

Evonik. Power to create.

Company presentation

January 2014



EVONIK
INDUSTRIES

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Evonik.
Power to create.



- Global Specialty Chemicals group with market leading positions
- Focus on megatrends and growth regions
- High barriers to entry across markets and products
- Positioned for strong financial performance

Sales 2013e

~ €13 billion

adj. EBITDA 2013e

~ €2 billion

Sales from leading market positions

> 80%

R&D projects

~ 500

Production sites in

24 countries

Specialty Chemicals segments driven by megatrends in attractive end markets



Consumer, Health & Nutrition



Resource Efficiency



Specialty Materials

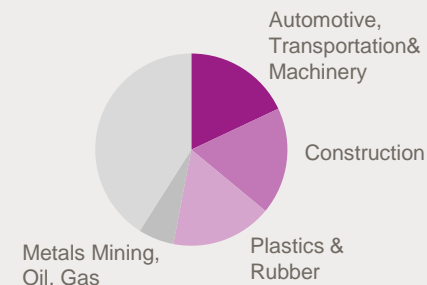
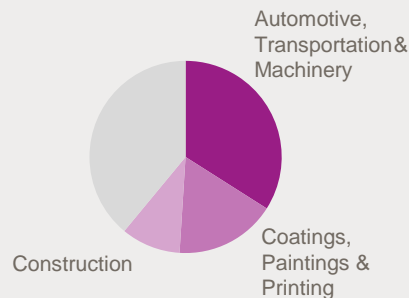
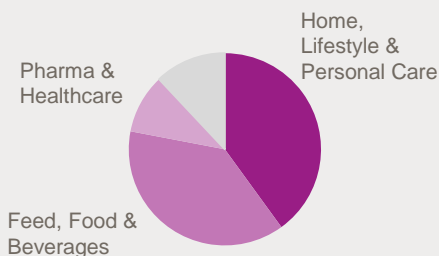
Key megatrends

- Growing emerging market wealth
- Aging population

- Renewable energies
- Environmentally friendly solutions

- Mobility and urbanization
- Substitution of conventional materials

Key markets



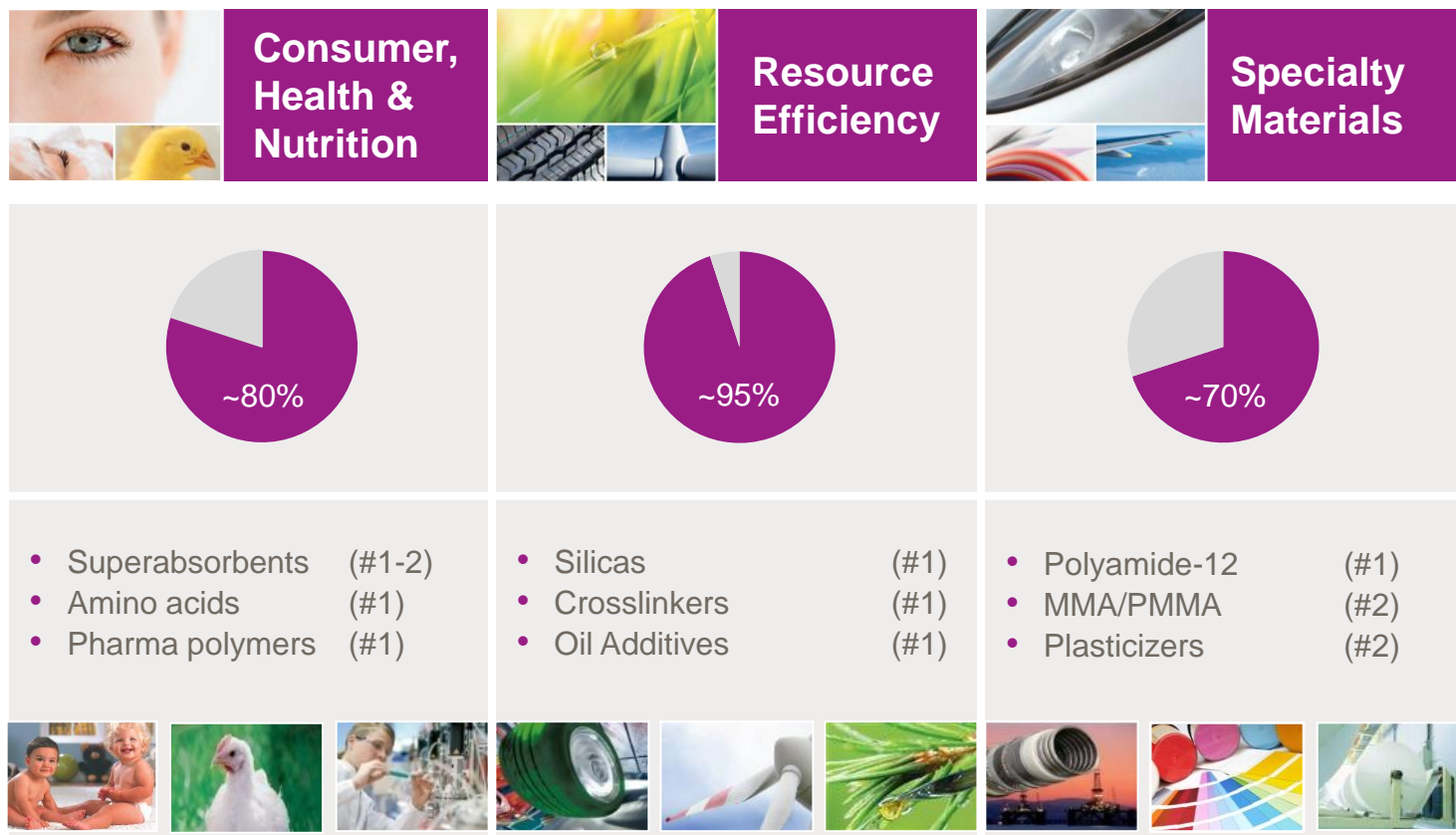
Key products (market growth rates) & sample applications

- Superabsorbents (+6%) for baby care
- Amino acids (+6%) for animal feed
- Pharma polymers (+6%) for health care

- Silica (+5-6%), e.g. for green tires
- Crosslinkers (+5%), e.g. for composites
- Oil Additives (+5%), for oils & hydraulic fluids

- Polyamide-12 (+8%), e.g. for oil & gas industry
- MMA/PMMA (+5%), e.g. for lightweight construction
- C4 derivatives (+6%), e.g. for plasticizers

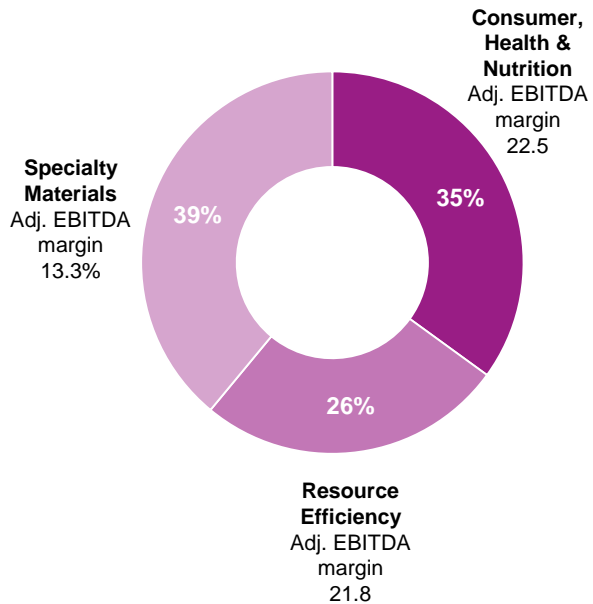
Leading market positions across all businesses



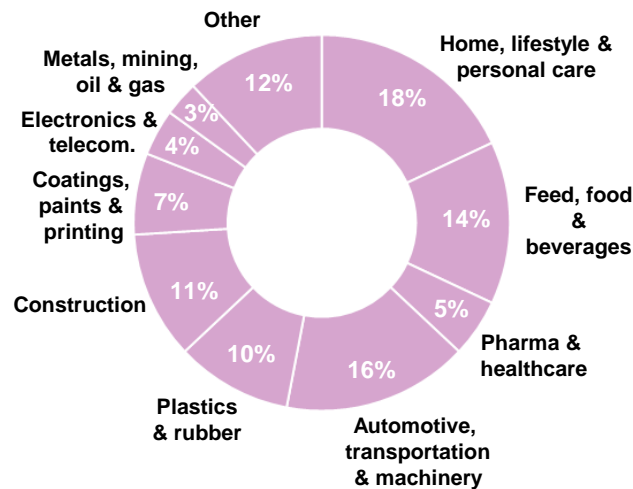
¹ Sales with top 1-3 market position by sales, production volume or capacity (depending on available data)
Source: Company estimate, based on multiple research reports

Balanced and diversified portfolio

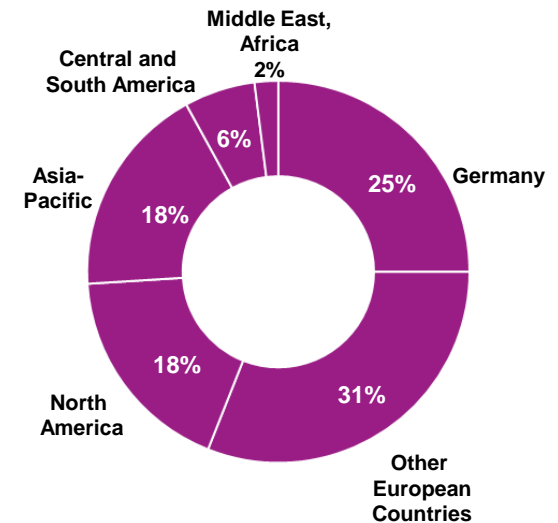
Sales by Segment¹



End market split²



Sales by region³



¹ 2012, not including Services, Real Estate and Corporate/Other; margins: 1-9 2013

² Based on Specialty Chemicals segments' 2012 sales to end markets as per Evonik's internal management system

³ Consolidated Group sales 2012 (incl. Real Estate)

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Group strategy: Profitable growth, efficiency and values

Growth

- Focus on attractive businesses and markets
- Ambitious investment program (€6 bn 2012 – 2016)
- External growth through selective acquisitions
- Innovation initiatives addressing future markets



Efficiency

- Continued shift to high margin applications
- Cost leadership and proprietary production technologies
- Efficiency programs “On Track 2.0” and “Admin Excellence” in execution



Values

- Mindset for growth
- Performance culture and diversity
- Value based management and incentive system



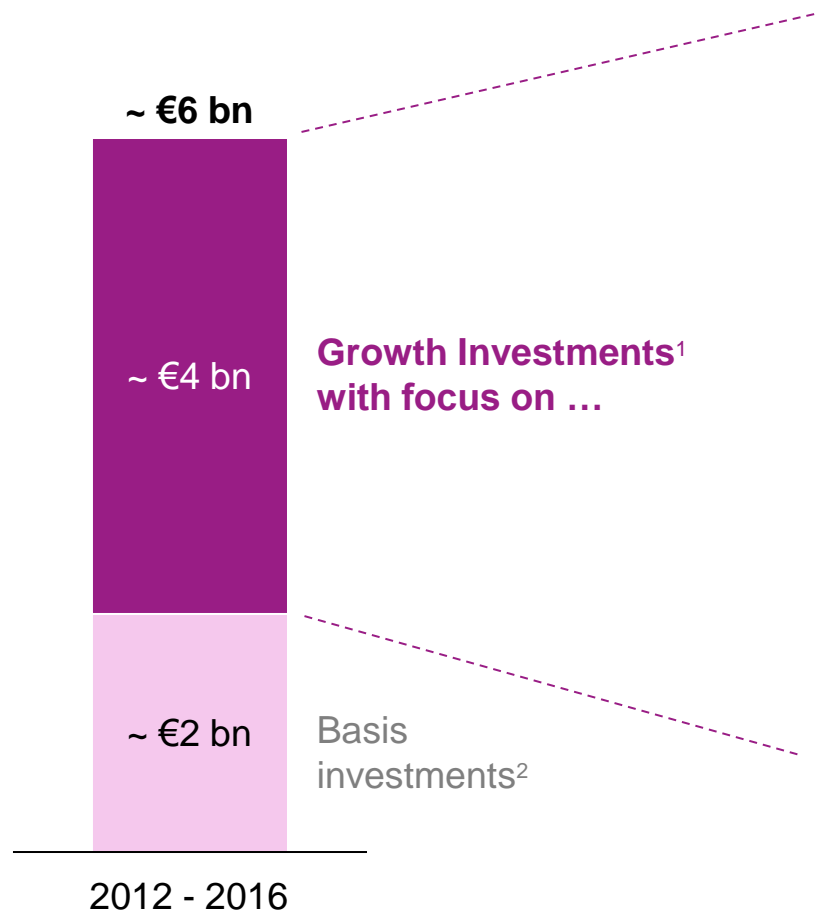
Growth: Ambitious investment program in growth regions and growth businesses



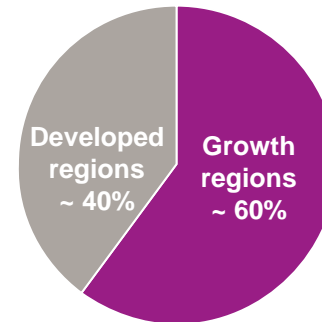
EVONIK
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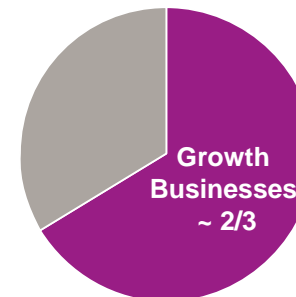
Investment program 2012 – 2016



... Growth Regions³



... Growth Businesses⁴



¹ Growth investments defined as investments above €2.5 m into growth projects.

² Includes investments below €2.5 m and maintenance and regulatory compliance investments

³ Growth regions defined as Asia and rest of the world, developed regions defined as Europe and North America.

⁴ According to Portfolio classification

Growth: Pipeline of attractive growth projects

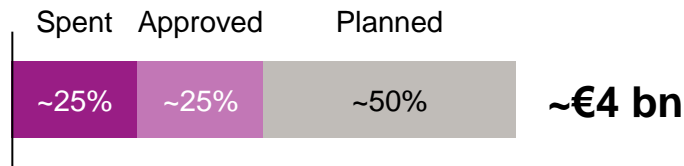
Selected approved projects

Segment	Product area	Location	Capex	Start of construction & exp. start-up			
				2012	2013	2014	2015
CHN	Feed amino acids: DL-methionine	Singapore	>€500 m	 H2 2014			
CHN	Personal & home care ingredients	China & Brazil	>€100 m	 2013  2014			
CHN	Feed amino acids: L-lysine	Brazil & Russia	>€100 m	 2014  2015			
RE	Silica	Globally	~€100 m	 2015			
RE	Isophorone and isophorone diamine	China	>€100 m	 Q1 2014			
SM	C ₄ chain	Germany & Belgium	>€250 m	 2015			
SM	H ₂ O ₂ for HPPO	China	>€130 m	 End 2013 or 2014			

Growth: Disciplined and flexible investment process

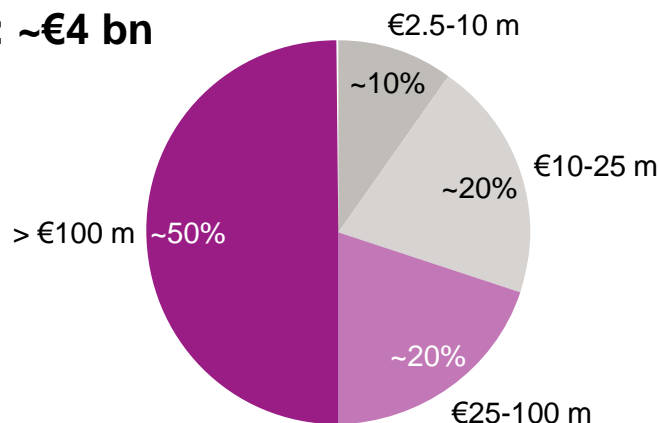
Status of growth investments

(as of June 30th, 2013)



Size of growth investment projects

Σ: ~€4 bn

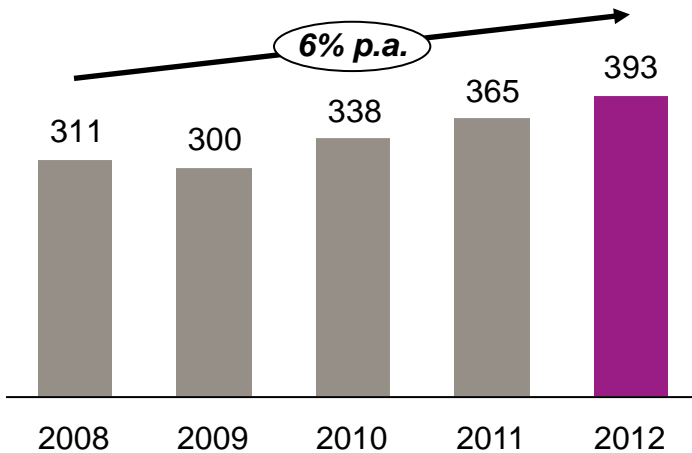


Disciplined and flexible investment process

- Structured planning and approval process:
 - Strategic assessment considering competitive position, market attractiveness, regional focus and risk
 - Economic assessment using DCF-based investment evaluation
 - Strict internal hurdle rates and “competition” for scarce resources
 - Capex allocation based on “strategic roles” of businesses (growth, financing, restructuring)
- Flexibility in execution, adapting to market situation: Review & potential re-scheduling of not yet approved projects with regards to timing of market entry
- Balanced range of project sizes and types (e.g. debottlenecking, expansion, greenfield projects)

Growth: Innovation initiatives addressing future markets

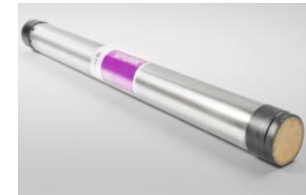
R&D Expenditures (€m)



R&D key figures 2012

- Expenditures of €393 m (+8% vs. PY)
- ~2,500 employees
- >35 sites within our global network
- ~500 R&D projects
- >26,000 patents held and applications filed
- >7,700 registered trademarks

R&D Highlight



- SEPURAN® membranes for purification of Biogas:
 - Environmentally friendly removal of contained CO₂
 - Easier and less energy-intensive than normal cleaning process
- Innovative proprietary Evonik's technology based on existing polyimide know how (BU Performance Polymers)
- Evonik's business potential ~ €100 million
- Significant contribution to making renewable energy competitive

Efficiency: On Track 2.0 and Admin Excellence programs



Focus

Mainly on productivity improvements at our sites and procurement

Administrative functions worldwide

Expected Savings

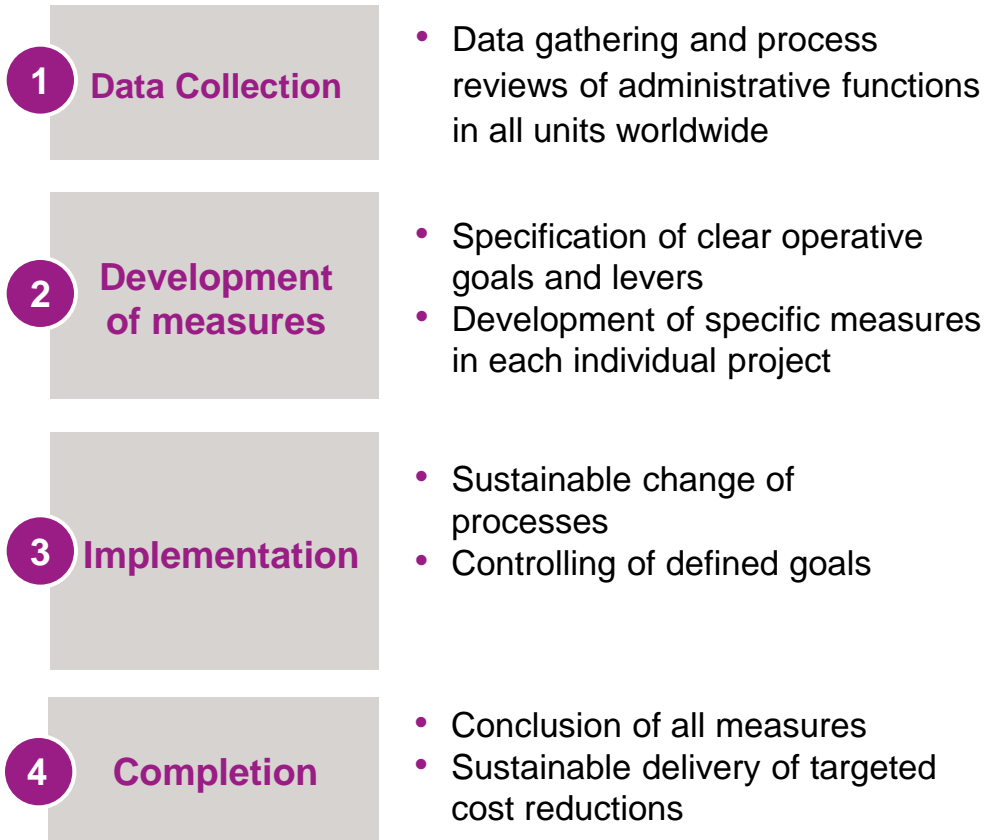
~€500 m p.a.
by 2016
(partly compensated by
increasing factor costs)

up to €250 m p.a.
by the end of 2016
(high retention rate expected)

Efficiency: Admin Excellence

Targeted savings of up to €250 m

Project Phases



Timing and materialization of savings

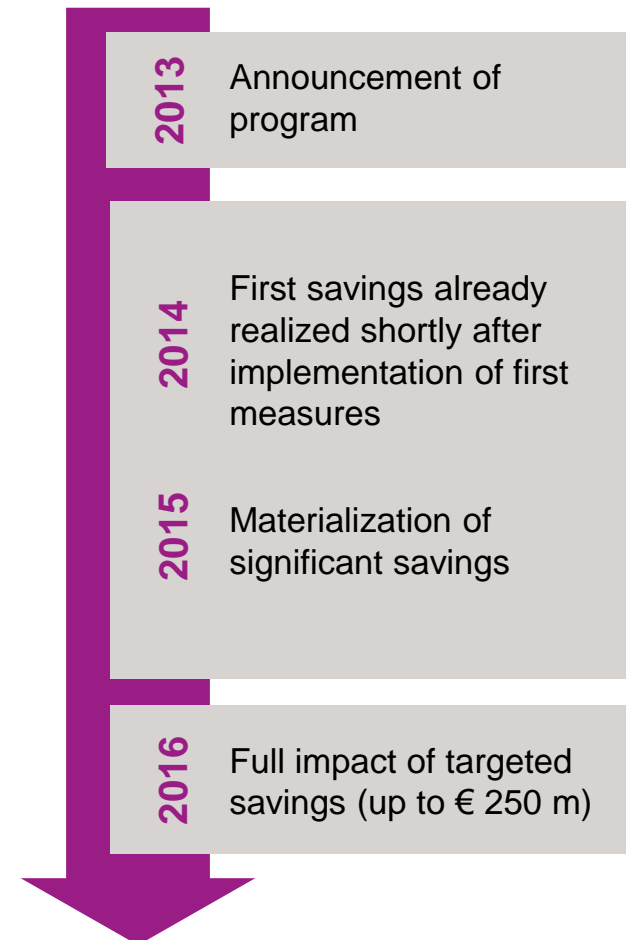


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Financial highlights Q3 2013

Volumes improved strongly; Outlook confirmed



Sales of €3,239 m slightly below prior year (€3,359 m); strong volume development (+5%) across all segments, lower prices (-6%)

Adj. EBITDA of €518 m lower than last year (€701 m) driven by one-time effects in Q3 2012 and weaker pricing; sequential improvement (Q2 2013: €505 m)

Closing of Real Estate divestment resulting in net cash position (€592 m)

Intention to divest lithium-ion business; classified as discontinued operation

Outlook FY 2013 confirmed: Sales of ~€13 bn and adj. EBITDA of ~€2 bn

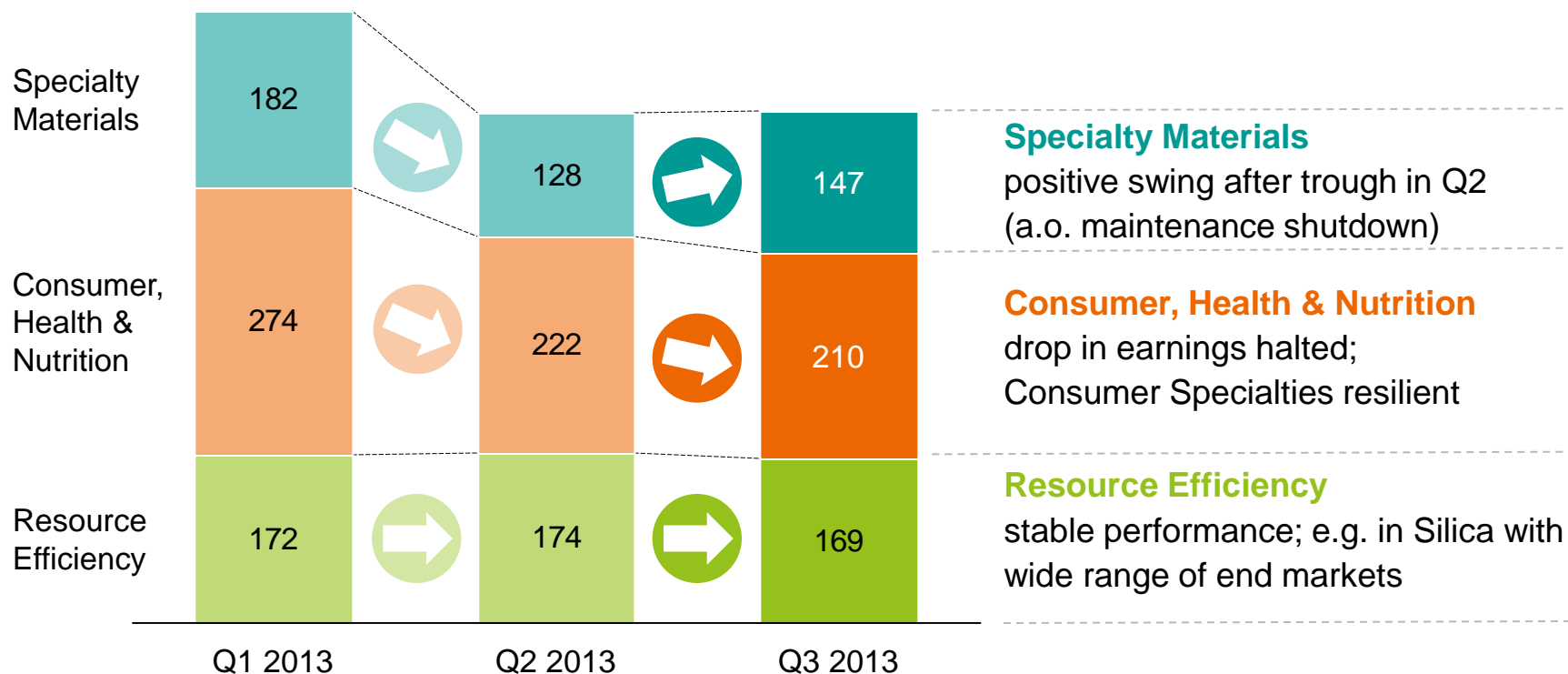
2012 and 2013 figures restated for IAS 19 and discontinued operations (Real Estate and lithium-ion business)

Adj. EBITDA development 2013

Clear stabilization trend in Q3

Adj. EBITDA development Q1-Q3 2013 (in € m) / margin (in %)

Group	599 18.4%		505 15.5%		518 16.0%
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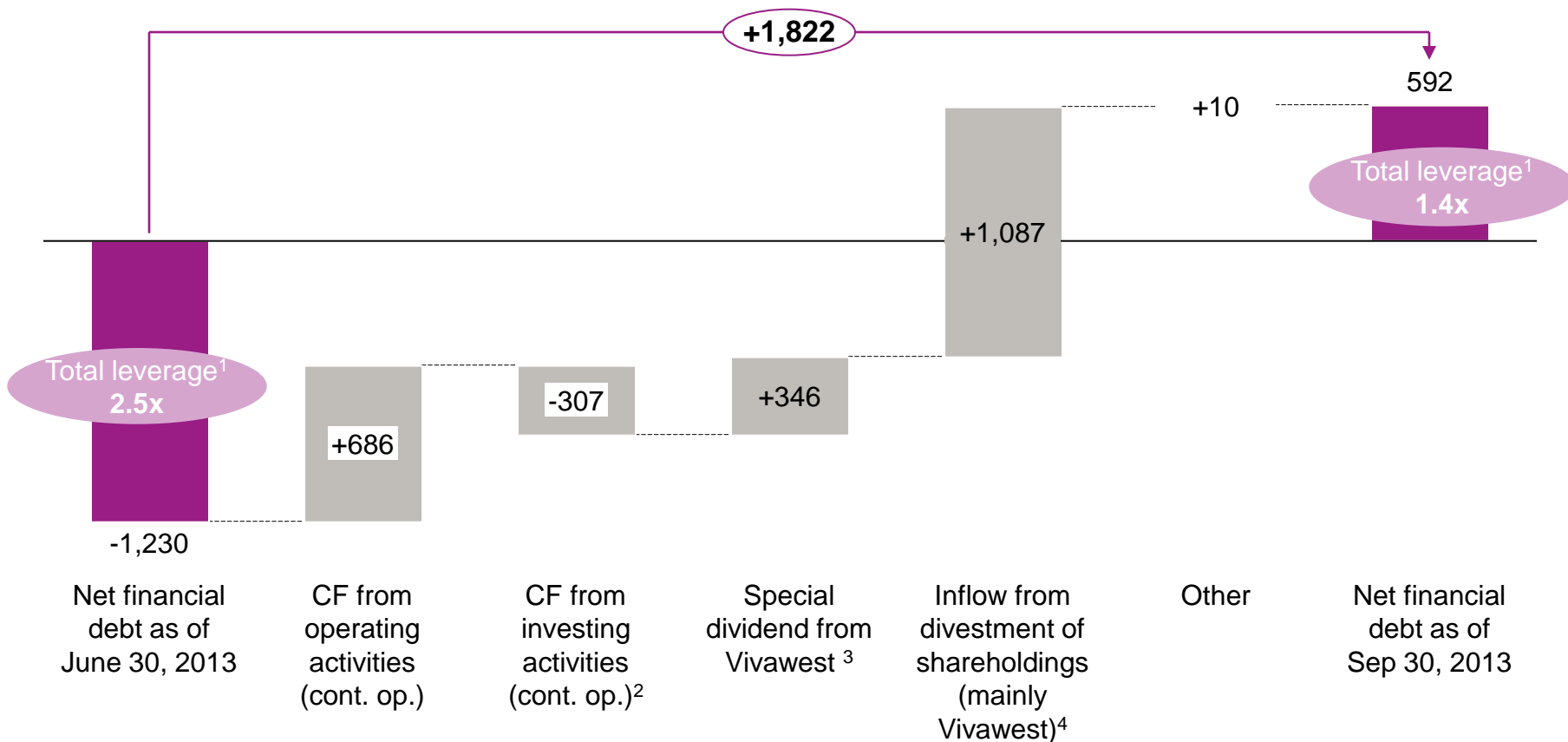
2012 and 2013 figures restated for IAS 19 and discontinued operations (Real Estate and lithium-ion business)

January 2014 | Evonik Roadshow Presentation | Financial highlights Q3 2013

Net financial debt

Net cash position after Real Estate divestment

Development of net financial debt (in € m)



¹ Total leverage defined as (Net Financial Debt + Funded Status) / Adjusted EBITDA LTM

² Cash outflow for investment in intangible assets, property, plant and equipment and shareholdings, not including cash in- and outflows related to securities

³ In CFS included in cash flows from investing and financing activities from discontinued operations

⁴ In CFS included in cash inflows/outflows from divestment of shareholdings

Value-generating use of funds

Internal growth: €6 bn investment program

- Targeting high-growth end markets
- Focus on Growth Regions (~60% of growth capex)
- Disciplined and flexible investment process

External growth: Selective acquisitions

- Strengthening of high-growth platforms and broadening of existing competencies and capabilities
- Key criteria: clear strategic fit and value creation

Sound financial profile

- Further funding of pension obligations
- Refinancing of upcoming maturities at attractive conditions
- Target: solid investment grade rating (total leverage: < 2.5x)¹

Dividend: Attractive shareholder returns

- Dividend target ratio: ~40% of adjusted net income
- Dividend stability (dividend FY 2012: €0.92)

¹ Total leverage defined as (Net Financial Debt + Funded Status of pensions) / Adjusted EBITDA LTM

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Outlook for Evonik in 2013 (continuing operations¹)

Economic environment

- Forecast for global economic conditions given in half-year financial report remains unchanged
- Global economic conditions will remain challenging
- Recovery expected for H2 more subdued than assumed at start of the year, especially in Europe and China
- In Q4, markets of relevance will continue to develop at the same level as in first nine months

Outlook

- Outlook given in half-year financial report is still applicable:
- Sales: around €13 billion
- Adjusted EBITDA: around €2.0 billion

¹ Outlook based on continuing operations (i.e. excluding Real Estate and lithium-ion business)

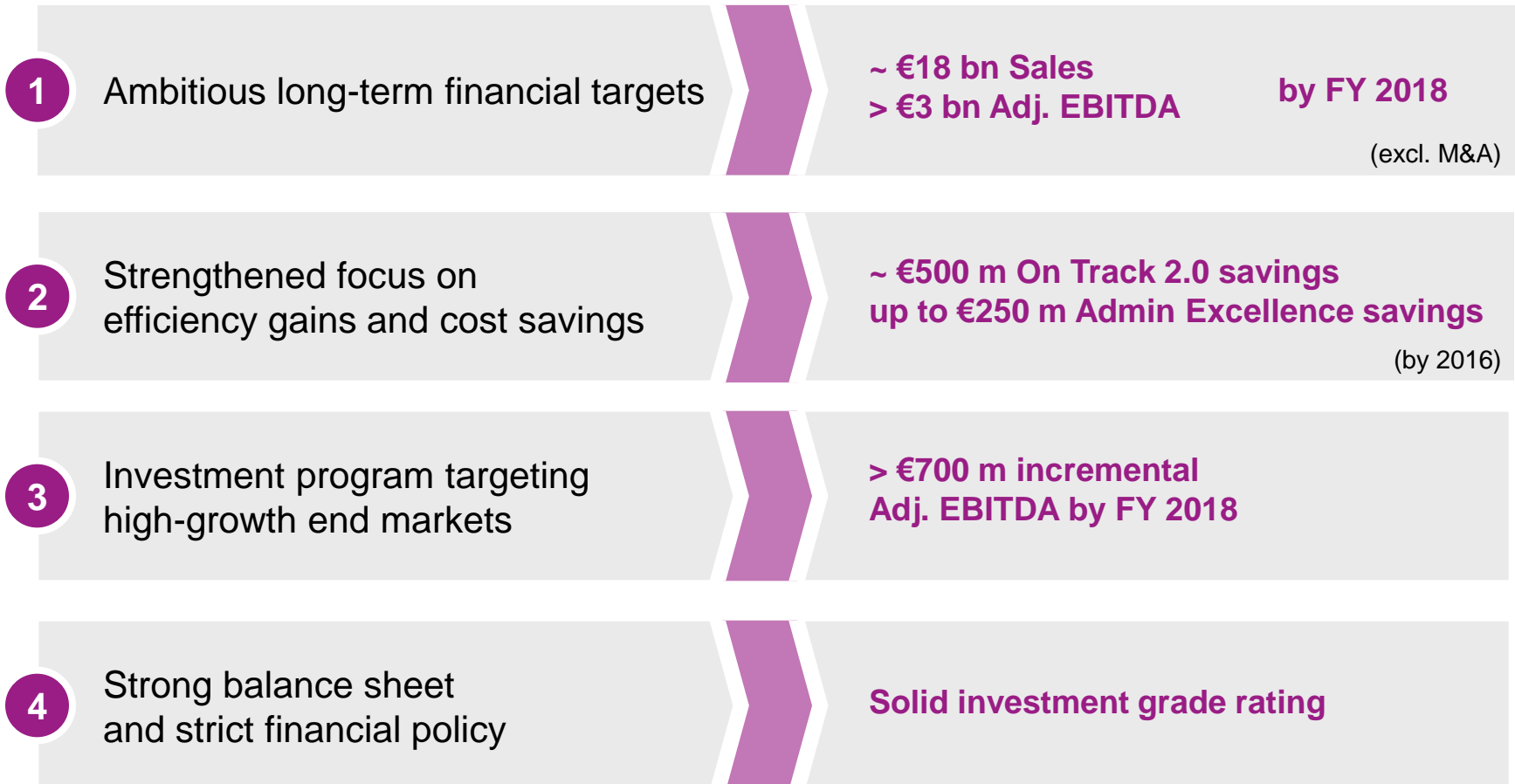
Clear strategic objectives



We will ...

- **expand our leading market positions**
- **focus on our attractive growth businesses and emerging markets**
- **explore new growth areas by innovation and external growth**
- **continuously improve our cost and technology positions**

Positioned for strong financial performance

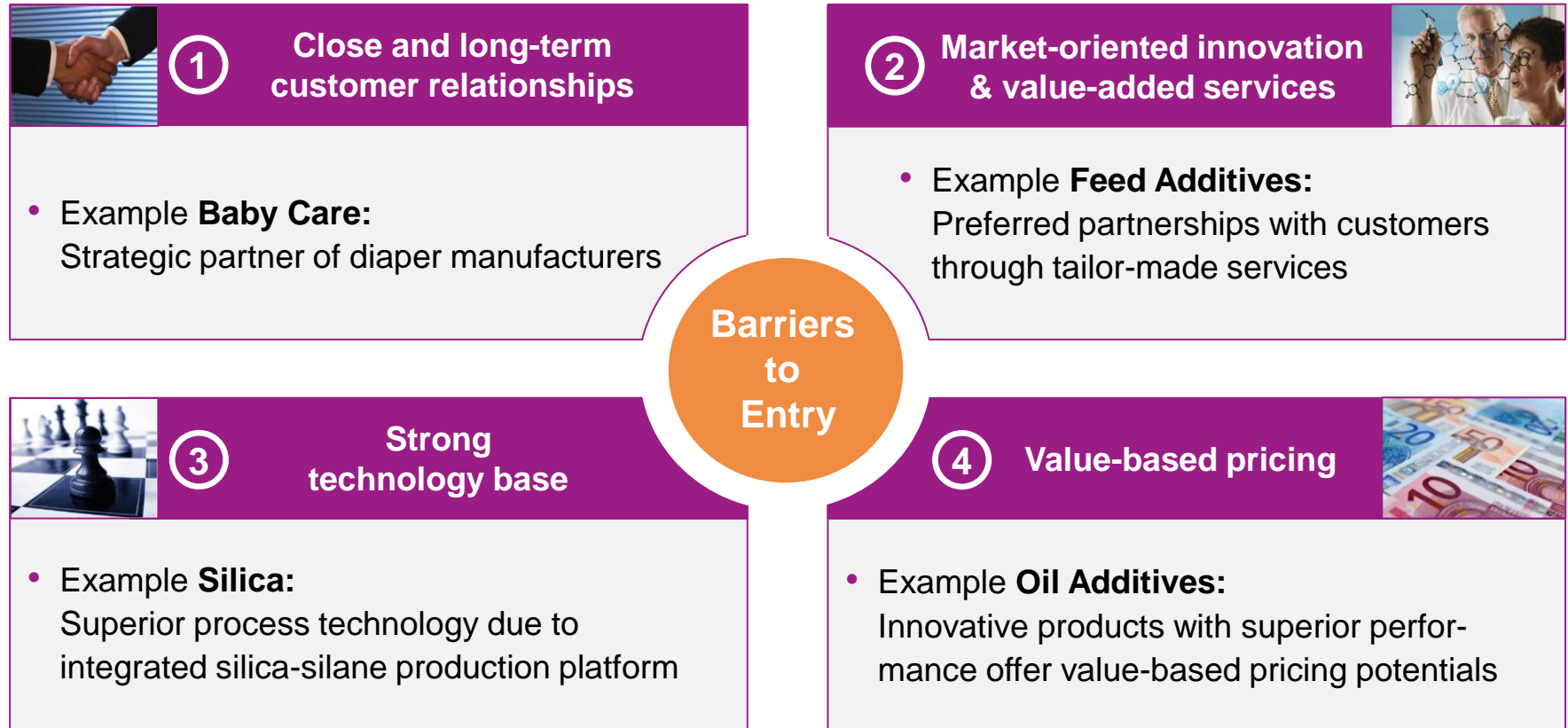




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A	Portfolio highlights: “High barriers to entry”
B	Financials & Financial policy
C	Specialty Chemicals segments
D	Upcoming IR events and contact

High barriers to entry throughout our portfolio



① Business spotlight: Baby Care

Consolidated markets with strong and robust growth

Three major growth applications for Superabsorbents

- Superabsorbents are powder polymers which can absorb up to 500 times its weight in liquid and do not release it even under pressure



**Adult
hygiene**

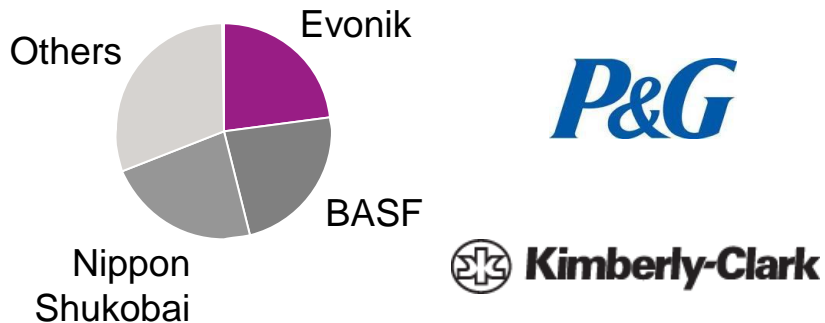


**Female
hygiene**



**Disposable
diapers**

Leading suppliers and customers with high market share¹



Market characteristics

- Solid market growth of 6% p.a.,
 - driven by growing demand for disposable diapers and other hygiene products
 - with focus in emerging regions (growing wealth)
 - with low demand volatility
- Balanced market with utilization rates >90%
- Additional capacities to be absorbed by healthy market growth
- Evonik one of three big superabsorbents producers and strategic partner of big diaper manufacturers

¹ As of 2012

① Business spotlight: Baby Care

Strategic partnership fostering innovation

Close customer relationships...

Innovation power

- Significant R&D commitment
- Competitive advantage in process technology
- Capable of bringing next-generation superabsorbents to the market

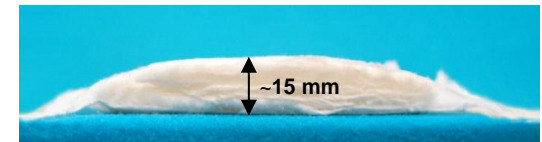
Customer intimacy

- Key supplier and strategic partner of all large global players
- Strong in Europe, NAFTA and Latin America (MENA from 2014 onwards)
- Innovation and production competence highly valued by customers

...enabling innovation and creating value for our customers

1990s

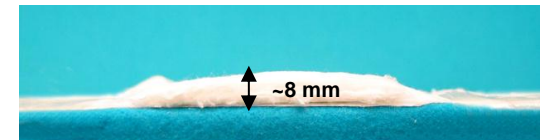
Traditional



~(50)%

2000s

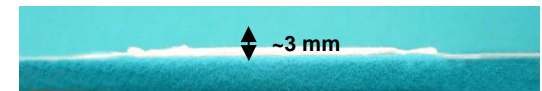
Advanced



~(60)%

Today

Fluffless Underwear-like



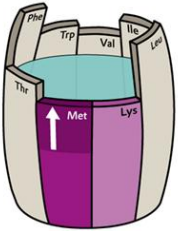
Future

Sustainability & Comfort

- Diapers with improved sustainability (e.g. bio acrylic acid)
- Additional features (e.g. odour control, colour stability)

② Business spotlight: Feed Additives

Evonik offers first four limiting essential amino acids



Solution provider:

Only producer of first four limiting essential amino acids in animal nutrition: methionine, lysine, threonine and tryptophan



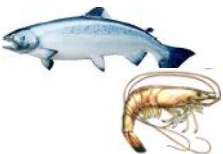
Strong partnerships:

Preferred partnerships with customers through tailor-made services



Direct access to customers:

>90% of sales directly to customers via global sales and service network of Evonik; customers range from pre-mixers and feed producers to fully integrated meat and food producers



New applications:

Continuous broadening of product base by new applications, e.g. in aquaculture



② Business spotlight: Feed Additives

Value-added services as differentiating factor

Customer's needs



High product quality depends on getting the selection and processing of raw materials just right.



Amino acids impact feed quality – as does the supplier's experience, reliability and capacity for innovation.



Consulting expertise and industry know-how are key for successful partnerships with suppliers.

A reliable partner: Evonik

AMINO Services

AMINO Products

Experts

③ Business spotlight: Silica

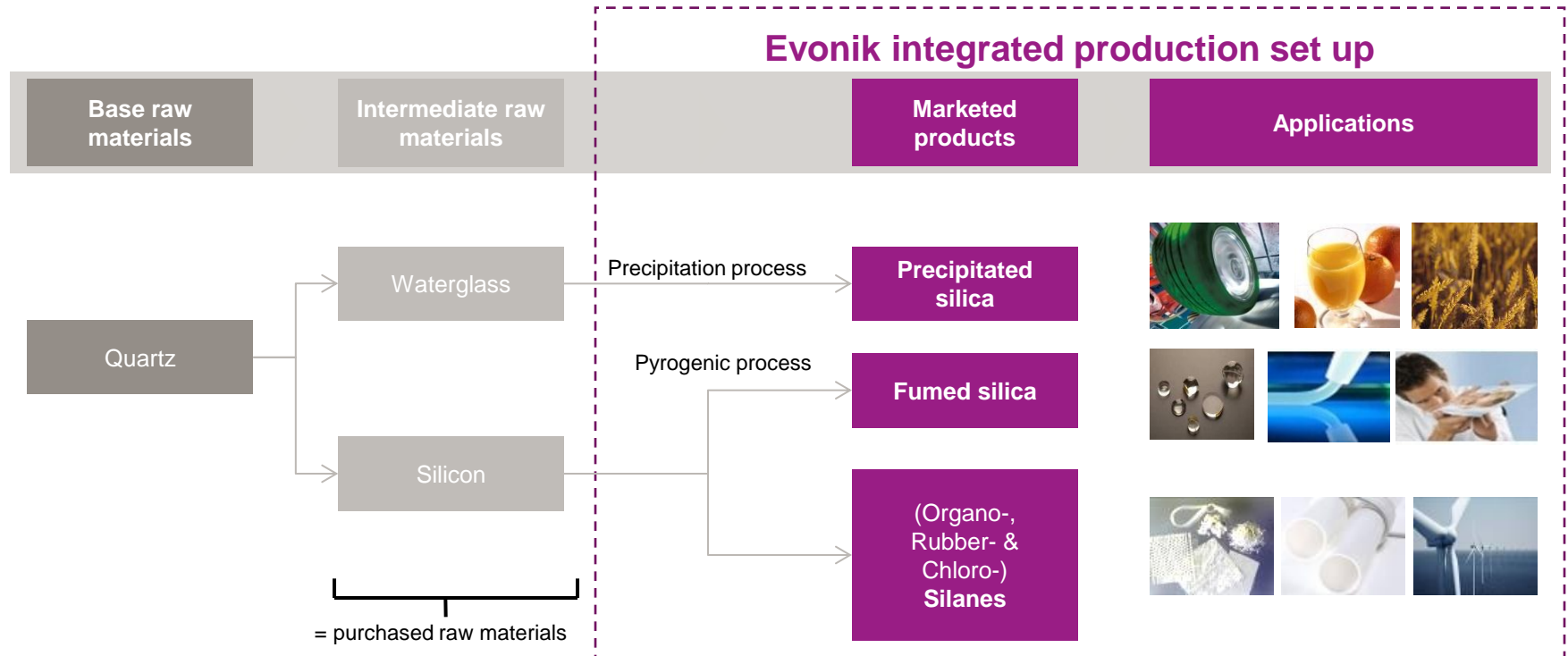
Efficient integrated production platform for silica and silanes



Key advantages

- Superior process technology due to integrated silica-silane production platform
- Global footprint close to key customers
- Strong R&D and application technology driving innovation

Evonik integrated production set up



④ Business spotlight: Oil Additives

First choice technology for efficiency improvement in lubricants, fuel & petro industries



Application examples for Oil Additives

Oil Additives improve efficiency, performance and service life of engines and hydraulic systems

Automotive



Gear and transmission oil
Engine oil
Biodiesel

Construction



Hydraulic fluids

Industry & refining



Industrial gear oils
Dewaxing aids
Crude oil flow improver

Customer benefits

High-performance components in lubricants



VISCOPLEX

Flowing over a wide temperature range
without solidifying

- Fuel saving and efficiency
- Productivity and power
- Component durability
- Reduction of CO2 Emissions

④ Business spotlight: Oil Additives

Innovative products offer value-based pricing potentials

Benefits of DYNAVIS viscosity improvement technology

- Up to 30% more hydraulic power under full-load conditions
- Up to 30% less fuel consumption for same amount of work
- Higher flow rate at peak operating temperature
- Faster response to operational control



Customer collaboration for innovative products

- Long-standing relationships and active co-operations in many projects with globally operating lubricant blenders, e.g.:
- Dual-branding concept with Total oil group: DYNAVIS® logo will appear on the label of Total Lubrifiants' Equivis FE high-performance hydraulic
- OEM's like the Chinese construction equipment manufacturer SANY

A	Portfolio highlights: “High barriers to entry”
B	Financials & financial policy
C	Specialty Chemicals segments
D	Upcoming IR events and contact

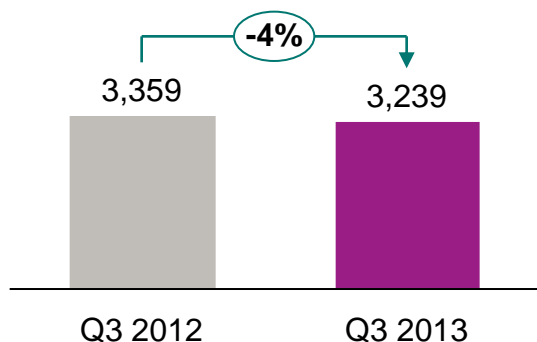
Financials highlights Q3 2013

Sales organically almost stable;

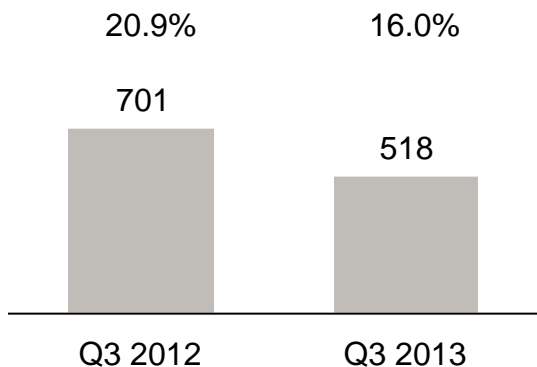
Net cash position established after Real Estate sale



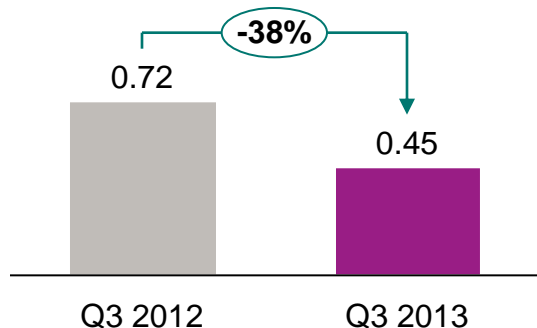
Sales (in € m)



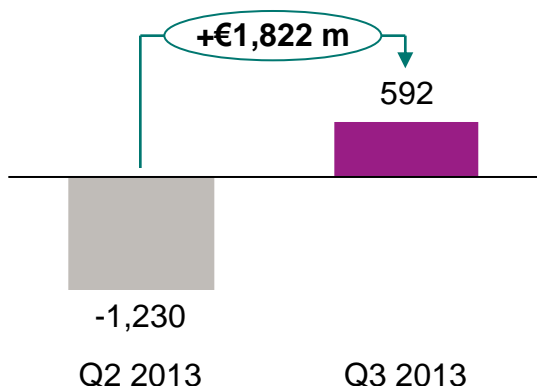
Adj. EBITDA (in € m) / margin



Adj. EPS (in €)



Net financial debt (in € m)

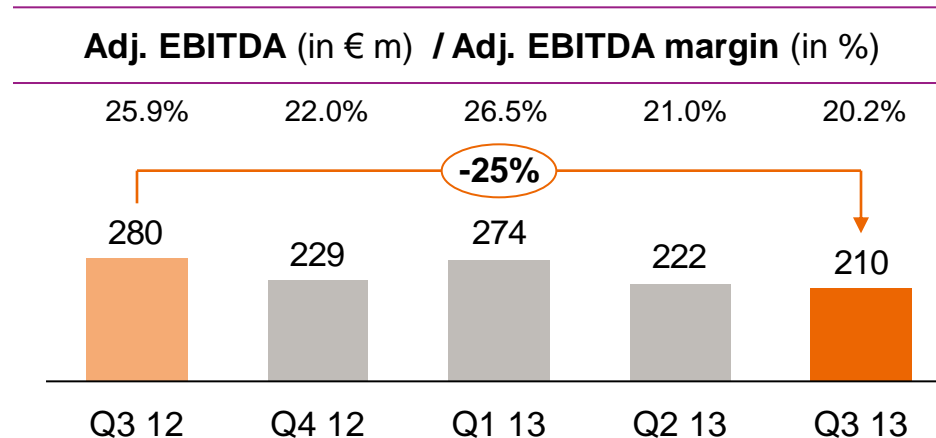
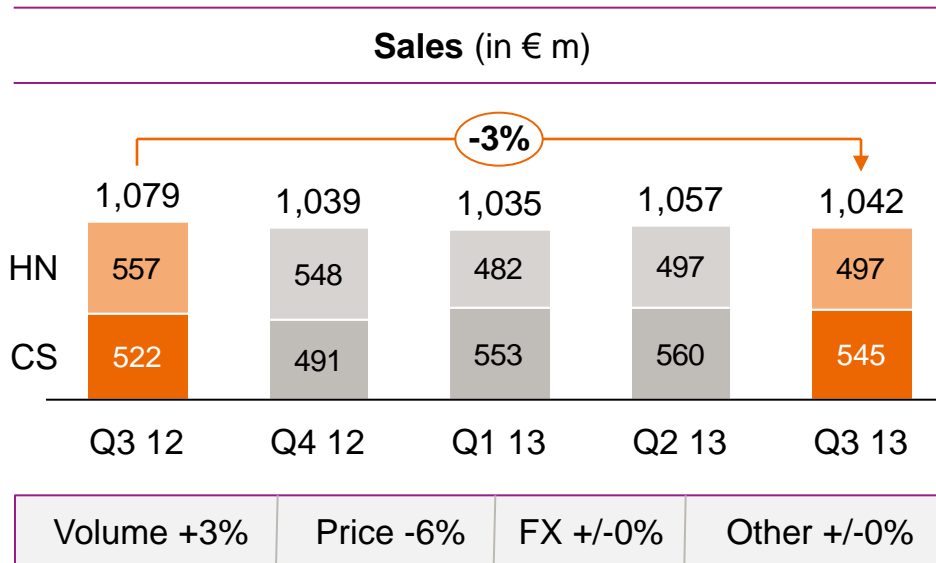


- Sales of €3,239 m organically almost stable (-1%); strong volume development (+5%) offset by weaker pricing (-6%)
- Adj. EBITDA below prior year at €518 m (Q3 2012 impacted by one-time effects)
- Higher earnings in Resource Efficiency (excl. 2012 one-off effects); Consumer, Health & Nutrition and Specialty Materials weaker due to lower prices
- Net cash position after closing of Real Estate divestment in Q3
- Lithium-ion business classified as discontinued operation (prior year and prior quarters restated)

2012 and 2013 figures restated for IAS 19 and discontinued operations (Real Estate and lithium-ion business)

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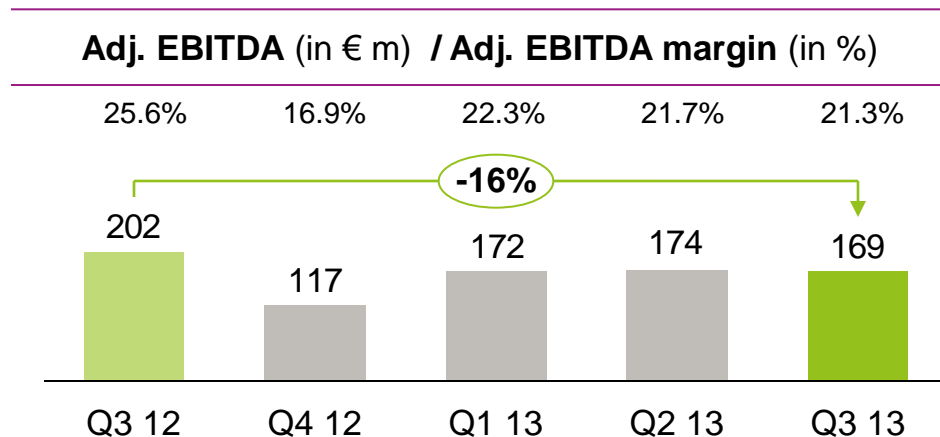
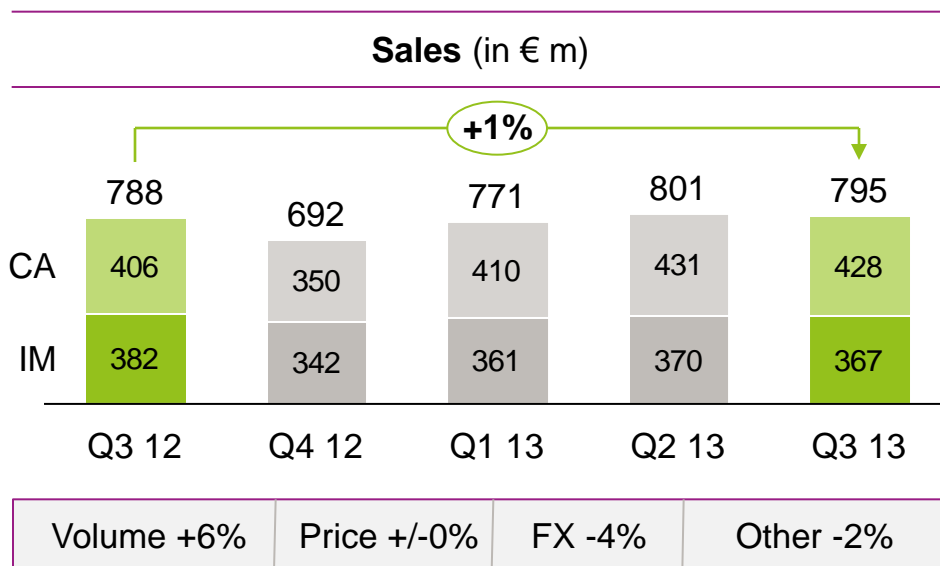
Consumer, Health & Nutrition Q3 2013: Positive volume trend continued



- Positive volume development across the segment, prices lower than prior year esp. for feed amino acids (against tough comparables)
- Consumer Specialties continues positive trend with higher yoy sales
- Baby Care with yet another strong quarter, good demand only partly offset by higher raw material prices (pass-on with time lag)
- Higher fixed costs during ramp-up of new production plants
- Sequential stabilization in Health & Nutrition both in sales and earnings
- Earnings yoy still impacted by lower prices for amino acids and temporarily high raw material prices for Lysine

Resource Efficiency Q3 2013:

Good construction and coatings demand drive earnings;
prior year affected by one-offs

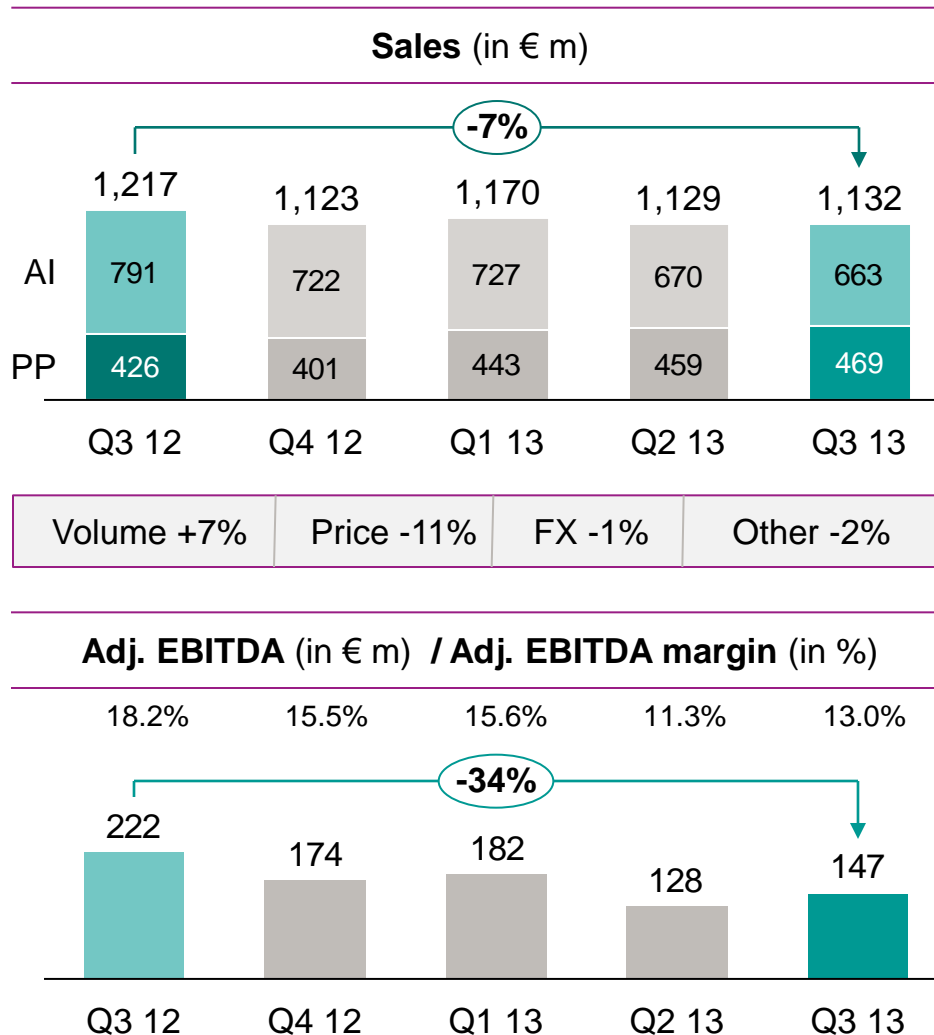


- Sales stable with slight decrease in Inorganic Materials offset by strong quarter in Coatings & Additives
- Strong volume growth and stable prices in both BUs, negative FX effects esp. in Inorganic Materials (JPY)
- Prior-year earnings positively impacted by one-time effects (provision releases and receipts from take-or-pay-contracts from photovoltaic industry); earnings operationally improved
- Positive signals from tire industry support stable development of Silica business; headwinds from FX (JPY)
- Coatings & Additives benefitting from improved demand in construction and coatings industry given good weather conditions (after slow start into the year)

Prior year figures restated for IAS 19

Specialty Materials Q3 2013:

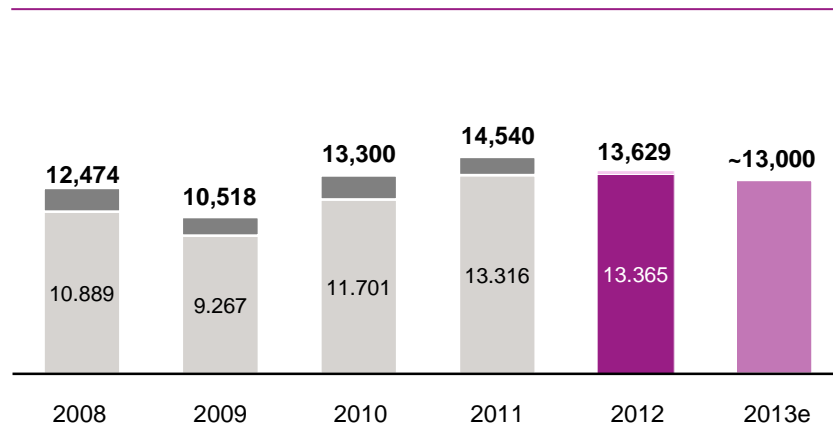
Sequential improvement after full re-start of C4 chain



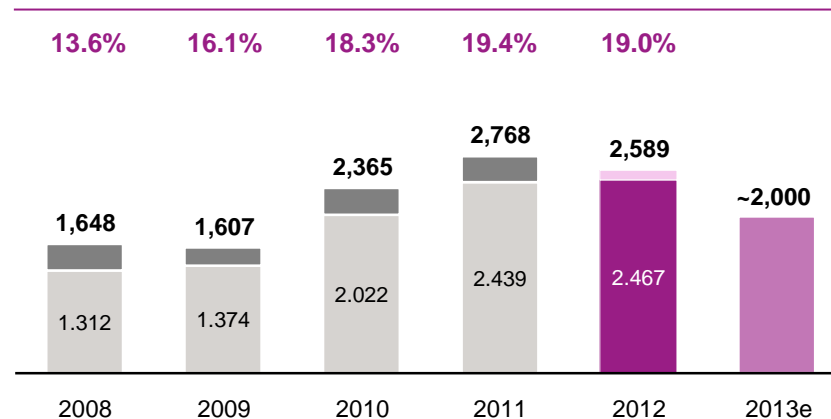
- Advanced Intermediates' sales lower due to weaker (average) Butadiene prices and partly due to remainder of scheduled maintenance shutdown in C4 chain
- Sales in Performance Polymers further increasing (CDT / PA12 ramp-up)
- Maintenance shutdown only with marginal impact on earnings in Q3, significantly smaller extent than in Q2
- Prices across C4 chain lower both compared to prior year and prior quarter
- Market environment for MMA and PMMA remaining challenging

Strong financial track record

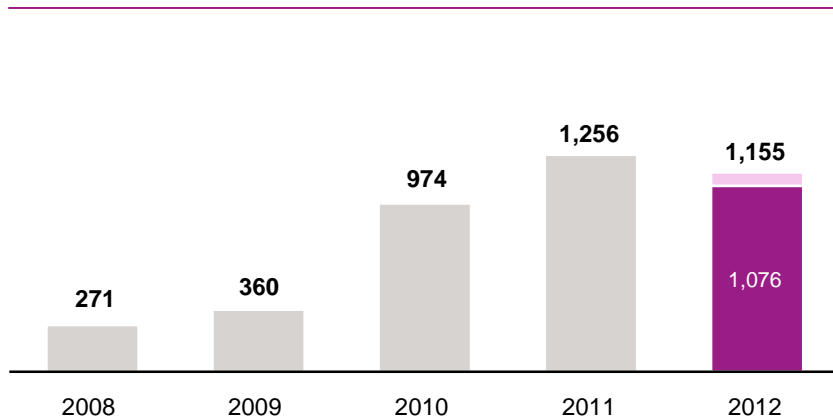
Sales (€bn)



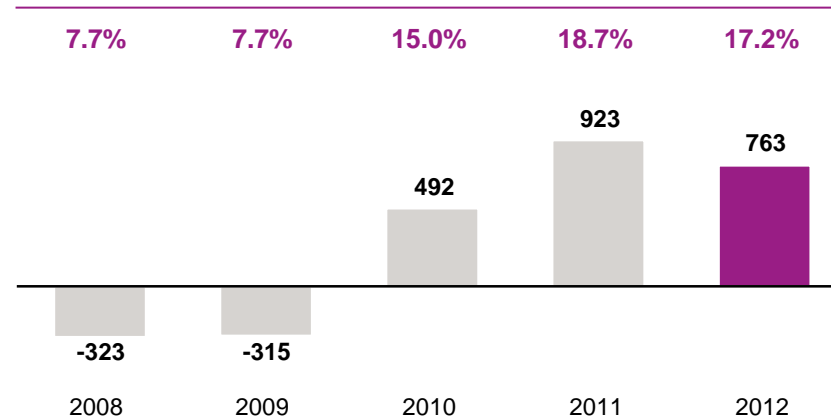
Adj. EBITDA (€m) and margin¹ (%)



Adj. net income (€m)



EVA² (€m) and ROCE (%)

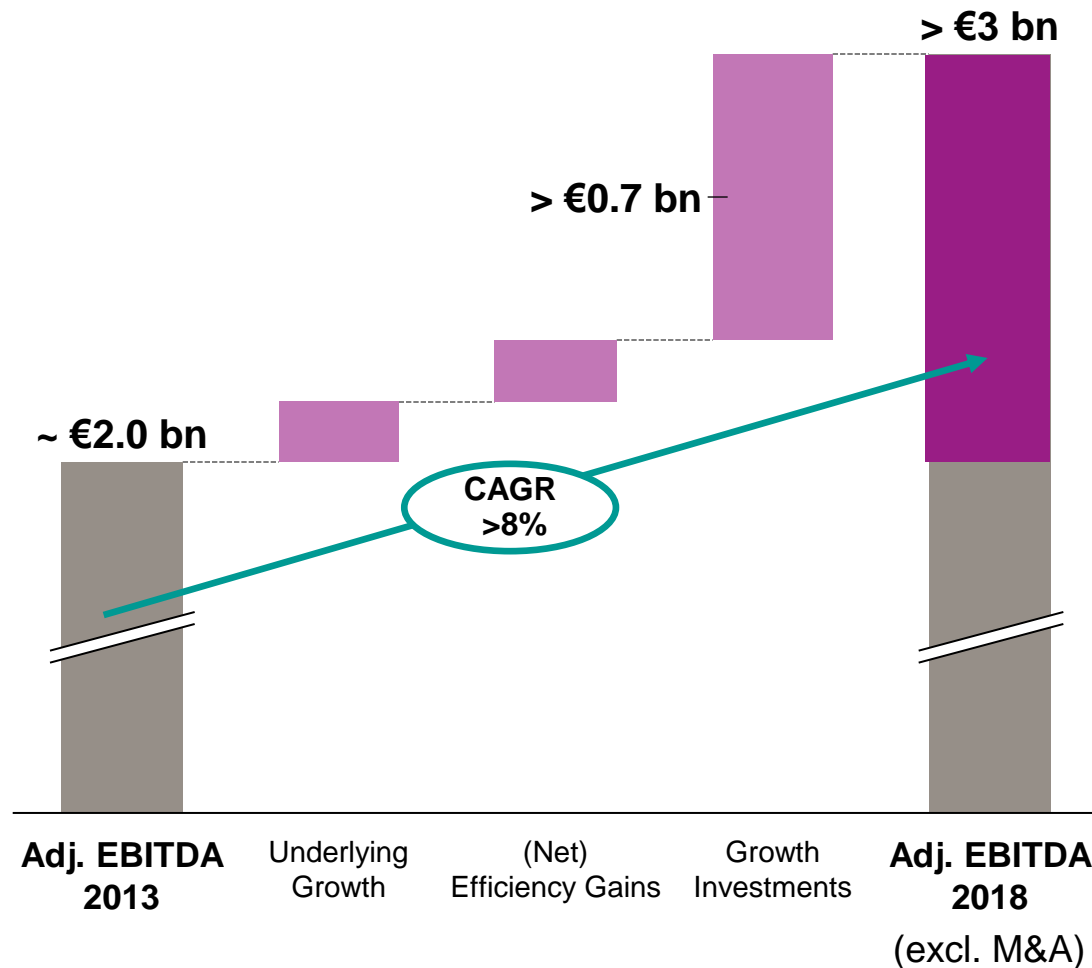


Note: All figures without Steag (excluded from 2008A figures; not included in restated 2009A and 2010A). Steag result included at equity from March 2011 onwards.

¹ Excluding Carbon Black

² EVA= adj. EBIT- (average capital employed * WACC); WACC 10.5%

Growth investments and efficiency gains drive adj. EBITDA to > €3 bn by 2018



Underlying Growth

- Focus on pricing power (value-based pricing, differentiation etc.)
- Product innovation driven by close customer relationships
- Improved product and customer mix
- Operating leverage (increased capacity utilization)

(Net) Efficiency Gains

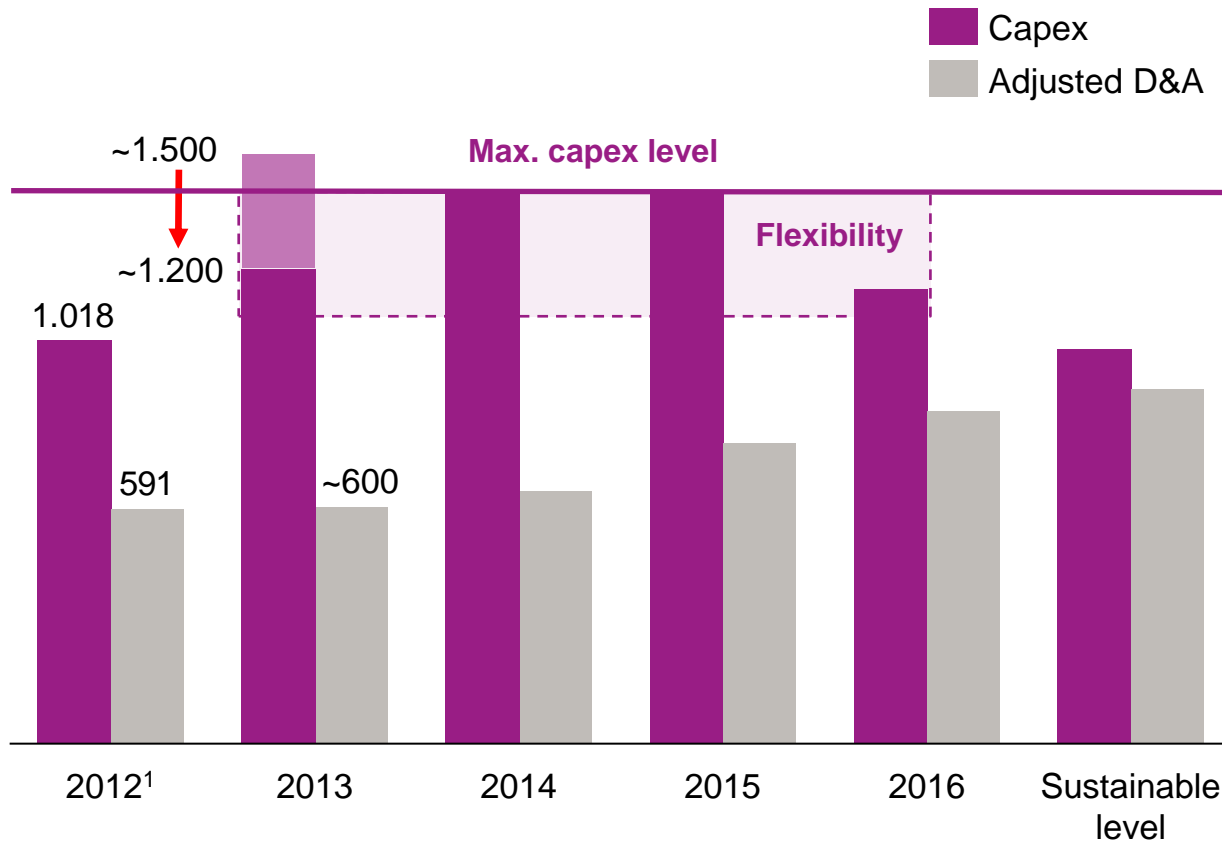
- Execution of On Track 2.0 and realization of additional cost savings

Partly compensated by:

- Factor cost increases (energy, salaries, regulation etc.)
- Investments into growth markets as basis for future growth

Capex peak in 2014/15; return to sustainable level thereafter

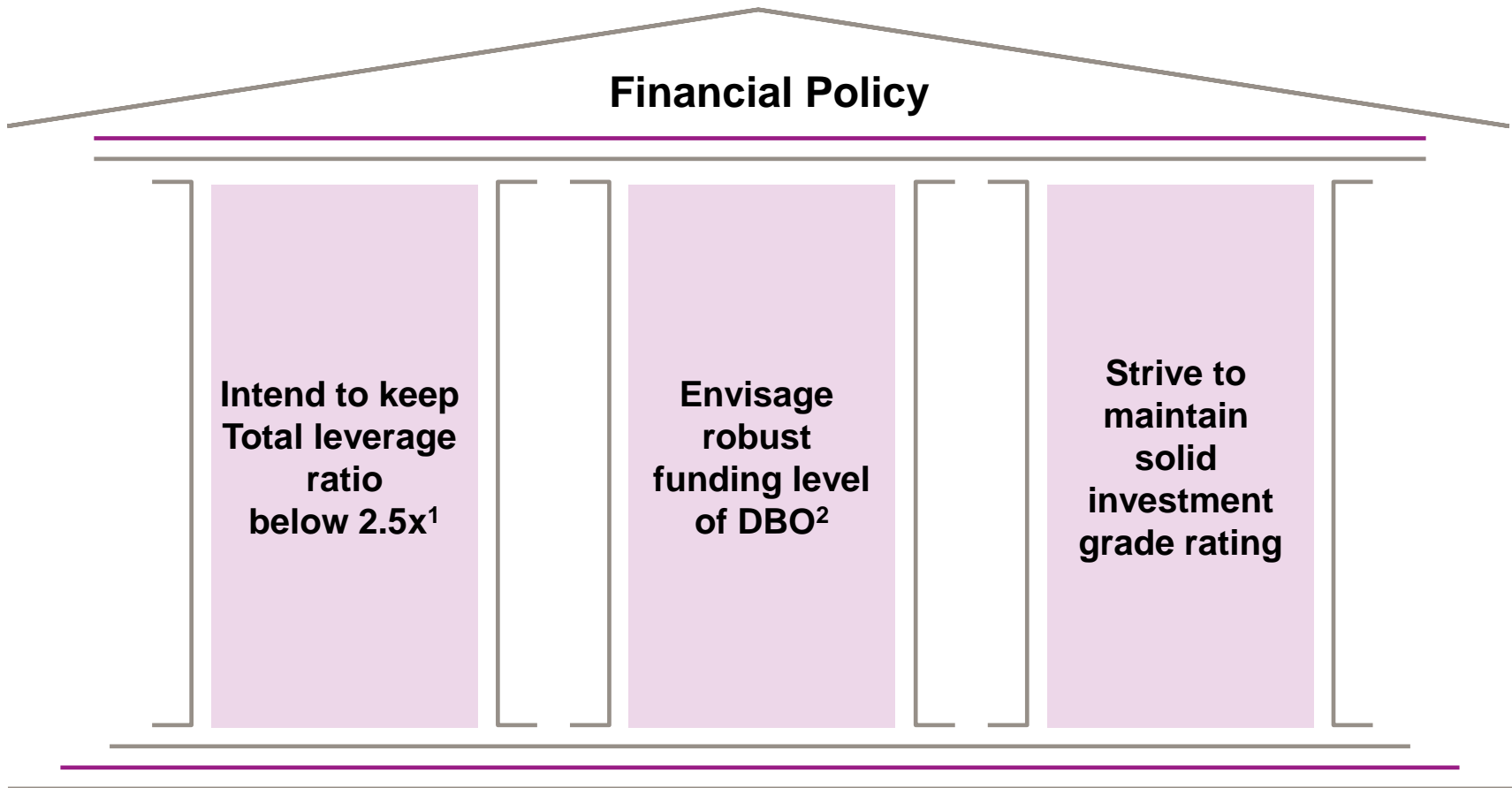
Capex Planning and Adjusted D&A (in € m)¹



- Investment program resulting in capex peak in 2014/15, leveling off thereafter
- Flexibility in timing and execution, e.g.: Capex 2013 reduced to €1.2 bn (from €1.5 bn)
- From 2017: Return to sustainable capex level, thereof ~ €450 m basis investments²

¹ excl. Real Estate

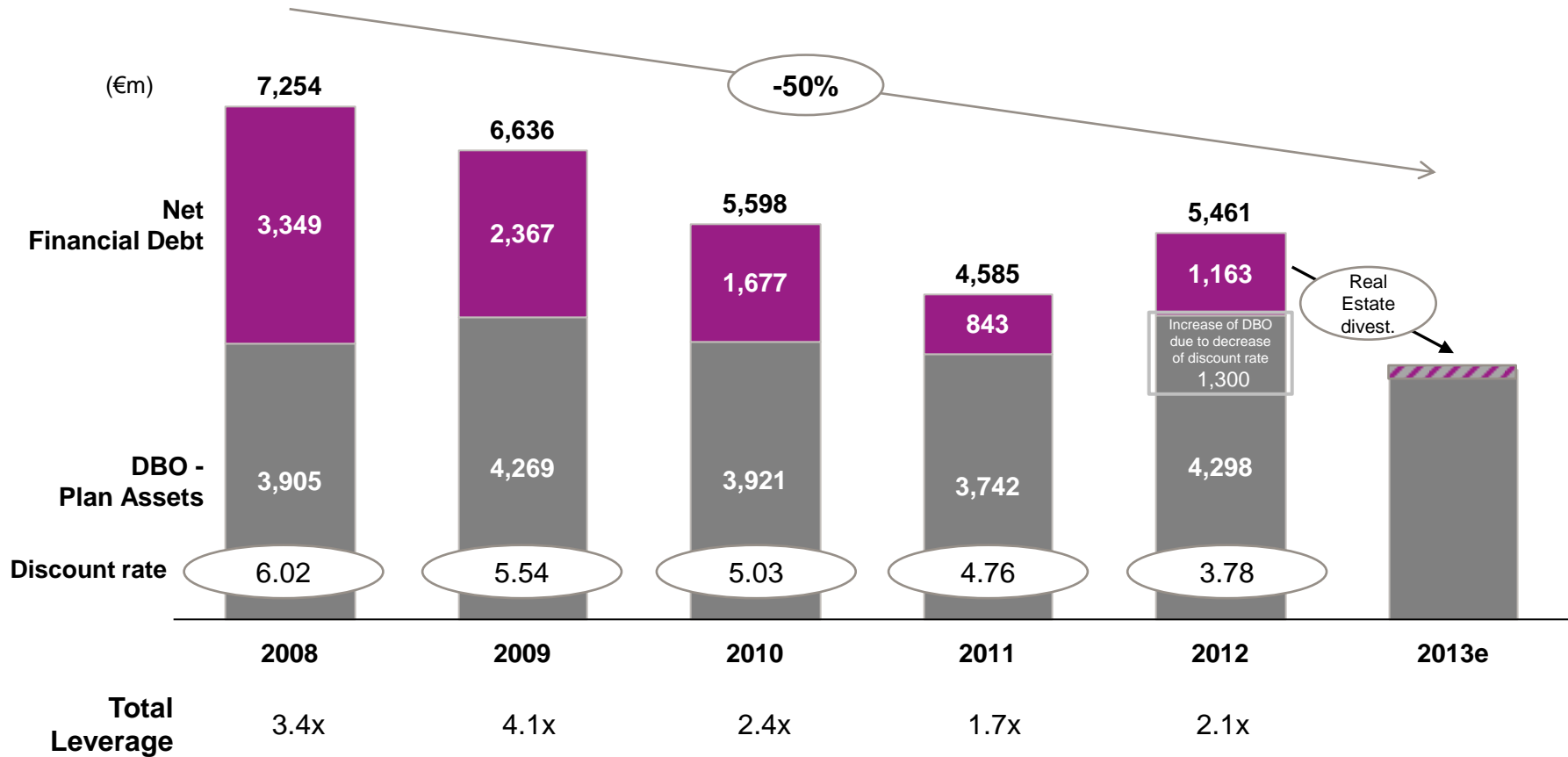
² Basis investments defined as small investments (below €2.5 m focused on growth or efficiency improvements) and maintenance capex (maintenance and regulatory compliance investments)



¹ Total leverage defined as (Net Financial Debt + Funded Status) / Adjusted EBITDA

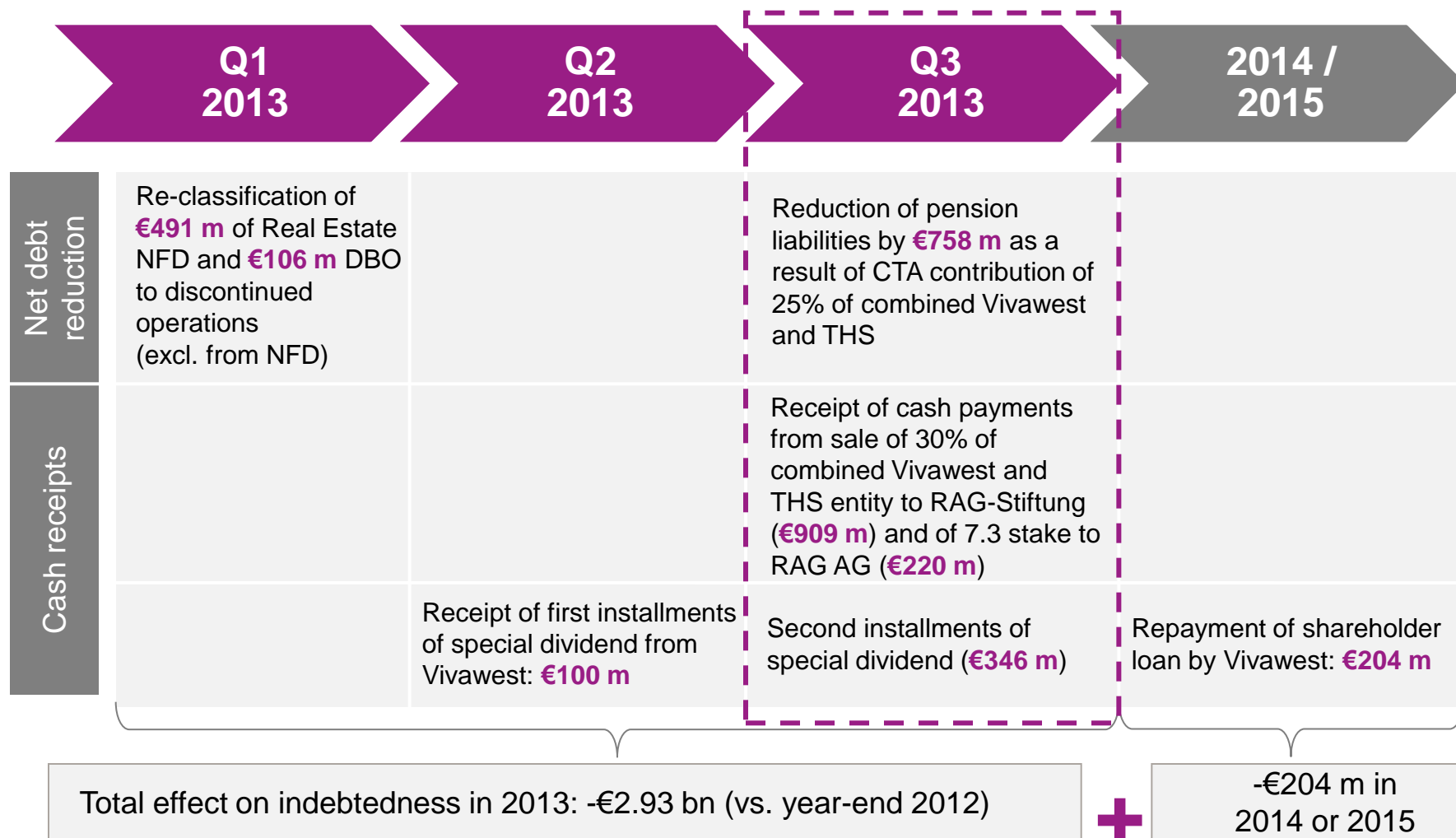
² Defined benefit obligations

Further significant deleveraging through Real Estate divestment



Real Estate divestment

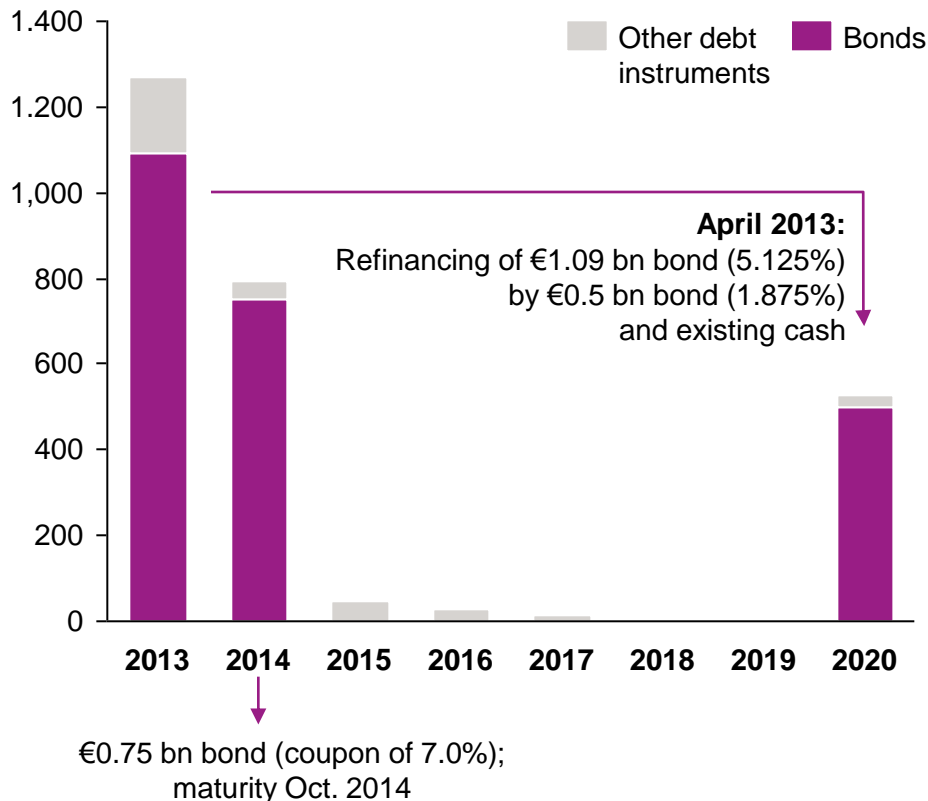
Reduction of indebtedness by ~€3.1 bn



Special dividend of €650 m received already in Q2 in full as internal cash pool transfer; Evonik then granted a loan of €567 m to Vivawest of which parts (€363 m) have been sold to investors; the loan receivables are coming in two installments in Q2 (€100 m) and in Q3 (€263 m plus €83 m from Vivawest directly, not part of the loan)

Refinancing of upcoming maturities at attractive conditions

Debt maturity profile as of September 30, 2013 (in €m) (continued operations)



Financing Strategy

- Centralized financing concept with intragroup Cash Pool
- Long-term funding through Capital Markets; €3 bn Debt Issuance Program in place
- €1.75 bn Syndicated RCF as Liquidity Reserve; successfully refinanced in Q3 and currently completely undrawn

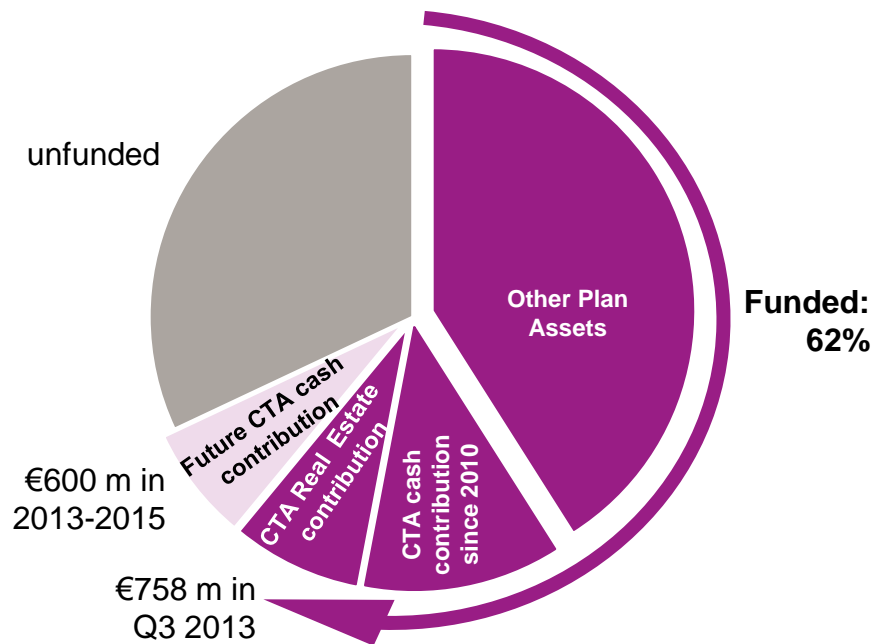
Well prepared for upcoming maturities:

- Refinancing of 2013 and 2014 bonds with new issues (at lower coupons) and partly with existing cash

Pension obligations well financed

Pension overview 2012

(incl. Real Estate contribution/deconsolidation in July 2013)

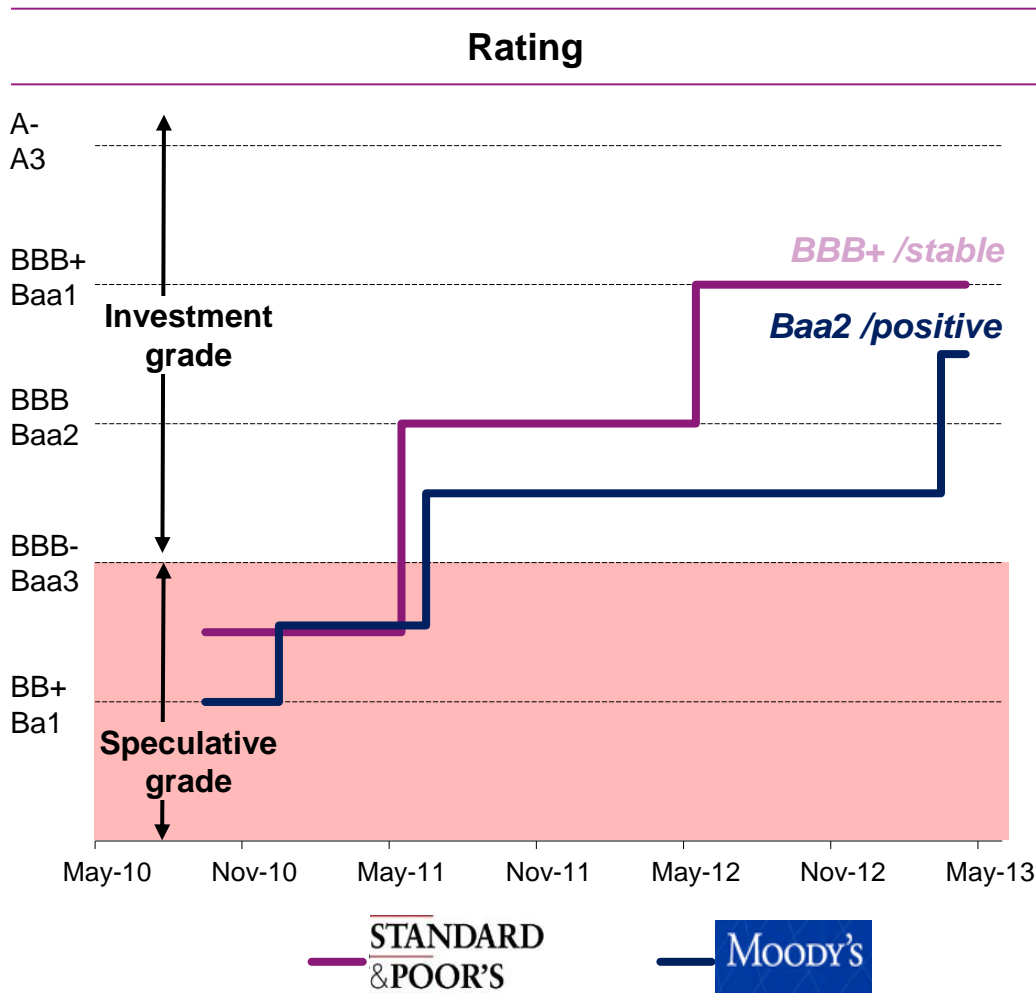


Pension strategy

- Pension obligations perceived as “patient” long-term debt, no immediate redemption in one go
- More than 50% of DBO are so called “Direktzusagen” (mostly in Germany) with no funding requirements
- However, pension obligations highly sensitive to interest rate changes
- Evonik established Contractual Trust Arrangement (CTA) in 2010
- Contribution of €1.8bn so far (incl. 25% stake in Real Estate in July 2013)
- Further cash contribution planned for 2013-2015 (€200 m p.a.; €600 m in total)

Rating

Strongly positioned in upper range of BBB



- Rating upgrade by Moody's to Baa2 with positive outlook in March 2013
- S&P's rating BBB+ with stable outlook since May 2012
- Impressive rating dynamic thanks to focus on specialty chemicals and clear financial policy
- Maintaining a solid investment grade rating is an integral part of our financial policy

Management compensation (as of 2014)

Value creation focus anchored in management incentivization system at Board level

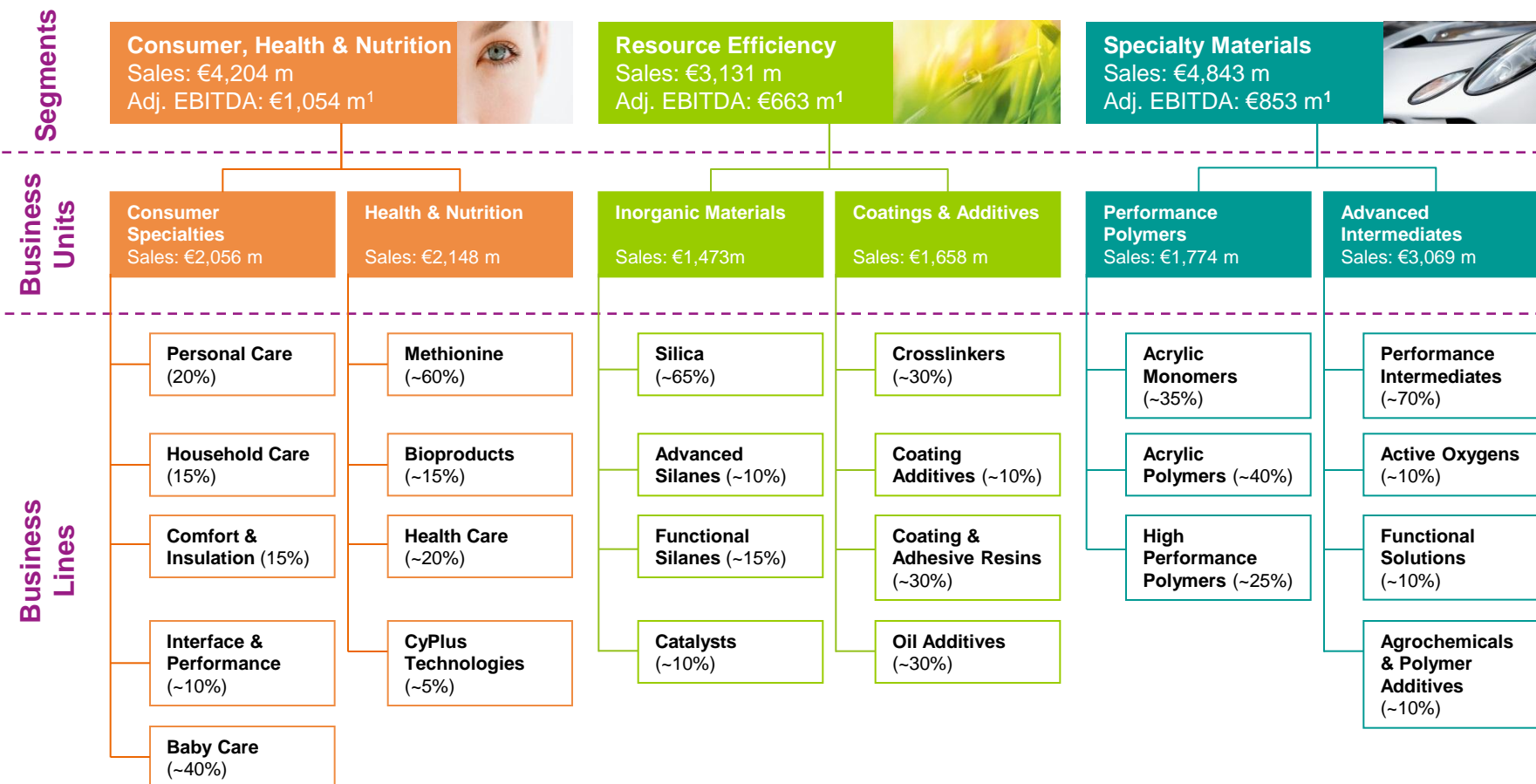


Fixed salary (c.30%)	<ul style="list-style-type: none">• To be paid in cash for each financial year on a monthly basis
Bonus (c.33%)	<ul style="list-style-type: none">• To be paid out in cash annually• Payout calculated on the basis of the achievement of certain, primarily value creation focused KPIs (e.g. ROCE, net income, free cash flow)• Factor of between 0.8 and 1.2 to take into account the achievement of further individual targets• Bonus capped at 200% of initial target
Long term incentive plan (c.37%)	<ul style="list-style-type: none">• Granted LTI target amount is calculated in virtual shares (4-year lock-up)• Value of LTI to mirror the development of Evonik's share price (incl. dividends)• Amount payable is determined by two performance elements:• Absolute performance: Real price of the Evonik share• Relative performance against to external index benchmark• Bonus capped at 300% of initial amount• To be paid out in cash after lock-up period

A	Portfolio highlights: “High barriers to entry”
B	Financials & Financial policy
C	Specialty Chemicals segments
D	Upcoming IR events and contact

Specialty Chemicals segments

Overview





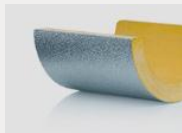


Data as of Fiscal Year End 2012

¹Adjusted for IAS 19 restatement

Consumer, Health & Nutrition

BU Consumer Specialties



	Personal Care	Household Care	Comfort & Insulation	Interface & Perform.	Baby Care
					
Applications	<ul style="list-style-type: none"> Personal care Occupational skin care 	<ul style="list-style-type: none"> Laundry care Home care Car care 	<ul style="list-style-type: none"> Furniture / appliances Construction Automotive 	<ul style="list-style-type: none"> Packaging / tapes Agrochemicals Plastic additives 	<ul style="list-style-type: none"> Baby care Female care Adult care
Key products	<ul style="list-style-type: none"> Actives, emulsifiers, conditioners Skin cleansers 	<ul style="list-style-type: none"> Fabric conditioners Specialty surfactants 	<ul style="list-style-type: none"> Foam stabilizers Catalysts Release agents 	<ul style="list-style-type: none"> Release coatings Super spreading additives 	<ul style="list-style-type: none"> Superabsorbents
Sales split 2012	~20%	~15%	~15%	~10%	~40%
Market position¹	# 4 in cosmetic ingredients	# 1 in fabric softeners	# 1 in polyurethane foam additives	# 1-2 in release coatings	# 1-2 in superabsorbents
Main competitors	<ul style="list-style-type: none"> Croda BASF / Cognis Ashland / ISP 	<ul style="list-style-type: none"> AkzoNobel BASF / Cognis Solvay / Rhodia Stepan 	<ul style="list-style-type: none"> Air Products Dymatic Momentive 	<ul style="list-style-type: none"> Clariant Dow Corning Momentive Wacker 	<ul style="list-style-type: none"> BASF Nippon Shokubai

¹ Company estimates for relevant markets based on multiple research reports

² Defined as Top 1-3 positions; as per Company estimates, based on multiple research reports

Consumer Specialties: Personal Care

Two strategic pillars

1 Growth in emerging regions

- Construction of two integrated specialty surfactants production platforms (bio-based)
- Focus on Personal and Household Care products (plus selected industrial applications)
- Participate from growth in local emerging markets

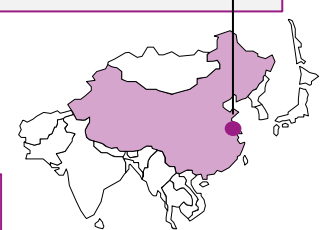


Americana, Brazil

- Capacity: 50 kt/a
- Start up: 2014

Shanghai, China

- Capacity: 80 kt/a
- Start up: End of 2013



2 Increasing focus on specialty products







Ongoing strategic development towards higher value-added specialty products

Consumer, Health & Nutrition

BU Health & Nutrition



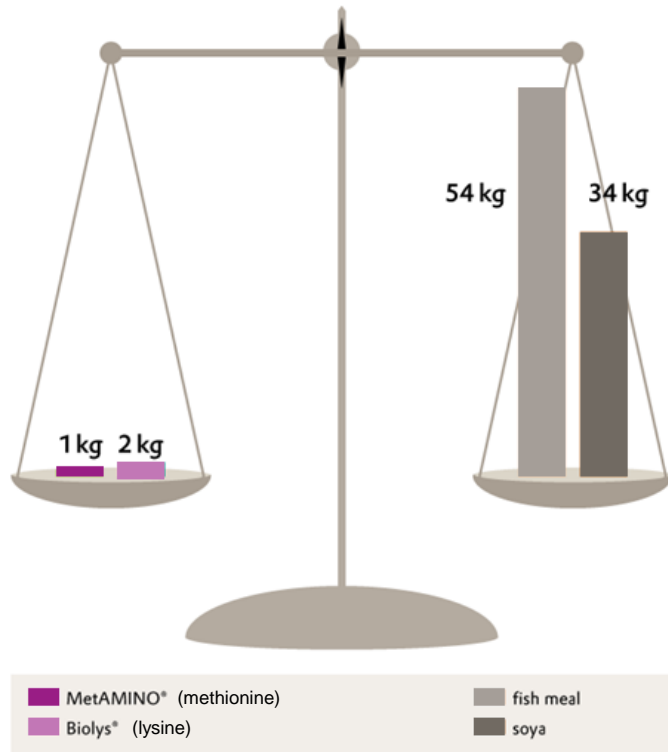
	Methionine	Bioproducts	Health Care	CyPlus Technologies
				
Applications	<ul style="list-style-type: none"> Animal nutrition, mainly poultry and swine 	<ul style="list-style-type: none"> Animal nutrition, poultry and swine 	<ul style="list-style-type: none"> Active pharmaceutical ingredients and functional pharmaceutical excipients: <ul style="list-style-type: none"> drug delivery systems functional drug coatings 	<ul style="list-style-type: none"> Fine chemicals Precious metals mining
Key products	<ul style="list-style-type: none"> Methionine 	<ul style="list-style-type: none"> Lysine Threonine Tryptophan 	<ul style="list-style-type: none"> Active pharma ingredients Pharma grade amino acids Pharmaceutical coatings 	<ul style="list-style-type: none"> Sodium cyanide Potassium cyanide
Sales split 2012	~60%	~15%	~20%	~5%
Market position¹	# 1 in DL-Methionine	# 3 in L-Threonine and L-Tryptophan	# 2 in drug-delivery systems	n.a.
Main competitors	<ul style="list-style-type: none"> Chem China / Adisseo Novus Sumitomo Chemicals Unisplendour 	<ul style="list-style-type: none"> Ajinomoto Archer Daniels Midland Cheil Jedang Global BioChem 	<ul style="list-style-type: none"> Colorcon Dow Cellulosics DSM Kyowa Hakko Lonza 	<ul style="list-style-type: none"> AGR DuPont Orica

¹ Company estimates for relevant markets based on multiple research reports

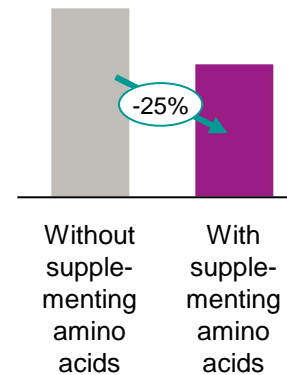
² Defined as Top 1-3 positions; as per Company estimates, based on multiple research reports

Consumer, Health & Nutrition: Feed Additives

Ecological benefit from efficient animal nutrition



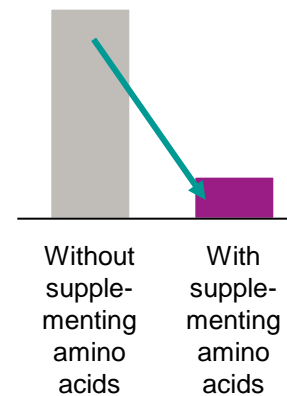
Reduced feed costs



The use of DL-Methionine means...

- less conventional feed resources are needed
- increasing efficiency and economic return

Enhanced sustainability¹



- The use of 100 kt DL-Methionine saves...
 - 2.3 mt of CO₂ emissions
 - 2.6 mt less ammonia into the air
 - 700 kt less nitrates into ground water
- Reduction of land for growing of conventional feed

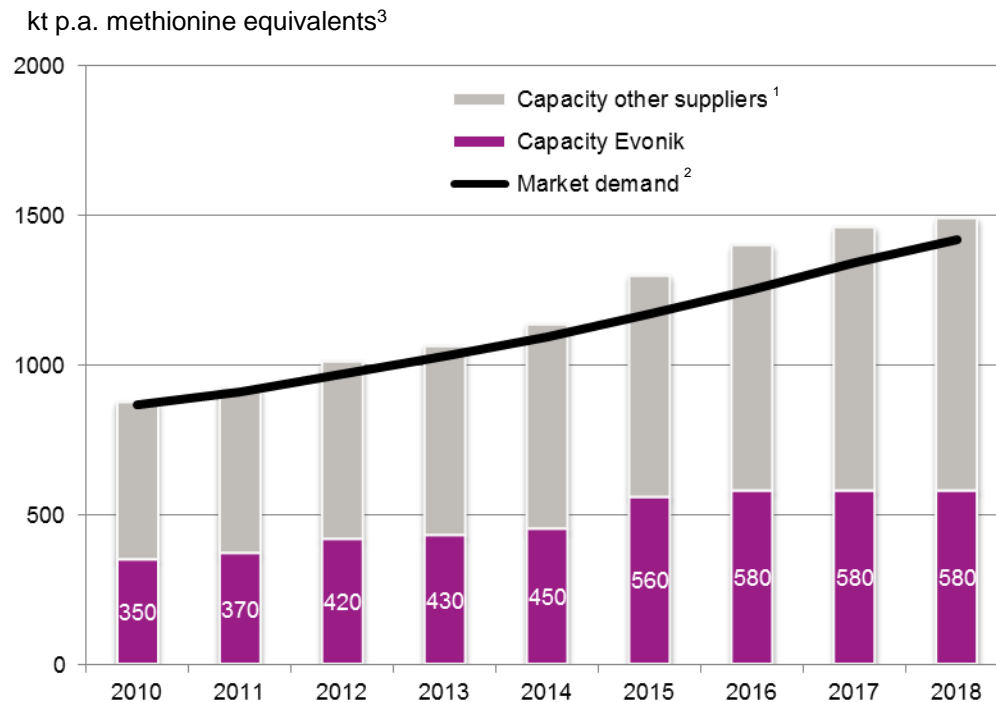
¹ The calculation is based on "Ökobilanz – Methionin 2003"

Consumer, Health & Nutrition: Methionine

Projected capacity-demand-balance suggests ongoing high capacity utilization rates



Methionine supply-demand if capacities come on stream as announced



¹ As per Feedinfo and company estimate

² Estimated 6% CAGR from 2013-2018

³ Methionine hydroxy analogue (MHA) calculated as 80% of DL-Methionine

- Several new plants announced for period between 2012 and 2015
- Evonik realizes largest capacity addition with Me5 in Singapore (150 kt)
- Start-up and ramp-up of new plants in the past frequently delayed due to highly complex plant set up (backward integrated platform)
- Similar challenges to be expected for entrants with new technologies
- Additional capacities have entered market over a period of time in the past
- Markets should absorb new capacities fairly quickly

Consumer, Health & Nutrition: Methionine

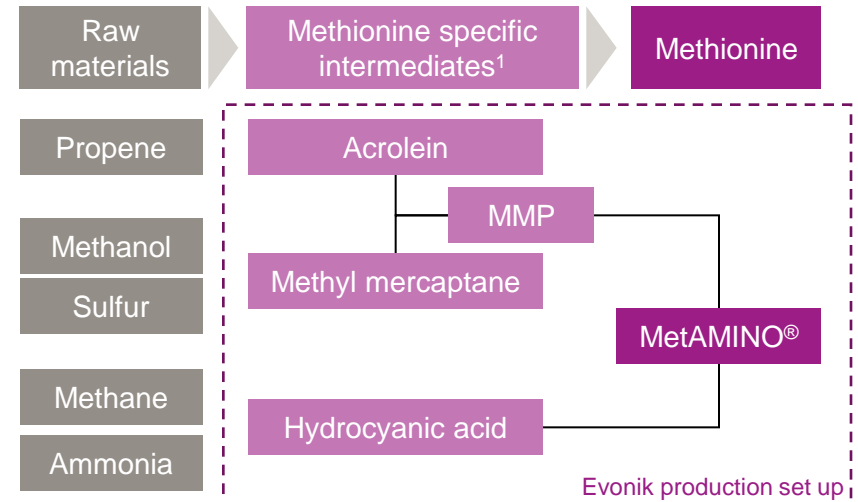
Backwards integrated production



Evonik with clear competitive advantages

Others	Competitor I	Competitor II	Competitor III	Evonik	
✓	✓✓	--	✓✓	✓✓	Backwards integration
-	-	✓✓	✓	✓✓	World scale production
-	✓✓	✓	✓	✓✓	Process technology
-	-	-	✓	✓✓	Global market / customer access
--	--	-	✓	✓✓	Value added services
-	-	✓	✓✓	✓✓	Nutritional know-how

Cost efficient backwards integrated process



Examples of Evonik's value-added services

AMINOChick®

A software that calculates the optimal formulation of poultry feed given specific breeding conditions





AMINOSys®

Consulting, hardware and software enabling micro ingredient handling and dosing in feed mills

¹ Hazardous compounds not available from chemical commodity markets
Source: Company estimate

Resource Efficiency overview

Inorganic Materials

	Silica	Advanced Silanes	Functional Silanes	Catalysts
				
Applications	<ul style="list-style-type: none"> • Silicone rubber • Green tires & rubber • Paints & coatings • Adhesives & sealants 	<ul style="list-style-type: none"> • Optical fibres • Semi conductors / electronics • Fumed silica 	<ul style="list-style-type: none"> • Adhesive & sealents • Green tires • Wire & cable • Building protection 	<ul style="list-style-type: none"> • Catalysts for fine chemicals and polyolefins • Enabler for process innovation
Key products	<ul style="list-style-type: none"> • Matting agents • Precipitated silica • Fumed silica 	<ul style="list-style-type: none"> • Chlorosilanes • Monosilanes 	<ul style="list-style-type: none"> • Organofunctional silanes • Rubber silanes 	<ul style="list-style-type: none"> • Precious metal catalysts
Sales split 2012	~65%	~10%	~15%	~10%
Market position¹	# 1 in precipitated silica	# 1 in chlorosilanes	# 1 in organosilanes	#1 for precious metal powder catalysts #2 for activated base metal catalysts
Main competitors	<ul style="list-style-type: none"> • Cabot • JM Huber • Solvay • WR Grace 	<ul style="list-style-type: none"> • OCI • REC 	<ul style="list-style-type: none"> • Dow Corning • Momentive • Shin Etsu 	<ul style="list-style-type: none"> • Engelhard • Clariant / Süd-Chemie • Johnson Matthey • WR Grace

¹ Company estimates for relevant markets based on multiple research reports

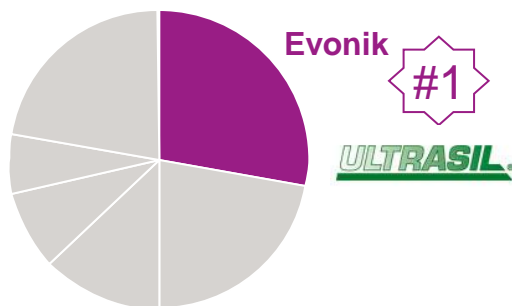
² Defined as Top 1-3 positions; as per Company estimates, based on multiple research reports

Inorganic Materials: Silica

Leading market positions with strong established brands in growth markets



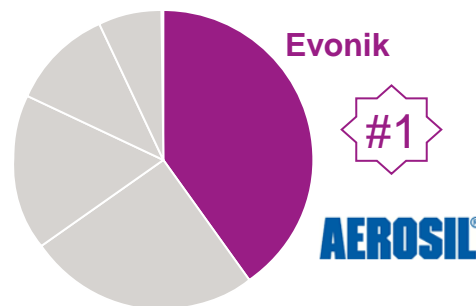
Precipitated Silica



Main competitors

- Solvay
- JM Huber
- PPG
- OSC

Fumed Silica



Main competitors

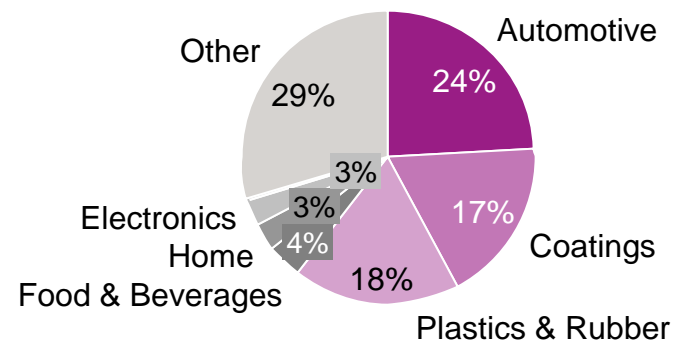
- Cabot
- Wacker
- Tokuyama

Diverse end market split in strongly growing end markets

Expected Market Growth 2012-2020

Global light vehicle tires	~ 4% ¹	
Low rolling resistance tires	~19% ¹	
Lead acid batteries (automotive, e-bike, UPS)	~ 5% ²	
Coating; Paints & Coatings	~ 5% ¹	
Plastics & Rubber	~ 5% ¹	

Sales split by end market (2012)







¹ 2012-2020E; as per Frost & Sullivan (2013)

² 2012-2020E; as per company estimate

Resource Efficiency

Coatings & Additives

	Crosslinkers	Oil Additives	Coating Additives	Coating & Adhesive Resins
				
Applications	<ul style="list-style-type: none"> Composites Coatings & paints Flooring Automotive interior 	<ul style="list-style-type: none"> Auto & industrials Hydraulic systems Refinery processing Biofuels 	<ul style="list-style-type: none"> Eco-friendly coatings (low VOC, water based) High solid industrial coatings 	<ul style="list-style-type: none"> Hot melt Pre coated metal Protective coatings Road marking
Key products	<ul style="list-style-type: none"> Crosslinkers for composites, elastomers and non-solvent coatings 	<ul style="list-style-type: none"> Lubricant additives (viscosity modifiers) Fuel additives 	<ul style="list-style-type: none"> Additives for eco-friendly and highly solid industrial coatings 	<ul style="list-style-type: none"> Functional resins Adhesive hot melts Heat sealents Polybutadiene
Sales split 2012	~30%	~30%	~10%	~30%
Market position¹	# 1 in isophorone chemicals	# 1 oil additives	# 1 in organically modified silicones	# 1 in polyester resins
Main competitors	<ul style="list-style-type: none"> Arkema BASF Bayer 	<ul style="list-style-type: none"> Infineum Lubrizol NewMarket Oronite 	<ul style="list-style-type: none"> Air Products Altana Dow Corning 	<ul style="list-style-type: none"> Dow DSM Mitsubishi Chemical

¹ Company estimates for relevant markets based on multiple research reports

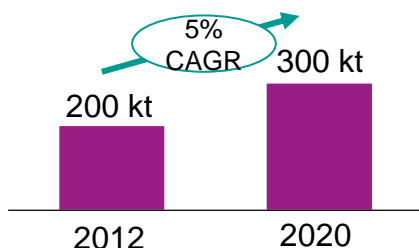
² Defined as Top 1-3 positions; as per Company estimates, based on multiple research reports

Resource Efficiency: Crosslinkers

Positioning in attractive growth markets

Crosslinkers – Characteristics and advantages

- Only fully integrated player in Isophorone chemistry
- Extensive application know-how for various industries
- Leading cost position and technology leadership from innovation
- Focus on diamines for epoxy-curing in coatings, flooring and high performance composites
- Isophorone chemistry with solid market growth¹:



Chinese investment project progressed

- First integrated mover into high-growth Chinese market
- World-scale integrated IP/IPD plant
- Start up expected in early 2014
- Only player with global production setup (Europe, Americas, Asia)



Application examples & product characteristics

Lightweight



Composites for light-weight construction

Coatings



Next generation scratch resistant coating technology for premium applications

Construction



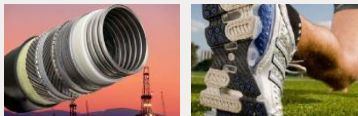


Raw materials for high performance industrial floorings for high-tech applications

¹ Company estimates

Specialty Materials

BU Performance Polymers



	High Performance Polymers	Acrylic Monomers	Acrylic Polymers
			
Applications	<ul style="list-style-type: none"> Medical Photovoltaic systems Automotive components Oil & gas pipes 	<ul style="list-style-type: none"> Coatings PMMA Specialty monomer applications (e.g. disposable contact lenses) 	<ul style="list-style-type: none"> LED/touch screens Photovoltaic Light-weight systems Automotive components
Key products	<ul style="list-style-type: none"> High performance polyamide (PA12) Polyetheretherketone (PEEK) Polyimide fibres and foams 	<ul style="list-style-type: none"> Methy methacrylate (MMA) and application monomers Methacrylic acid 	<ul style="list-style-type: none"> Molding compounds Acrylic sheets (Plexiglas / Acrylite) PMMA systems
Sales split 2012	~25%	~35%	~40%
Market position¹	# 1 in polyamide 12	# 2 in MMA	# 1-2 in PMMA
Main competitors	<ul style="list-style-type: none"> Arkema DuPont EMS Victrex 	<ul style="list-style-type: none"> LG MMA Mitsubishi Chemicals Sumitomo 	<ul style="list-style-type: none"> Arkema Mitsubishi Chemicals Sumitomo

¹ Company estimates for relevant markets based on multiple research reports

² Defined as Top 1-3 positions; as per Company estimates, based on multiple research reports

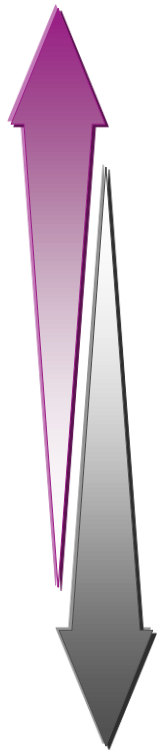
Performance Polymers:

Focused on engineering & customized high-end polymers

Polymer markets segmentation and Evonik market positions

Performance driven

- higher growth
- higher margins



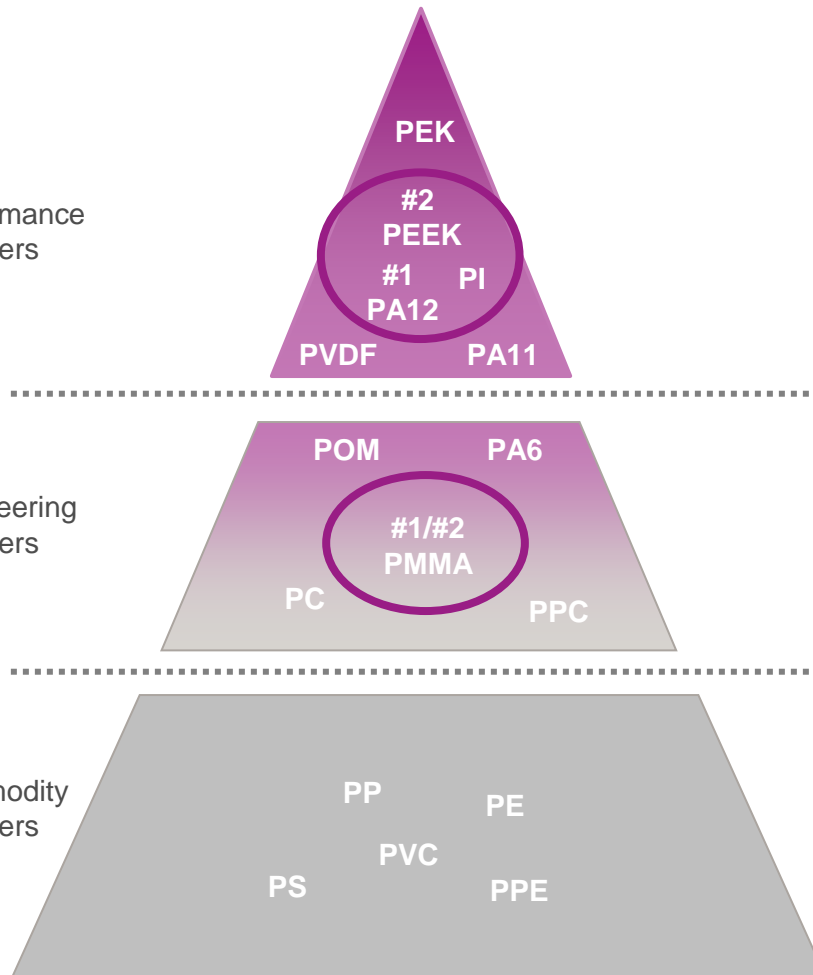
High
performance
polymers

Engineering
polymers

Commodity
polymers

Price driven

- higher volumes
- lower margins



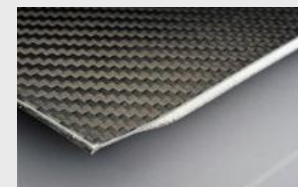
Expertise in systems and applications



VESTAKEEP®







SEPURAN®



ROHACELL®

Specialty Materials

BU Advanced Intermediates

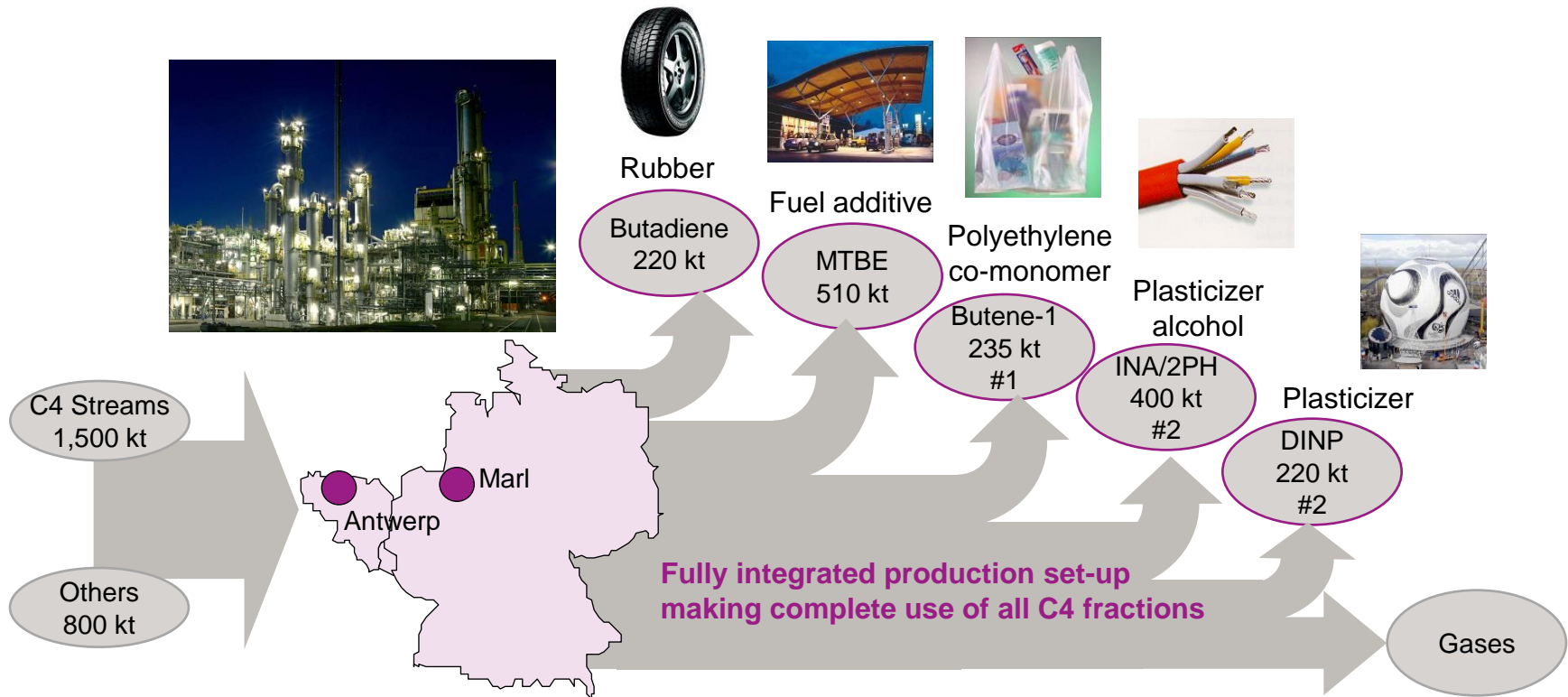
	Performance Intermediates	Active Oxygens	Functional Solutions	Agrochemicals & Polymer Additives
				
Applications	<ul style="list-style-type: none"> Plastics Styrene-butadiene-rubber High performance polymers 	<ul style="list-style-type: none"> Oxidising agent in chemical reactions Pulp & paper bleaching 	<ul style="list-style-type: none"> Catalysts for biodiesel production 	<ul style="list-style-type: none"> Polymer additives Optical brighteners Photovoltaic Agro chemicals
Key products	<ul style="list-style-type: none"> Butadiene Butene-1 Plasticisers Plasticiser alcohols 	<ul style="list-style-type: none"> Hydrogen peroxide 	<ul style="list-style-type: none"> Alcoxides (e.g. sodium methylate) 	<ul style="list-style-type: none"> Triacetoneamine Crosslinkers Precursors of glyphosates
Sales split 2012	~70%	~10%	~10%	~10%
Market position¹	# 1 in 1-butene	# 2 in hydrogen peroxide	# 1 in alcoholates	# 1 in cyanuric chloride
Main competitors	<ul style="list-style-type: none"> BASF Exxon Mobil LyondellBasell TPC 	<ul style="list-style-type: none"> Arkema FMC Solvay 	<ul style="list-style-type: none"> BASF DuPont 	<ul style="list-style-type: none"> Lanxess Nalco Syngenta

¹ Company estimates for relevant markets based on multiple research reports

² Defined as Top 1-3 positions; as per Company estimates, based on multiple research reports

C4 chain (Perf. Intermediates)

Fully integrated production platform in Europe



Key success factors

- Leading, cost efficient technology platform with more than 30 years of experience
- High expertise in logistics of C4 products and streams
- New technologies to capture additional C4 feedstocks
- Scale, secure feedstock base and long-standing customer relationships

Evonik Industries AG: Ownership structure



Stock exchange listing

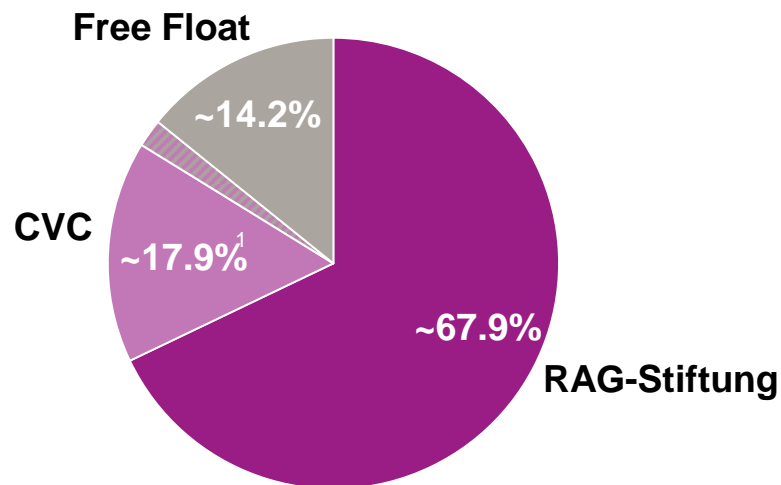
- Trading of the Evonik stock commenced on April 25, 2013 in the Prime Standard of Frankfurt Stock Exchange and in Luxembourg
- 14.2% of shares were successfully placed in advance of the listing

RAG-Stiftung

- Obligation to finance the perpetual liabilities arising as from 2019 from the cessation of hard-coal mining
- Intention to retain a strategic shareholding in Evonik of at least 25.1 percent in the long term

CVC

- Shares held by Gabriel Acquisitions GmbH, an indirect subsidiary of funds advised by CVC
- ¹Exchangeable Bond issued on November 19, 2013:
 - Issuance via SPV Gabriel Finance LP
 - Exchangeable into and secured by Evonik shares
 - If bond is fully settled with shares, free float would theoretically increase by at least 2.1%, at the latest at maturity (November 2016)



¹ Shares held by Gabriel Acquisitions GmbH, an indirect subsidiary of funds advised by CVC
January 2014 | Evonik Roadshow Presentation | Appendix

A	Portfolio highlights: “High barriers to entry”
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Upcoming IR events

Conference participations

- 13-15 January, 2014: Commerzbank German Investment Seminar 2014, New York
- 20 January, 2014: Kepler Cheuvreux German Corporate Conference, Frankfurt am Main

Next reporting dates

- Q4 / FY reporting: 7 March, 2014

Roadshows

- 19/20 March, 2014: Roadshow London
- 21 March, 2014: Roadshow Frankfurt am Main
- 02 April, 2014: Roadshow Paris



Please find an updated schedule on our IR website (“Events & Presentations”)

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