

For immediate release

December 13, 2011

Announcement by Nabaltec AG

Nabaltec AG, headquartered in Germany has issued the attached announcement on December 13, 2011, regarding forming collaboration with Sumitomo Chemical in alumina businesses.



Sumitomo Chemical and Nabaltec AG Establish Collaboration in Alumina and Aluminum Trihydroxide (ATH) Businesses to Forge Tie-up with Nabaltec of Germany in Alumina Business

Schwandorf, 13 December 2011 - Sumitomo Chemical Co., Ltd. ("Sumitomo Chemical") and Nabaltec AG of Germany have been in discussions about collaborating on their Alumina and Aluminum Trihydroxide (ATH) businesses. The companies have agreed to start collaborating first in the commercial area. Beginning December 1, 2011, Nabaltec will be supplying Sumitomo Chemical an exclusive grade of fine precipitated Aluminum Trihydroxide (ATH) for sale in East Asia.

Aluminum Trihydroxide (ATH) is most commonly used as a flame retardant additive in polymers for Wire & Cable, Printed Circuit Boards, and various building materials applications. As the demand for Non-Halogen flame retardants containing products increase the use of Aluminum Trihydroxide (ATH) is expected to see substantial growth. Europe has led the advancement and establishment of safety standards preferring the use of Non-Halogen containing flame retardants, and is perceived as the global standard.

Sumitomo Chemical manufactures fine precipitated Aluminum Trihydroxide (ATH) for thermoset resin substrates and solid surface, low-soda Alumina for Liquid Crystal Display (LCD) glass, Integrated Circuit substrates (IC), and automotive Spark Plugs, at its Ehime Works in Japan.

Sumitomo Chemical has expanded its production capacity for Aluminum Trihydroxide (ATH) over the past years, however with the rapidly increasing demand for ATH, Sumitomo decided to further enhance its capability of meeting customer's needs in a timely manner by securing additional supply of fine precipitated ATH from Nabaltec AG. Nabaltec AG is one of the world's leading specialized Alumina and ATH manufacturers with operations in Europe and the United States.

Sumitomo Chemical will continue to explore additional areas of collaboration with Nabaltec AG, including possible joint developments of new advanced inorganic materials. Sumitomo Chemical and Nabaltec AG agree the objective in this collaboration is to further strengthen their Alumina and Aluminum Trihydroxide (ATH) businesses.

**About Nabaltec AG:**

Nabaltec AG, with registered office in Schwandorf, a chemicals business which has received multiple awards for innovativeness, manufactures, develops and distributes highly specialized products based on aluminum hydroxide ("ATH") and aluminum oxide, as well as other raw materials, on an industrial scale through its "Functional Fillers" and "Technical Ceramics" divisions. The company's product range includes halogen-free flame retardant fillers and eco-friendly additives for the plastics industry. Flame retardant fillers are used e.g. in cables in tunnels, airports, high-rise buildings and electronic devices, while additives replace stabilizers containing heavy metals in PVC processing. Nabaltec also produces base materials for use in technical ceramics, the refractory industry and catalysis. Unlike halogenated flame retardant fillers, the products manufactured by the company's "Functional Fillers" division contain no hazardous substances and do not require separate disposal. Rather, the company's flame retardant fillers actually decrease the development of fumes hazardous to human health and the environment in the event of fire. Nabaltec maintains production sites in Germany and the US and plans to continue to consolidate its market position by expanding capacity, further optimizing processes and quality and making strategic extensions to its product range. On the strength of its specialty products, the company strives to attain the market leadership in each segment.

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