

Evonik to expand its specialty silica capacities in Japan

- Investment volume in the single-digit million Euro range
- Japan is an attractive market for innovative and custom-tailored specialty silica
- Global capacity expansion is making good progress

Evonik Industries has announced an expansion of its specialty silica capacities in Ako, Japan through a holding in DSL Japan Co. Ltd. (DSL). Evonik holds 51 percent of shares in DSL, a joint venture with the Japanese Shionogi & Co. Ltd. The expansion, with an investment volume in the single-digit million euro range, is scheduled to become operational in 2015. The specialty silicas of the Evonik SIPERNAT® brand improve the properties of products such as batteries, silicones, engineered rubber items, or coatings. Silicas of particularly high quality are used in the food, cosmetics and pharmaceutical industries, for example in toothpastes or in beer filtration.

"This capacity expansion in Japan will continue to strengthen the specialty character of our silica business. We are a leading global provider of highly developed inorganic materials for resource efficient applications, and we accompany this attractive growth market with targeted investments," says Patrik Wohlhauser, Member of the Evonik Industries Executive Board and Chief Operating Officer.

"Our focus is on close customer relationships and intensive technical cooperation. We provide our customers with high-level technological products in outstanding quality," commented Dr. Johannes Ohmer, Head of the Inorganic Materials Business Unit. Customers in the food, cosmetics and pharmaceutical industry have particularly high demands for product quality, in part based on legal mandates. "We want to specifically supply this market segment and project higher than average market growth," Ohmer noted.

Global expansion of silica capacities is making good progress

Evonik is expanding its silica capacities all over the world—in 2014 alone they are projected to have grown by approx. 30 percent

September 5, 2014

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compared to 2010. A plant expansion for precipitated silicas is to become operational in Chester, USA this year. Furthermore, the Group just approved the construction of a silica plant in Brazil, which is to start up in 2016. The expansion in North and South America follows the expansions in Europe and Asia, which have already been completed. Thus, a larger production facility became operational in Thailand in March 2014.

Evonik is a leading manufacturer of silica. In addition to precipitated silica, the Group also manufactures the fumed silica AEROSIL® and matting agents made from silica under the brand name ACEMATT®. Overall, the global annual production capacity of Evonik for precipitated and fumed silicas as well as matting agents reaches 550,000 metric tons.

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 2013 more than 33,500 employees generated sales of around €12.7 billion and an operating profit (adjusted EBITDA) of about €2.0 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 3,200 employees in the Greater China region, the regional sales reached over €1 billion in 2013.

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