

## Evonik is stepping up its activities in the future-oriented market for lithium ion batteries – Stanislaw Tillich, Minister President of the Federal State of Saxony, visits high-tech production plant in Kamenz

May 29, 2008

- Dr. Werner Müller, Chairman of Evonik's Executive Board: "Our goal is to be Europe's leading producer of lithium ion battery components."
- Stake in Li-Tec Battery GmbH doubled to 40 percent
- Headcount in Saxony tripled within twelve months
- Second expansion of automated production will come on stream shortly

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Essen/Kamenz. Stanislaw Tillich today visited Evonik's site in Kamenz, shortly after taking office as Minister-President of the Federal State of Saxony, to find out about the rapid progress being made in production of components for lithium ion batteries. Dr. Werner Müller, Chairman of Evonik's Executive Board, showed Tillich around the plant: "Our goal is to be Europe's leading producer of lithium ion battery components because this future market looks set to grow rapidly in the next few years."

With this in mind, Evonik has stepped up its activities in this field. Following start-up of the first production line in April, the next expansion phase is planned for June. At the same time, Evonik has doubled its stake in Li-Tec Battery GmbH & Co. KG to 40 percent. In the past twelve months, the headcount at the Kamenz site has tripled to over 100. If market growth forecasts prove correct, the number of jobs will increase more than tenfold. That would also entail further expansion of the Kamenz site. Forecasts suggest that the market for large-scale lithium ion batteries could top the €10 billion threshold in the next decade, with the market for battery materials exceeding €4 billion.

"Raising our stake in Li-Tec is a key strategic move," according to Müller. "Many European automotive companies and their suppliers are interested

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in our technology,” he says. The goal is serial production for autos starting in 2010/2011.

“Lithium ion battery cells are a genuine high-tech product from Saxony and will play a central role in the future progress of the automotive industry. Thanks to the work being done by Evonik and Li-Tec in Kamenz, Saxony is generating key impetus to make cars less dependent on oil and gas in the long term and helping to open up a future market with enormous potential,” commented Minister President Tillich, who gave the official signal for the start of partially automated battery production at Li-Tec during his visit.

#### **Rapid growth in battery cell production in Kamenz**

Evonik began work on a production plant for electrodes for large-scale lithium ion batteries at Li-Tec's site in Kamenz in January 2006. Annual production capacity is designed to meet demand for around 30,000 batteries. The team from Evonik which developed the revolutionary ceramic separator SEPARION® was nominated for the German Future Award at the end of 2007. Li-Tec uses two battery components from Evonik—SEPARION® and LITARION™—to produce lithium ion cells for batteries which will in future be used in hybrid and electric vehicles.

#### **Alliance between politics and the corporate sector drives innovation**

Work at the Kamenz site is also integrated into the German government's Alliance for Innovation. As part of the “LIB 2015” initiative subsidized by the Federal Ministry for Education and Research (BMBF), Evonik and Li-Tec are working with renowned international partners to develop new materials for a second generation of even more powerful batteries. This three-year initiative, which covers all stages in the production of lithium ion batteries, receives funding of around €60 million from BMBF.

#### **Company information**

Evonik Industries is the creative industrial group from Germany which operates in three business areas: Chemicals, Energy and Real Estate. Evonik is a global leader in specialty chemicals, an expert in power generation from hard coal and renewable energies, and one of the largest private residential real estate companies in Germany. Our strengths are creativity, specialization, continuous self-renewal, and reliability. Evonik is active in over 100 countries around the world. In its fiscal year 2007 about 43,000 employees generated sales of about €14.4 billion and an operating profit (EBIT) of more than €1.3.

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