

Evonik puts new silica plant into operation in Brazil

- Evonik further expands its leading market position as a silica provider
- Tire industry as the most important growth driver is focusing increasingly on silica-silane technology for low rolling resistance tires in Brazil
- Investment volume in mid-double-digit million euro range

Evonik Industries put its precipitated silica production plant in Americana (São Paulo, Brazil) into operation on July 20, 2016. This high-growth silica is used mainly for high-quality low rolling resistance tires. In addition, by building this new silica production plant, Evonik is also catering to the needs of the growing regional business in attractive specialty segments in South America's food, animal feed, and agricultural industries. This is the first plant for easy dispersible silica (HD silica) to come on stream in South America. Evonik's investment for this plant is in the mid-double-digit euro range.

Ralph Sven Kaufmann, Executive Board member and Chief Operating Officer of Evonik Industries: "With this investment in Brazil we are strengthening our position in South America as a global provider of high-quality silica for resource-conserving applications. We are also consolidating our leading global market position in silica."

Dr. Johannes Ohmer, member of the Board of Management of the Resource Efficiency Segment, said: "The new plant in Americana now enables us to offer our products and solutions to our Brazilian and regional customers as well. Thanks to our dependability, outstanding services, and top-quality products, we provide customized solutions."

The tire industry in the region profits from the growth in the automotive industry, which has recorded considerable increases in sales in South America over the past years. The market for low rolling resistance tires and, consequently, for HD silicas, has been growing much stronger than the market for conventional tires in South America. Evonik expects additional demand because of the planned labeling of the energy efficiency of tires in Brazil.

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The use of silica in combination with silanes means that tires can be produced with a much lower rolling resistance, which can reduce fuel consumption by up to eight percent (compared to conventional automobile tires). Consequently, low rolling resistance tires contribute towards climate protection. Johannes Ohmer explained: “We are the only manufacturer that offers both components and are thus an expert partner for high-performance tire compounds for our customers in the tire and rubber industries.”

Evonik is one of the leading producers of silicas. In addition to the precipitated silicas ULTRASIL® and SIPERNAT®, the Group produces the fumed silica AEROSIL® and silica-based matting agents under the ACEMATT® brand. In total, Evonik has a worldwide capacity of about 600,000 metric tons of precipitated and fumed silicas and matting agents per annum.

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 2015 more than 33,500 employees generated sales of around €13.5 billion and an operating profit (adjusted EBITDA) of about €2.47 billion.

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