

Financing available for Biolys® plant in Volgodonsk

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The issuance of a construction permit by the Russian authorities and the signing of a credit agreement with the Russian Agricultural Bank represent two important milestones for the project to build a Biolys® plant in Volgodonsk by the OOO DonBioTech joint venture. Evonik Industries and Russia's Varshavsky Group are shareholders in the joint venture.

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“This fulfills the most important prerequisites for moving the project forward quickly,” says Dr Reiner Beste, head of the Health & Nutrition business unit. “The new plant will strengthen our position on the Russian market and help make pork and poultry production in Russia more efficient and sustainable.” The plant is to begin operations in 2015 and have an annual capacity of roughly 100,000 metric tons.

Biolys® is considered to be an extremely effective source of lysine in animal feeds for pigs and poultry. It is to be manufactured in Volgodonsk using modern fermentation technology from Evonik. Wheat from the Rostov region will be used as a raw material, and the joint venture will process this itself. “In this way we are securing our supply of raw materials and using backward integration to cover a major portion of the value-added chain,” Beste explains.

Amino acids for animal nutrition — especially MetAMINO® (DL-methionine) — represent a core business of Evonik, and one that is currently undergoing major expansion. For TrypAMINO® (L-tryptophan) and Biolys® (a source of L-lysine), additional capacity is being built in Europe and the US, and with the new methionine plant, which is currently under construction in Singapore, the Group is securing its outstanding position on the market for these amino acids.

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Evonik is the only company in the world that produces and markets the most important four essential amino acids for advanced animal nutrition: Biolys® (a source of L-lysine), MetAMINO® (DL-methionine), ThreAMINO® (L-threonine), and TrypAMINO® (L-tryptophan). The Group delivers innovative services and products in more than 100 countries.

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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 2013 more than 33,500 employees generated sales of around €12.7 billion and an operating profit (adjusted EBITDA) of about €2.0 billion.

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