



MARK3 – STRATEGY, DESIGN, COMMUNICATION

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LUCOBIT AG OUTSOURCES COMMUNICATION

Developing or optimizing a brand, bringing it to life and positioning it clearly in the market is no mean feat. The best solution is to bring in the professionals, such as the team from MARK3, a newly established agency for brand management and communications design, which has a special relationship to LUCOBIT AG. Because LUCOBIT AG is not only the majority shareholder – it is also the founding customer for the new agency, which opened its doors on 1 August in Cologne.

The establishment of the agency MARK3 symbolises not just the end of an era, but also the beginning of a new one. This is because the Managing Director of MARK3 GmbH, based in Cologne's Technology Park, is Marcus Berndt. Head of the Marketing and Communications department for many years, Marcus was with LUCOBIT AG from the very beginning. As before, his work at MARK3 involves corporate and

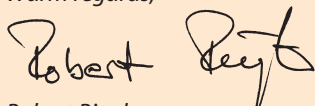
product branding. Looking back on his time at LUCOBIT AG, he says, "The most important and most interesting work at LUCOBIT AG was transferring a product brand, which had already been introduced onto the market, to an independent company with a product brand portfolio of the same name." He adds: "A particular challenge here was emphasising the new aspect without denying its roots." To a certain extent,

Dear readers,

Over time you've probably noticed a few changes here at LUCOBIT AG. New employees and contact partners are waiting to support you. There have also been new product developments, and we've been involved in numerous trade fairs, exhibitions and events – nationally and internationally. Furthermore, we have deliberately expanded our business activities and prepared our company for future success, for example through cooperations with and connections to other companies and by entering new areas of activity.

Speaking of which, communications and brand management agency MARK3 opened its doors on August 1 in Cologne. Along with many other topics, you can read more about MARK3 in this issue of *INPLASTICS*. Enjoy reading this issue.

Warm regards,



Robert Riegler
CEO of LUCOBIT AG

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STRATEGY, DESIGN, COMMUNICATION

Marcus' own origins are the same as those of LUCOBIT AG, as he used to be active in marketing communications at BASF AG in Ludwigshafen, where he was responsible for construction products such as Styrodur® and automotive plastics, amongst others. These are also the core areas of competence at MARK3. Not exclusively, but over 10 years of experience in brands from the construction and plastics industries form an important basis for the new agency for communications design and brand management. MARK3 specialises in integrated communications consulting, as well as the development and management of brands.

Unmistakable brands

The range of services offered by MARK3 is based on three pillars: brand strategy, brand design and brand communication. "We harmonise the strategy and design of corporate, product or service brands and associate them with creative communication. In doing so, we bring the brand to life – in terms of both content and aesthetics – in order to make it unique and unmistakable," says Marcus, describing the concept of MARK3. A full-service agency, MARK3 covers "business to business" and "business to consumer" communications. The new company has already formed relationships with medium-sized companies and the industry. Its founding customer, however, is LUCOBIT AG which, as majority shareholder, has handed over its entire communications activities to MARK3 GmbH. "This means that although Marcus is practically an external consultant, he remains connected to us through our special and trusting relationship," says Robert Riegler, CEO of LUCOBIT AG. "The new arrangement creates more room for movement and flexibility. Furthermore, we can make LUCOBIT AG's communi-

cations expertise available to other companies and offer professional advice on the basis of sound industry knowledge," he adds. In this respect, MARK3 offers a wide range of services: Corporate identity development, web design, media creation and publication design, as well as entire communications campaigns, sales promotion measures and trade fair concepts. "Communication can only be successful if every single communications measure is tuned precisely to harmonise with the brand in terms of design, creativity and content. This is what we understand under the term brand management and this is how we work," says Marcus, describing the credo of MARK3.

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Full service: MARK3 brings brand content and aesthetics to life.

INPLASTICS IN DISCUSSION

INTERVIEW WITH MICHAEL MEISCHT, LUCOBIT AG

On 1 September 2006, Michael Meischt took over the position of Sales Manager Waterproofing at LUCOBIT AG.

INPLASTICS: Mr. Meischt, what will be your focal areas of activity for LUCOBIT AG?

Michael Meischt: My area of work is specified such that my focus will always be on the care and expansion of our customer relationships in Germany and abroad. In a modern, customer-oriented company, this means I fulfil the role of mediator. In order for market opportunities to be recognised and used to our advantage, customer desires must be taken into account during product development. We are also supporting our customers through various comprehensive marketing measures in the marketing of sealing products based on ECB and FPO. We will also set further standards in this respect.

What do you think of the LUCOBIT AG product range?

We have a very wide and well-balanced product range on the whole, which is designed to meet the needs of tomorrow. The materials from LUCOBIT AG enable us to produce high-quality and market-suitable solutions for all significant applications of use. This applies to classic applications such as the production of roofing membranes or polymer modification, but also to areas such as film or coating production.

How do you think the sealing marketing will continue to develop? What future trends do you expect to see?

The German sealing market seems to have bottomed out, although no significant growth rates are to be expected in the next few years. If you look at the foreign market, particularly in Europe, countries like Great Britain and Ireland remain especially attractive, as well as the Eastern European markets, of course, and Russia in particular.

With regard to products, we expect to see growth in particular in the FPO and coloured ECB segment, in civil engineering. This is due to increasing material demands and higher expectations of quality.



We will probably also see a rise in the demand for self-adhesive products. Further changes will also result in stricter fire protection requirements. The future will certainly bring a stronger focus on the safe and problem-free workability of sealing products. Intelligent product development will have to take this trend into account.

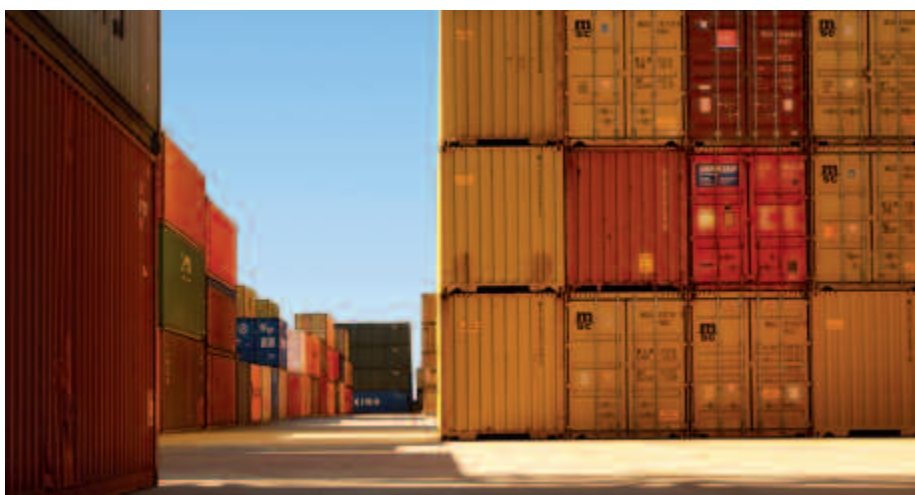
PERSONAL DATA

- Michael Meischt, born 1966 in Wuppertal
- Executive MBA from Zurich University
- 1991 to 1994 Sales Manager Trocellen/Trovidur HT UK Ltd., Slough (GB)
- 1994 to 1999 Sales Manager Technical Films HT Troplast/Sika Trocal, Troisdorf
- 1999 to 2006 Head of Sales Marketing AWT Sika Trocal, Troisdorf
- 08/2006 Integration Coordinator, Sika Sarna, Sarnen (CH)
- 09/2006 Sales Manager Waterproofing, LUCOBIT AG, Wesseling

GLOBAL MARKET FOR POLYETHYLENE FURTHER BOOM EXPECTED FOR PE

The polyethylene market has started to see a lot of action. After several years of stagnation, this segment has once more begun to experience considerable growth. For clarification: With an overall production of 100 million tonnes of polyolefins in 2004, the percentage of polyethylene (PE) was at over 60%. In the same period of time, PE consumption even rose by around 5.4%. Due to the increasing demand, experts assume that PE production capacity will be expanded outside of Europe, particularly in Asia and the Middle East. The industrial countries in Western Europe and North America are meanwhile recording growth rates in PE processing of between 3.3 and 4.3%, and even almost 7% in Eastern Europe. At the same time, backlog demand has arisen in other parts of the world, in particular in emerging nations and the vibrant developing regions of South-East Asia. As a comparison: While the annual per capita consumption of polyethylene is at 42 kg per inhabitant in the USA, the global annual consumption is only 9.4 kg per capita.

In populous India, which registers considerable growth rates in many industries, the annual consumption per capita is



Growing global market: The demand for PE products continues to rise. Increasing production capacities in the Middle East are also boosting international trade.

only 1.5 kg. Asia and the Pacific states lead the pack with 17.7 million tonnes, or 29.2% of global consumption. In the case of large PE processors such as China, Korea and Taiwan, consumption is expected to rise by 6%. In other regions of growth, an increase of 10% is expected, spread evenly across increased demand in the areas of film production, extrusion and injection moulding. Only the Japanese market has set itself apart from these developments. There, polyethylene is mainly used in special applications such

as surface coatings and tarpaulin manufacturing, where growth rates are less than 1%. In Europe, consumption is growing at around the same pace as supply. In Western Europe, Germany and Italy are the most significant processors and con-

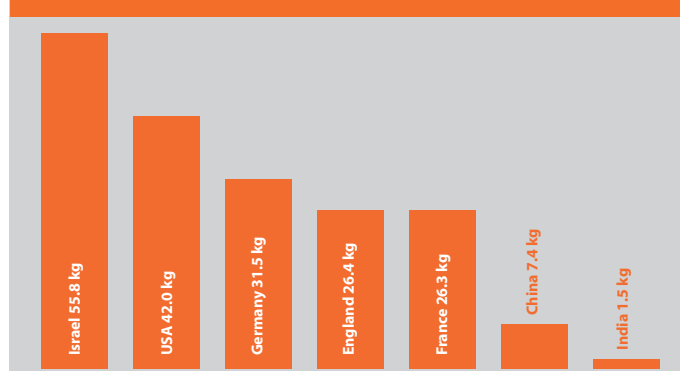
sumption markets for PE, while in Eastern Europe, Russia fulfils this role.

Consumption according to use

Over 30 million tonnes of PE substances – half of the total global production – was processed in film applications in 2004. The manufacturing of food and packaging film is of outstanding significance here, as more than 17 million tonnes were used in this area. Against the backdrop of increasing global demands on hygiene and the connected tightening of legal regulations, further growth is expected in the PE market. This applies not only to Europe, but also to North America and Asia.

Behind this are extrusion applications with 19 million tonnes (14%) and PE processing in injection moulding, with almost 7 million tonnes (5%). Other areas of processing are cable sheaths and surface coatings, which account for approximately 4% of PE consumption.

PER CAPITA CONSUMPTION IN SELECTED COUNTRIES



LUCOBIT AG – DIVERSE POSSIBILITIES IN CABLE MANUFACTURE

According to the definition, a cable is merely a compound of individual strands, insulated wires or fibres. However, the compound is held together with additional insulation, the cable sheath, and it is the composition of this cable sheath that matters.

Hard to imagine now, but paper, often soaked in oil, was used in the past to reduce moisture sensitivity and increase disruptive strength. In contrast, modern plastics are used for the most part in insulation and sheathing, and these are distinguished by their different quality features.

More polyethylene

In accordance with modern standards of technology, more and more PE compounds are being used for example in broadband signal cables, high-frequency cables and telephone lines. In modern buildings containing large numbers of people, such as train stations, airports,



museums, conference halls and department stores, halogen-free cables are even required by law. In the area of sheathing compounds, LUCOBIT AG offers basis raw materials for cable compounders and cable manufacturers who have their own compounding facilities.

This applies to cable sheathing compounds in the segments of filler compounds, non-halogen flame protection compounds, sheathing and insulating compounds in the low-voltage area as well as to easy strip applications and semi-

LUCOBIT AG offers high-quality materials for cable sheathing compounds.

conductive compounds. Ready-made cable compounds can be manufactured in accordance with customer wishes.

Product ranges Lucofin®1400 HN and Lucofin®1400 MN are available in particular for all the above-mentioned fields of application.

Both products are copolymers from ethylene and butylacrylate, which are distinguished by their softness and flexibility, and which have proven themselves many times in the field of cable extrusion.

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LUCOBIT AG – NEW EMPLOYEE ASSISTS BOARD OF DIRECTORS

LUCOBIT AG has strengthened its team yet again. Daniela La Roche (30) took up her position as the new assistant to the Board of Directors on 1 July 2006. The qualified marketing assistant – as certified by the Chamber of Commerce – has comprehensive past experience in marketing and sales in the plastics and sealant industries. Her new responsibilities mainly comprise assisting the

Board of Directors in all areas of day-to-day business.

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IMPORTANT DATES

TRADE FAIRS

FAKUMA

17 - 21 October 2006
Friedrichshafen (D)

PLASTIC – Packaging & Printing Vietnam

23 – 25 October 2006
Hanoi (VN)

PLASTUKRAINA

24 – 26 October 2006
Kiev (UKR)

Packplastic

07 – 10 November 2006
Moskau (RUS)

ROMEXPO

08 – 12 November 2006
Bukarest (RUM)

EUROMOLD

29 Nov – 02 Dec 2006
Frankfurt (D)

Istanbul Rubber & PLAST**EURASIA**

29 Nov – 03 Dec 2006
Istanbul (TUR)

PLASTICS & RUBBER**Indonesia**

06 – 09 December 2006
Indonesien (ID)

LUCOBIT AG – MEMBERSHIP OF DDDACH

Since 1 July 2006, LUCOBIT AG is a new member of the “Europäische Vereinigung dauerhaft dichtes Dach e.V.” (European Federation permanently leak-proof roof, dddach). The organization was founded by the recognized expert and author Wolfgang Ernst and has been committed ever since then to the improvement of quality standards in the field of sealing. Many scientifically-based studies have evolved from this organization. In addition, dddach is especially committed to specialist communication between manufacturers, federations, authorities, and committees at national and international levels. Its members include not only roofing membrane manufacturers, but also in particular engineers, construction experts and architects, as well as State construction authorities, scientists and housing construction companies.

In joining the organization, LUCOBIT AG once again emphasizes its commitment to the seal-

ing industry. Common coordination and representation of interests of plastic membrane manufacturers is a vital element in this.

“The target of the European Federation dddach is to streamline material requirements from both ecological and economic aspects, and thus to create more market transparency. That’s exactly our goal as well,” says LUCOBIT AG CEO Robert Riegler, explaining the reasons for his company joining the

organization. “As new members, we want to contribute actively with our vast experience in the areas of research, development and production as well as our knowledge of international markets. We want to cause positive changes through concentrated action. The goal at the end of the process is an improvement in quality and in the processing and implementation by the trade.”

www.dddach.org



LUCOBIT AG – PRESENTATION AT THE FGSV CONGRESS

From 27 to 29 September 2006, the “Deutsche Straßen- und Verkehrskongress 2006” [German Road and Traffic Congress 2006] takes place in Karlsruhe, as well as the exhibition “Straßen und Verkehr 2006” [Roads and Traffic 2006]. The event is organized every two years by the Forschungsgesellschaft für Straßen- und Verkehrswesen (FGSV) [Research Institute for Streets and Traffic]. About 1,500 participants and visitors are expected at the exhibition, from engineering companies and third-level institutions, as well as professional associations, representatives

from local, regional and national authorities and economic and industrial companies.

LUCOBIT AG is a long-standing member and is participating for the first time in the Karlsruhe event.

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FAKUMA 2006 – “AN INDUSTRY DATE”

It takes place only during K-free years, but it has always been the most important industry event for the international plastics industry. The “FAKUMA – Internationale Fachmesse für Kunststoffverarbeitung” [International Trade Fair for Plastics Processing] takes place in Friedrichshafen from 17 to 21 October. As in previous years, LUCOBIT AG will be one of the exhibitors.



those involved in plastics processing on the approximately 70,000 m² of exhibition space. As always, there will be many exhibitors in the area of mechanical engineering, ranging from preparation of materials through the different production processes to recycling. Extrusion plants, injection moulding and blow moulding machines, presses, processing and refining machines as well as peripheral devices can be found there.

Information and software programs for quality control will also be shown. In this way, FAKUMA provides a comprehensive overview of the current state of technology as well as future trends and developments in the plastics industry.

Approximately 1,500 exhibitors have already confirmed their participation at FAKUMA 2006. The organizers reckon with about 40,000 visitors. LUCOBIT AG will present itself as the partner of megaPolymers, Ettlingen, in Hall A3, Stand 3107, where it will present interested visitors part of its current range of compounds.

During the five days of the fair, a comprehensive program will again be offered to

As well as all of this, components for auto-

www.fakuma-messe.de

INSTITUTE FOR ENERGY COMPETENCE FOUNDED IN BÖHL-IGGELHEIM – EK7 MINIMISES ENERGY COSTS

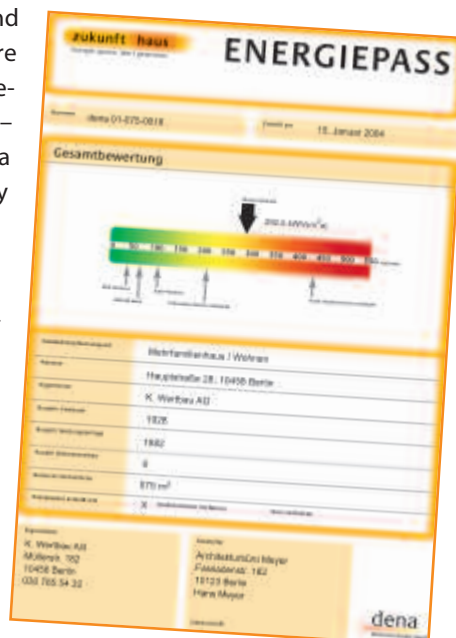
Energy-efficient construction and renovation is becoming increasingly important against the backdrop of rising energy prices and increased legal requirements, for example the EnEV [Energy-Saving Regulation] and the introduction of the Energy Pass. Economical and rational use of energy is becoming more important. The Institut für Energiekompetenz [Institute for Energy Competence] – EK7, founded in Böhl-Iggelheim, offers a wide range of services dealing with energy in buildings.

Bundled competence

The Institute was founded by a group of seven independent energy consultants with experience in different areas. Architects, engineers, technicians, construction biologists and business people synergize their knowledge and skills in EK7. Optimal all-round service is offered, with the goal of minimizing energy costs in customers' buildings. As well as energy

consulting and surveying, the Institute provides thermographic inspections, blower door measurements, building service consultations, physical calculations and the organization and running of seminars. EK7 cooperates with different network

partners in individual projects, for example the Ingenieurbüro für Flachdachtechnik (IFDT) [Engineering Company for Flat Roofing], also in Böhl-Iggelheim. Since 2001, this company has been responsible for the editorial design of the LUCOBIT AG-sponsored Infoline Flachdach (www.infoline-flachdach.de) in the construction network Internet portal.



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PINCAR AG – TELEMATICS-SUPPORTED FLEET MANAGEMENT

Ludwigshafen-based PINCAR AG doesn't actually have anything to do with plastics, yet there is a close connection between it and LUCOBIT AG, as LUCOBIT AG is a shareholder in the joint stock company founded at the end of 2004. Its sole director is LUCOBIT CEO Robert Riegler, who developed the idea at BASF AG and was able to implement it after a preparation period of several years. The PINCAR Suite provides a ready for market, future-oriented product, which promises great savings potential for all companies which maintain vehicles.

Wir machen aus Daten Ergebnisse" ["We turn data into results"] is the motto of PINCAR AG. The product behind the motto is the patented fleet management system PINCAR Suite, which unfolds new perspectives for the intelligent management of vehicle fleets. The telematics-supported Internet-based system provides a broad range of useful functions for fleet management.

The modular construction of the system means that individual functions can be combined to form tailor-made service packages that suit individual customer needs.

The PINCAR Suite ensures an optimal occupancy rate of vehicles, reduces much administrative effort and creates cost transparency. However, its portfolio goes far beyond that of regular fleet management systems. In addition to standard functions, such as electronic driver's logs, the system offers services for monitoring, planning usage and management of company cars. In this way, for example, jobs and messages can be passed directly to the vehicle via GPRS data communication. Running time and work time

can also be recorded. Vehicle use in sales and customer service can therefore be organized far more efficiently and economically than before.

PINCAR CEO Robert Riegler: "We have invested a lot of care and time in developing the most efficient and user-friendly system possible, which can be used in every

company, regardless of its size or requirements, giving it clear advantages in fleet management. This investment has paid off, as our customers' experience has shown us."



The modular construction of the PINCAR Suite offers customers individual and tailor-made solutions.

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