

Evonik starts up new production facility in Shanghai for ingredients used in the cosmetics and household consumer goods market

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Tim Lange

Head of Investor Relations
Phone +49 201 177-3150
tim.lange@evonik.com

- Evonik is expanding its leading market position in organic specialty surfactants
- Additional capacity of approx. 80,000 metric tons p.a
- Local production allows for flexible response to customer requirements

Evonik Industries has opened a new production facility for organic specialty surfactants in the Shanghai Chemical Industry Park (SCIP) in Shanghai, China. "With this investment, we are sustainably expanding our business in Asia. The new plant in Shanghai does not only play a key role in further consolidating our position in the Chinese market, but is also an important element of our strategy for the growth markets of the entire region," emphasized Dr. Klaus Engel, Chairman of the Executive Board of Evonik Industries AG, in his remarks at the opening ceremony.

The new facility has an annual capacity of around 80,000 metric tons. The investment volume was in the upper two-digit million Euro range. The production uses a number of different technologies, enabling Evonik to offer a broad portfolio of locally manufactured products. These include specialty surfactants from renewable resources that are used in personal care and hygiene products, household cleaning agents, and industrial applications. The production focuses on key product groups such as amphoteric surfactants, amidoamines, esters, alkoxylates and quats. The startup of the new facility has created some 80 new jobs. Evonik already operates a similar plant in Bekasi, Indonesia, mainly serving manufacturers in the personal and household care industries in Southeast Asia, Australia and New Zealand.

The market for laundry care products in Asia is driven by consumer desire for a more comfortable and convenient lifestyle. The Chinese cosmetics market, Asia's single largest, has been growing in double-digits and is expected to continue growing in this range. The Chinese market for cosmetic ingredients follows this trend. This growth is propelled by a prospering middle class that is

Evonik Industries AG

Rellinghauser Straße 1-11
45128 Essen
Germany
Phone +49 201 177-01
Telefax +49 201 177-3475
www.evonik.de

Supervisory Board

Dr. Werner Müller, Chairman

Executive Board

Dr. Klaus Engel, Chairman
Dr. Thomas Haeberle,
Thomas Wessel, Patrik Wohlhauser,
Ute Wolf, Dr. Dahai Yu

Registered office Essen
Registered court
Essen local court
Commercial registry B 19474
VAT ID no. DE 811160003

changing its consumer behavior and showing a growing awareness of high quality and high product performance. In addition, consumers are increasingly focusing on trends such as well-being and sustainability which also contributes to the positive market development.

“As a producer of ingredients, additives and system solutions for high-quality consumer goods and industrial applications, we strongly rely on our customer-oriented approach that focuses on innovation and sustainability,” said Dr. Claus Rettig, Head of the Consumer Specialties Business Unit of Evonik. “Our production plant and our new R&D Center in Shanghai allow us to respond quickly to regional requirements in the Asia-Pacific region, to identify trends early on and to offer products with the same quality worldwide.”

Evonik’s new production facility is also setting standards in terms of environmental technology, quality and reliability. This includes sophisticated emissions controls, a two-step water treatment system, and modern technology. The new production plant was built at Evonik’s Multi-User-Site (MUSC) in the SCIP, which is conveniently located in the Yangtze River Delta economic zone.

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 2012 more than 33,000 employees generated sales of around €13.4 billion and an operating profit (adjusted EBITDA) of about €2.4 billion (excluding Real Estate in both cases).

Evonik Industries has been producing specialty chemical products in the Greater China region (Mainland China, Hong Kong and Taiwan) since the late 1970s, although wide-ranging trading relations were 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 endeavor to grow our business in the region. The company now has around 3,500 employees in the Greater China region, with regional sales exceeding €1 billion in 2012.

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