

Evonik sells its US Jayhawk site

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- Company continues to intensify focus on high-margin specialty chemicals businesses
- Agrochemicals site sold to financial investment firm Permira funds
- Proceeds in the high double-digit million range (USD)

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Essen, Germany. Evonik is taking the next step in systematically focusing on specialty chemicals with the divestment of its US Jayhawk site in Galena, Kansas. The site produces precursors for agrochemicals, which are not included in the growth businesses defined by Evonik. "We want to continue growing profitably in the specialty chemicals sector," says Evonik Executive Board Chairman Christian Kullmann. "This also means giving up businesses or sites if a different owner can offer the business better future perspectives. The sale is a further step towards optimizing our portfolio and it opens up new opportunities for us in the targeted development of our growth engines."

Jayhawk's activities fall under the Agrochemicals & Polymer Additives business line in Evonik's Performance Materials segment. Under a share deal, funds advised by the international investment firm Permira will acquire the site along with the company and its approximately 120 employees. "We're looking forward to successfully growing the business in Jayhawk further," said Sebastian Hoffmann, Principal and member of the Industrials Team at Permira. "We already have a high level of expertise in customer-oriented solutions in fine chemicals, for example through the investment of the Permira funds in CABB. A strategic cooperation between Jayhawk and CABB will create a seamless transatlantic product and service offering from which existing and new customers of both companies will benefit."

The sale price is in the high double-digit million dollar range. The transaction is subject to approval by antitrust authorities in several countries.

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Registered Office is Essen
Register Court Essen Local Court
Commercial Registry B 19474

Caspar Gammelín, Head of Evonik's Performance Materials segment, sees good prospects for the site under its new owner: "Jayhawk has highly skilled employees, well-developed facilities, and longstanding customer relationships. Under the new owner these strengths can be leveraged even more effectively. With this sale, we're paving the way for the intelligent further development of our businesses."

Permira is a global investment firm. Founded in 1985, the firm advises funds with a total committed capital of approximately €32 billion. The Permira funds have a long track record of successfully investing in industrial companies around the world and have invested over €4.6 billion in more than 20 companies.

The CABB Group, headquartered in Sulzbach am Taunus, Germany, is a globally active producer of precursors, intermediates, and active substances for fine chemicals. With about 1,000 employees, the Group generates annual sales in the region of €450 million.

Company information

Evonik is one of the world leaders in specialty chemicals. The focus on more specialty businesses, customer-orientated 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 with more than 36,000 employees. In fiscal 2017, the enterprise generated sales of €14.4 billion and an operating profit (adjusted EBITDA) of €2.36 billion.

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