

## Groundbreaking ceremony for Evonik's new hydrogen peroxide plant in Jilin (China)

- Investments totaling more than a hundred million-euro sum
- Annual production capacity for hydrogen peroxide to be raised by nearly 40 percent
- Use of hydrogen peroxide as an environmentally friendly oxidant increasingly popular in chemicals industry

An official ceremony was held on April 21, 2012 to mark the groundbreaking for Evonik's new hydrogen peroxide plant in China.

The plant is scheduled to go online, with a planned annual production capacity of 230,000 metric tons, at the end of 2013, thus increasing Evonik's current overall annual capacity for around 600,000 metric tons of H<sub>2</sub>O<sub>2</sub> production by nearly 40 percent. Evonik Industries recently founded Evonik Specialty Chemicals (Jilin) Co., Ltd. (ESCJ) to run the new production facility. Evonik will supply its H<sub>2</sub>O<sub>2</sub> from Jilin directly to the adjacent propylene oxide plant run by Jishen Chemical Industry Co., Ltd. via a pipeline that will link the two facilities. A long-term supply agreement is in place between these companies. Jishen will use the so-called HPPO process to make propylene oxide from the hydrogen peroxide. Propylene oxide is used chiefly in the manufacturing of polyurethane intermediates. The polyurethanes then go into making things like upholstery for car seats or furniture. The HPPO process was developed by Evonik in collaboration with ThyssenKrupp Uhde GmbH.

"Our investment in Jilin," explains Jan Van den Bergh, the head of Evonik's Advanced Intermediates Business Unit, "is an excellent example of our strategy to develop innovative technology to access new sales markets for hydrogen peroxide. This move is also part of

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a growth strategy that sees us making targeted investments in Asia and that will help us to achieve growth in that region.”

The HPPO plant in China that will use the Evonik–Uhde technique will be the second of its kind. The first–ever large–scale HPPO operation anywhere in the world was jointly established by Evonik, ThyssenKrupp Uhde and a Korean chemicals company (the licensee) in Ulsan, Korea, in 2008.

Hydrogen peroxide has previously been used mostly as a bleaching agent in the textile and pulp industry. The new HPPO process now makes it possible for this environmentally friendly oxidant to also be used in the chemical direct synthesis of propylene oxide. The advantages of the HPPO process are that it requires significantly less investment, that it enables a high degree of production efficiency and that it is an extremely eco–friendly process.

#### **About Evonik**

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 (EBITDA) of about €2.8 billion.

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