

Stepan Company Announces Potential \$60 Million To \$70 Million Chemical Facility In Louisiana



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Illinois-based company approves feasibility study for surfactants site in Ascension Parish

BATON ROUGE, La. – Today, Gov. Bobby Jindal and Stepan Company President and CEO F. Quinn Stepan Jr. announced the company will complete front-end engineering and design work for a potential \$60 million to \$70 million chemical production facility in the existing industrial corridor of Ascension Parish. The company, headquartered near Chicago, recently authorized the feasibility work and will make a final investment decision on the project in the second quarter of 2015.

If completed, the project would create 33 new direct jobs with an average annual salary of \$70,000 per year, plus benefits. Louisiana Economic Development estimates the project will result in an additional 98 new indirect jobs, for a total of more than 130 new jobs in the state. Another 65 construction jobs would be created by the project.

Gov. Jindal said, “Stepan Company is a highly successful

chemical manufacturer that recognizes the tremendous business climate advantage Louisiana has over competing states. Louisiana now has more people working than ever before, and the best is yet to come because more companies like Stepan are considering investments in our state. Increasingly, the world's leading businesses – from energy companies to advanced manufacturers and technology innovators – are choosing Louisiana and recognizing our state as the new frontier for business opportunity.”

With \$1.88 billion in 2013 revenue, Stepan Company is a major global manufacturer of specialty and intermediate chemicals used in a broad range of industries. The company is in property negotiations for a manufacturing site in Ascension Parish, where it would manufacture intermediate chemicals for Stepan's global surfactants and polymer production sites, as well as finished products for its global customers.

“Stepan appreciates the quality of resources and support available in Louisiana as we complete the feasibility study of our proposed project,” CEO F. Quinn Stepan Jr. said. “We look forward to confirmation of our project economics, building a new facility and joining many of our peers, who already enjoy the benefits of the pro-business environment in the state of Louisiana.”

LED began discussions about a potential Louisiana project with Stepan Company in June 2012. To secure the potential project, the state offered the company a competitive incentive package that includes a \$500,000 performance-based grant to offset infrastructure costs, along with the comprehensive workforce development solutions of LED FastStart® – ranked as the No. 1 state workforce training program in the nation. In addition, the company is expected to utilize Louisiana's Quality Jobs and Industrial Tax Exemption programs.

“We are excited about being the potential location for Stepan's project,” Ascension Parish President Tommy Martinez

said. "We understand that there may be synergies to be gained with one or more of our existing corporate citizens if this project develops. Taking full advantage of these upstream/downstream relationships is a key priority for economic development in Ascension Parish."

"Because of the region's unique resources and location, chemical production is a target industry for the Baton Rouge area," said President and CEO Adam Knapp of the Baton Rouge Area Chamber. "Stepan Company's decision to focus its search in Ascension Parish demonstrates the region's suitability for these types of investments. BRAC will continue to work with the parish, LED and the company to support expansion efforts."

Pending a final investment decision by the company's board of directors, Stepan would begin building the project in the fourth quarter of 2015, with hiring to begin in 2017 as construction nears completion.

About Stepan

Stepan Company is a major manufacturer of specialty and intermediate chemicals used in a broad range of industries. Stepan is a leading merchant producer of surfactants, which are the key ingredients in consumer and industrial cleaning compounds. The company is also a leading supplier of polyurethane polyols used in the expanding thermal insulation market, and CASE (Coatings, Adhesives, Sealants and Elastomers) industries. Headquartered in Northfield, Illinois, Stepan utilizes a network of modern production facilities located in North and South America, Europe and Asia. The common stock is traded on the New York Stock Exchange under the symbol, SCL. For more information about Stepan Company, visit Stepan.com.