

Evonik builds new Biolys° facility in Brazil

Evonik has begun work on a facility for the biotech production of Biolys® in the Brazilian town of Castro. The plant will be erected at an industrial complex owned by Cargill, the US-based company with which Evonik is already running a cooperative manufacturing operation for Biolys® (a source of L-lysine) in Blair, Nebraska. The project for the new Biolys® plant was officially launched at a ceremony held in Curitiba, the capital of the state of Paraná, on October 22 and attended by State Governor Beto Richa, other government representatives and Evonik customers, partners and employees. Biolys® is a highly effective source of the amino acid L-lysine and is used as a feed additive in modern animal nutrition.

Patrik Wohlhauser, member of the Evonik Executive Board and in charge of the South America Region, said, "For Evonik, biotechnology that we're using to manufacture Biolys® here in Brazil offers interesting opportunities both for future profitable growth in a wide spectrum of business fields and for a keener focus on sustainable development within the scope of our growth strategy. The Health & Nutrition Business Unit alone is aiming, in the medium term, to generate revenue to the tune of a billion euros on the back of products manufactured using biotechnology." Evonik has earmarked 350 million euros worth of funds for investment into the expansion of business with the fermentatively manufactured feed amino acid Biolys®. Those investments include the construction of this new plant for L–lysine in Brazil as well as one in Russia, creating a total capacity for the manufacture of nearly 200,000 metric tons p.a., and the expansion of production capacities in Blair to 280,000 metric tons p.a., a project Evonik is just completing.

The Castro site was selected because of its excellent access to raw material supplies, outstanding logistical connections, and closeness to local markets. "We've seen rising demand for Biolys® in Latin America, and particularly in Brazil, for a number of years now," said Dr. Reiner Beste, head of Evonik's Health & Nutrition Business Unit, about the project. "By investing locally, we're moving closer to customers, strengthening our position in these important Biolys® markets, and laying the foundation for further growth in the area of feed amino acids."

October 23, 2012

Press contact

Dr. Jürgen Krauter

Communications Health & Nutrition Phone +49 6181 59-6847 Fax +49 6181 59-76847 juergen.krauter@evonik.com

Regina Barbara

Comunicação Corporativa Evonik Degussa Brasil Ltda. Phone +55 11 3146 4170 Fax +55 11 3146-4208 regina.barbara@evonik.com

Evonik Industries AG

Rellinghauser Strasse 1-11 45128 Essen Germany www.evonik.com

Chairman of the Supervisory Board

Wilhelm Bonse-Geuking **Executive Board**

Dr. Klaus Engel, Chairman Dr. Wolfgang Colberg, Dr. Thomas Haeberle, Thomas Wessel, Patrik Wohlhauser, Dr. Dahai Yu

Registered Office: Essen Register Court: Essen Local Court Commercial Registry B 19474 VAT ID no. DE 811160003

Press release



"Our products are not just essential feed additives, they're a nutritional concept that allows for optimal animal feeding with the best possible use of protein plants and grains," notes Beste. "This is our contribution towards sustainably meeting the growing demand for meat, dairy, eggs, and fish. The rising demand for our amino acids shows that we're on the right track."

Evonik is the only company worldwide to produce and market all four essential amino acids for modern animal nutrition, including MetAMINO° (DL-methionine), Biolys° (source of L-lysine), ThreAMINO° (L-threonine), and TrypAMINO° (L-tryptophan). The Group provides innovative services and products in over 100 countries.

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 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.