

Evonik in Australia/Oceania

Services are the most important sector in the Australian economy. In 2008 the service sector contributed more than 70 percent of the country's GDP of around US\$1 trillion. Australia also has an efficient agricultural sector and a significant raw material base comprising ores, coal, gas and oil. Information and communication technologies, biotechnology, nanotechnology and medical technology are set to play a greater role in the future. Like Australia, New Zealand is strongly export-oriented. Its GDP is around US\$135 billion and it is one of the world's leading agricultural nations. Geographical proximity increases both countries' attractiveness to foreign investors and opens up major export opportunities, even though demand, particularly for Australian raw materials, has flattened in the wake of the global economic downturn.

Australia is the world's top exporter of coal. Our Energy Business Area has therefore had trading links to Australian coal suppliers, especially suppliers of coking coal, for many years.

Evonik's Chemicals Business Area has had a presence in the Australia/Oceania¹⁾ region since the late 1970s. As a leading supplier of high-quality pigment dispersions and colorants predominantly for the paints, coatings and adhesives industries, we operate a production facility for these products in Dandenong/Melbourne, where we also have an applied technology center. The central focus is on environment-friendly colorants for the architectural and industrial sectors and we are the only supplier in the region offering both local production and full technical service. The regional market leader in decorative surface coatings awarded us the distinction "Supplier of Excellence 2008".

Dandenong is also the headquarters of Evonik Degussa Australia Pty Ltd., which has a strong distribution network with offices in Sydney, Brisbane and Perth. The main focus is on marketing high-quality coatings and colorants, specialty polymers, carbon blacks and essential amino acids for healthy nutrition of livestock, in particular poultry.

Evonik's facility in Morrinsville/Waikato in New Zealand is the country's only producer of hydrogen peroxide, an environment-friendly bleaching agent for the paper and wool industries. We rank second in the world in this field with total production capacity of around 600,000 metric tons p.a. To ensure optimal supply of hydrogen peroxide to the world market, we operate production facilities at eleven locations around the world.

In 2008 Evonik had around 100 employees in Australia/Oceania and consolidated sales in this region amounted to almost €80 million.

Investor Relations, April 2009

¹⁾ Evonik defines the Australia region as Australia, New Zealand and the South Pacific Islands.