



## PRESS RELEASE

**January 2013** - SNF has begun production of its first Chinese quaternized monomer plant in Taixing. The plant has a monomer capacity of 15 000 tonnes and a quaternized monomer capacity of 25 000 t. This new unit will feed two lines of cationic polyacrylamide of 15 000 t each. One line will be devoted to industrial and municipal water treatment markets and the other line will serve the paper industry.

The completion of this new facility is an important milestone allowing SNF to strengthen its cost competitiveness for the Asian water treatment and paper industries. This new Chinese facility will complement existing European and American units to boost the global quaternized monomer capacity of SNF to 210 000 t.

SNF has been expanding its worldwide polyacrylamide capacity by about 45% in the past three years and has reached a global capacity of 615 000 t (in active content) at the end of 2012. In order to sustain double-digit growth, SNF will start in 2013 two new polyacrylamide production lines of 30 000 t each, one in Taixing and one in Plaquemine, Louisiana. In including complementary investments in emulsion and liquid lines, SNF will have a global production capacity of about 700 000 t at the end of 2013.

SNF is backward integrated into the biological production of the acrylamide monomer with a global capacity of 320 000 t of acrylamide.

SNF has a global manufacturing footprint equally balanced between different geographies with four major flagship sites, in Riceboro (USA), Plaquemine (USA), Andrézieux (France) and Taxing (China). SNF intends to open three new large manufacturing sites in the next two years, in Teesside (UK), Saratov (Russia) and Rudong (China). SNF is also building a new production site dedicated to mining reagents in Nanjing (China). In including satellite facilities producing emulsion and liquid, SNF has a global manufacturing footprint of 20 sites and will have 24 production sites within the next 2 years.

SNF is positioned on markets whose growth is driven by the scarcity of key resources: water, oil & gas, and minerals. These three markets account for about 80% of SNF sales, the complement being broken down between paper industry and specialty applications such as textile, home and personal care, or agriculture.

Oil is a fast growing market, as SNF has a dominant position in Enhanced Oil Recovery using polymer flooding technology. SNF is also one of the main providers of drag reduction agents used in the hydraulic fracturing process for shale gas and shale oil extraction. In the mining industry SNF is offering, through its FLOMIN business unit, a full chemical package including mining reagents.



SNF strategy has always consisted of a two-prong approach:

- Invest in R&D to strengthen its application expertise and to improve the efficiency of its products,
- Expand its manufacturing footprint in all geographies in order to maintain its leading low-cost producer position.

Although the polyacrylamide market has become very competitive, SNF has been able to grow by increasing its competitiveness. SNF is an independent and private company which has always reinvested all its operational cash flow into the expansion of its production capacity with a view to anticipate market growth and to reduce production costs.

## **About SNF**

SNF is the world's largest producer of water-soluble polymers, used in water treatment, oil and gas applications including enhanced oil recovery, mineral extraction, pulp and paper manufacturing and other specialty applications. With 3 450 employees throughout the world, 20 production sites, 45 subsidiaries and a network of more than 1 000 distributors and partners, SNF had 2012 revenue of 2.4 billion dollars.

SNF has about 30 000 direct customers and its products are applied by more than 300 000 final users worldwide. SNF has a wide product range of some 1 000 references and introduces around 100 new products every year thanks to a continued investment in research and development.

SNF strives to continuously improve the environmental footprint of its products, applications and production processes. All SNF plants around the world are built according to the highest standards of safety and environmental protection. SNF gives the highest priority on training to ensure the same high safety level in all its production facilities.

*Inquiries about this press release should be conveyed to Pascal A. Remy, Chairman & CEO of SNF.*