

Evonik to Increase Alkoxide Capacity Investments in the Double-Digit Million Euro range

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Green light for new investments: Evonik Industries AG will build an alkoxide production facility at its Mobile, Alabama, site in the USA. The plant, designed for a capacity of 60,000 metric tons, is expected to come on stream in early 2009 and will supply customers throughout the NAFTA region. A second facility in Brazil is scheduled to start operation the following year and will supply the entire South American continent. With these investments in the double-digit million euro range, Evonik is reinforcing its commitment to producing alternative forms of energy from renewable raw materials. 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.

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“With these facilities, we continue to pursue our strategy of strengthening our business in markets where we already occupy leading positions and expect long-term growth. In view of the intensive discussions concerning climate protection, we expect significant double-digit growth in the biodiesel market. This applies most particularly to the U.S., but also to the South American market,” said Dr. Klaus Engel, member of the Evonik Management Board with responsibility for the Chemicals business area, explaining the investment. “Brazil is South America's most attractive biodiesel market, and so the obvious location for construction of a production facility,” added Dr. Thomas Haeberle, head of Evonik's Building Blocks Business Unit. The business unit currently operates a plant producing alkoxides at the Lülisdorf site near Cologne, Germany.

Mobile, with about 800 employees, is one of Evonik's largest sites outside of Germany and its largest site in North America. The company began building the production facility there in the mid-1970s. Seven of Evonik's 14 business units now operate facilities at the site, where a number of service units are also represented.

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Biodiesel is produced from natural oils such as rapeseed or soy bean oil. The Evonik catalyst, a ready-to-use mixture of sodium methylate and methanol, helps convert the natural oils—in a chemical process known as transesterification—into fatty acid methyl esters, or biodiesel. The

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advantages of the Evonik catalyst are the consistently high yield and the purity of the crude glycerol that is obtained as a byproduct. As Haeberle said: "With our catalyst, we are making an important contribution to climate protection worldwide."

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 2006 more than 43,000 employees generated sales of about Euro 14.8 billion and an operating profit (EBIT) of over Euro 1.2 billion.

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