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TITAN-PRODUCTION

TITAN INCREASES PRODUCTION CAPACITY BY 150 PCT

JOHOR BAHRU, March 13 (Bernama) -- Titan Petrochemicals & Polymers Bhd (Titan), the operator of Malaysia's first fully integrated petrochemical plant, has increased its production capacity by 150 percent with the completion of its RM3.2 billion Phase II expansion programme.

Titan now produces an additional combined capacity of over 1,200,000 metric tonnes annually of its various product types such as ethylene, propylene, polyethylene, polypropylene, benzene and toluene.

"The enlarged capacity provides the benefits of economies of scale, a broad slate of polymer product grades and additional capacity to meet the growing domestic and regional demand," said Titan's managing director James Chao.

"For the Malaysian economy, this means a great deal of import substitution and export earnings, meaning a positive contribution of RM3 billion per annum to the country's balance of payments," he said.

Titan's Phase II expansion programme was officiated by Prime Minister Datuk Seri Dr Mahathir Mohamad at the plant in Pasir Gudang, about 45 km from here today.

From the increase in output, 50 percent of which is distributed to the local fabrication sector and 50 percent exported, the company expects to generate a growth in turnover of over RM2 billion and a growth also in profitability.

Amongst Titan's largest clients are national car producer, Proton, Swedish furniture maker Ikea and pharmaceutical giant, Becton Dickinson.

The Titan Petrochemical Complex valued at RM5.2 billion in total investments, has 10 state-of-the-art plants and associated facilities constructed over 120-ha at the company's two sites in Pasir Gudang and Tanjung Langsat industrial estate.

Titan is a foreign direct investment joint-venture between the US-based Chao Group and associates which owns 54 percent, and Permodalan Nasional Berhad (PNB) through its wholly-owned subsidiary, PNB Equity Resource Corporation Sdn Bhd (PERC) holding 46 percent interest.

It began operations in 1991 when it completed its first facility in Pasir Gudang -- a RM300 million polypropylene plant. -- BERNAMA

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