

Evonik to implement surcharge to cover cost increases

July 14, 2008

Evonik Industries AG, Germany, will apply a surcharge to all deliveries of its High Performance Polymers and Monomers effective August 1, 2008 until further notice. This surcharge needs to be implemented to cover the dramatic increases of raw material, energy and transportation costs witnessed during the last few months. Depending on the specific product line, a EUR/kg resp. US Dollar/kg amount will be added to all invoices. Customers will be individually informed about the surcharge rates they will be charged with.

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Evonik continuously undertake massive efforts to reduce costs and to increase productivity in order to maintain its competitiveness even under adverse external circumstances. However, another unprecedented and steep price increase of the key raw material butadiene as well as the recent energy and transportation cost jumps inevitably require further compensation measures. The instrument of a surcharge offers the advantage that future cost reductions can promptly be passed to the customers. At that time the cost situation will improve the surcharge will be terminated.

The High Performance Polymers Business Line focuses on the production of customized products, semi-finished products, and systems based on high-performance polymers. It currently employs more than 1,000 people in Marl and at the production sites of Darmstadt, Witten (both in Germany), Lenzing (Austria), Magnolia (Arkansas, USA), Aboshi (Japan), and Changchun (China). It also has access to a worldwide sales and marketing network that includes the hubs of Marl, Shanghai, and Parsippany.

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Dr. Werner Müller

Management Board

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Dr. Alfred Oberholz (dep.chm.)
Ralf Blauth,
Heinz-Joachim Wagner,
Patrik Wohlhauser

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 €14.4 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.

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