

# Evonik's new hydrogen peroxide plant officially opened in Jilin (China)

- · Investment in excess of a hundred million euros
- Increases Evonik's global hydrogen peroxide capacity by approx. 30 percent
- Hydrogen peroxide established as eco-friendly oxidant for the chemicals industry

On July 8, Evonik Industries formally commenced operations at a new hydrogen peroxide plant in Jilin (China). The new production plant has an annual capacity of 230,000 metric tons. Evonik has invested over one hundred million euros in the site, thereby raising its current global capacity for hydrogen-peroxide production to more than 900,000 metric tons per annum.

"This investment further consolidates our market leadership for hydrogen peroxide and sees us resolutely pursuing our growth strategy in Asia," said Dr. Klaus Engel, Chairman of the Executive Board of Evonik Industries, at the official opening ceremony in Jilin. The event was also attended by high-ranking representatives from politics and the business community.

Evonik will supply H<sub>2</sub>O<sub>2</sub> from Jilin straight to the neighboring propylene oxide plant run by Jishen Chemical Industry Co., Ltd., which has likewise been newly erected. A long-term supply agreement was signed for this purpose. Jishen will use the hydrogen peroxide to manufacture propylene oxide on the basis of the HPPO process. Propylene oxide is used predominantly to make the polyurethane intermediates that are used in the manufacture of products such as upholstery for car seats and furniture or insulation material for the construction and refrigeration industry.

"We are registering a great deal of demand around the world for our efficient HPPO process," says Gregor Hetzke, Head of the Advanced Intermediates Business Unit at Evonik. "The Jilin plant represents another milestone on the way to establishing hydrogen peroxide as an eco-friendly oxidant for the process of chemical synthesis. The project is also proof of how we use new technologies to systematically drive forward our growth."

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Contact person economic press Alexandra Boy

Corporate Press Office Phone +49 201 177 3167 Fax +49 201 177 3030 alexandra.boy@evonik.com

#### **Evonik Industries AG**

Rellinghauser Straße 1-11 45128 Essen Germany Phone +49 201 177-01 Telefax +49 201 177-3475 www.evonik.de

## **Supervisory Board**

Dr. Werner Müller, Chairman Executive Board
Dr. Klaus Engel, Chairman
Christian Kullmann
Thomas Wessel
Patrik Wohlhauser
Ute Wolf

Registered office Essen Registered court Essen local court Commercial registry B 19474 VAT ID no. DE 811160003



Evonik developed the HPPO process together with ThyssenKrupp Uhde GmbH. The new plant in Jilin is the second of its kind. Evonik, ThyssenKrupp Uhde, and a Korean chemicals company as the licensee were the first companies worldwide to use the HPPO process on an industrial scale back in 2008 in Ulsan (Korea).

To date, hydrogen peroxide has been used mainly as a bleaching agent by the textile and pulp industry. The HPPO process now allows this eco-friendly oxidant to also be employed in the direct chemical synthesis of propylene oxide. The benefits of the new method are that it requires much lower investment costs, has high production efficiency, and has excellent environmental compatibility.

### 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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