

Groundbreaking ceremony for Evonik's new isophorone plants in Shanghai

June 18, 2012

- Investment volume of more than €100 million
- Annual production capacity will rise by 50kt.
- Increasing demand from customers in the Asian region

On June 19th, 2012, Evonik Industries will hold the ground-breaking ceremony for the new production plants for the manufacture of isophorone and isophorone diamine in the Shanghai Chemical Industry Park (SCIP). The Group is investing more than €100 million in the plants, which are scheduled to come on stream in the first quarter of 2014, after completion of a roughly two-year construction phase.

The groundbreaking will be a milestone for Evonik: "This integrated production platform shall reinforce our presence in an important market and enable us to supply the growing needs of our customers in China and the entire Asia Pacific region", emphasized Dr. Dahai Yu, member of the Executive Board of Evonik Industries, during a press conference on June 18th, 2012 in Shanghai. "This investment shall also consolidate our position as a worldwide leading manufacturer of the isophorone chemistry." Products from the new facilities will primarily serve markets in China and Asia Pacific, with an annual capacity of 50kt.

In addition Evonik is installing a new Technical Service Center at its Xinzhuang site in Shanghai. The facility will include state-of-the-art laboratories for applied technology with aims to develop isophorone product applications and provide technology service for customers throughout in the region.

With the new production plants and the Technical Service Center, Evonik is continuing its string of extensive investments in China. The Group has been producing specialty chemicals in the Greater China region (Mainland China, Hong Kong and Taiwan) since the late 1970s with wide-ranging trading relations already in place prior to this in the region. "The new isophorone and isophorone diamine facilities shall expand our current capacity, strengthen our position in the market and drive the coating, adhesive, construction and composites industry to the next level in Asia", said Dr. Ulrich Küsthardt, Head of the Coatings & Additives Business Unit.

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Isophorone and isophorone diamine, isophorone diisocyanate and their derivatives are important components for the production of industrial flooring, artificial leather, paints and coatings, for example. They are also used in the growth area of high-performance composite materials, e.g. for wind turbines, and in chemical synthesis.

Evonik currently manufactures isophorone chemistry products in Herne and Marl, Germany, Mobile, Alabama, USA as well as in Antwerp, Belgium. The Group distributes products of the isophorone chemistry worldwide under the trademarks of VESTAMIN®, VESTANAT®, VESTAGON®, and VESTASOL®.

About Evonik

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Evonik benefits specifically from its innovative prowess and integrated technology platforms. Evonik is active in over 100 countries around the world. In fiscal 2011 more than 33,000 employees generated sales of around €14.5 billion and an operating profit (EBITDA) of about €2.8 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 3,500 employees in the Greater China region, the regional sales reached over 1.2 billion in 2011.

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