Wacker acquires silicon-metal production site in Norway

07.06.2010 - Wacker Chemie AG is acquiring the Norwegian FESIL Group’s silicon-metal production site in Holla (near Trondheim). The two companies signed a purchase agreement to this effect on Friday night, June 4, 2010. The transaction still requires approval of Wacker’s supervisory board and FESIL’s board of directors as well as clearance by the antitrust authorities. Under the terms of the transaction, Wacker takes over all of FESIL’s production facilities in Holla, including the related real estate. The Munich-based chemical company intends to continue employing the site’s existing workforce of some 140. Closing of the transaction is expected before the end of Q3 2010.

"This strategic acquisition is a key step in securing our long-term supply of silicon metal," said Group CEO Rudolf Staudigl. "Acquiring Holla makes us more independent of raw-material price fluctuations and increases our supply security during peak-demand periods."

"This acquisition represents a strategic change, bringing the Holla Silicon Metal plant into an integrated part of Wacker’s silicone value chain," says Thorstein Abrahamsen, CEO of FESIL. "FESIL AS will now focus its resources on ferrosilicon metal production and develop its world wide ferroalloy trading as well as industrialize its Solsil Solar Grade Silicon Metal Process now at the pilot stage."

Silicon metal is one of Wacker’s most important raw materials and is needed for the production of silicones and hyperpure polysilicon. Holla Metall’s production capacity is around 50,000 metric tons of silicon metal per year, which corresponds to about one third of Wacker’s current annual needs.