter place".

About Covestro:

With 2015 sales of EUR 12.1 billion, Covestro is among the world's largest polymer companies. Business activities are focused on the manufacture of high-tech polymer materials and the development of innovative solutions for products used in many areas of daily life. The main segments served are the automotive, electrical and electronics, construction and the sports and leisure industries. Covestro, formerly Bayer MaterialScience, has 30 production sites around the globe and as of the end of the first quarter 2016 employed approximately 15,700 people (full-time equivalents).

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