

# Announcement

Frankfurt, March 4, 2010

## **Almatis to Reposition its Specialty Hydrates Business Unit**

Almatis, Inc. has decided to reposition its Specialty Hydrates Business Unit. The new strategy will deemphasize the traditional markets for precipitated material (e.g. wire and cable, polymer fillers) and refocus around profitable and growing business segments based on alternative technologies. This move will lead to the discontinuation of the product lines, Hydral® and White Hydrates and the closure of most of the Specialty Hydrates operations at its Bauxite, Arkansas plant.

Due to past and current economic conditions, there is significant over capacity in the market and a shift in the customer base towards emerging countries leading to the Specialty Hydrates production unit at Bauxite becoming uneconomical. Following a detailed business analysis over the past several months the company has concluded that its Specialty Hydrates production facility in Bauxite was no longer economically viable.

In order to support a smooth transition for our customers, production will be ongoing for a limited period of time. It is anticipated that the closure will be completed in the second half of the year.

**For more information:**

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The remainder of the Bauxite plant, as well as its facilities in Dalton, Georgia, will not be impacted by this business repositioning and continue to receive investments to further support the growth of this business.

## **About Almatis**

Almatis, operationally headquartered in Frankfurt (Germany), is a global leader in the development, manufacture and supply of premium specialty alumina products. With about 900 employees worldwide, the company's products are used in a wide variety of industries, including steel production, cement production, non-ferrous metal production, plastics, paper, ceramics, carpet manufacturing and electronic industries. Almatis operates nine production facilities worldwide, including those located in Bauxite, Arkansas, Leetsdale, Pennsylvania, and Dalton, Georgia, and serves customers around the world. Until 2004, the business was known as the chemical business of Alcoa. Almatis is now owned by Dubai International Capital LLC (DIC), the international investment arm of Dubai Holding.