

## JOINT PRESS RELEASE

### **Styrolution puts ABS project in Brazil on hold**

- Project activities for future joint venture for ABS and SAN specialties in South America suspended due to adverse market environment
- Strong commitment to South America remains unchanged
- Project to be revisited once market conditions have sustainably turned favourable again

**Frankfurt, Germany / Sao Paulo, Brazil – October 23, 2015** – Styrolution, the global leader in styrenics, and Braskem, the largest producer of thermoplastic resins in America and a global leader in biopolymers, announced today their mutual agreement to suspend all project activities related to a future joint venture in Brazil. The decision was driven by Styrolution and was a result of the current adverse market conditions and uncertain market outlook.

In October 2013, both parties signed a memorandum of understanding (MOU) to investigate the potential formation of a joint venture to build and operate an ABS plant in Brazil. The proposed 100 kt plant was intended to supply specialty styrenics, acrylonitrile butadiene styrene (ABS) and styrene acrylonitrile (SAN) copolymers, to customers in Brazil and throughout South America. In the meantime, the market and business environment in South America and in specifically Brazil deteriorated significantly as compared to 2013. This opportunity could be revisited once market dynamics and future demand outlook have sustainably turned favorable again.

With a population of over 200 million the Brazilian market still remains attractive in the mid and long-term once the current economic downturn is overcome and the joint venture's key target industries, such as household appliance and automotive industries return to the previous significant growth rates.

“Styrolution was very pleased with the trustful and excellent partnership with Braskem to explore the opportunities of the joint venture. Sadly, the rapid deterioration of the business climate in the region has significantly increased market and project execution risk.” says Kevin McQuade, CEO, Styrolution. “Styrolution remains strongly committed to South America as one of the emerging target regions of our Triple Shift growth strategy, which calls for expanding our footprint in emerging markets, growing our specialty styrenics business and focusing on select, higher-growth industries. We will keep working hard to remain the preferred partner of our customers in South America and provide them with excellent styrenics products and solutions out of our plants in North America and Europe.”

## **ABOUT STYROLUTION**

Styrolution is the leading, global styrenics supplier with a focus on styrene monomer, polystyrene, ABS Standard and styrenic specialties. With world-class production facilities and more than 80 years of experience, Styrolution helps its customers succeed by offering the best possible solution, designed to give them a competitive edge in their markets. The company provides styrenic applications for many everyday products across a broad range of industries, including automotive, electronics, household, construction, healthcare, toys/sports/leisure, and packaging. In 2014, sales were at 5.4 billion euros. Styrolution employs approximately 3,100 people and operates 15 production sites in nine countries.

For further information please visit [www.styrolution.com](http://www.styrolution.com).

## **PRESS CONTACT**

### **Christine Schönfelder**

Vice President Corporate Communications, Investor Relations, Advocacy and Change Management

Styrolution Group GmbH  
Erlenstrasse 2, 60325 Frankfurt, Germany  
Phone: +49 069 509550-1076  
Website: [www.styrolution.com](http://www.styrolution.com)

### **André Vieira**

Corporate Communication Director

Braskem S.A.  
Rua Lemos Monteiro, 120  
Edifício Odebrecht São Paulo - Butantã  
05501-050 - São Paulo, SP Brasil  
Phone: +55 11 3576.9293  
Email: [andre.mvieira@braskem.com](mailto:andre.mvieira@braskem.com)  
Website: [www.braskem.com](http://www.braskem.com)