

Evonik acquisition of PeroxyChem delayed by FTC lawsuit

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- Evonik to defend FTC lawsuit seeking to block acquisition of PeroxyChem
- Evonik continues to believe that the transaction will benefit customers through the combination of Evonik's and PeroxyChem's complementary businesses
- Evonik remains optimistic regarding its ability to prevail at trial

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Essen, Germany – Evonik will vigorously defend itself against the action of the Federal Trade Commission, which today announced it will file a lawsuit seeking to block Evonik's proposed acquisition of PeroxyChem, a worldwide manufacturer of specialty peroxygen chemistries.

"It is disappointing that the FTC has taken this step to block the acquisition in the highly competitive hydrogen peroxide industry," said Christian Kullmann, chairman of the executive board of Evonik. "PeroxyChem offers products in attractive and high-growth end markets that are complementary to Evonik's product portfolio. The transaction represents an opportunity for Evonik to expand further into specialty hydrogen peroxide and peracetic acid product, optimize its distribution network, achieve substantial efficiencies, and grow production and sales. We remain optimistic that we will prevail at trial and complete the acquisition."

At the end of 2018, Evonik signed an agreement with One Equity Partners to acquire PeroxyChem for \$625 million. Evonik was expecting to close the deal by the middle of 2019. However, the FTC lawsuit means that closing will not occur before the end of 2019.

"We continue to believe that the complementary fit of the two businesses will unlock new and attractive growth opportunities for our customers and employees," said Bruce Lerner, President and CEO of PeroxyChem.

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Commercial Registry B 19474

Both companies will vigorously defend the transaction against the FTC's lawsuit and intend to show the court that the FTC's claims fail to recognize current market dynamics, in particular the substantial growth of specialty hydrogen peroxide applications that are PeroxyChem's focus, and the significant synergies and customer benefits that will arise as a result of transaction.

During this time, the companies will continue to operate as business as usual.

Company information

Evonik is one of the world leaders in specialty chemicals. The focus on more specialty businesses, customer-oriented innovative prowess and a trustful and performance-oriented corporate culture form the heart of Evonik's corporate strategy. They are the lever for profitable growth and a sustained increase in the value of the company. Evonik benefits specifically from its customer proximity and leading market positions. Evonik is active in over 100 countries around the world. In fiscal 2018, the enterprise with more than 32,000 employees generated sales of €13.3 billion and an operating profit (adjusted EBITDA) of €2.15 billion from continuing operations.

About PeroxyChem

PeroxyChem is a global leader in specialty peroxygen and adjacent chemistries, including hydrogen peroxide, persulfates, and peracetic acid. The company employs approximately 600 people throughout the world, with facilities in North America, Europe and Asia. With an unyielding commitment to safety at its core and backed by an exceptional team, the company prides itself on exemplary customer service, product quality, reliability and technical service. PeroxyChem manufactures high quality products and innovative applications developed as a result of dedication to R&D and superior technical expertise. We supply customized chemistries for electronics, energy, environmental, food safety, pulp, paper, polymer, and other industrial and consumer markets. To learn more, please visit <http://www.peroxychem.com>.

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