

## Evonik commences isophorone facilities in China

- Chief Operating Officer Patrik Wohlhauser: "This solidifies our leading global position in isophorone chemistry."
- Investment exceeding €100 million targets dynamic markets in Asia
- Markets for applications in lightweight design posting above-average growth

Essen. Evonik Industries has commenced an integrated production complex for isophorone and isophorone diamine in Shanghai, China. The company has invested over €100 million in the facilities, which will have an annual output capacity of 50,000 metric tons. Construction in the Shanghai Chemical Industry Park (SCIP) took less than two years. Evonik primarily plans to use the output of the new plants to serve customers in the coatings and paint, construction, adhesives, and composite industry in Asia.

"The new plant continues our successful growth story in isophorone chemistry. We are now represented in the three major economic zones, Europe, NAFTA, and Asia, with fully backwards integrated production facilities to tap into attractive new growth opportunities," said Patrik Wohlhauser, Member of the Evonik Industries Executive Board and Chief Operating Officer.

Evonik has fifty years of experience with isophorone chemistry and continuously improves its process technologies. So far products based on isophorone (crosslinkers) were being manufactured in Marl and Herne, Germany, and in Mobile, USA.

"Evonik is the only company worldwide to cover the entire supply chain of isophorone and its derivatives. We now are in a position to quickly and reliably supply our customers in China and other Asian countries from our regional production, consistently offering products of high quality and purity," explains Dr. Ulrich Küsthardt, Head of the Coatings & Additives Business Unit.

In addition to the new production complex, Evonik built an application technology service center with state-of-the-art laboratories at the Xinzhuang site in Shanghai. The custom-

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tailored isophorone solutions will strengthen the competitiveness of Asian customers.

### **Megatrend resource efficiency drives market growth**

The global market for isophorone and its derivatives grows at a stronger annual rate than global gross domestic product, with Asia showing above-average growth. The demand is particularly driven by the megatrend of resource efficiency. Thus, composites, which are used, for instance, in lightweight construction for automobiles as well as in highly durable wind power stations, offer above-average growth potential.

In addition, isophorone chemistry prolong the life expectancy of heavily used surfaces, which reduces maintenance cost and often makes renovations superfluous. Examples include floor coverings in parking garages, facades exposed to demanding climatic conditions, or ships operating in salty ocean water. Growth projections are also high for environmentally friendly coating technologies, such as UV-curing systems or solvent-free powder coatings. Evonik markets its products of isophorone chemistry globally under the brand names VESTAMIN®, VESTANAT®, VESTAGON® and VESTASOL®.

### **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.

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