



Press Release

Construction of Binder, Coating and Riser Sleeve Plant

ASK Chemicals announces plans to build Mexican production facility

Hilden (Germany), October 7, 2016 – ASK Chemicals has approved the construction of a Mexican production facility in the Monterrey area that will produce binders, refractory coatings, and riser sleeves for the growing Mexican foundry industry.

The facility will be strategically located in the Monterrey, Mexico area in the wake of a thorough analysis of current and future foundry customers. The new plant will produce cold box and no bake binders, refractory based coatings, and EXACTCAST riser sleeves. The new Mexican plant will complement ASK Chemicals' existing facilities in the United States, bringing its portfolio of foundry solutions alongside the Mexican foundries. Further, ASK will co-locate development laboratories in order to bring the company's longstanding record of innovation closer to the growing Mexican market. ASK Chemicals has projected that the facility will be completed in the 4th quarter of 2017, with production commencing immediately. ASK Chemicals will install binder capacity in excess of 30,000 metric tons in order to fully meet all current and future growth of the Mexican market. ASK Chemicals' coatings plant will be built to produce 10,000 metric tons. Given the strong growth of the Mexican casting market, the foundry supplier will install infrastructure for multiple riser sleeve machines with an initial capacity of more than 5,000,000 pieces.

As Luiz Totti, Executive Vice President (Americas), has stated: "We are committed to the Mexican foundry industry and to providing them an unmatched value proposition. We are extremely excited about our new facility and the benefits it will bring to our valued customers. The future of casting production in Mexico is surely bright, and ASK Chemicals is prepared and will be ready."

Casting production in Mexico has become increasingly attractive due to its favorable investment conditions: an increasingly well-prepared work force, casting know-how/expertise, proximity to major markets (e.g. USA), and a growing accessibility to premium foundry consumables. Several major original equipment manufacturers (OEMs) are already present in Mexico, with more on the way. Furthermore, forecasts predict automotive light vehicle production – a key casting indicator – to exceed five million units by 2023, a 48% increase (LMC Automotive Ltd.).

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About ASK Chemicals

ASK Chemicals is one of the world's largest suppliers of foundry chemicals, with a comprehensive product and service portfolio of binders, coatings, feeders, filters and release agents, as well as metallurgical products including inoculants, Mg-treatment and inoculation wires and master alloys for iron casting. Core manufacturing and development of prototypes as well as a broad offer of simulation services complete the range of supply.

ASK Chemicals is represented in 25 countries with 30 sites, 20 of which operate their own production, and employs approx. 1,400 people worldwide. With research and development in Europe, America and Asia, ASK Chemicals sees itself as the driving force behind industry-specific innovations and is committed to offering customers a consistently high level of quality. Flexibility, quickness, quality and sustainability, as well as cost-effective products and services are of key importance.

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