

PO Box 22, Dzerzhinsk, 606000,
Nizhny Novgorod region, Russia

INN 5260123469
KPP 525350001

Tel.: +7 831 272-88-63
Fax: +7 831 272-88-50
E-mail: mail@norchem.ru

www.norchem.ru

Press Release

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Nizhny Novgorod
Russian Federation

NORCHEM merged the assets for polyester production in Dzerzhinsk

The manufacturing facilities of the start-up company, "**NORCHEM-Polyester**" LLC, amount to 30 000 tons of final products per year. The production site is located on the territory of Nizhny Novgorod region - nearby its base production site, "Zavod sintanolov" LLC.

*"The acquisition of the new production facility is fully in line with the main strategy of the Company and will enhance the market growth of the new products under **CARBOXYNOR™** trade mark for construction industry, in particular, superplasticizers for the concretes on the base of polycarboxilate ethers, polyester for paint-and-lacquer materials, non-combustible heat-insulation systems. The consumption growth of all these products will be supported by domestic manufacturers of high-quality raw materials. The consumer has a unique opportunity to acquire complex and simple polyesters in one place, the release of which has been successfully launched at **NORCHEM's** own facilities in 2015. The deal will have a great impact to the development of the polyisocyanurate system market, which currently is dependent on import supplies. We have started to evaluate the possibilities for developing production capacities and expanding the range of the company's products", - said Mr **Yury Dudakov** General Director of the Management company **NORCHEM LLC**.*

Today **NORCHEM** becomes the key stakeholder not only in the traditional business of surfactants for household chemistry and cosmetics, where the Company has always had the leading position, but also in new perspective

marketplaces providing ready-made solutions for consumers on the Russian market.

NORCHEM is the largest on the territory of Russia and the former Soviet Union manufacturer of surfactants with a capacity of release of nonionic, anionic and amphoteric surfactants, as well as water-soluble polymers in the number of 150 thousand tons per year. The Company's production facilities are located in Dzerzhinsk (Nizhny Novgorod region) and Nikolskoe (Leningrad region).

Beside three production sites, **NORCHEM** includes a number of high-capacity terminals for the storage of liquid chemical products in Privolzhsky Federal District with a total one-time storage capacity of 100 thousand tons of products, transport and logistics, trading companies, project institute and a number of other assets.

The main industries that consume **NORCHEM** products: household chemicals, cosmetics, construction, production of agrochemicals and fertilizers, oil and gas industry, textile industry, metalworking, pharmaceuticals, production of ceramic and rubber products, etc.

You can find additional information on www.norchem.ru

Marketing department
“Zavod sintanolov”/ NORCHEM

The statements published in the press-release are forward-looking statements. They are based on the current beliefs and expectations of the company's top-management. The forward-looking statements are open-ended and therefore may be changed. The company doesn't make commitments to fulfill the forward looking statements if the conditions change unless otherwise provided by law.

