



Press release
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Significant growth bucks market trend

Lubricoolants from Henkel make significant gains

The Industrial division of Henkel has reported dynamic business developments with respect to its lubricoolants. The special machining fluids distributed under the brand name Multan have undergone significant growth, bucking the generally recessive trend in lubricoolant demand. In 2006 alone, its pan-European sales leapt by over 20 percent.

The industrial business of Henkel encompasses adhesives, sealants and surface treatment products and systems. This makes the company an exception among the suppliers of lubricoolants, which usually have their roots in the mineral oil industry. Nevertheless, Henkel is causing a bit of a sensation with its lubricoolant specialties. With innovative formulations based on a patented emulsifier concept, Henkel has set new standards with respect to the performance and economy of, in particular, water-miscible cutting fluids. Also in terms of occupational safety, Multan lubricoolants are regarded as exemplary.

The technological strength of these products is reflected in their sales figures which, in fiscal 2006, underwent a significant rise. In its home market of Germany, Henkel was able to post a sales improvement of more than 25 percent with its extensive range of fluids. This is all the more remarkable as, during the same period, the market for water-miscible lubricoolants in Germany fell by 2.9 percent and the market for non-water-miscible fluids actually dropped by 16.9 percent (Source: Federal



Statistical Office, Wiesbaden). Across Europe, Henkel was able to achieve a sales plus of 23.3 percent with its lubricoolants.

Indispensable for the metal-working industry

Water-miscible lubricoolants are supplied in concentrate form and, when mixed with water, produce a milky white emulsion. Their technical and economic importance for the production processes performed in the metals industry is enormous. As a production fluid they are indispensable and they are used wherever components need to be manufactured by metal machining or similar shaping operations – including for example drilling, milling and thread-cutting (tapping). The task of these lubricoolants is to reduce the friction between the tools and the workpieces that occurs during the machining operation, to dissipate the heat produced and to carry away the metal chips created by the cutting operation. In modern machining centers, such machining operations are performed at very high speeds, with concomitant requirements being placed on the quality of the fluids employed.

As well as offering low consumption values, the Multan products from Henkel are characterized by a very good level of performance in terms of lubricating the metal-cutting operation and cleaning the machine, tools and workpiece components. This combination of properties results in cleaner and more efficient machining processes; the quality of the treated workpieces increases while the wear of expensive machining tools is significantly reduced. Henkel supplies lubricoolants primarily to the automotive, machine construction and aerospace industries. Among its best sellers are the products Multan 97-40, a high-performance lubricoolant for advanced aluminum machining, Multan 71-10 SK, a universal lubricoolant for the medium-duty machining of steel, cast iron and aluminum; and Multan 46-81, a lubricoolant concentrate that produces a clear emulsion fluid required for certain machining operations.

Keeping an eye on the bigger value chain picture

Thanks to its decades of experience in industrial cleaning and surface treatment, Henkel is also able to supply its customers with an optimized range of products for the downstream production operations. For example, specialty cleaners matched to the lubricoolants supplied by the company contribute to an increase in both the efficacy and reliability of the overall process, while also improving the quality of the

manufactured components. As a result, Henkel is widely regarded in many segments of the metals industry as a competent system partner – one that is capable of developing sustainable operating media concepts aligned to increasing customer competitiveness, and of facilitating the integration of these products within that customer's production environment.

For further information go to www.henkel-multan.com

For more than 130 years, Henkel has been a leader with brands and technologies that make people's lives easier, better and more beautiful. Henkel operates in three business areas - Home Care, Personal Care, and Adhesives Technologies - and ranks among the Fortune Global 500 companies. In fiscal 2006, Henkel generated sales of 12.740 billion euros and operating profit of 1,298 million euros. Our 52,000 employees worldwide are dedicated to fulfilling our corporate claim, "A Brand like a Friend," and ensuring that people in more than 125 countries can trust in brands and technologies from Henkel.

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