

Evonik Breaks Ground on Alkoxide Plant

New Facility To Serve North American Biodiesel Market

Evonik Industries today broke ground for its 60,000 metric ton alkoxide production facility here. The new facility will serve the North American biodiesel market and is scheduled to begin operations early next year.

Dr. Alfred Oberholz, Member of the Executive Board of Evonik Industries AG, Tom Bates, President of Evonik Degussa Corporation and Manager of the Mobile facility site and Jose Berges, Vice President and General Manager Electrolysis Products & Alkoxides, were onsite to inaugurate the new facility.

"The North American biodiesel market is growing rapidly and it is our goal to continue to be a key player in this market," said Dr. Oberholz, emphasizing the strategic importance of the new project. "The new facility will leverage the cost and quality advantages of our Mobile site and support the development of a world class biodiesel industry in the United States for the benefit of consumers faced with high fossil fuel prices."

Evonik's Mobile site is its largest outside Germany, said Bates, adding that the company is strongly committed to the long-term development and leadership in the alkoxide business area as well as in the Mobile area.

"Building this plant here is good news for the site, employees and the region," he continued. "This investment is a vote of confidence in our site and ability to successfully compete in the highly competitive biodiesel market place".

Berges noted the new facility will produce a ready to use catalyst essential in the manufacture of biodiesel produced from natural oils such as rapeseed or soy bean oil.

July 31, 2008

Alexandra Boy

Corporate Press

Tel.: +49 201 177-3167 Fax: +49 201 177-3030 alexandra.boy@evonik.com

Evonik Industries AG

Rellinghauser Strasse 1-11 45128 Essen Germany www.evonik.com

Chairman of the Supervisory Board

Wilhelm Bonse-Geuking

Management Board

Dr. Werner Müller, Chairman Dr. Klaus Engel, Dr. Alfred Oberholz, Dr. Peter Schörner, Dr. Alfred Tacke, Heinz-Joachim Wagner, Ulrich Weber

Registered Office: Essen Local Court: Essen Commercial Register B 19474

Press release



"One of the benefits of our catalyst is that it offers customers the benefit of consistently high yields and the high purity of the crude glycerol obtained as a byproduct," he said.

Evonik is reinforcing its commitment to producing alternative forms of energy from renewable raw materials."

A second alkoxide production facility is scheduled to start operations in Brazil the following year to supply the entire South American continent.

Alkoxides are required as catalysts in biodiesel production, and Evonik's Chemicals business area is already the world market leader in specialty catalysts for this application.

The groundbreaking ceremony was attended by employees and 30 guests.

With approximately 700 workers, the Evonik Mobile site is one of the area's largest employers. This site manufactures a wide range of products that create the essentials necessary to enjoy a better standard of living today and tomorrow.

Evonik Company information

Evonik Industries is the creative industrial group from Germany which operates in three business areas: Chemicals, Energy and Real Estate. Evonik is a global leader in specialty chemicals, an expert in power generation from hard coal and renewable energies, and one of the largest private residential real estate companies in Germany. Our strengths are creativity, specialization, continuous self-renewal, and reliability. Evonik is active in over 100 countries around the world. In its fiscal year 2007 about 43,000 employees generated sales of about €1.4 billion and an operating profit (EBIT) of more than €1.3 billion.

Disclaimer

In so far as forecasts or expectations are expressed in this press release or where our statements concern the future, these forecasts, expectations or statements may involve known or unknown risks and uncertainties. Actual results or developments may vary, depending on changes in the operating environment. Neither Evonik Industries AG nor its group companies assume an obligation to update the forecasts, expectations or statements contained in this release.

Evonik Industries AG

Rellinghauser Strasse 1-11 45128 Essen Germany www.evonik.com

Chairman of the Supervisory Board

Wilhelm Bonse-Geuking

Management Board

Dr. Werner Müller, Chairman Dr. Klaus Engel, Dr. Alfred Oberholz, Dr. Peter Schörner, Dr. Alfred Tacke, Heinz-Joachim Wagner, Ulrich Weber

Registered Office: Essen Local Court: Essen Commercial Register B 19474