

Evonik.
Power to create.

Company presentation

September 2014



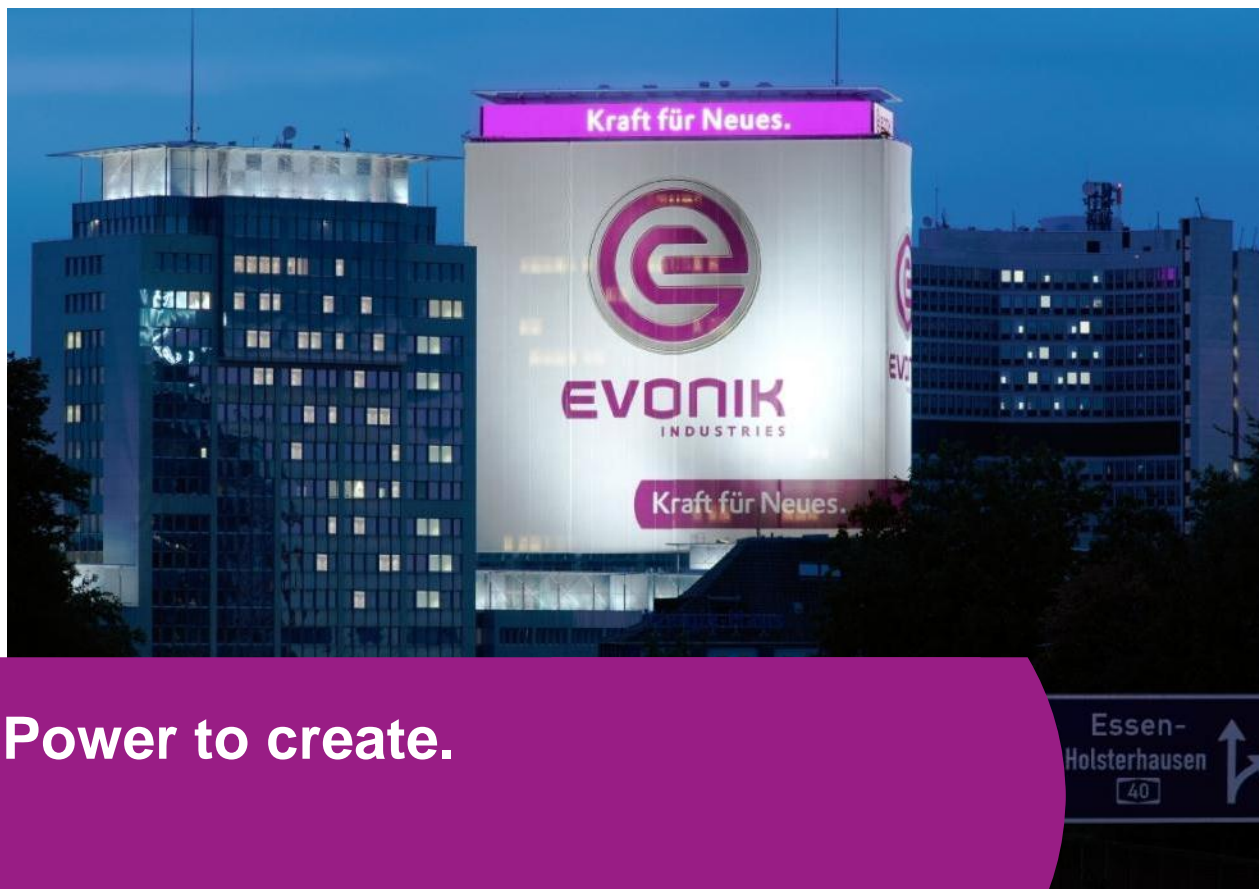
EVONIK
INDUSTRIES

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Evonik at a glance



Power to create.

Sales 2013

€13 billion

adj. EBITDA 2013

€2 billion

Sales from leading
market positions

80%

Innovation driven by

~ 500

R&D projects

One of the world leaders in specialty chemicals



Sales: €12.708 bn

Adj. EBITDA: €2,019 m

Margin: 15.9%

ROCE: 14.5%



Consumer, Health & Nutrition

Products for applications in the consumer goods, animal nutrition and healthcare sectors.

Sales €4,171 m
Adj. EBITDA €922 m
Margin 22.1%



Resource Efficiency

Environment-friendly and energy-efficient system solutions.

Sales €3,084 m
Adj. EBITDA €655 m
Margin 21.2%



Specialty Materials

Polymer materials and intermediates mainly for the rubber and plastics industries.

Sales €4,490 m
Adj. EBITDA €552 m
Margin 12.3%

Services

Sales €786 m
Adj. EBITDA €181 m

Corporate/ Other

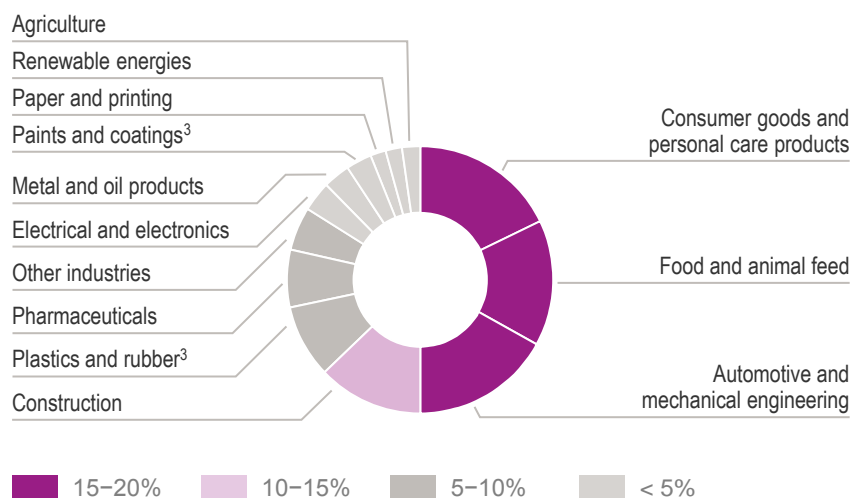
Sales €177 m
Adj. EBITDA -€291 m

All data as of fiscal year 2013 (restated due to IFRS 11 changes)

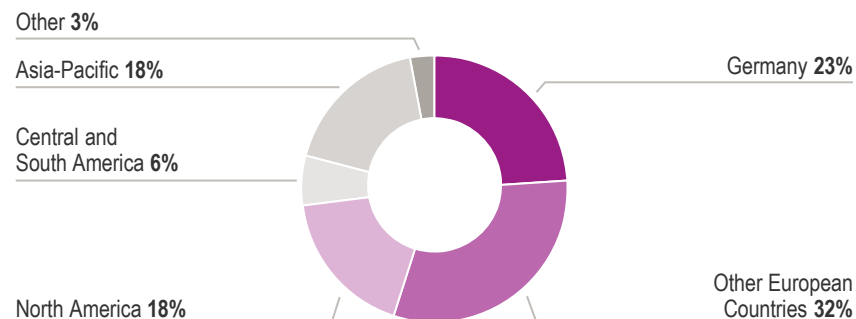
September 2014 | Evonik Roadshow Presentation | Evonik at a glance

Balanced and diversified portfolio

End market split¹



Sales by region²



High degree of stability due to well diversified portfolio across various end markets and regions

¹ Based on Specialty Chemicals segments' 2013 sales

² Consolidated Group sales 2013 (restated for IFRS 11 changes), continued operations

³ Where not directly assigned to other end-consumer industries

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Investment highlights

Our businesses are aligned towards:



Allocation of resources according to global megatrends and high growth opportunities



Strengthening of leading market positions by development of tailor-made and innovative solutions together with clients

Strategic and financial discipline:



Proven track record in portfolio optimization



Solid balance sheet and disciplined use of funds

Clear Commitment:



to deliver sustainable growth



to increase profitability

**Value generation
for our shareholders**

Allocation of resources



According to global megatrends and high growth opportunities (selected examples)



Methionine (Consumer, Health & Nutrition)

Methionine is an essential amino acid for animal nutrition.



- The use of DL-Methionine can **reduce feed costs by up to 25%**
- 100kt methionine **saves 2,300 kt of CO₂ emissions**

Silica (Resource Efficiency)

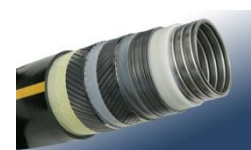
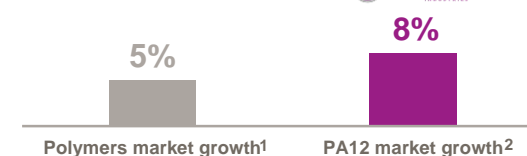
Silica acts, amongst others, as reinforcement and improves the dynamic properties of rubber.



- **Lower rolling resistance** and improved wet grip
- **~7.5% less fuel consumption** and 18 meter shorter stopping distance with category A (green) tire

Polyamide12 (Specialty Materials)

PA 12 is a high-performance polymer with innovative properties, making it an attractive alternative to metal.



- Exceptionally high **heat stability, mechanical stability and rigidity**
- **Cost savings potential of ~30%** compared to use of steel pipes

¹ Market growth p.a. 2012-2020 as per Frost & Sullivan (2013)

² Market growth p.a. 2012-2020 as per company estimate; ³ CAGR (2012-2020) as per Notch (2013) and Frost & Sullivan (2013)

Strengthen leading market positions



Development of tailor made and innovative solutions together with clients



Superabsorbents (Consumer, Health & Nutrition)



market position in Superabsorbents, a powder polymer which can absorb up to 500 times its weight in liquid

Key customers

Key supplier **and strategic partner** of all large global players e.g.:



Kimberly-Clark



Joint R&D achievements

Ultrathin and fluffless **underwear-like diapers** (up to 80% thinner over the last two decades)



Next steps:

odour control, colour stability

Oil Additives (Resource Efficiency)



global supplier of viscosity modifiers for high performance lubricant and fuel additive in automotive and industrial lubricant market

Key customers

Long-standing relationships and **active co-operations** with globally operating lubricant formulators and OEMs e.g.:



Joint R&D achievements

High quality, **multi-grade hydraulic fluids** allowing for improved equipment productivity, improved fuel efficiency and reduced emissions

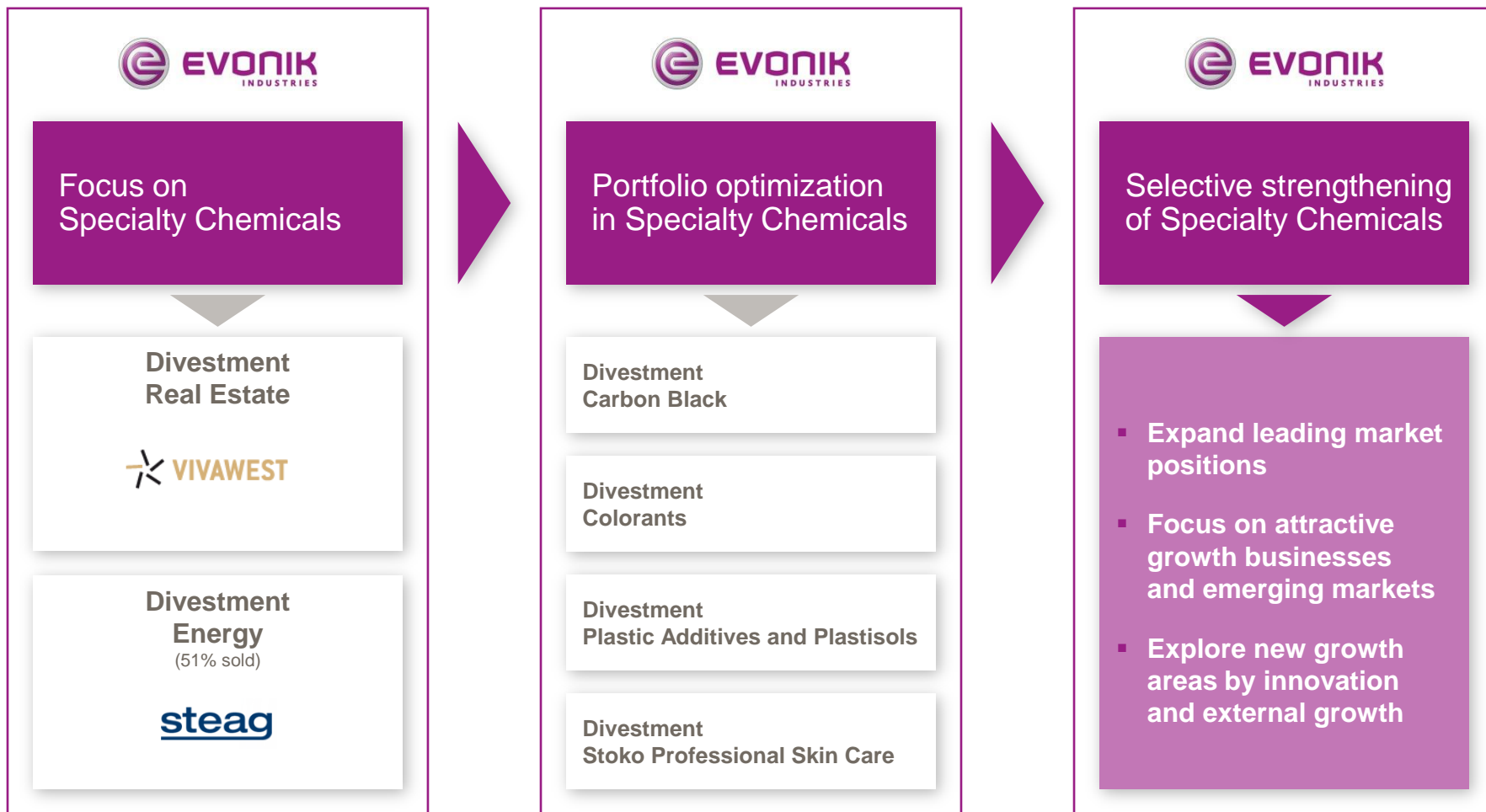


Next steps:

Lubricant components for **wind turbine gear boxes**



Proven track record in portfolio optimization





Solid balance sheet and disciplined use of funds

Sound financial profile

- Solid investment grade rating (leverage as of Q2 2014: 2.1x vs. target of < 2.5x)¹
- Solid funding of pension obligations (~60%)
- Refinancing of upcoming maturities at attractive conditions

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

Dividend: Attractive shareholder returns

- Reliable track record of dividend distribution (CAGR 08-13: 11%)
- Dividend target ratio: ~40% of adjusted net income
- Dividend stability

¹ Total leverage defined as (net financial debt + unfunded pension obligations) / adj. EBITDA LTM

Clear commitment to deliver sustainable profitable growth and to increase profitability



1

Ambitious long-term financial targets

~ €18 bn Sales
> €3 bn Adj. EBITDA

by FY 2018

(excl. M&A)

2

Strengthened focus on efficiency gains and cost savings

~ €500 m On Track 2.0 savings
up to €250 m Admin Excellence savings

(by 2016)

3

Investment program targeting high-growth end markets

> €700 m incremental
Adj. EBITDA by FY 2018

4

Strong balance sheet and strict financial policy

Solid investment grade rating

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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

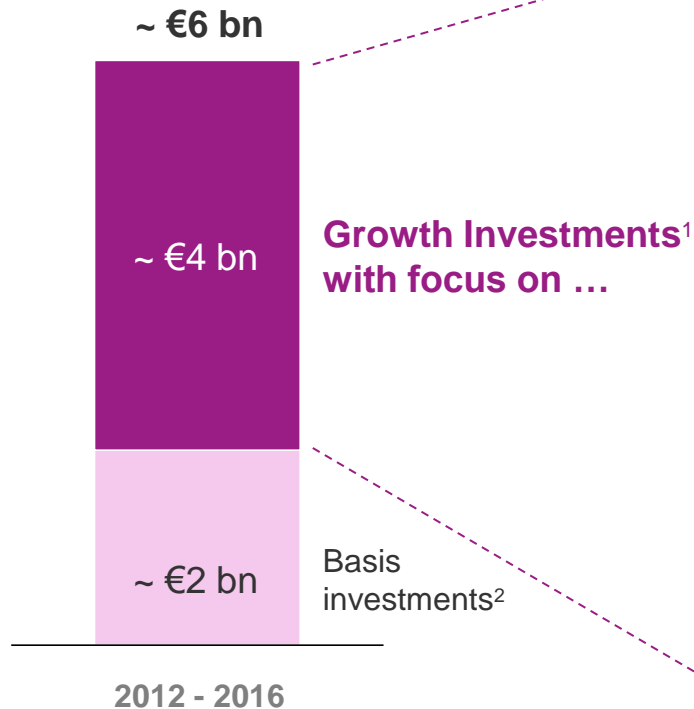


Growth

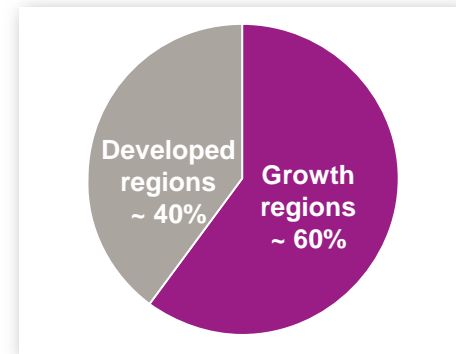
Ambitious investment program
in growth regions and growth businesses



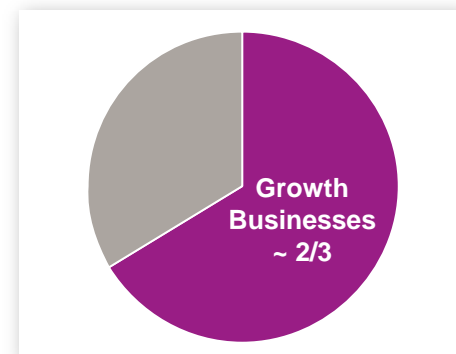
Investment program 2012 – 2016



... 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

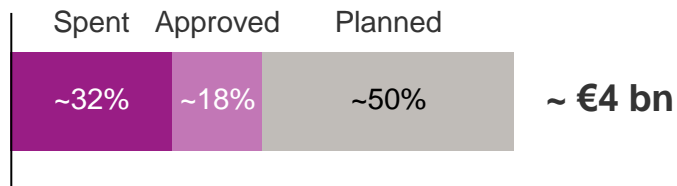
Segment	Product area	Location		Capex	Start-up (expected)
CHN	Feed amino acids: DL-methionine	Singapore		>€500 m	Q4 2014
CHN	Personal & home care ingredients	China & Brazil		>€100 m	China: Q1 2014 ✓ Brazil: Q1 2015
RE	Precipitated silica	Global master plan		~€100 m	Brazil: Beginning of 2016
RE	Isophorone and isophorone diamine	China		>€100 m	Q2 2014 ✓
RE	Fumed silica and silanes	China		~€100 m	2016
SM	H ₂ O ₂ for HPPO	China		>€130 m	Q2 2014 ✓

Growth

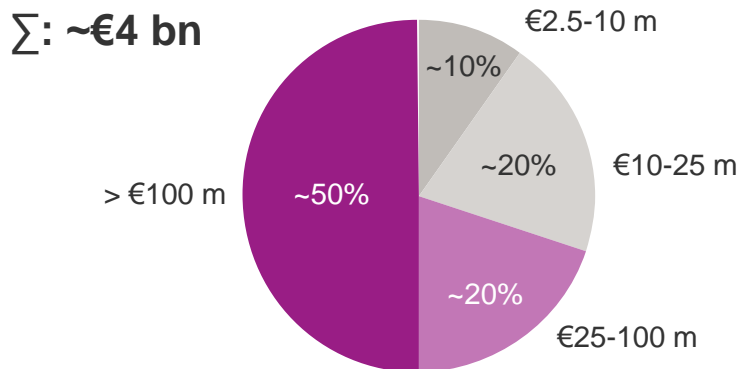
Disciplined and flexible investment process

Status of growth investments

(as of December 31st, 2013)



Size of growth investment projects



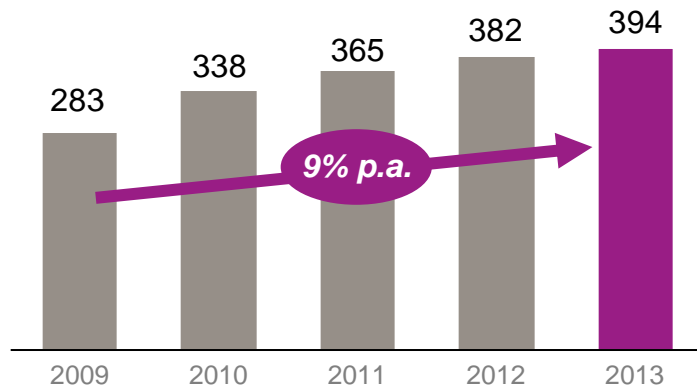
Disciplined and flexible investment process

- 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

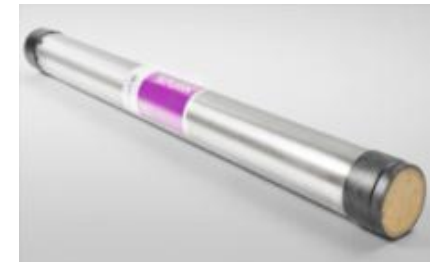
R&D Expenditures (€m)



R&D key figures 2013

- Expenditures of €394 m
- R&D ratio of 3.1%
- ~2,600 employees
- >35 sites within our global network
- ~500 R&D projects
- >26,000 patents held and applications filed
- >7,500 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)

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Outlook for 2014 confirmed and specified

Outlook for Evonik in 2014

Economic environment

- Still slight upturn in global economic growth expected in 2014 as a whole, even though development in H1 was somewhat weaker than previously anticipated
- Increasing structural challenges in emerging markets and uncertainty arising from ongoing political disputes and military conflicts

Outlook

- **Sales: slightly higher** than in previous year (2013: €12.7 bn)
- **Adj. EBITDA: between €1.8 bn and €2.1 bn** (2013: €2.0 bn)
- **Positive volume trend** should continue driven by the completion of first **growth investments**
- Stabilization in **selling prices** from H1 expected to continue; slight positive price trend visible in some businesses; but price trends in Specialty Materials remained below original expectations so far
- If this should continue in H2, **adj. EBITDA will probably be in the lower rather than the upper part of the €1.8 bn to €2.1 bn range**
- First positive effects of **Administration Excellence** program
- Downside factors could result from **ramp-up expenses** for growth investments, **negative currency effects** and the **rising price of crude oil**

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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Ambitious long-term financial targets

~ €18 bn Sales
> €3 bn Adj. EBITDA **by FY 2018**

(excl. M&A)

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Strengthened focus on
efficiency gains and cost savings

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(by 2016)

3

Investment program targeting
high-growth end markets

> €700 m incremental
Adj. EBITDA by FY 2018

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Strong balance sheet
and strict financial policy

Solid investment grade rating



EVONIK
INDUSTRIES

A	Financials Q2 2014 & financial policy
B	Specialty Chemicals segments
C	Upcoming IR events and contact

Financial highlights Q2 2014

Earnings pick-up sequentially;
full year guidance confirmed and specified



Sales of €3,247 m slightly exceed prior year level (+1%);
strong volume growth (+5%) continued, price deflation easing further (-2%)

Adj. EBITDA of €473 m sequentially improved (Q1: €463 m, prior year: €509 m);
Resource Efficiency maintaining high profitability level;
stable business environment in Consumer, Health & Nutrition







Investment program progressing well: Q2 capex increased by 12% yoy to €269 m;
new growth projects in Resource Efficiency announced

Outlook for 2014 confirmed and specified

Execution of investment program

Growth projects on track

Selected approved projects

Segment	Product area	Location		Capex	Start-up (expected)
CHN	Feed amino acids: DL-methionine	Singapore		>€500 m	Q4 2014
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SM	H ₂ O ₂ for HPPO	China		>€130 m	Q2 2014 ✓

Reorganization of Group structure (1/2)

Structural preconditions for more focused growth and capital allocation



Plans for reorganization

- Management holding to concentrate on strategic development of the Group
- Three separate specialty chemicals segments as fully functional legal entities

Strategic rationale

- Structural preconditions for more focused capital allocation and profitable growth in high-margin specialty chemicals
- Differentiated management tailored to specific needs of individual businesses
- Higher operational and strategic flexibility and independent market approach
- Better positioned to increase long-term value for shareholders

Reorganization of Group structure (2/2)

Differentiated management tailored to specific needs of individual businesses



Management Holding

Consumer, Health & Nutrition

Resource Efficiency

Leading in customized, individual and innovation-driven solutions



- Markets with high margins, GDP+ growth rates and strong barriers to entry
- Business model based on customized, individual and innovation-driven solutions

• Above-average profitable growth

• High returns on invested capital

• Targeted investments and acquisitions

Specialty Materials

Leading in product-driven activities



- More product-driven, energy and raw material-intensive businesses
- Characterized by integrated technology platforms, efficient processes and high market penetration

• Further efficiency and effectiveness enhancements

• High cash returns

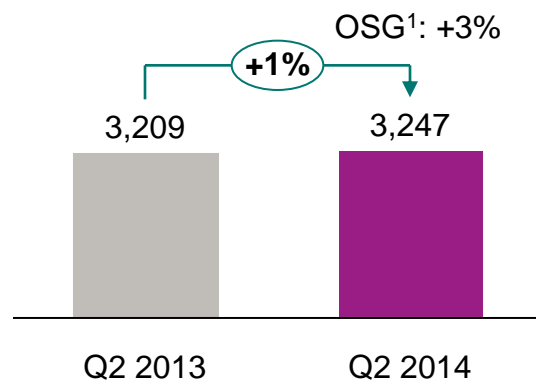
• Investments and, where appropriate, alliances to secure good market positions

Financial highlights Q2 2014

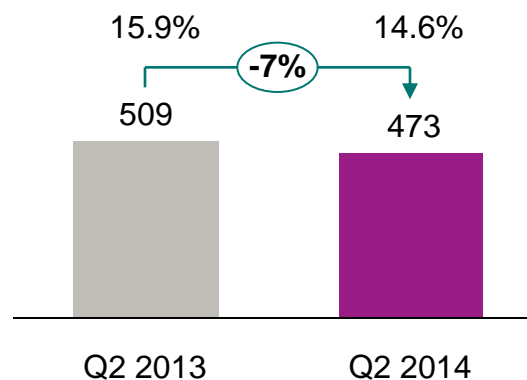
Another quarter of strong positive volume development; pricing trend improving



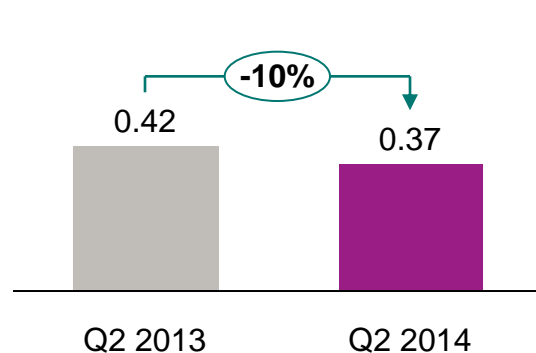
Sales (in € m)



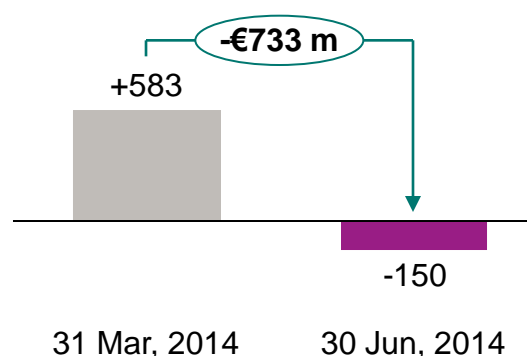
Adj. EBITDA (in € m) / margin



Adj. EPS (in €)



Net financial debt (in € m)



- Continued strong volume development (+5%) and further improving pricing trend (Q4: -6%; Q1: -4%; Q2: -2%)
- yoy sales growth (+1%) despite currency headwinds (-2%)
- Adj. EBITDA weaker than prior year, but sequentially improved at €473 m
- All segments with earnings increase qoq
- Adj. EPS affected by higher adj. tax rate (33%)
- Net financial debt of -€150 m following increased outflows for investments and dividend payment

Prior year figures restated for IFRS 11 changes

¹ OSG = Organic sales growth (volume + price development)

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Segment overview

Sequential earnings improvement in all segments



Adj. EBITDA development (in € m) / margin (in %)

Group	509 15.9%	523 16.4%	381 12.3%	463 14.5%	473 14.6%
	Q2 13	Q3 13	Q4 13	Q1 14	Q2 14
Services	53	50	26	51	54
Specialty Materials	128	147	95	111	112
Resource Efficiency	174	169	140	189	191
Consumer, Health & Nutrition	227	215	199	187	188
Corporate / Others	-73	-58	-79	-75	-72

Prior year figures restated for IFRS 11 changes

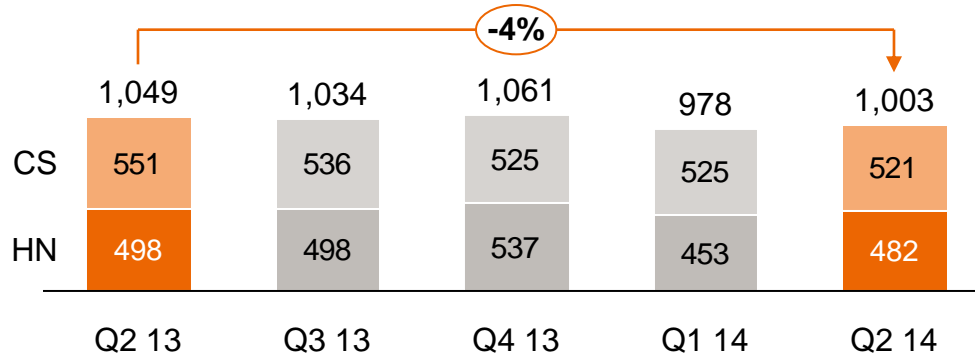
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Consumer, Health & Nutrition

Stable performance

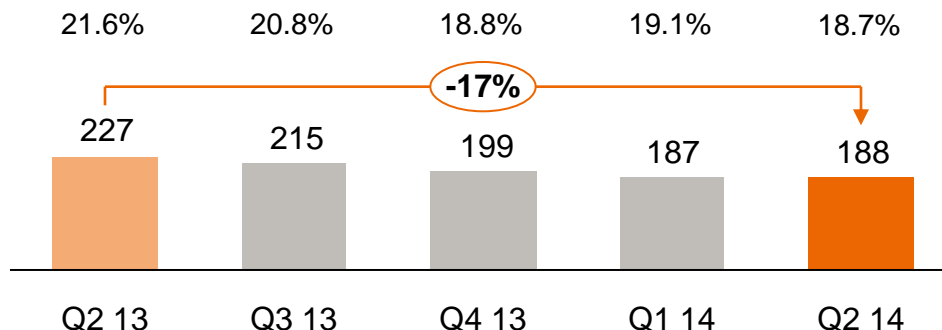


Sales (in € m)



Q2 14	Volume +2%	Price -4%	FX -3%	Other +/-0%
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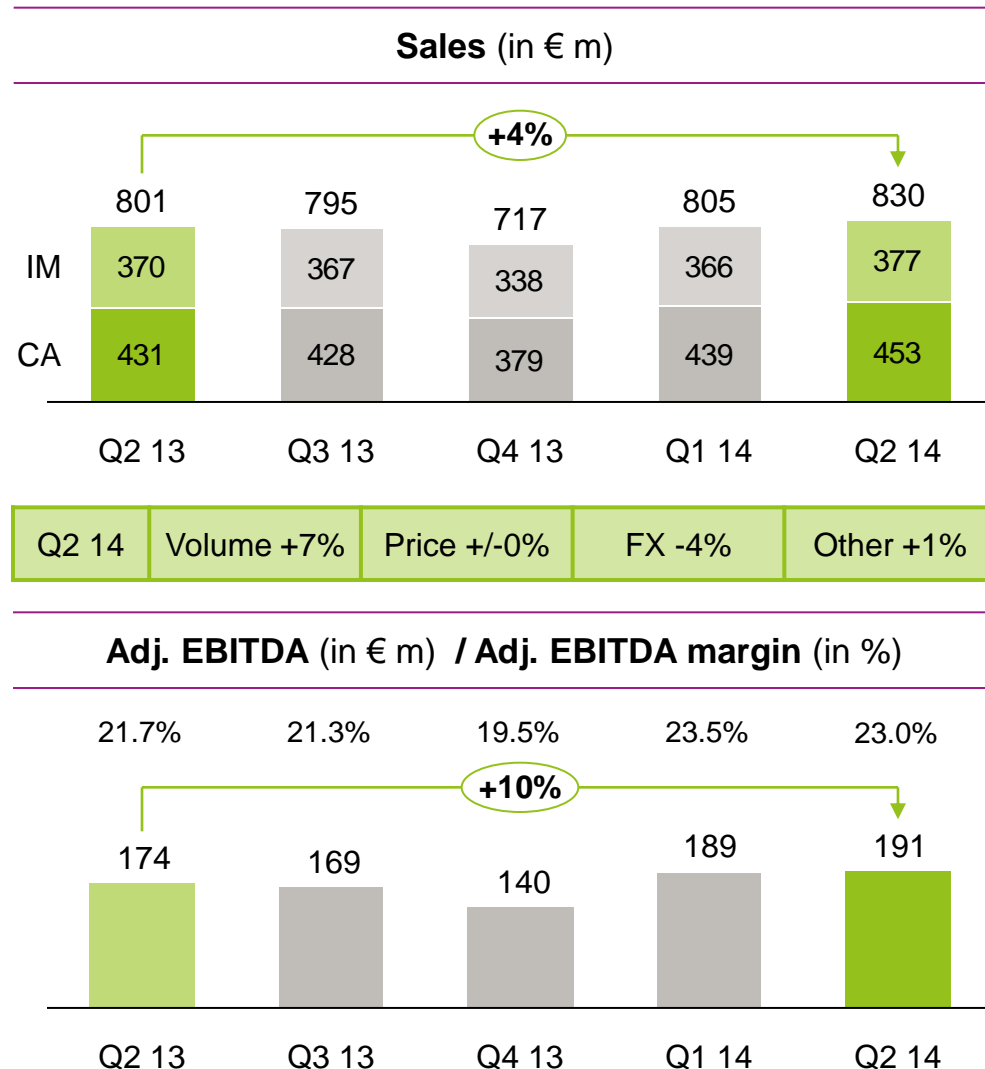
Adj. EBITDA (in € m) / Adj. EBITDA margin (in %)



- Sales sequentially improved due to good volume development in amino acids; decline yoy driven by normalized situation in Baby Care and on average weaker amino acid prices
- Consumer Specialties' earnings lower yoy due to reduced volumes in Baby Care and ramp-up costs for new plants
- Health & Nutrition with sequential earnings improvement driven by positive volume trend; yoy comparison still affected by lower amino acid prices
- Methionine with continued good performance: stable average prices and improved volumes qoq; healthy supply and demand balance expected for H2
- Further price decline in lysine despite moderate signs of market improvement

Resource Efficiency

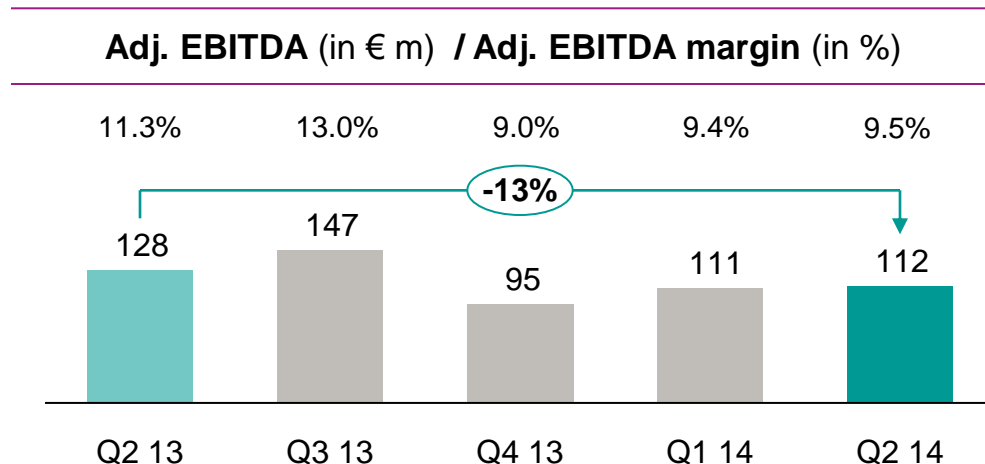
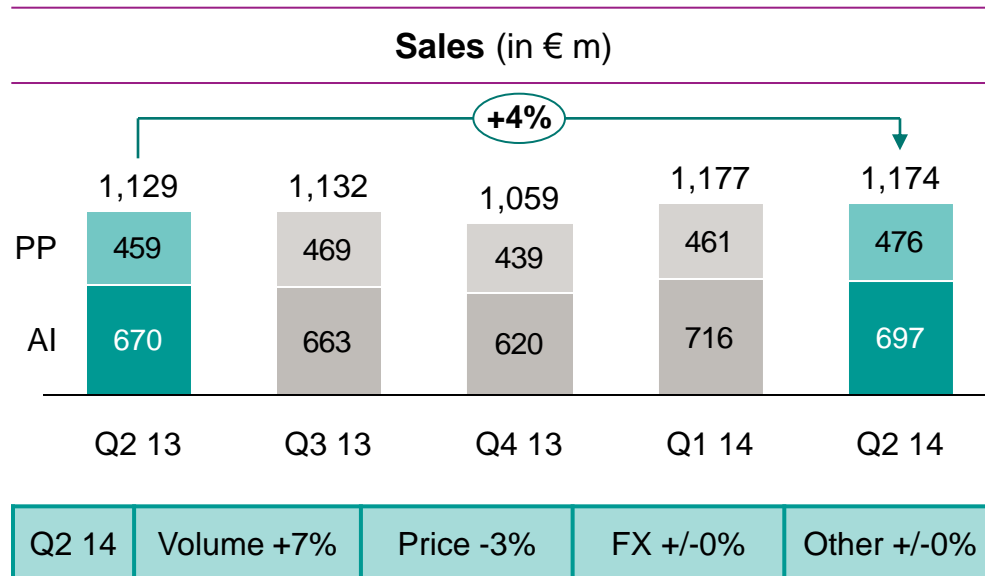
Continued high profitability



- Resource Efficiency again with increased sales and earnings yoy supported by both Business Units
- Margin maintained on high level of 23% due to ongoing strong volume trend and high plant utilization
- Silica with strong demand across most applications; continued currency headwinds from JPY
- Coatings & Additives' yoy improvement enabled by better demand from automotive and coatings markets and beneficial product mix
- First volumes produced in new world-scale plant for isophorone and isophorone diamine in Shanghai

Specialty Materials

Recovery slower than expected



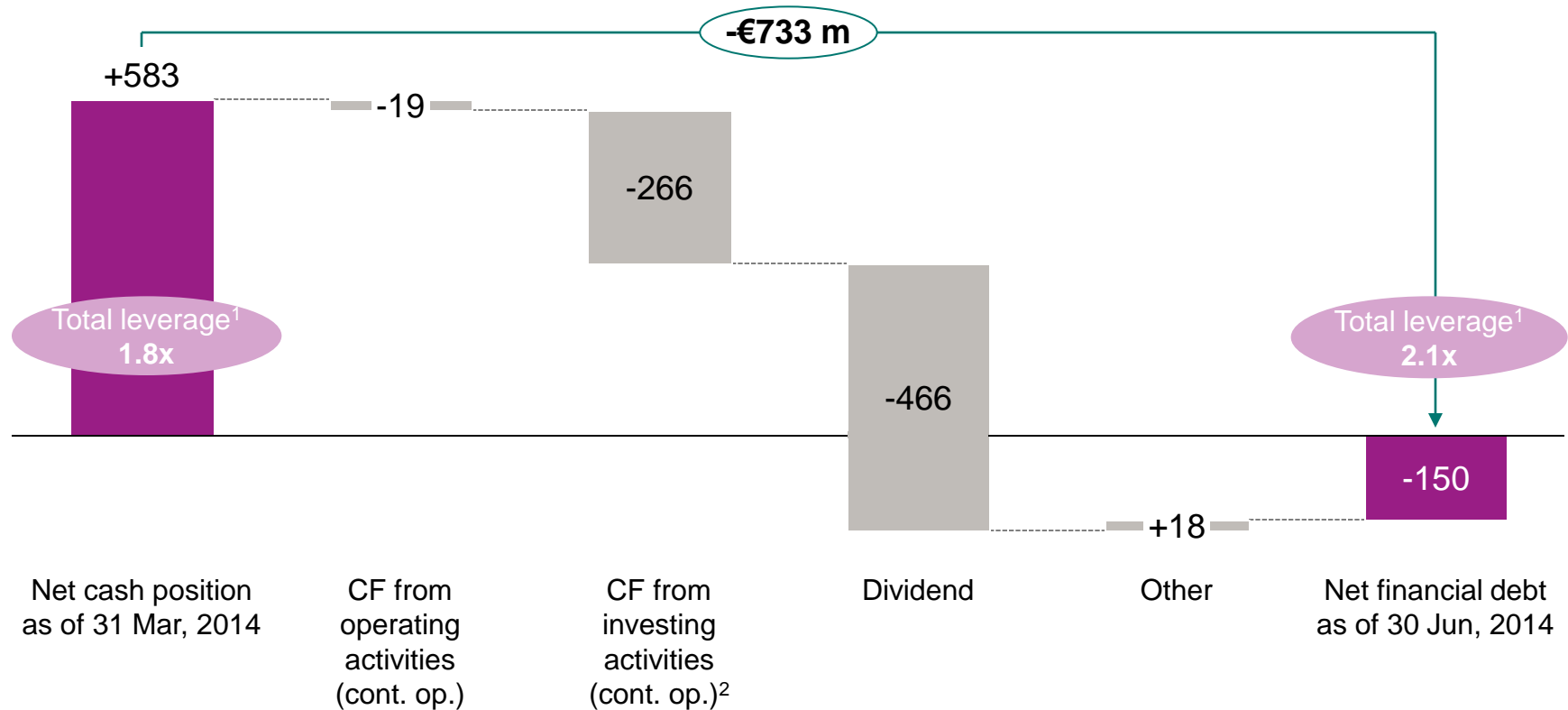
- Sales slightly above prior year supported by still increasing PA12 sales
- Solid volume development; prices again below last year, but comparables easing
- Demand situation robust for methacrylates with partly successful price increases
- Performance affected by planned maintenance shutdowns in all regions and still high raw material costs (acetone)
- Advanced Intermediates facing still unsatisfactory price levels for C4 products and higher raw material costs (naphtha); overall price recovery slower than expected
- First commercial volumes sold out of new HPPO plant in China

Net financial debt

Capex and dividend payment turning net cash into net financial debt again



Development of net financial debt (in € m)



Prior year figures restated for IFRS 11 changes

¹ Total leverage defined as (net financial debt + unfunded pension obligations) / adj. EBITDA LTM

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

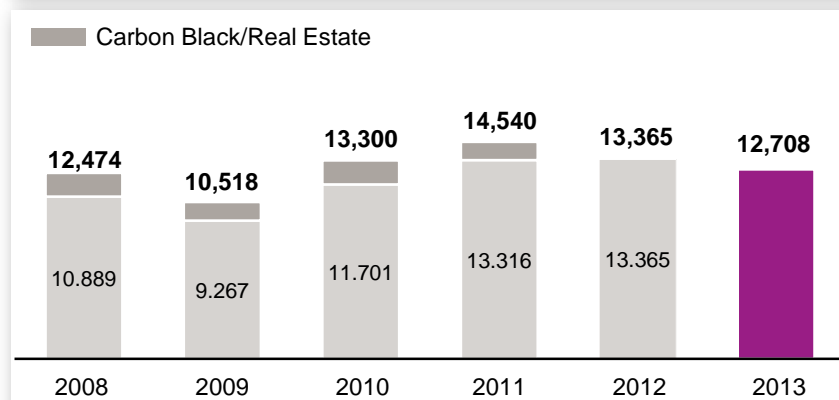
Reconciliation to adj. net income FY 2013

in € million	2012	2013	Δ in %
Sales	13,365	12,708	-5
Adjusted EBITDA	2,467	2,019	-18
Adj. depreciation and amortization	-580	-591	
Adjusted EBIT	1,887	1,428	-24
Adj. net interest expense	-321	-255	
Adj. income before taxes¹	1,566	1,173	-25
Adj. income taxes	-445	-329	
Adj. income after taxes¹	1,121	844	-25
Adj. non-controlling interests	-45	-13	
Adj. net income¹	1,076	831	-23
Adj. earnings per share¹ in €	2.31	1.78	-23

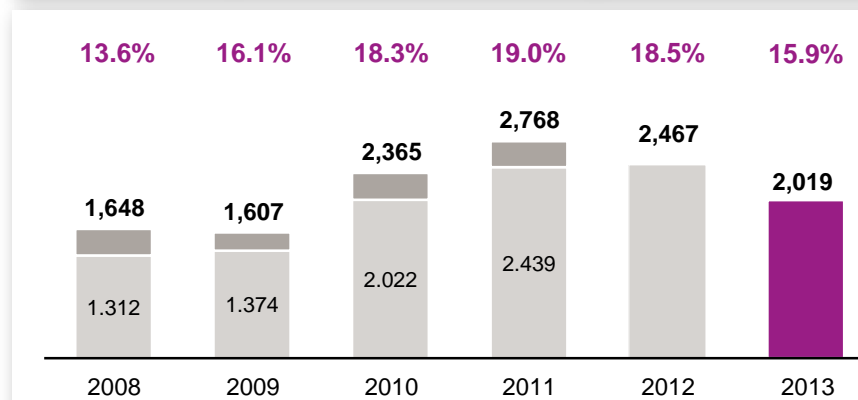
¹ Continuing operations

Strong financial track record

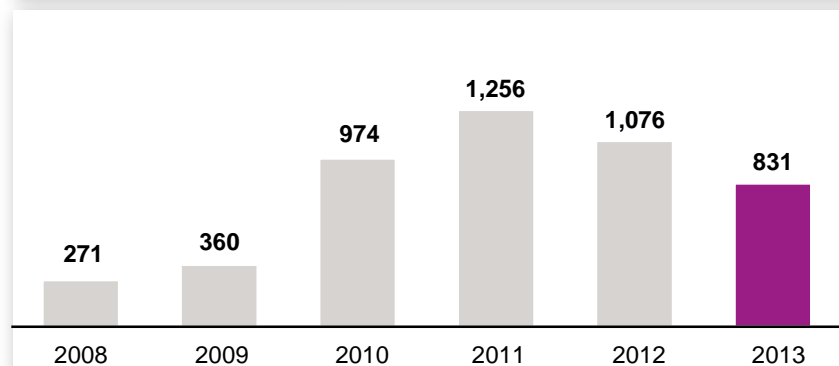
Sales (€m)



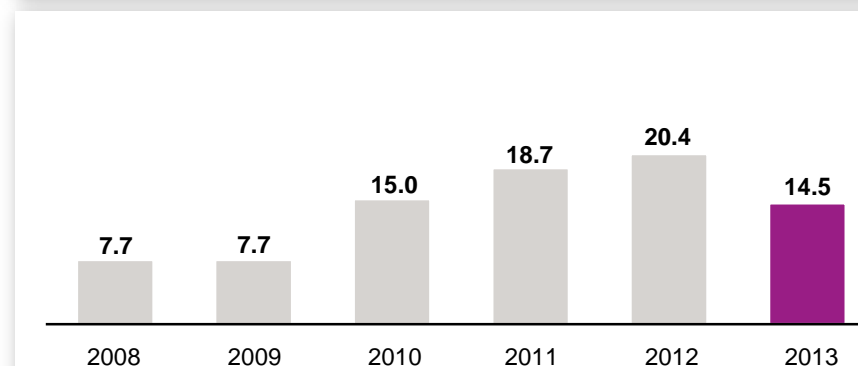
Adj. EBITDA (€m) and margin¹ (%)



Adj. net income (€m)



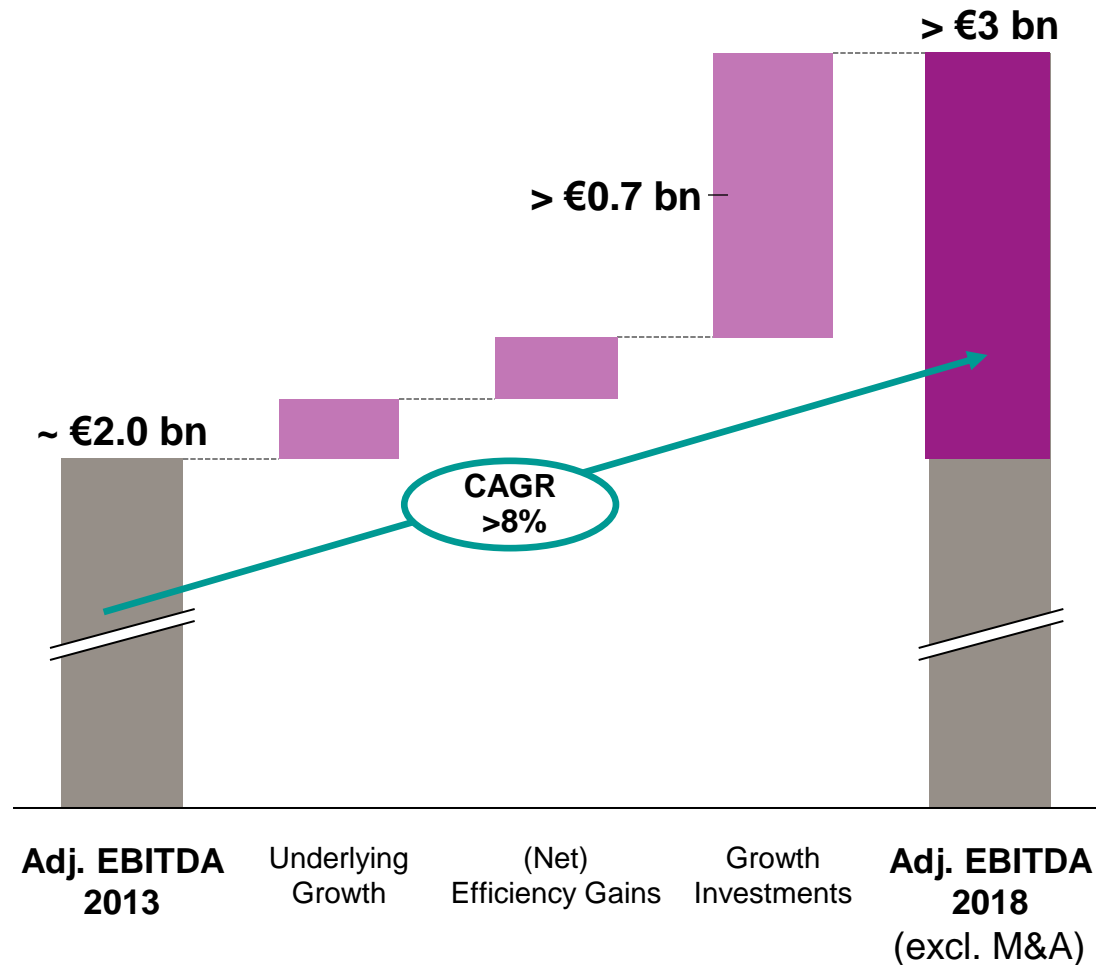
ROCE(%)



Note: 2013 restated due to IFRS 11; all figures without Steag.

¹ Excluding Carbon Black

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)

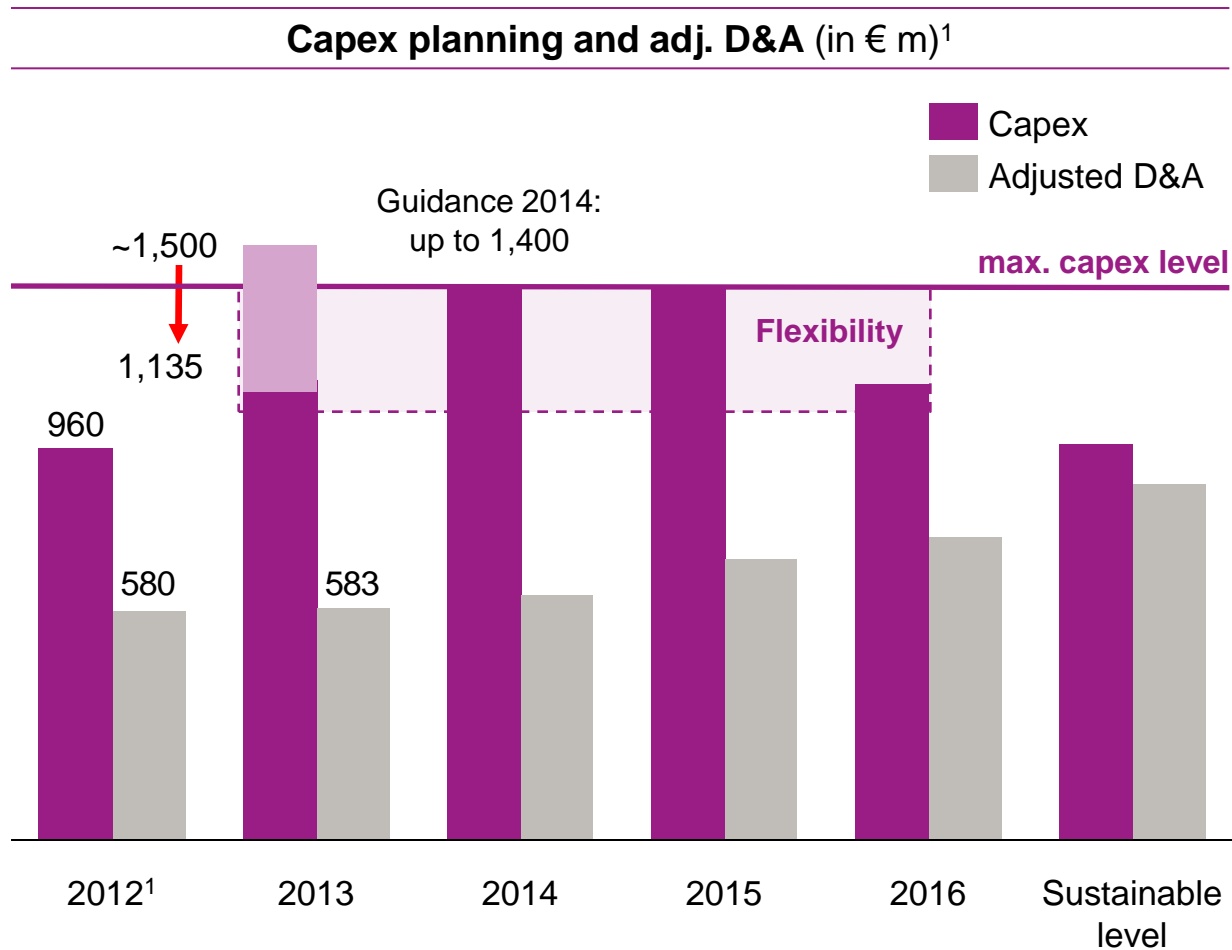
(Net) Efficiency Gains

- 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

Flexibility in investment program



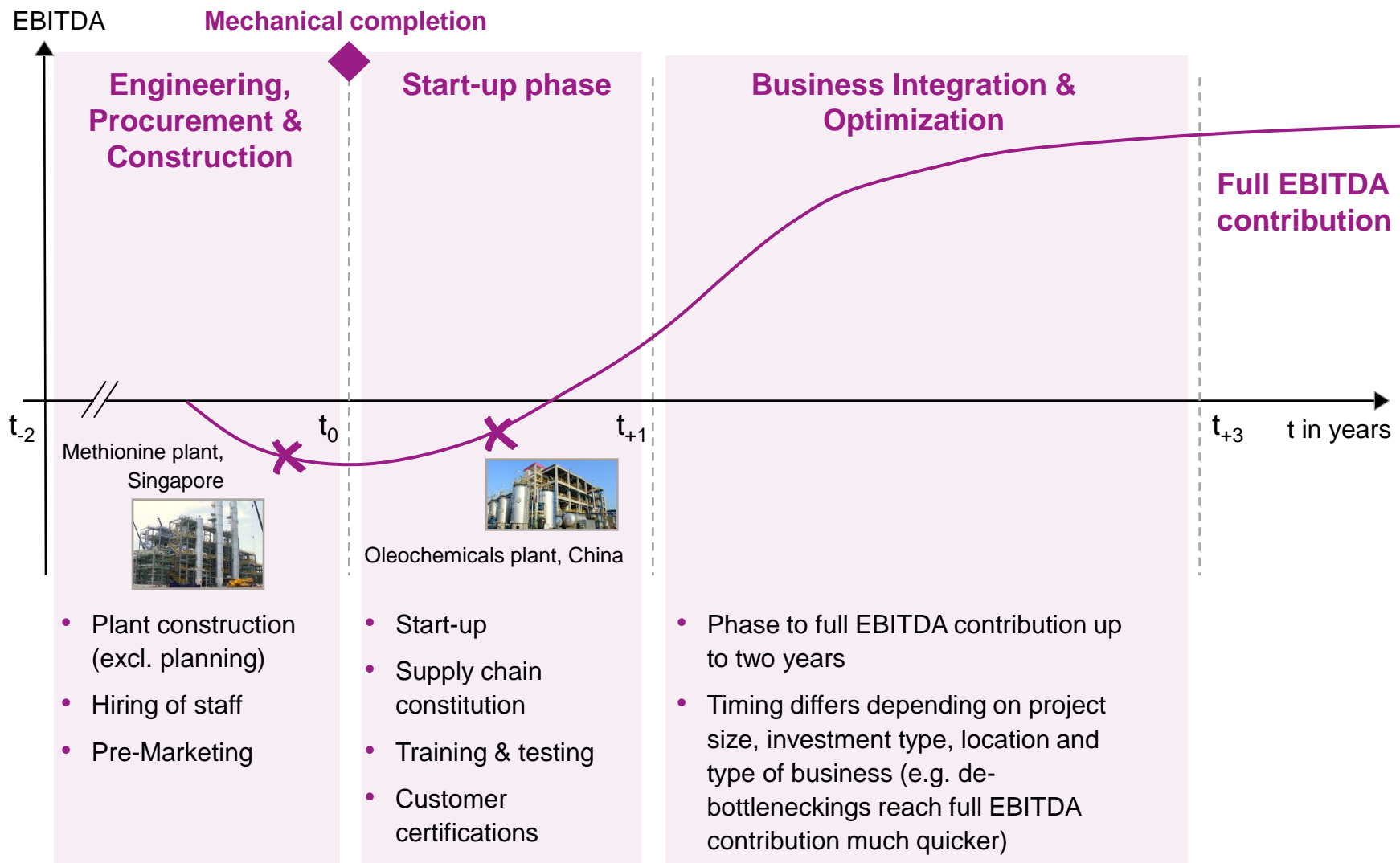
- Investment program resulting in capex peak in 2014/15, leveling off thereafter
- Flexibility in timing and execution, e.g.: Capex 2013 reduced to €1.1 bn (from €1.5 bn)
- From 2017: Return to sustainable capex level, thereof ~ €450 m basis investments²

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)

Growth

Earnings contribution of a typical greenfield investment project >€50 m



Financial Policy

**Intend to keep
total leverage
ratio
below 2.5x¹**

**Envisage
robust
funding level
of DBO²**

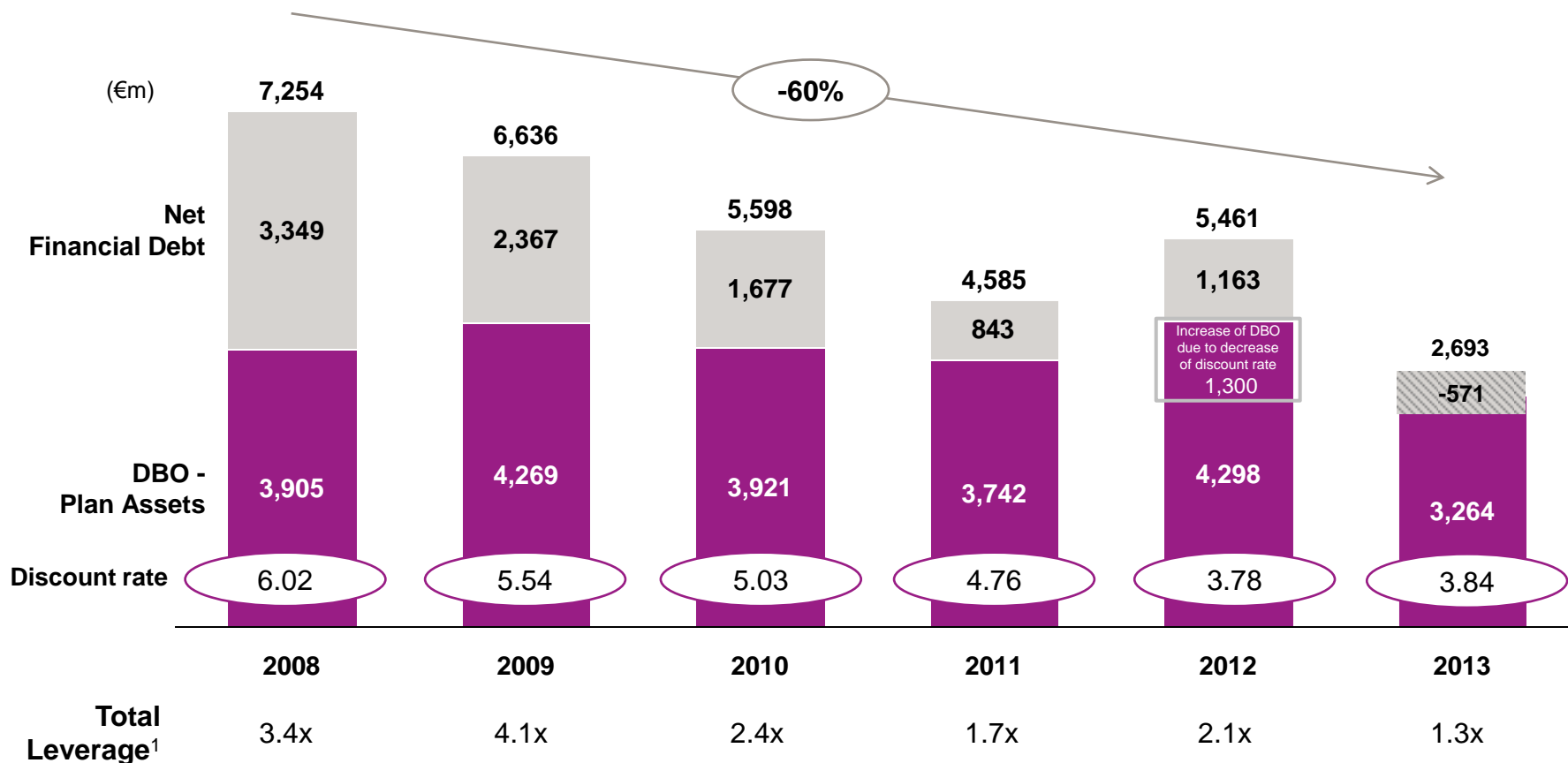
**Strive to
maintain
solid
investment
grade rating**

Evonik aims to remain a reliable partner for both its bond investors and banks

¹ Total leverage defined as (net financial debt + unfunded pension obligations) / adj. EBITDA

² Defined benefit obligations

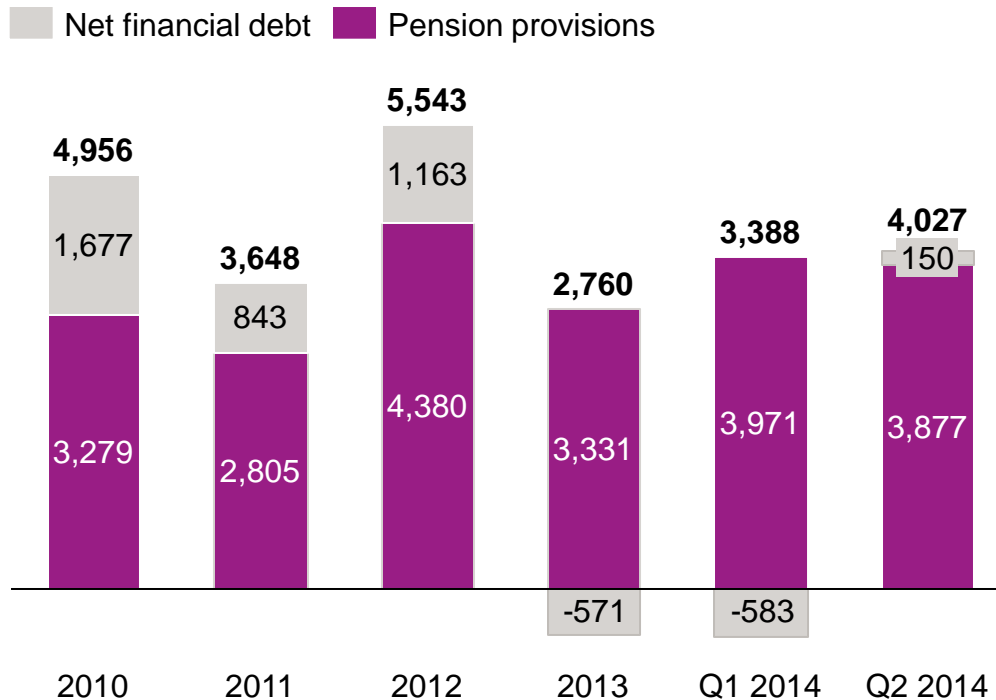
Further significant deleveraging through Real Estate divestment



¹ Total leverage defined as (net financial debt + unfunded pension obligations) / adj. EBITDA LTM

Development of pension provisions

Development of pension provisions (in € m)



- Pension provisions increased to €3.97 bn after Q1 from €3.33 bn at year-end 2013
- Result of adjustment of applicable interest rate in Germany and the Euro-Countries from 3.75% to 3.25% due to further yield decline of AA-rated Euro-bonds
- Effect offset against equity without impact on cash or earnings

5.03

4.76

3.78

3.84

Global discount rate¹

5.00

4.75

3.75

3.75

3.25

3.25

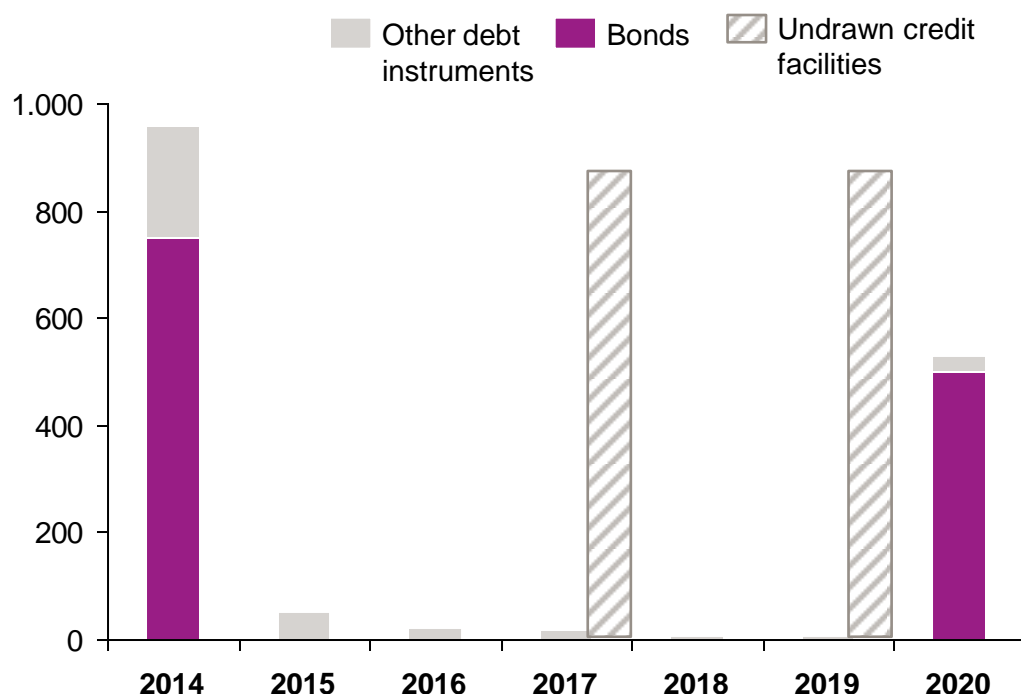
Discount rate for Germany

Prior year figures restated for IFRS 11 changes

¹ Calculated annually

Debt maturity profile

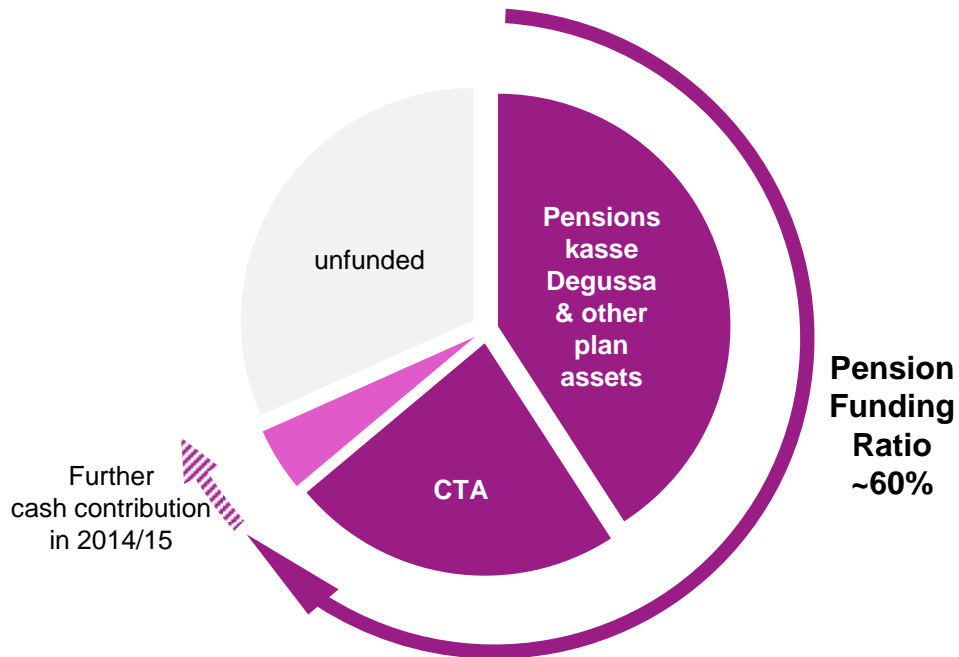
Debt maturity profile as of June 30, 2014 (in € m)



- Upcoming €750m bond maturity in October 2014
- Policy to fund long-term debt through Capital Markets
- €3bn Debt Issuance Program in place; last updated in February 2014
- Undrawn Syndicated RCF as backup
 - €1.75bn; increased by €0.25bn in Sept 2013
 - Two tranches of €875m each with extension options (3+1+1 and 5+1+1), of which the first options were exercised during Q2 2014

Pension obligations well financed

Pension overview as of June 30, 2014 (in € m)



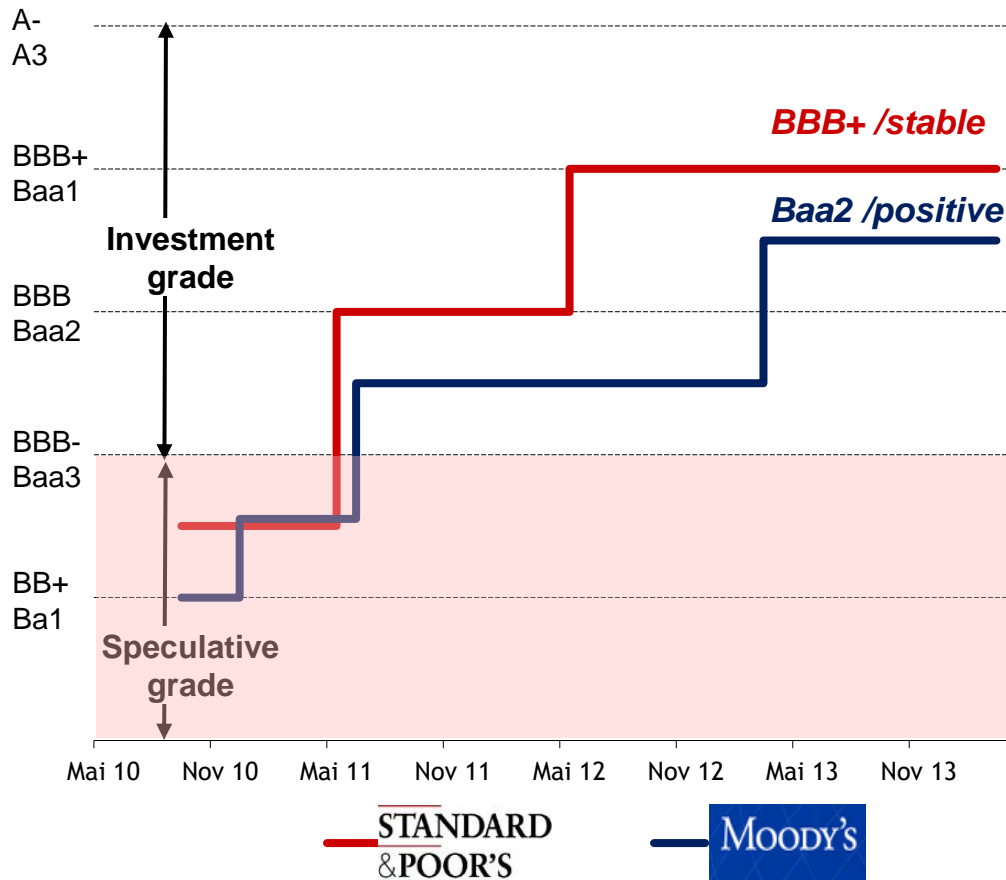
- Pension Funding Gap increased in Q1 2014 due to lower discount rate in Germany (3.25% vs. 3.75%)
- Funding Ratio remains on a solid level of ~60%
 - Further cash contributions of €200 m intended in 2014/15 each

in € m	2012	2013	Q2 2014
Pension Funding Gap ¹	4,298	3,264	3,819

¹ DBO – plan assets

Rating positioned in upper range of BBB

Rating development



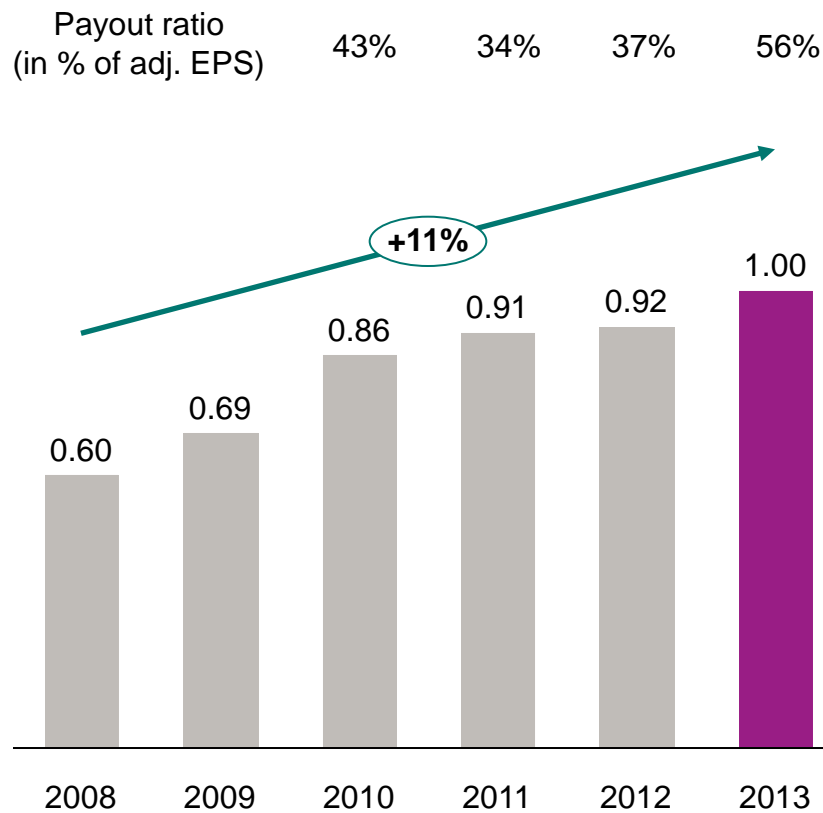
- Rating upgrade by Moody's to Baa2 with positive outlook in March 2013 – confirmed in March 2014
- S&P's rating BBB+ with stable outlook since May 2012 – confirmed in June 2014
- Impressive rating dynamic thanks to focus on specialty chemicals and clear financial policy
- Maintaining a solid investment grade rating is an integral part of our financial policy

Dividend policy

Attractive returns for shareholders



Dividend history (in €)



Dividend Policy

Two components of Evoniks dividend policy:

- 1) Targeted payout ratio:
~40% of adjusted net income
- 2) Additionally, target of **dividend stability**

- Clear historical track record with regards to dividend policy and shareholder returns (also pre-IPO)
- Dividend increase in 2014 supported by significant cash inflows from Real Estate divestment

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• Pay-out calculated on the basis of the achievement of certain, primarily value creation focused KPIs (e.g. ROCE, adj. net income, adj. EBITDA)• 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 (MSCI Chemicals)• Bonus capped at 300% of initial amount• To be paid out in cash after lock-up period

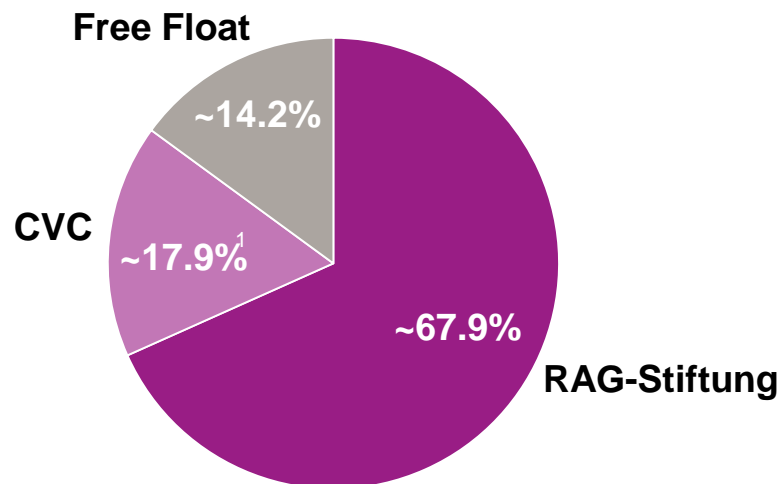
Evonik Industries AG

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
- Exchangeable Bond issued in June 2014, exchangeable into Evonik shares
 - If bond is fully settled with shares, free float would theoretically increase by ~3%, at the latest at maturity (December 2018)

CVC

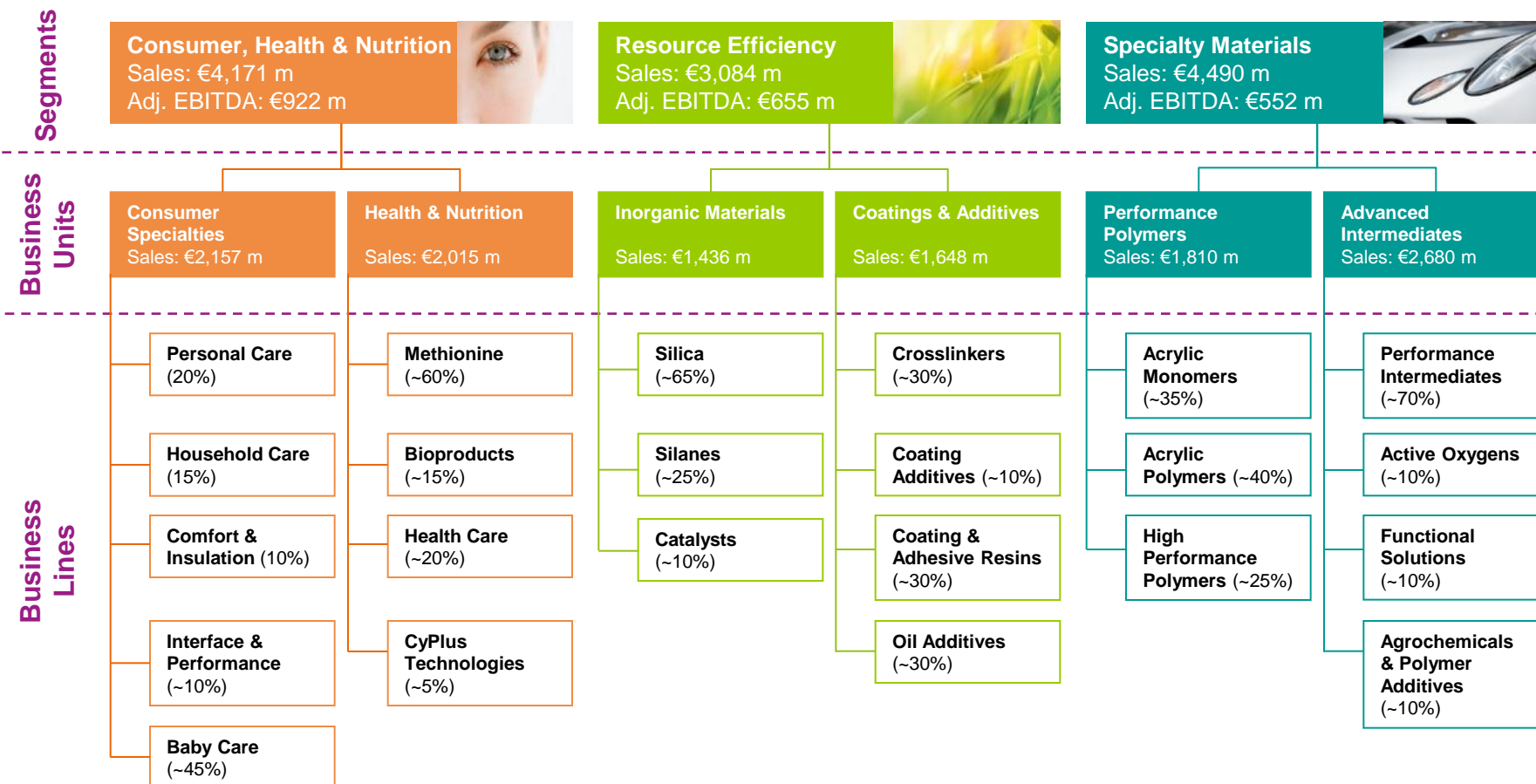
- Shares held by Gabriel Acquisitions GmbH, an indirect subsidiary of funds advised by CVC
- Exchangeable Bond issued in November 2013, exchangeable into and secured by Evonik shares
 - If bond is fully settled with shares, free float would theoretically increase by ~2%, at the latest at maturity (November 2016)

¹ Shares held by Gabriel Acquisitions GmbH, an indirect subsidiary of funds advised by CVC

A	Financials Q2 2014 & financial policy
B	Specialty Chemicals segments
C	Upcoming IR events and contact

Specialty Chemicals segments



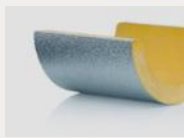


Overview



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 2013	~20%	~15%	~10%	~10%	~45%
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

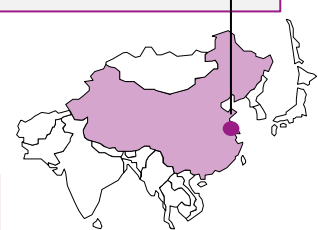


Americana, Brazil

- 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 Specialties: 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**

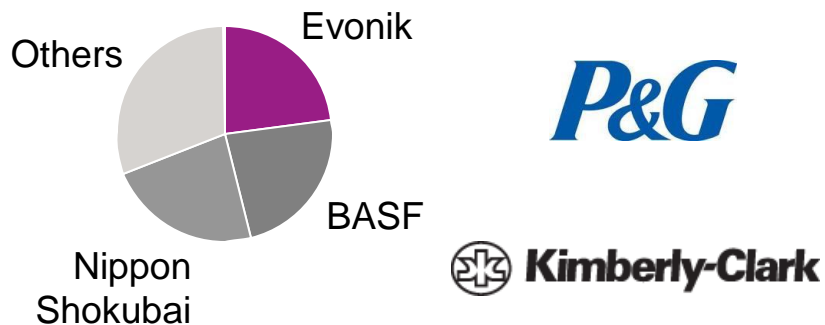


**Female
hygiene**



**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

Consumer, Health & Nutrition

BU Health & Nutrition



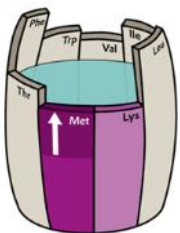
	Methionine	Bioproducts	Health Care	CyPlus Technologies
				
Applications	<ul style="list-style-type: none"> Animal nutrition, mainly poultry and swine 	<ul style="list-style-type: none"> Animal nutrition, poultry and swine 	<ul style="list-style-type: none"> Active pharmaceutical ingredients and functional 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 2013	~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

Health & Nutrition: 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



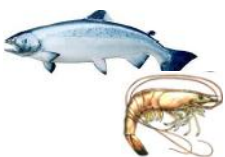
Strong partnerships:

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



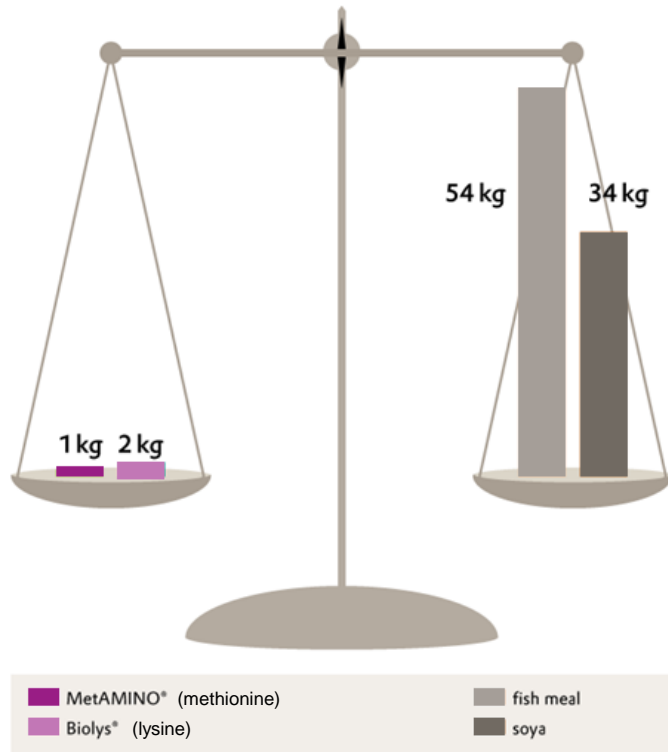
New applications:

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

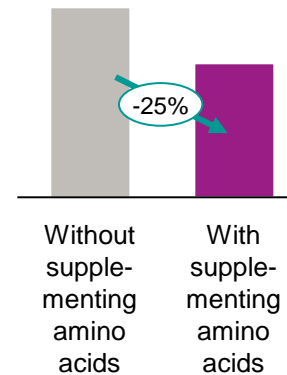


Health & Nutrition: Feed Additives

Ecological benefit from efficient animal nutrition



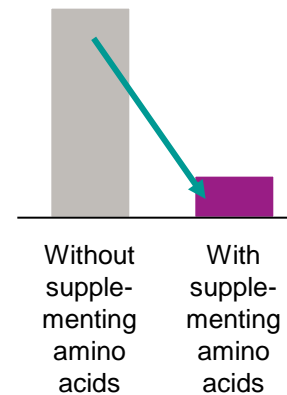
Reduced feed costs



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"

Health & Nutrition: Methionine

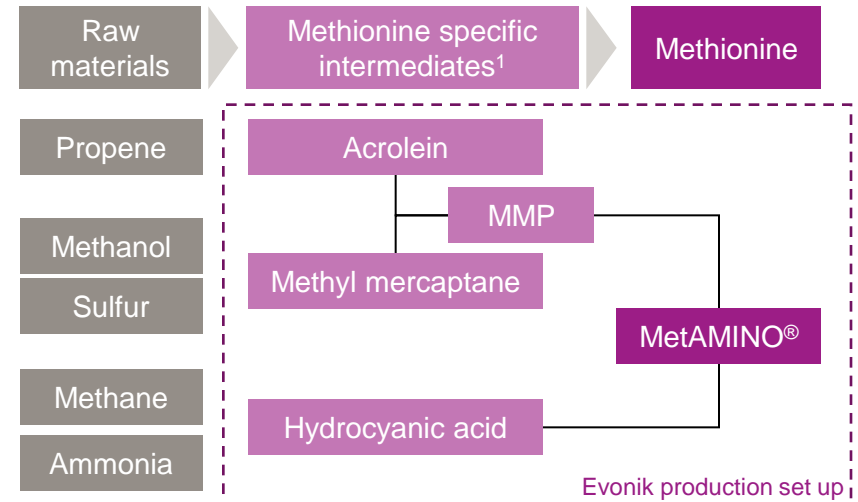
Backwards integrated production

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

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

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

Resource Efficiency

BU Inorganic Materials

	Silica	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 • Fumed silica • Adhesive & sealants • Building protection 	<ul style="list-style-type: none"> • Catalysts for fine polyolefins • Enabler for process innovation
Key products	<ul style="list-style-type: none"> • Precipitated silica • Fumed silica • Special oxides 	<ul style="list-style-type: none"> • Chlorosilanes • Organofunctional silanes • Rubber silanes 	<ul style="list-style-type: none"> • Precious metal catalysts • Activated base metal catalysts
Sales split 2013	~65%	~25%	~10%
Market position¹	# 1 in precipitated silica	# 1 in chlorosilanes # 1 in organofunctional and rubber silanes	#1 for precious metal powder catalysts #2 for activated base metal catalysts
Main competitors	<ul style="list-style-type: none"> • Cabot • JM Huber • Solvay • Wacker 	<ul style="list-style-type: none"> • OCI • Dow Corning • Momentive • Shin Etsu 	<ul style="list-style-type: none"> • BASF • Clariant • 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

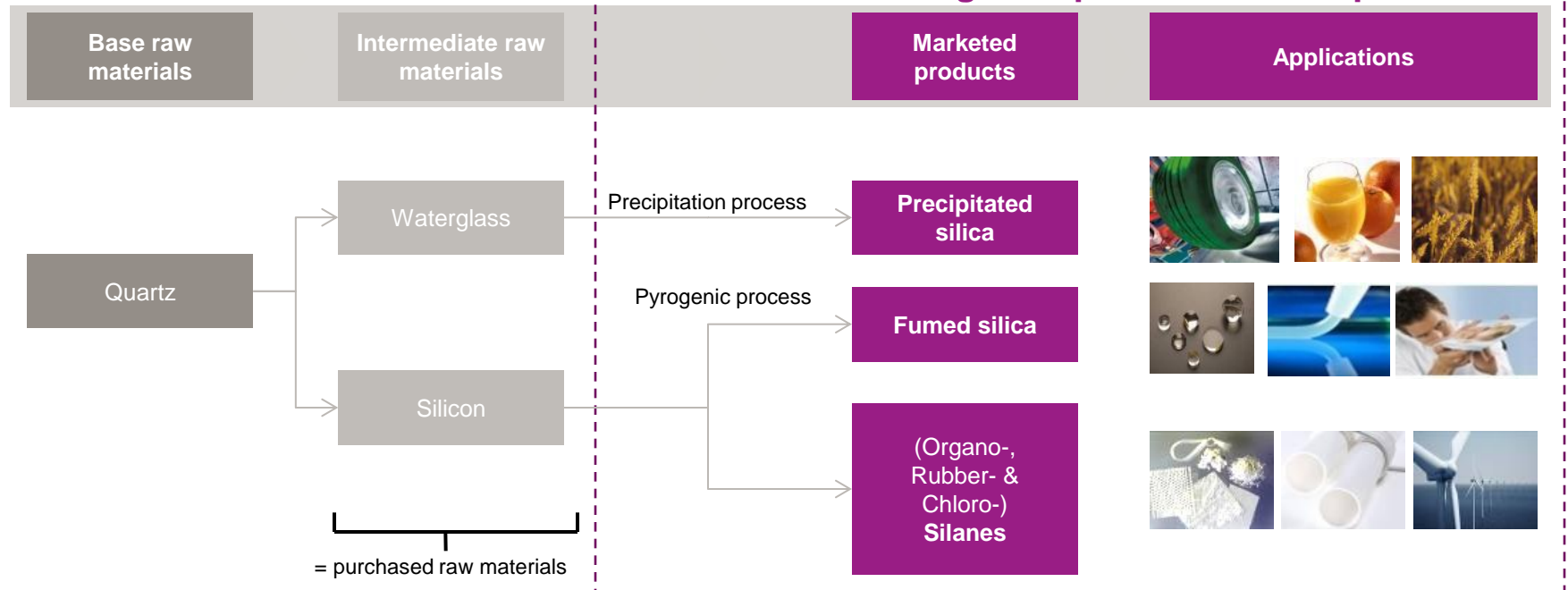
Efficient integrated production platform for silica and silanes



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

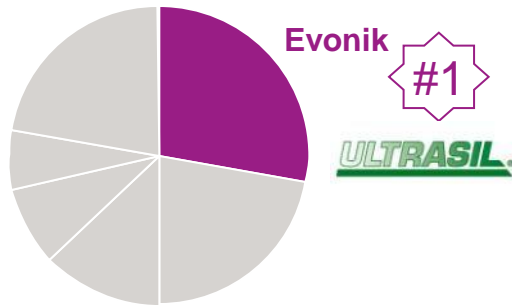


Inorganic Materials: Silica

Leading market positions with strong established brands in growth markets



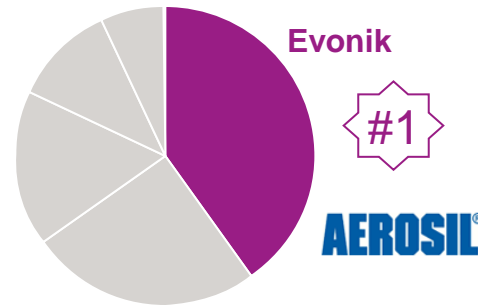
Precipitated Silica



Main competitors

- Solvay
- JM Huber
- PPG
- OSC

Fumed Silica



Main competitors

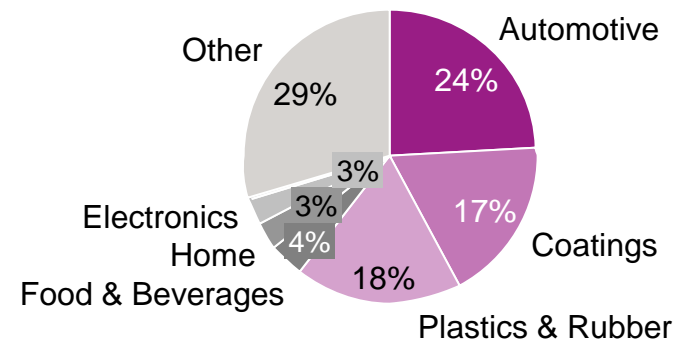
- Cabot
- Wacker
- Tokuyama

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

BU 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 sealants Polybutadiene
Sales split 2013	~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

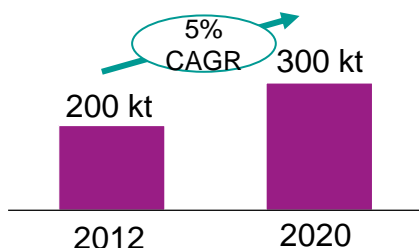
² Defined as Top 1-3 positions; as per Company estimates, based on multiple research reports

Coatings & Additives: 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

Coatings & Additives: 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

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 2013	~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

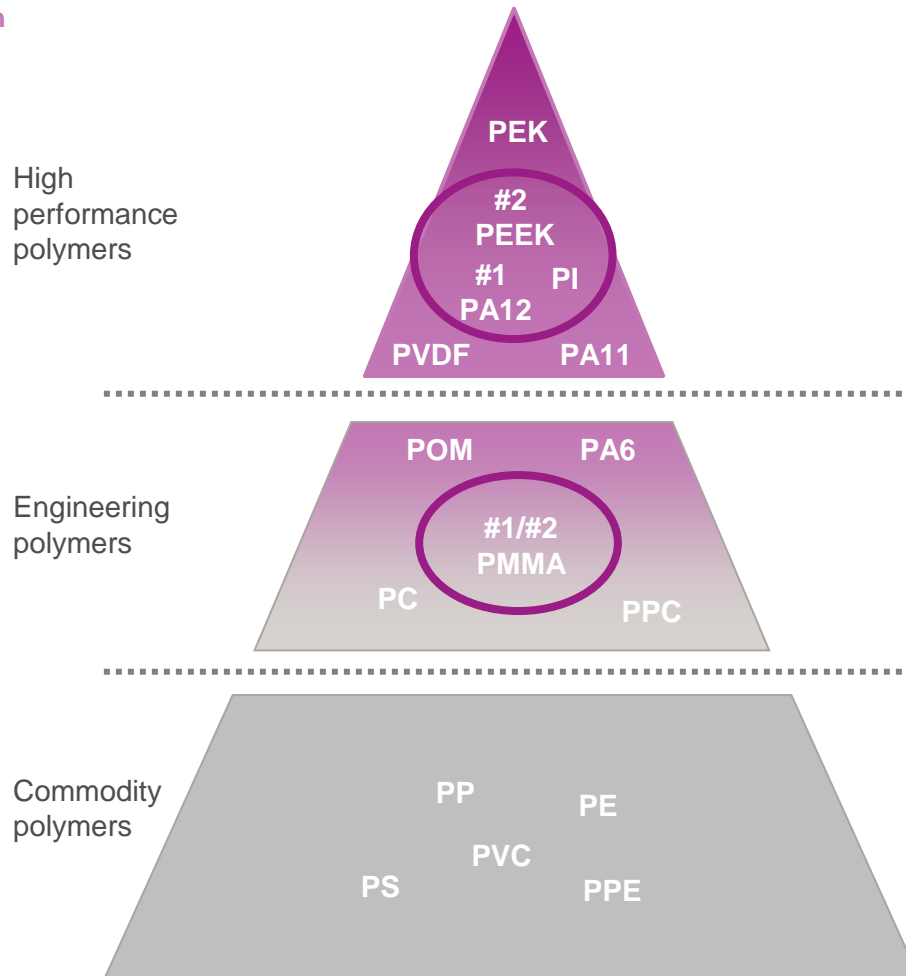
Focused on engineering & customized high-end polymers



Polymer markets segmentation and Evonik market positions

Performance driven

- higher growth
- higher margins



Price driven

- higher volumes
- lower margins

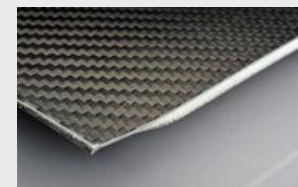
Expertise in systems and applications



VESTAKEEP®



SEPURAN®







ROHACELL®

Specialty Materials

BU Advanced Intermediates



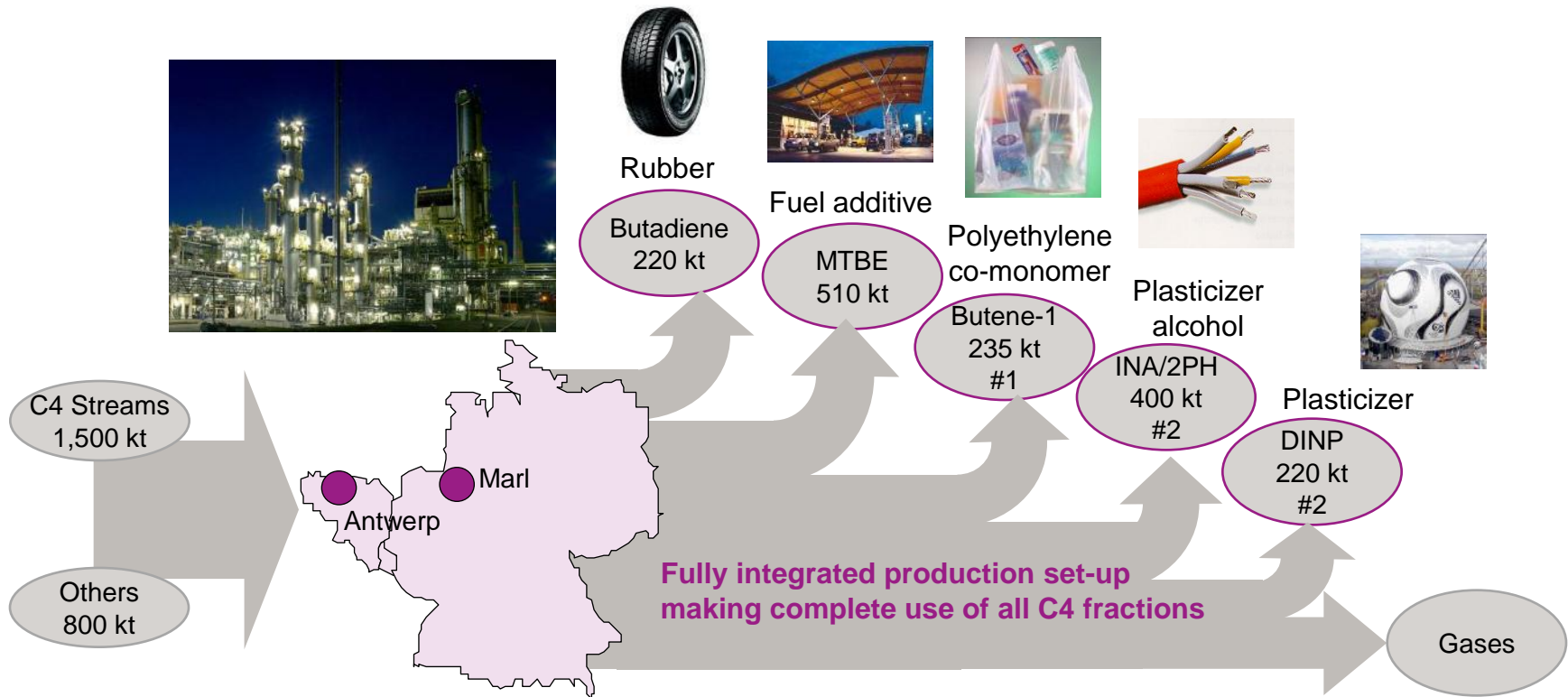
	Performance Intermediates	Active Oxygens	Functional Solutions	Agrochemicals & Polymer Additives
				
Applications	<ul style="list-style-type: none"> Plastics Styrene-butadiene-rubber High performance polymers 	<ul style="list-style-type: none"> Oxidising agent in chemical reactions Pulp & paper bleaching 	<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 2013	~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

Advanced Intermediates: C4 chain (Perf. Interim.)

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

A	Financials Q2 2014 & financial policy
B	Specialty Chemicals segments
C	Upcoming IR events and contact

Upcoming IR events



Roadshows

- 7 November, 2014: Roadshow London
- 11 November, 2014: Roadshow Frankfurt / Main

Conference participations

- 8 September, 2014: Commerzbank Sector Conference Week, Frankfurt / Main
- 25 September, 2014: Baader Investment Conference, Munich
- 11-12 November, 2014: Morgan Stanley Global Chemicals & Agriculture Conference, Boston

Next reporting dates

- 30 October, 2014: Q3 reporting
- 3 March, 2015: Q4 / FY reporting

Capital Markets Day

- 2 October, 2014: Evonik Capital Markets Day, Hanau (near Frankfurt / Main)

**Please find an updated schedule
on our IR website
("Events & Presentations")**

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EVONIK
INDUSTRIES