

Press release
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Umicore to build precursor plant for lithium-ion batteries in South Korea

Umicore today announced the construction of a plant for NMC precursors¹, which are used for the production of Li-ion cathode² materials. The new plant will be located on a newly developed industrial site in Cheonan, South Korea, in the vicinity of Umicore's main cathode materials plant, and is expected to be commissioned at the end of 2013, ramping up production in 2014. Once fully operational, this plant will effectively double Umicore's existing production capacity for NMC precursors. The investment is supported by the Korean Ministry of Knowledge and Economy and the local authorities of the Choongchungnam province and Chunahan city, which provided a cash grant.

NMC-based Li-ion batteries are in high demand today. They are used in a large portion of today's portable electronic equipment and are the main battery technology for the new generation of hybrid and full electric vehicles. Umicore is a leading supplier of cathode materials for Li-ion batteries in all applications, and only recently announced additional capacity increases in Korea. The new investment will be key in order to support this continuous expansion and will complement the existing precursor capacity in Jiangmen, China.

Commenting on the investments Umicore's Senior Vice-President for the Rechargeable Battery Materials business unit, Klaus Ostgathe, said: "The new precursor plant will further support our leading position in cathodes for lithium-ion batteries. Our spread production footprint for cathode materials, with facilities in South Korea, China and Japan — the main Li-ion battery producing countries — is highly appreciated by our customers."

¹ NMC precursors contain nickel, cobalt and manganese elements, and constitute together with lithium compounds, the starting materials for the production of cathode materials for NMC-based lithium-ion batteries.

² The cathode constitutes the "positive" side of a battery. When charging a rechargeable battery, positively charged lithium ions (an ion is a charged atom) migrate from the cathode to the anode (the "negative" side of the battery). When discharging the battery, the ions move back from the anode to the cathode. In lithium-ion batteries, the cathode material consists of a lithium compound. Umicore's Cellcore® product range includes materials ranging from lithium cobaltite (Cellcore® KDS) to nickel cobalt aluminium (Cellcore® QX) and nickel manganese cobalt (NMCS and sold as Cellcore® X)

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Umicore profile

Umicore is a global materials technology group. It focuses on application areas where its expertise in materials science, chemistry and metallurgy makes a real difference. Its activities are centred on four business areas: Catalysis, Energy Materials, Performance Materials and Recycling. Each business area is divided into market-focused business units offering materials and solutions that are at the cutting edge of new technological developments and essential to everyday life.

Umicore generates the majority of its revenues and dedicates most of its R&D efforts to clean technologies, such as emission control catalysts, materials for rechargeable batteries and photovoltaics, fuel cells, and recycling. Umicore's overriding goal of sustainable value creation is based on an ambition to develop, produce and recycle materials in a way that fulfils its mission: materials for a better life.

The Umicore Group has industrial operations on all continents and serves a global customer base; it generated a turnover of € 14.5 billion (€ 2.3 billion excluding metal) in 2011 and currently employs some 14,600 people.