

Evonik Acquires Outstanding Shares In Evonik Silco Materials LLC Buyout Strengthens Evonik's Portfolio Of Silica Technology

PARSIPPANY, N.J., December 22, 2011 – Evonik Degussa Corporation has purchased the outstanding shares of Oregon-based colloidal silica maker, Evonik Silco Materials LLC. Evonik initially purchased a controlling stake in Harris & Ford Silco LLC in April, 2010, renaming it Evonik Silco Materials.

Burkhard Zoller, Head of the Inorganic Materials (IM) Business Unit in North America and CEO of Evonik Silco Materials, said the company offers products and technologies complementary to Evonik's existing silica portfolio.

"This transaction represents an excellent strategic fit because it makes Evonik an all-around supplier of particles for Chemical Mechanical Polishing (CMP) applications and furthers Evonik's position in a variety of growth markets such as the semiconductor sector," added Zoller. "The acquisition allows Evonik to develop and perfect innovative ultra-high purity colloidal silica to meet our customers' growing demands."

Evonik Silco Materials' close proximity to major semiconductor manufacturers on the West Coast and complementary product portfolio will enable Evonik to provide customers with enhanced products and technical support.

As an established market participant in silicon chemistry, Evonik produces fumed oxides marketed as AEROSIL® and AEROXIDE®. The acquisition adds another dimension to Evonik's product line within the Inorganic Materials Business Unit, allowing the company to offer colloidal silica and ultra-high purity silica, key components of the CMP process in the semiconductor manufacturing industry.

"This acquisition was the next logical step in Evonik's high-value silica focused strategy and shall further strengthen our position in our target industries," said David Lydzinski, Business Director of North America Inorganic Materials. "It will allow us to expand our silica business to achieve a well-balanced portfolio based upon world leading technology. I am confident that this transaction will create substantial value for our customers."

Evonik Silco Materials is also a main source of standard and custom, high-quality, low metals and ultra pure silica sols. Each sol may be customized for particle size, stabilizing ion, pH, sodium content, particle size distribution and concentration.

Effective January 1, 2012, Evonik Silco Materials will be merged into Evonik Degussa Corporation.

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. In 2010 about 80 percent of the Group's chemicals sales came from activities where it ranks among the market leaders. Evonik benefits specifically from its innovative prowess and integrated technology platforms. Evonik is active in over 100 countries around the world. In fiscal 2010 more than 34,000 employees generated sales of around €13.3 billion and an operating profit (EBITDA) of about €2.4 billion.

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