

## Evonik expands silicone platform in Germany and China

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- Enlarged production facility in Essen goes on stream
- Expansion and construction of production capacities in Germany and China
- Demand for additives for the construction, textile, coating, furniture, and appliance industries is driving the global market growth for specialty silicones

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Essen. Evonik strengthens its technology platform for specialty silicones with a global investment initiative. Overall, Evonik plans to invest a triple-digit-million-euro amount in the coming years and gradually increase the production volume of specialty silicones. "Evonik is one of the world's leading manufacturers of specialty silicones. With our investment initiative we want to strengthen our position as a technology leader and reach new market opportunities" says Evonik Executive Board member and Chief Operating Officer Patrik Wohlhauser.

In Essen, the company is currently putting the expansion of a plant for the production of these special products into operation. The investment for this expansion is in the double-digit-million-euro range. Increasing the production in Germany Evonik accompanied the growth of its customers in the important European market. Within the global investment initiative for specialty silicones additional production expansions in Essen are planned.

The market for specialty silicones continued to grow in recent years. This development is mainly driven by the construction, textile, coating, furniture and appliance industries. Particularly strong was the demand in Asia. Evonik responds to this positive development by expanding its site in Shanghai (China) with a new production complex for specialty silicones.

"Optimization and expansion of the global silicone platform will strengthen effectively the position of Evonik as the world leader in

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specialty silicones. We want to meet the demands of the different markets even better and to accompany the growth of our customers locally. We position ourselves as a long term reliable supplier and partner" says Hans-Josef Ritzert, Member of the segment management Nutrition & Care.

Specialty silicones offer an enormous wide range of applications for numerous industries. For example, as additives for plastics, specialty silicones are responsible for comfortable furniture, car seats and ergonomic mattresses. They also play an important role within the formulation of ideal insulation material for building insulation and guarantee of the highest energy efficiency of refrigerators. Other areas of application are defoaming agents, used in industries like construction, textile or plastics. Furthermore, specialty silicones are used in coatings and inks. The integrated silicone technology platform forms the backbone of significant businesses of the Evonik segments Nutrition & Care (Business Lines Comfort & Insulation, Interface & Performance, Personal Care) and Resource Efficiency (Business Line Coating Additives).

#### **Company information**

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Evonik benefits specifically from its innovative prowess and integrated technology platforms. Evonik is active in over 100 countries around the world. In fiscal 2014 more than 33,000 employees generated sales of around €12.9 billion and an operating profit (adjusted EBITDA) of about €1.9 billion.

Evonik Industries has been producing specialty chemical products in the Greater China region (Mainland China, Hong Kong and Taiwan) since the late 1970's; with wide-ranging trading relations already in place prior to this in the region. Evonik regards Greater China as one of the driving forces of the global economy and we consequently endeavour to grow our business in the region. The company now has around 3,000 employees in the Greater China region, the regional sales reached over €1.1 billion in 2014.

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