News Release

Evonik Increases Precipitated Silica Capacity By 22,000 MT At Pennsylvania Site

Growing Demand For Fuel-Efficient, Low-Rolling Resistance Tires Drives Expansion

CHESTER, Pa., December 20, 2012 – In response to the growing popularity of fuel-efficient tires in the automotive industry, Evonik's Chester, Pa., site is expanding the precipitated silica capacity by 22,000 metric tons (MT) by 2014.

"This expansion will add value to the automotive industry and will help us meet the demands of our customers who use our silica technology to make fuel-efficient tires," said Burkhard Zoller, senior vice president of Inorganic Materials in North America. "When mixed into rubber, our precipitated silica significantly reduces the rolling-resistance of tires. Automobiles using conventional tires have higher rolling-resistance resulting in higher fuel consumption. Evonik's silica system substantially reduces consumption, achieving about eight percent higher fuel savings compared to conventional car tires."

Chester's expansion is part of Evonik's initiative to increase world-wide capacities for precipitated silica by 30 percent between 2010 and 2014. As a market leader in silicas, the company has committed to a multi-million dollar investment for its completion. This project is the next phase in Evonik's global growth strategy as capacities at facilities in Europe and Asia have already been expanded.

"Using our precipitated silicas as reinforcement fillers in tire tread significantly achieves lower fuel consumption in automobiles," said David Elliott, Evonik's Chester site manager. "The demand has been increasing rapidly for this application and by expanding our capacities in Chester, we will be able to keep pace with the growth of our customers and meet the requirements of the tire industry. Automotive companies actively strive to create vehicles that are more energy efficient and better for the environment."

Precipitated silica is also used as an ingredient in the food and animal feed industries, and in paints and coatings. Evonik's fumed silicas improve the surfaces and properties of various products such as enhancing the polish of silicone wafers in the chip industry and improving the scratch resistance of paints.

For additional information about Evonik in North America, please visit our website: www.evonik.com/north-america.

Company information
Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Evonik benefits specifically from its innovative prowess and integrated technology platforms.

Evonik is active in over 100 countries around the world. In fiscal 2011 more than 33,000 employees generated sales of around €14.5 billion and an operating profit (adjusted EBITDA) of about €2.8 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.

For more information, contact:

Mike Sheridan
Evonik Degussa Corporation
Tel: +1 973 929-8812
Cell: +1 973 349-2000
E-mail: mike.sheridan@evonik.com

Dan Yampolsky
Evonik Degussa Corporation
Tel: +1 973 929-8114
Cell: +1 203 294-1466
Email: dan.yampolsky@evonik.com