



# News release

**AkzoNobel**  
Tomorrow's Answers Today

## **AkzoNobel and Fluorchemie establish a fluorocarbon joint venture**

**Frankfurt, November 11, 2011 - AkzoNobel Industrial Chemicals and Fluorchemie have established the joint venture "CF Carbons GmbH" for the production, marketing and sales of the fluorocarbon HCFC22 ('R22') at Frankfurt am Main, Germany. Financial details were not disclosed.**

The 50/50 joint venture of CF Carbons which will be effective as of January 1, 2012, will formalize an existing relationship and will provide long term stability to AkzoNobel, Fluorchemie and the customers of R22. AkzoNobel brings to the joint venture its knowhow about chlorine production, whereas Fluorchemie brings the production assets and its fluorine knowledge. The R22 plant has a production capacity of 24 kt/yr.

According to Erhard Leistner, CF Carbons' Managing Director and Dr. Christian Rocktäschel, owner of the Fluorchemie Group, the cooperation on R22 is essential for both AkzoNobel Industrial Chemicals and Fluorchemie. "This cooperation improves the security of supply of R22 which will be of interest to all players in the fluoropolymer markets in Europe as well as globally." Both emphasized the mutual benefit for both partners: "CF Carbons is a strategic partnership for the long term. AkzoNobel secures its supply position for chloroform and Fluorchemie secures its supply position of hydrofluoric acid (HF)."

Chloroform and HF are the main raw materials for the production of R 22. R22 is the most important feedstock for fluoropolymers particularly for PTFE. Demand for PTFE grows by 4%/yr in a wide spectrum of applications, due to superior product properties. Future potential for R22 lies in a newly developed refrigerant based on R22 and on other chlorinated fluorocarbons as a substitute for automotive air-conditioning systems.

The R22 activities are currently owned by Fluorchemie. The Fluorchemie Group is one of the biggest European producers of HF and is backward integrated in fluorspar mining.

The joint venture will have its operation in Frankfurt am Main where AkzoNobel in June 2011 announced the €140 million investment to convert its chlorine plant in Frankfurt to state-of-the-art membrane electrolysis technology. This will help to reinforce the company's leadership position in Europe's chlorine, caustic lye and chloromethanes markets. Due to come on stream in the fourth quarter of 2013, the Frankfurt operations will apply the latest membrane technology and enable the business to increase annual production capacity of chlorine at the location to an expected 250 kilotons, up from 165 kilotons today. The total eco-footprint per ton of product will be improved by nearly 30 percent.

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