

Evonik invests in isophorone plants in China

- Increasing demand out of numerous industries
- Shanghai on the shortlist for site selection
- Strengthen market leadership, global production network to be expanded

Evonik Industries plans to construct new isophorone and isophorone diamine plants in Shanghai, China. Basic engineering at the Multi User Site China (MUSC), Evonik's production site in Shanghai, should be complete within the next few months, and the world-scale plants are scheduled to go onstream in 2013. With this investment, Evonik is sending out a clear signal that it wants to expand its global market leadership in isophorone chemicals, and is emphasizing the high significance of the strategically important Asian region.

“We decided on this site in Shanghai not only because of China's strongly growing domestic market, but also its being an important access point for the Asia region. We see excellent sustainable conditions here for setting up and operating sophisticated technology,” says Dr. Thomas Haeberle, member of the Board of Management of Evonik Degussa GmbH. “Here we take for granted that our positive findings with regard to technical and commercial viability will be further confirmed in the course of basic engineering.”

Growing global demand from a large number of user industries is the driving force behind the decision to construct the new plants. The planned investment will allow the company to benefit from the future growth of the market and in particular to satisfy increasing demand from customers in the Asia region. Evonik currently produces isophorone chemicals in Mobile, Alabama / USA, as well as in Marl and Herne / Germany.

“Evonik is the only company globally that produces and markets the entire range of isophorone chemicals,” says Dr. Ulrich Küsthardt, Head of the Coatings & Additives Business Unit. “And with the construction of the new world-scale, state-of-the-art plants, we plan to strengthen this position and at the same time extend our global production network into Asia.”

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Isophorone, isophorone diamine, isophorone diisocyanate, and their derivatives are important components in the production of industrial flooring, artificial leather, and paints and coatings, for example. They are also used in the high-growth area of high-performance composite materials and in chemical synthesis. Evonik distributes the products worldwide under the trademarks of VESTAMIN®, VESTANAT®, VESTAGON®, and VESTASOL®.

About Evonik

Evonik is the creative industrial group from Germany. In our core business of specialty chemicals, we are a global leader. In addition, it has energy and residential real estate operations. Our performance is shaped by creativity, specialization, reliability and continuous self-renewal. Evonik is active in over 100 countries around the world. In fiscal 2010 more than 34,000 employees generated sales of around €13.3 billion and an operating profit (EBIDA) of about €2.4 billion.

Evonik Industries has been producing specialty chemical products in China since the early 1990's; with wide-ranging trading relations already in place prior to this. The Group now has a total of 18 companies and 15 production sites in the region. Evonik regards China as one of the driving forces of the global economy, and we consequently intend to increase our business in Greater China to around €2 billion in 2015.

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