

Evonik to acquire high-concentrates additive compounding business from 3M

- Expanded specialty additives for plastics industry product portfolio now includes solid additives
- Access to key technology enables innovative solutions for the plastics industry
- Acquisition underlines growth focus in Specialty Additives – one of Evonik’s growth engines

Essen, Germany. Specialty chemicals company Evonik is to acquire 3M’s high-concentrates additive compounding business, and the corresponding agreement has been signed. The specialty chemicals group is further expanding its capabilities in the highly profitable business with specialty additives. Evonik already offers a variety of additives to the plastics industry, and the acquisition will enable the company to now also offer solid additives.

Dr. Dietmar Schaefer, Head of Evonik’s Interface & Performance Business Line, states: “We are gaining an excellent platform for the development of innovative solutions, and will be able to significantly expand our product portfolio with this acquisition.” The transaction enhances the enterprise’s capabilities in specialty additives – one of its key areas of business growth. The transaction is expected to close in the first quarter 2018, subject to the customary closing conditions. The parties have agreed not to disclose the price of the purchase.

The deal includes the Accurel® brand product portfolio which is produced in Obernburg (Bavaria, Germany) as well as the Obernburg production facility with approximately 25 jobs which will be retained. The high-concentrates additive compounding technology allows plastic manufacturers to introduce large volumes of additives into a polymer matrix via a solid polymer carrier. This will enable Evonik to target new applications, for instance the packaging industry. These operations are to be incorporated into Evonik’s Interface & Performance Business Line.

The Business Line produces and markets specialty additives for the plastics industry. These either improve the processing of plastics,

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e.g. by better filler dispersion, improved flow, or enhance the performance (improved scratch-resistance, controlled odor and improved mechanical strength). In addition, Interface & Performance leverages innovative technology platforms for the production of silicones and specialty additives based on surfactants. Typical applications that the company is addressing within the plastics industry with specialty additives include films, foams, fibers, nonwoven fabrics, injection molding and cables.

Company information

Evonik is one of the world leaders in specialty chemicals. The focus on more specialty businesses, customer-orientated innovative prowess and a trustful and performance-oriented corporate culture form the heart of Evonik's corporate strategy. They are the lever for profitable growth and a sustained increase in the value of the company. Evonik benefits specifically from its customer proximity and leading market positions. Evonik is active in over 100 countries around the world with more than 36,000 employees. In fiscal 2016, the enterprise generated sales of around €12.7 billion and an operating profit (adjusted EBITDA) of about €2.165 billion.

Evonik's international activities are organized into six regions. The Asia Pacific North region consists of China, Taiwan, Japan & Korea, and is headquartered in Shanghai. Sales in Asia Pacific North reached 1,947 million euros in 2016. Evonik regards China as one of the driving forces of the global economy and we consequently endeavor to grow our business here. The company now employs about 3,000 employees and has in total of 10 production sites in China.

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