



## News Release

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### **ORION ENGINEERED CARBONS TO RESTRUCTURE CARBON BLACK PRODUCTION IN EUROPE**

#### **Change Strengthens Orion's Role as Major Supplier of Carbon Black**

Frankfurt, Germany, December 2, 2013 – Following an intensive review of its European carbon black operations, Orion Engineered Carbons GmbH will cease production at its Sines, Portugal facility by the end of 2013 affecting immediately about 36 of the 40 positions at the plant.

The shutdown will take place while investments are being made in the company's other carbon black plants. The restructuring investments will increase manufacturing efficiencies enabling Orion to better meet customer needs in response to today's highly competitive environment dominated by volatile raw material and high energy costs.

Jack Clem, Orion's CEO, said that in order for the company to remain competitive in today's global marketplace, it must fully utilize the capabilities of its carbon black operations, concentrating resources at more efficient facilities that can compete in today's challenging environment.

"Orion remains committed to significant investments needed to maintain its position as the leading producer of specialty carbon blacks and a major supplier of carbon blacks to the tire and rubber industries worldwide," he added. "Realignment of the company's



manufacturing operations in Europe will allow Orion to better serve the market and respond more efficiently to customer needs.

“We regret the impact this restructuring will have on our employees and their families,” said Clem. “The men and women who work in our Sines carbon black operation have contributed significantly to our success over the many years it has been in existence.”

Clem said Orion will assist employees directly impacted by the closure through outplacement assistance including job search and counseling, and severance benefits.

According to Clem, once manufacturing has ceased the plant would continue to ship carbon black products until depletion of existing stocks to fulfill existing customer commitments. After this, the site will be deactivated.

Sines is a municipality located exactly in the centre of the southwest coast of Portugal, 150 kilometers from Lisbon. The facility began operations in 1983 as Carbogal Carbonos de Portugal SA owned by Petrogal [now Galp Energia]. It was purchased by Orion Engineered Carbons predecessor Degussa AG, from whom it licensed its technology, in 1997.

### **Company information**

Orion Engineered Carbons is one of the world’s leading suppliers of Carbon Black. With more than 100 years of industry experience, we offer standard and high-performance products for Coatings, Printing Inks, Polymers, Rubber and other applications. Our high-



quality Gas Blacks, Furnace Blacks and Special Blacks tint, colorize and enhance the performance of plastics, paints and coatings, inks and toners, adhesives and sealants, tires, and manufactured rubber goods such as automotive belts and hoses.

With 1.400 employees worldwide, Orion Engineered Carbons runs 14 global production sites and four Applied Technology Centers, focusing on quality supply and collaborative partnerships with customers.

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