

**Evonik.**  
**Power to create.**

**Company presentation**

December 2014



**EVONIK**  
INDUSTRIES

# Table of contents



<b>1</b>	<b>Group strategy</b>
2	Financials Q3 2014
3	Appendix

# Evonik is committed to deliver sustainable profitable growth in specialty chemicals



## 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**

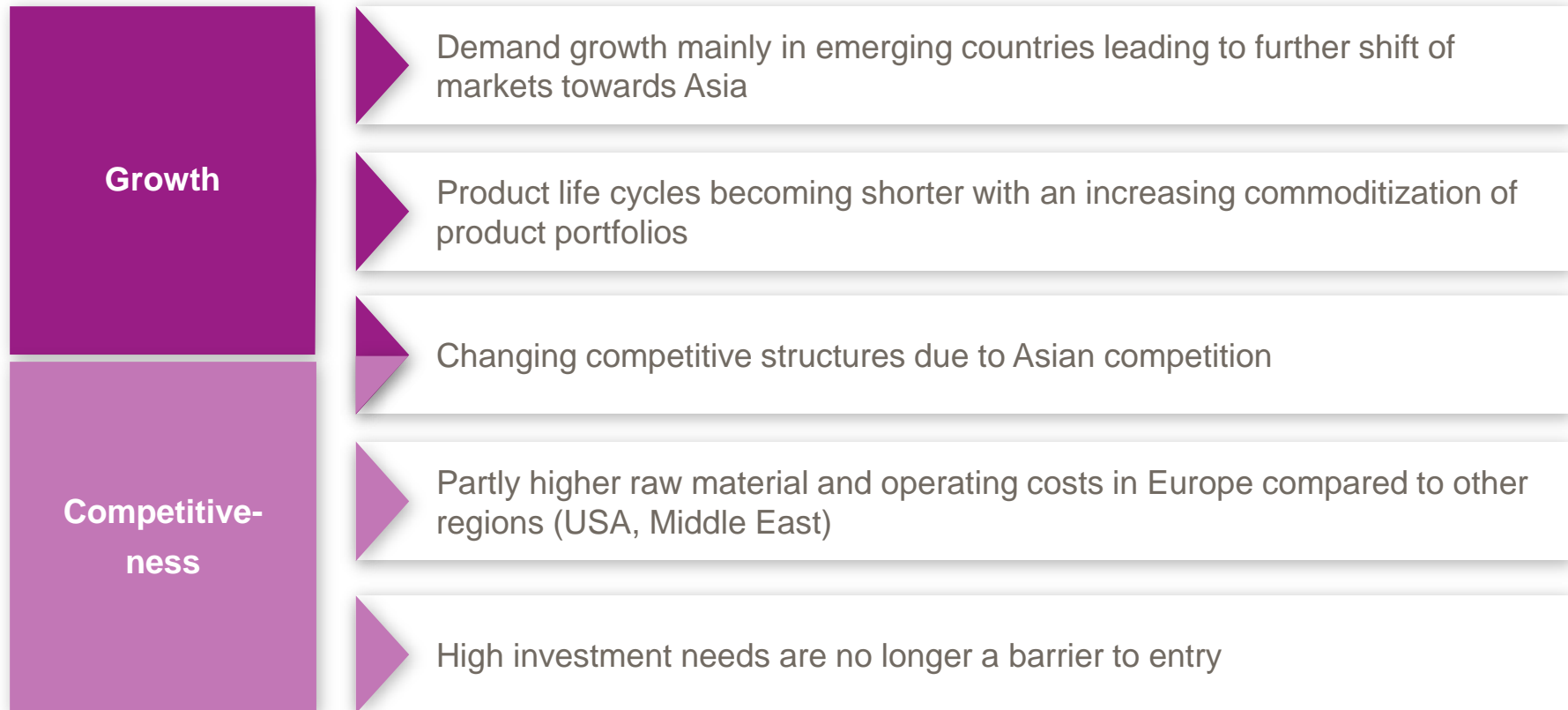
## Clear Commitment:

to deliver sustainable growth

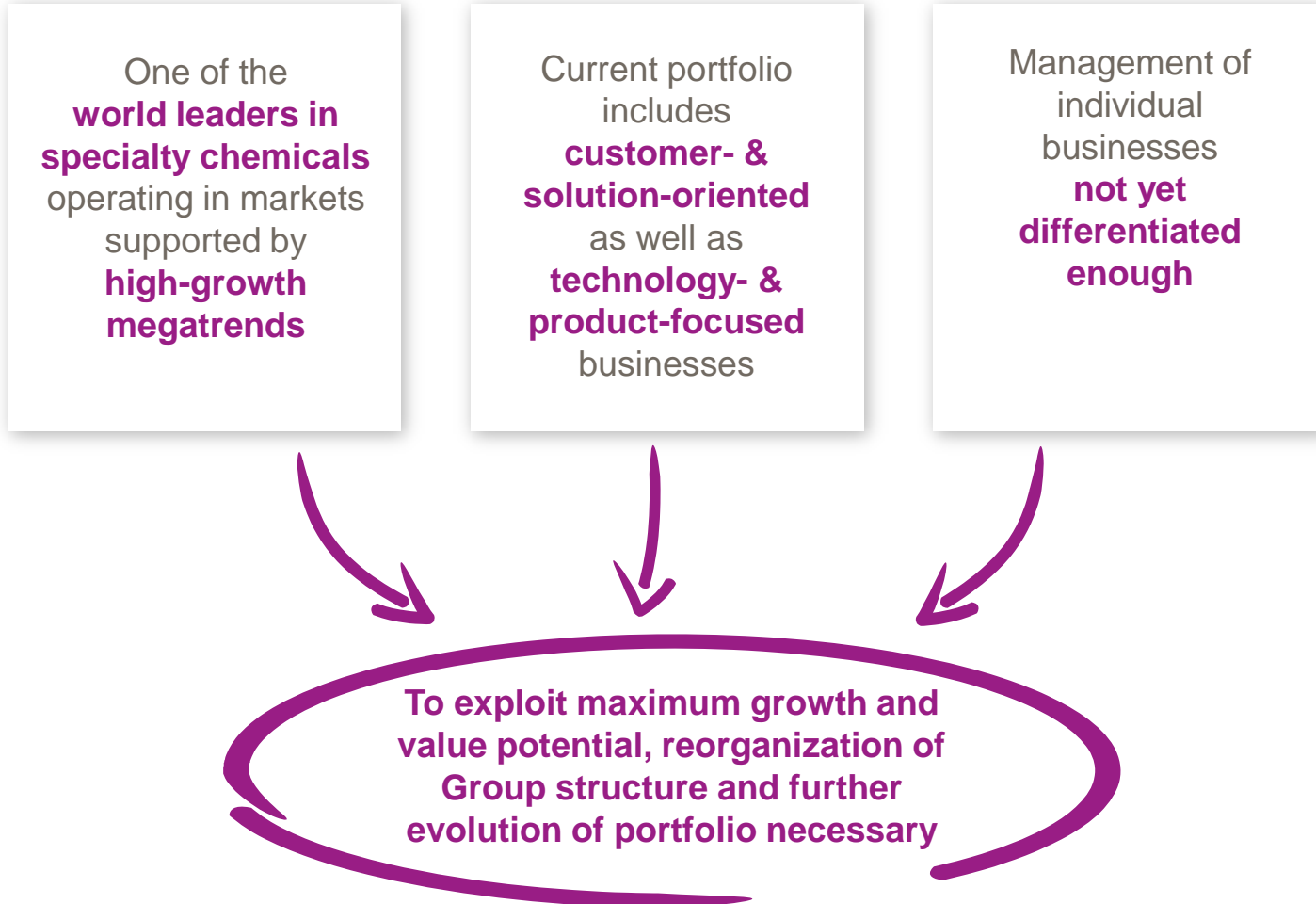
to increase profitability

Value generation for our shareholders

## Global chemicals industry expected to continue to outgrow global GDP, but ...



# Reassessment of Evonik's position and portfolio: More differentiated management needed



# Differentiated management tailored to specific needs of individual businesses

## 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
- Joint R&D with customers and innovative solutions are of high importance

- Focus on above-average profitable growth
- High returns on invested capital
- Concentrate growth capex on these areas and expansion with selective 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

# Levers for sustainable value creation

## Innovation

- **Differentiated focus** of innovation activities according to specific business needs
- **Strong market & customer orientation** as basis for successful R&D

## Organic growth

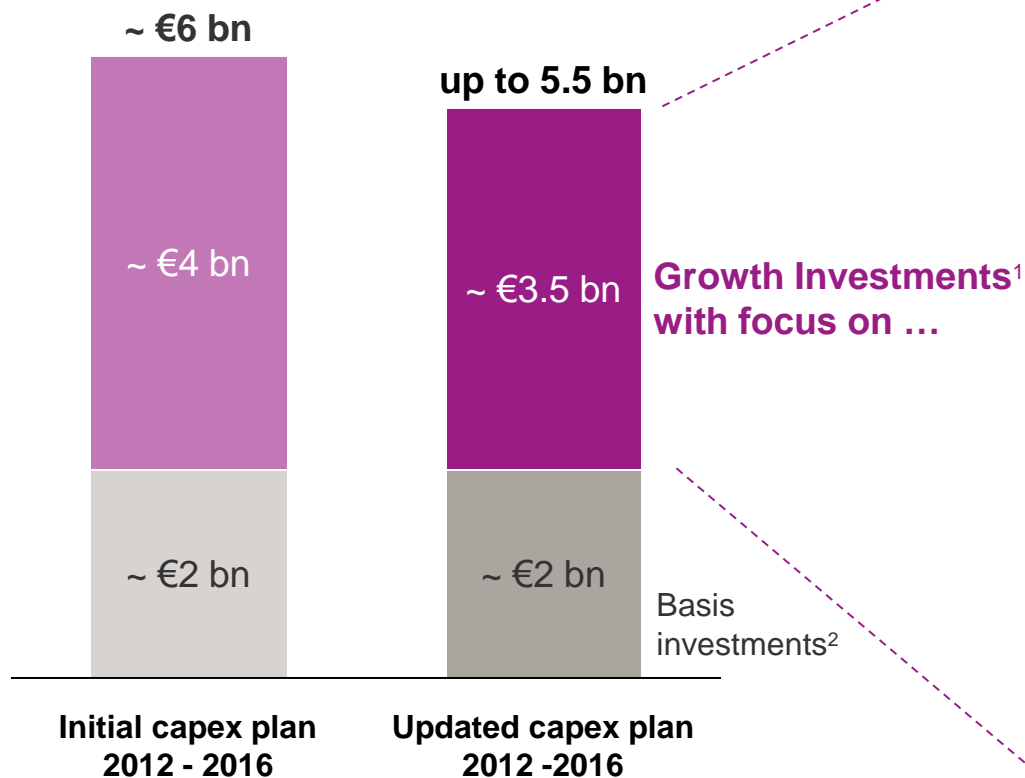
- **Ramp-up** of investment projects according to plan
- Taking advantage of **flexibility** in investment program

## External growth

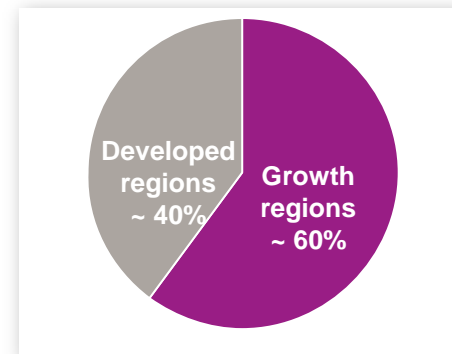
- **Acquisitions** as an additional route for value creation

# Investments addressing growth opportunities, disciplined and flexible approach in execution

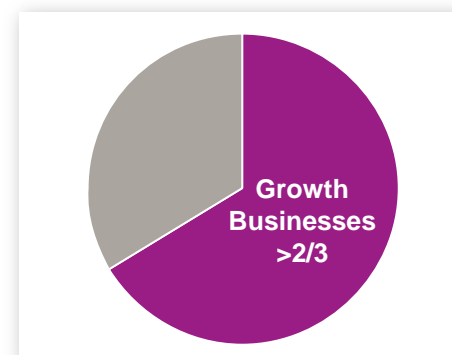
## Investment program 2012 – 2016



### ... Growth Regions<sup>3</sup>



### ... Growth Businesses<sup>4</sup>



<sup>1</sup> Growth investments defined as investments above €2.5 m into growth projects.  
<sup>2</sup> Includes investments below €2.5 m and maintenance and regulatory compliance investments  
<sup>3</sup> Growth regions defined as Asia and rest of the world, developed regions defined as Europe and North America.  
<sup>4</sup> According to Portfolio classification



# Acquisitions as additional route for value creation

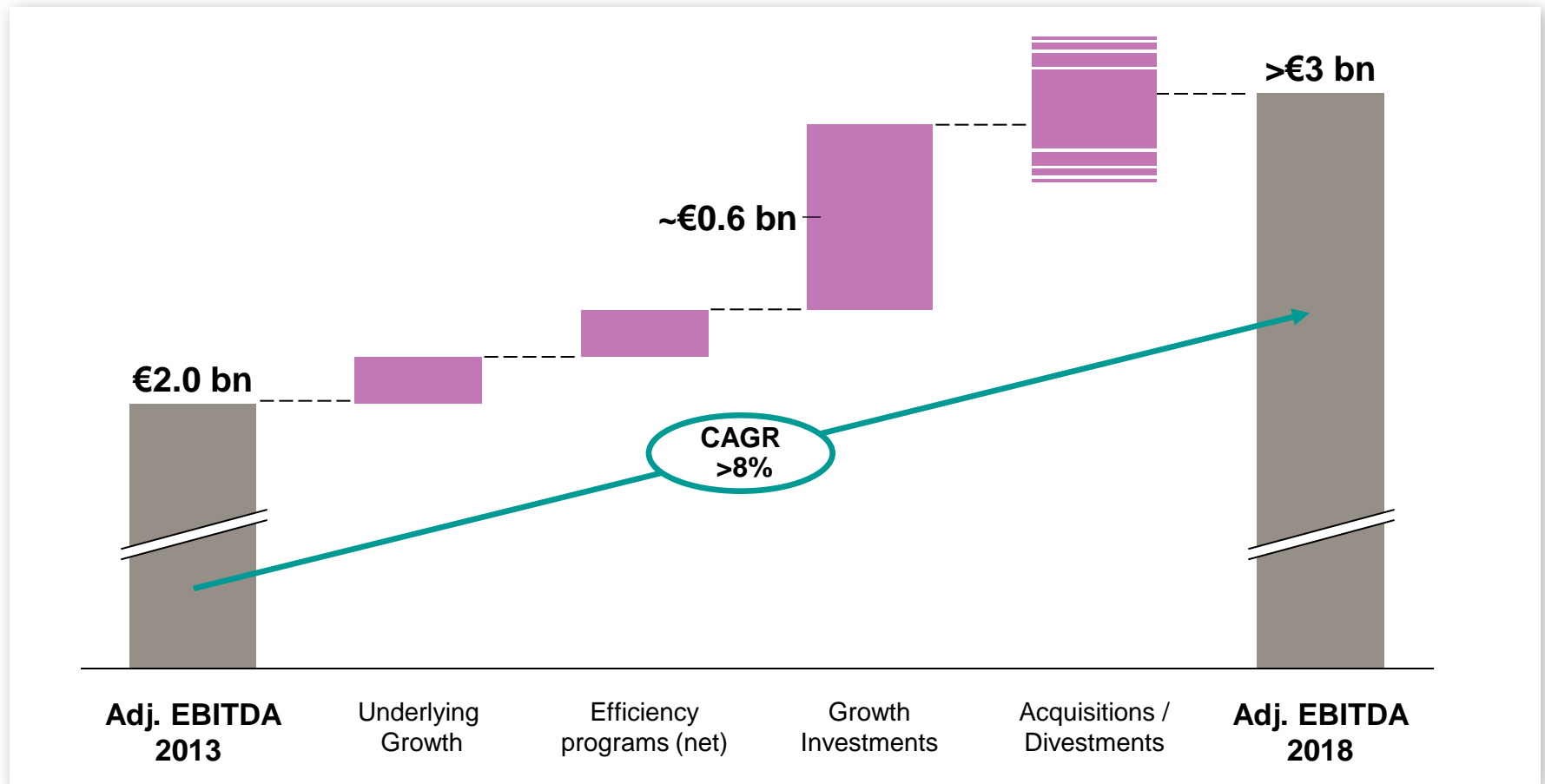


- Acquisitions as **additional growth route** to create value:
  - **Accelerated entrance** into adjacent markets and businesses
  - Enable **growth in asset-light businesses**
  - Strengthening of **resilience** against market or product cycles
  - Value enhancement via **synergies**

- Further **growth and sharpening of specialty chemicals portfolio** in Consumer, Health & Nutrition / Resource Efficiency
- Potential driver for subsequent **portfolio adjustments**

- **Strong financial profile** offers flexibility for external growth

# Aspiration level: Adj. EBITDA of >€3 bn and an attractive premium on cost of capital



# Table of contents



1	Group strategy
<b>2</b>	<b>Financials Q3 2014</b>
3	Appendix

# Highlights Q3 2014

## Earnings improvement gaining momentum



**Sales** of €3,243 m slightly exceed prior year level (+1%);  
volume growth (+2%) continuing, prices approaching break-even level (-1%)

**Adj. EBITDA** of €501 m again with sequential improvement (Q1: €457 m; Q2: €467 m)  
Consumer, Health & Nutrition and Specialty Materials with better earnings qoq;  
Resource Efficiency continuing on high profitability levels

STEAG proceeds of €569 m received in Q3, leading to **net cash position** again  
Increase in pension provisions (+€539 m) due to further lowered discount rate

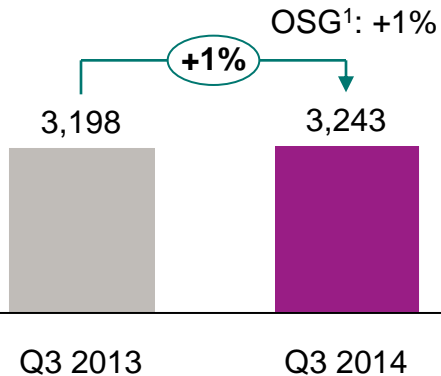
**Outlook for 2014** confirmed:  
Adj. EBITDA in the lower rather than upper part of €1.8 - 2.1 bn range

# Financial highlights Q3 2014

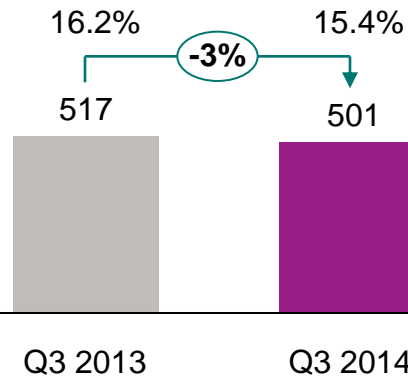
## Adj. EPS above prior year level



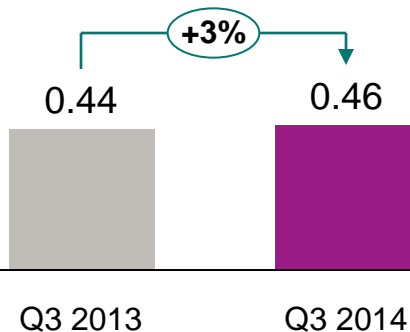
### Sales (in € m)



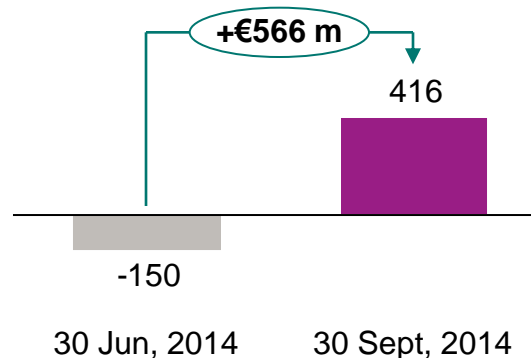
### Adj. EBITDA (in € m) / margin



### Adj. EPS (in €)



### Net financial position (in € m)



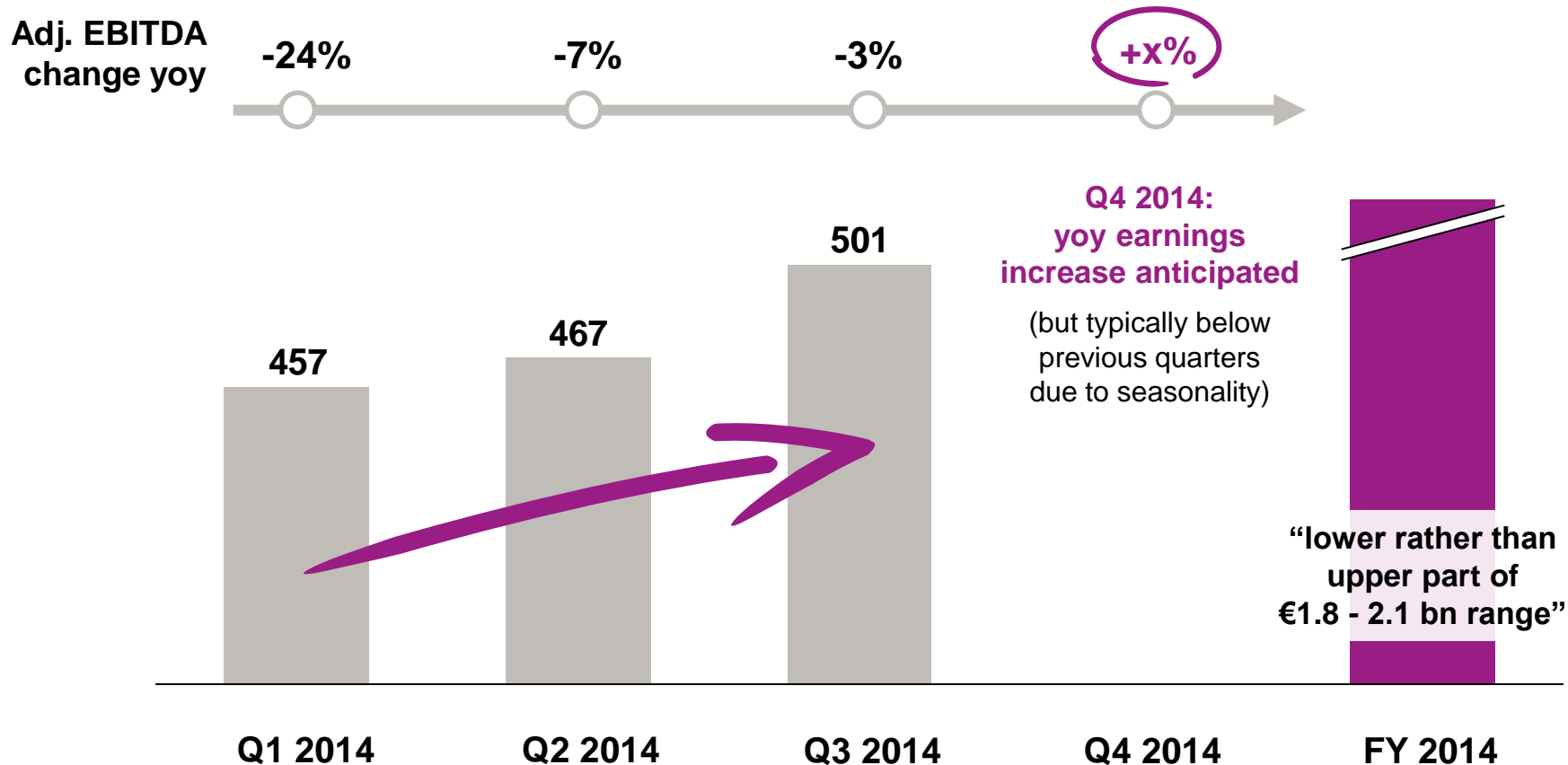
- yoy reported (+1%) and organic (+1%) sales growth
- Solid volume growth (+2%) despite maintenance and higher base in H2 2013
- Steadily improving price trend (Q4: -6%; Q1: -4%; Q2: -2%; Q3: -1%)
- No more negative FX effects (+/-0%)
- Adj. EPS at €0.46 above PY level mainly due to lower adj. tax rate of 26%
- Net cash position from positive operating cash flow (€312 m) and proceeds from sale of 49% STEAG stake

Prior year figures restated for STEAG deconsolidation and IFRS 11 changes  
<sup>1</sup> OSG = Organic sales growth (volume + price development)

# Outlook for 2014 confirmed

## On track to meet lower part of range

Adj. EBITDA development 2014 by quarter (in € m)



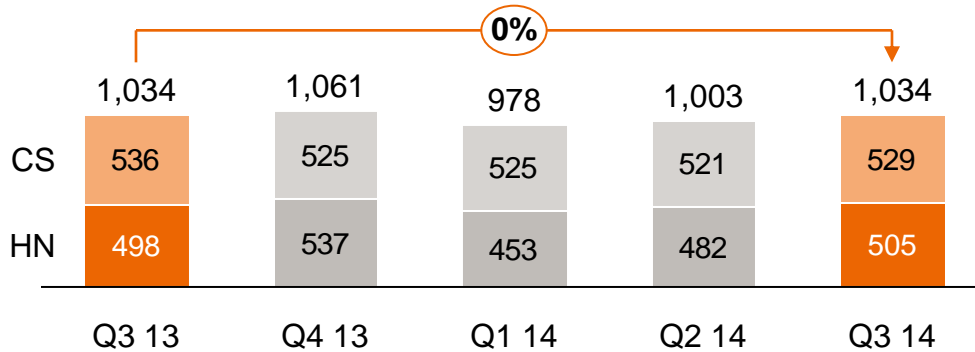
Prior quarters restated for STEAG deconsolidation and IFRS 11 changes

# Consumer, Health & Nutrition

## Earnings almost on prior year level

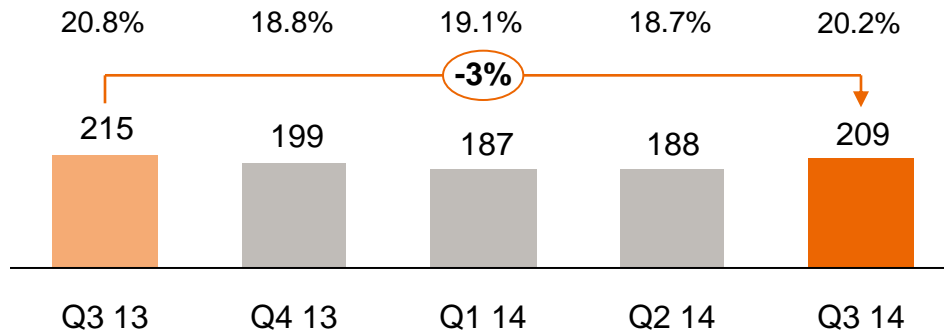


### Sales (in € m)



Q3 14	Volume +1%	Price -2%	FX +1%	Other +/-0%
-------	------------	-----------	--------	-------------

### Adj. EBITDA (in € m) / margin



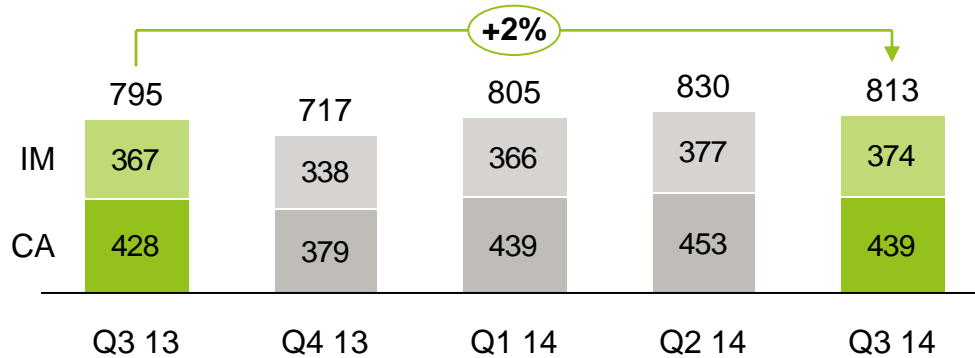
- Sales sequentially improved due to good volume and price development in amino acids
- Consumer Specialties' earnings lower yoy due to reduced volumes in Baby Care and ramp-up costs in Personal Care
- Health & Nutrition with yoy and qoq earnings improvement
- Methionine with expected strong performance: tight supply and healthy demand leading to steadily increasing prices throughout the quarter at maximum utilization rates
- Improving supply/demand and slow but steady price recovery in Lysine

# Resource Efficiency

## Continued high profitability

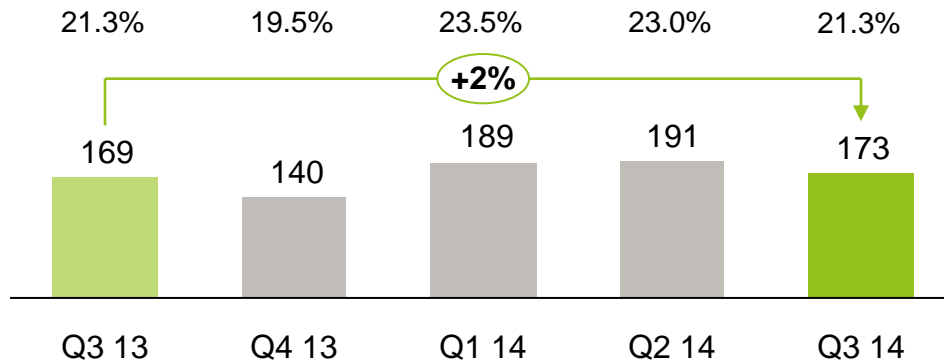


**Sales** (in € m)



Q3 14	Volume +2%	Price +/-0%	FX +/-0%	Other +/-0%
-------	------------	-------------	----------	-------------

**Adj. EBITDA** (in € m) / margin



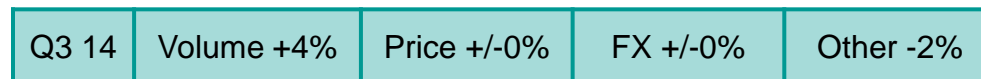
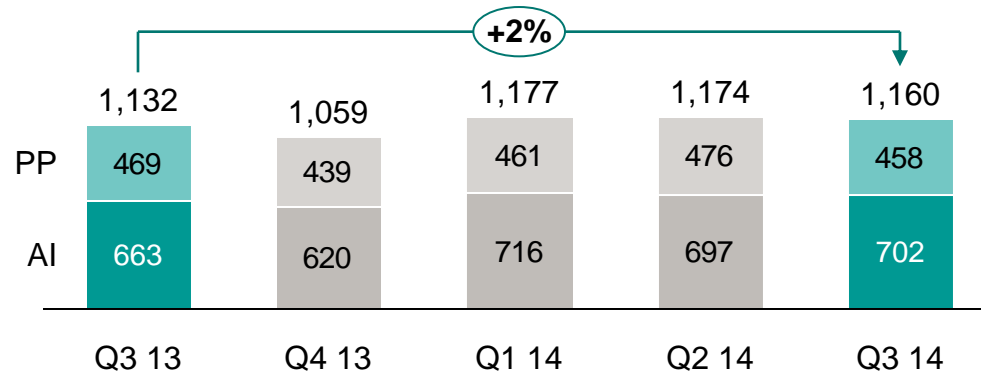
- Resource Efficiency again with increased sales and earnings yoy due to ongoing volume trend and high plant utilization
- Lower earnings qoq mainly caused by planned maintenance shutdown at German Crosslinkers production plant
- Solid volume growth continuing despite seasonal summer dip
- Silica with ongoing strong performance across most applications, e.g. tires, silicone, adhesives & sealants
- After strong start into the year, demand from construction and coating industries stabilized on high level



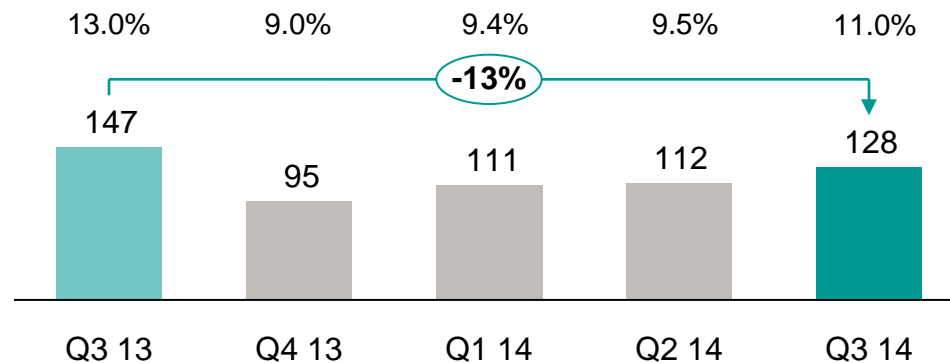
# Specialty Materials

## Slow recovery visible

**Sales** (in € m)



**Adj. EBITDA** (in € m) / margin



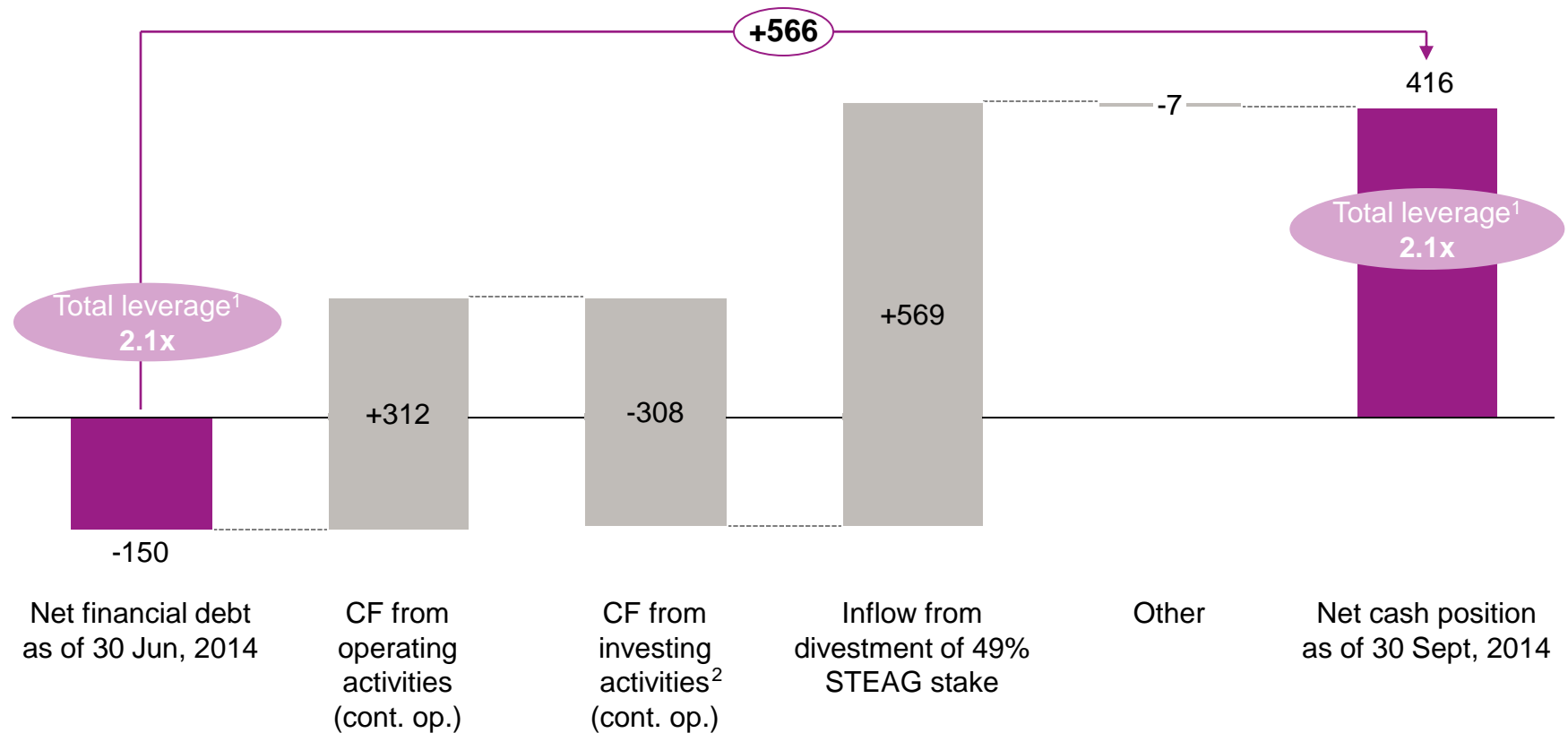
- Sales slightly above prior year; margin recovering qoq
- Good volume development supported by new HPPO and alkoxide plants; prices reaching last years' level
- Stable development qoq for methacrylates, pronounced summer dip compensated by tighter supply in Europe and Asia
- C4 products with sequentially higher margin, helped by lower raw material costs (Naphtha)
- Active Oxygens: Positive earnings contribution from new HPPO plant in China

# Net financial position

Positive operating cash flow and STEAG proceeds



Development of net financial position (in € m)



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

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

# Outlook for 2014 confirmed

## Outlook for Evonik in 2014

### Economic environment

- Given weaker economic development observed to date, lower global growth assumed also in 2014 as a whole
- Stepwise recovery in global economy is increasingly stalling
- Structural challenges in emerging markets and uncertainty from ongoing political disputes and military conflicts are increasingly holding back growth expectations

### Outlook

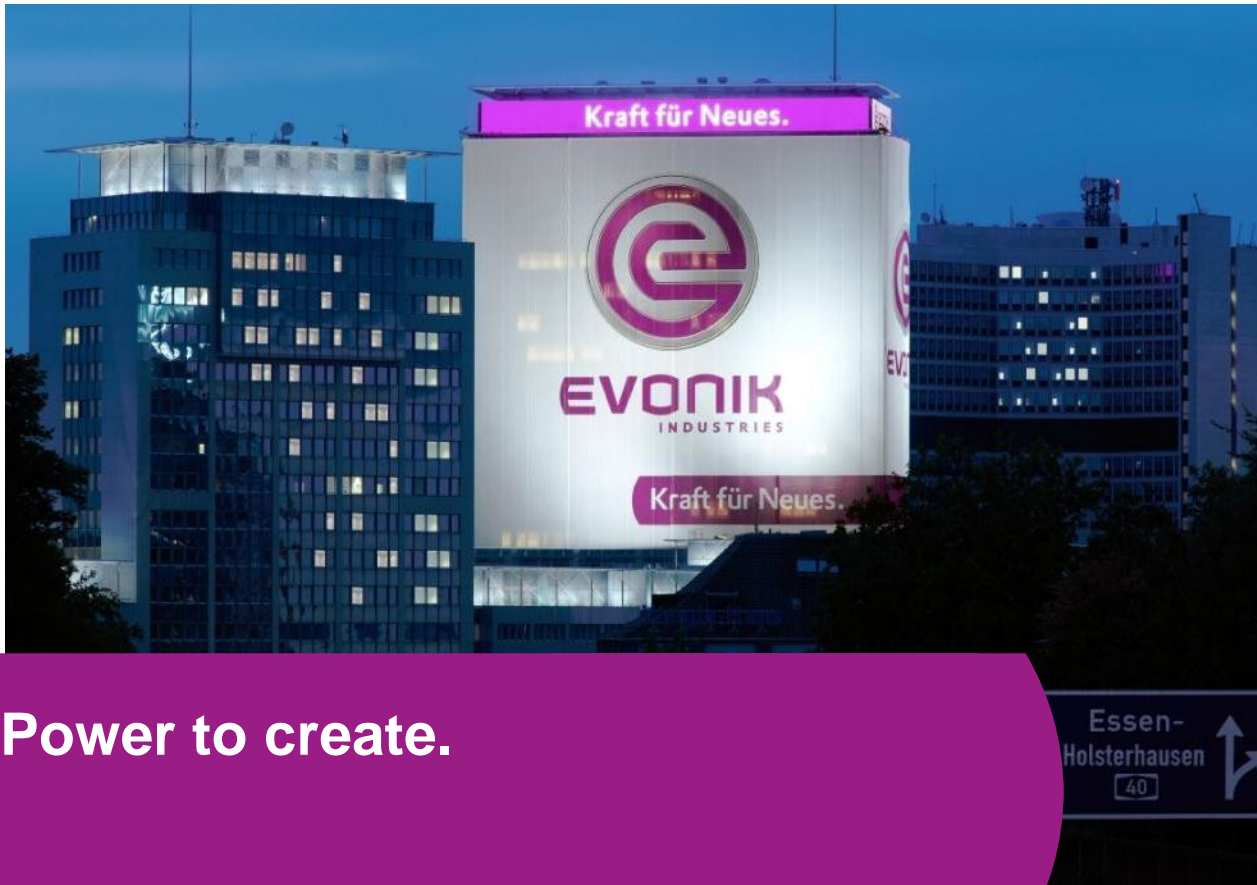
- **Sales: slightly higher** than in previous year (2013: €12.7 bn)
- **Adj. EBITDA: lower rather than upper part of €1.8 bn to €2.1 bn range** (2013: €2.0 bn)
- **Volumes** should continue to grow in the remainder of the year
- Stabilization of **prices** expected to continue, clearly positive price trends visible in some businesses; but price trends in Specialty Materials remained below original expectations
- First positive effects of **Administration Excellence** program
- Downside factors could result from **ramp-up expenses** for growth investments and **negative currency effects**



**EVONIK**  
**INDUSTRIES**

<b>A</b>	<b>Evonik at a glance &amp; investment highlights</b>
B	Capex & financial policy
C	Company history & ownership structure
D	Specialty Chemicals segments
E	Upcoming IR events and contact

# 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: €1,995 m**

**Margin: 15.7%**

**ROCE: 14.5%**




### Consumer, Health & Nutrition

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

.....

<b>Sales</b>	€4,171 m
<b>Adj. EBITDA</b>	€922 m
<b>Margin</b>	22.1%



### Resource Efficiency

Environment-friendly and energy-efficient system solutions.

.....

<b>Sales</b>	€3,084 m
<b>Adj. EBITDA</b>	€655 m
<b>Margin</b>	21.2%



### Specialty Materials

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

.....

<b>Sales</b>	€4,490 m
<b>Adj. EBITDA</b>	€552 m
<b>Margin</b>	12.3%

### Services

<b>Sales</b>	€885 m
<b>Adj. EBITDA</b>	€183 m

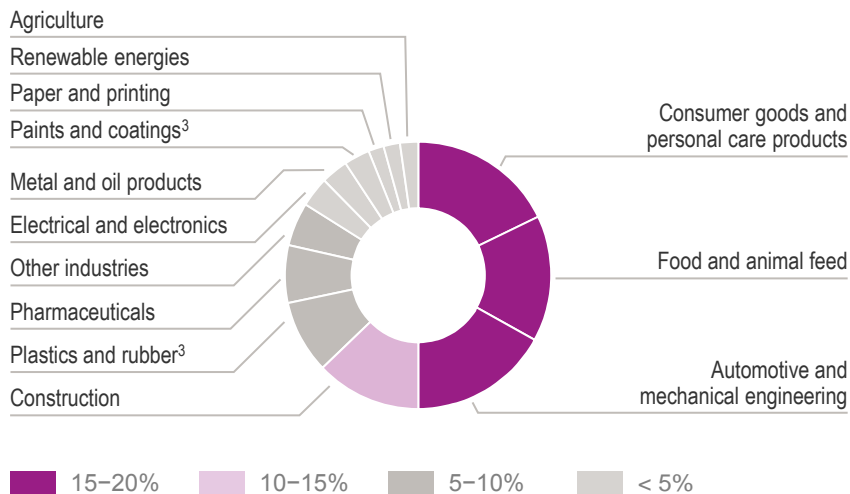
### Corporate/ Other

<b>Sales</b>	€78 m
<b>Adj. EBITDA</b>	-€317 m

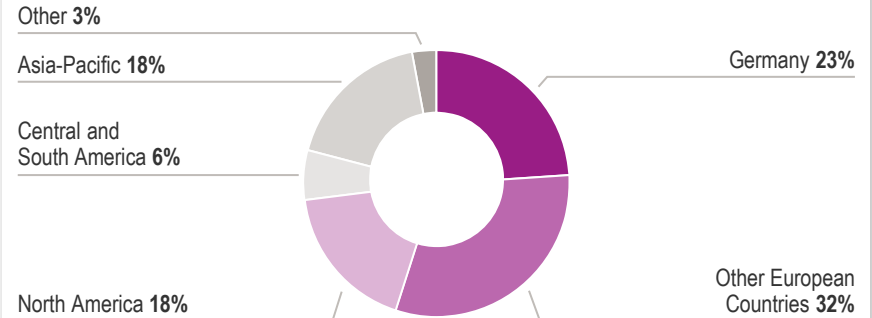
All data as of fiscal year 2013 (restated due to IFRS 11 changes)

# Balanced and diversified portfolio

## End market split<sup>1</sup>



## Sales by region<sup>2</sup>



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

<sup>1</sup> Based on Specialty Chemicals segments' 2013 sales

<sup>2</sup> Consolidated Group sales 2013 (restated for IFRS 11 changes), continued operations

<sup>3</sup> Where not directly assigned to other end-consumer industries



# 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

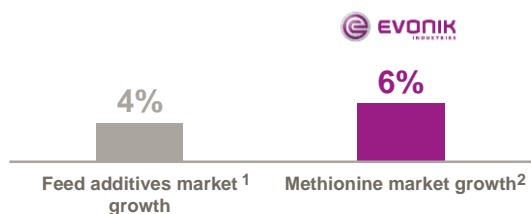


According to global megatrends and high growth opportunities (selected examples)



## Methionine (Consumer, Health & Nutrition)

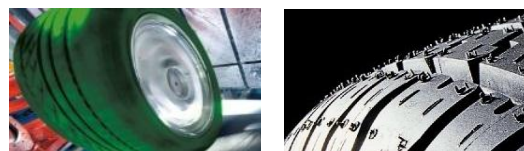
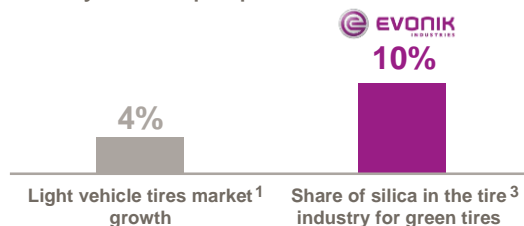
Methionine is an essential amino acid for animal nutrition.



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

## Silica (Resource Efficiency)

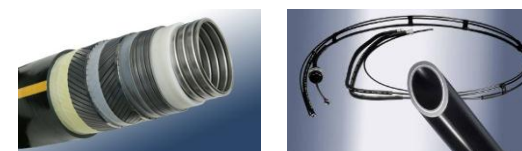
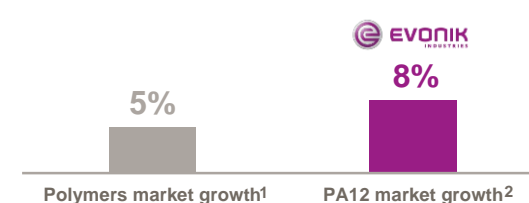
Silica acts, amongst others, as reinforcement and improves the dynamic properties of rubber.



- **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

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

<sup>2</sup> Market growth p.a. 2012-2020 as per company estimate; <sup>3</sup> 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

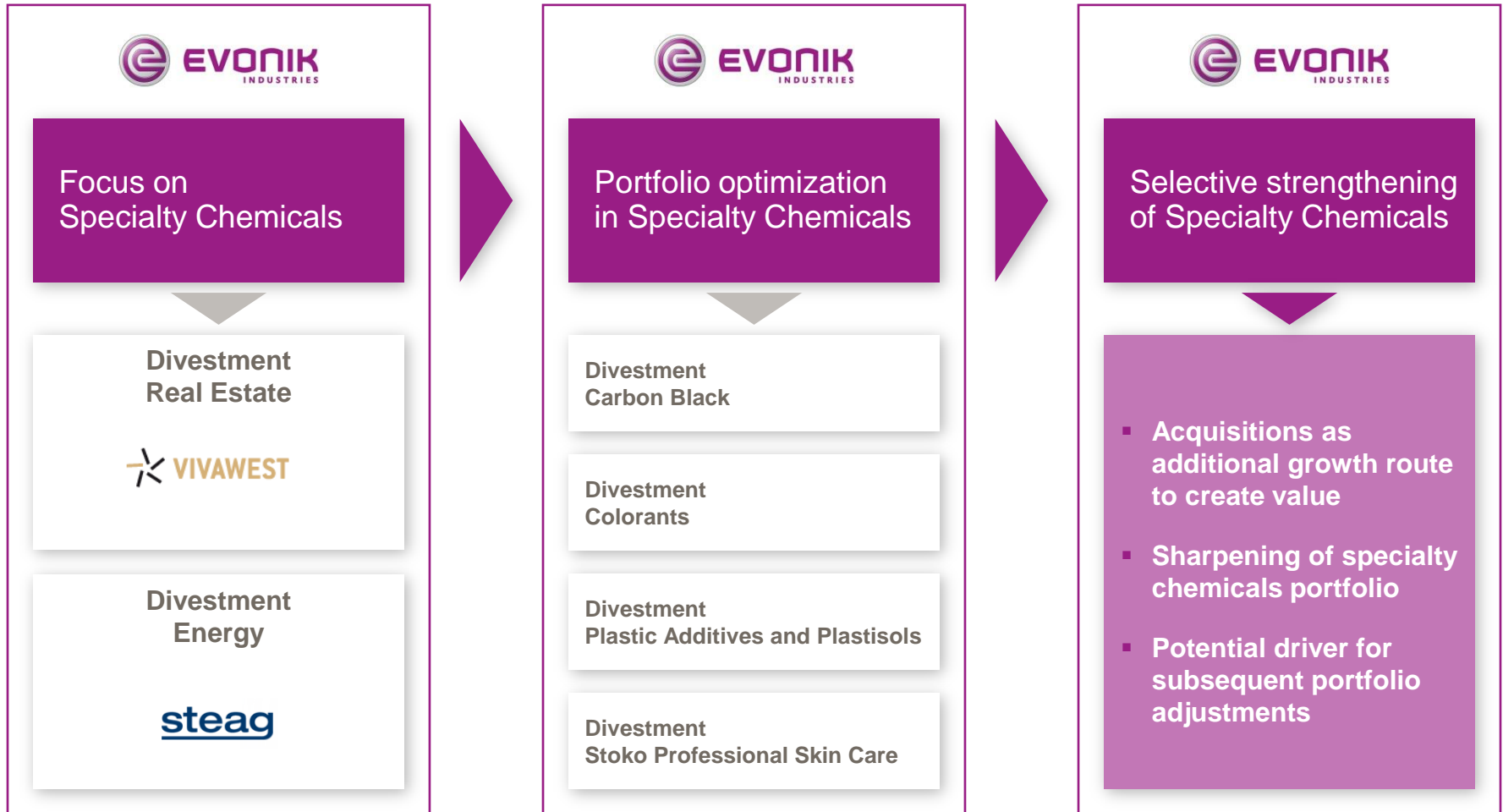


### Next steps:

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 Q3 2014: 2.1x vs. target of < 2.5x)<sup>1</sup>
- Solid funding of pension obligations
- Refinancing of upcoming maturities at attractive conditions

## Internal growth: Investment program

- Focus on specialty chemicals businesses with above-average returns
- Several major projects finished or close to completion
- Structured planning and approval process

## External growth: Selective acquisitions

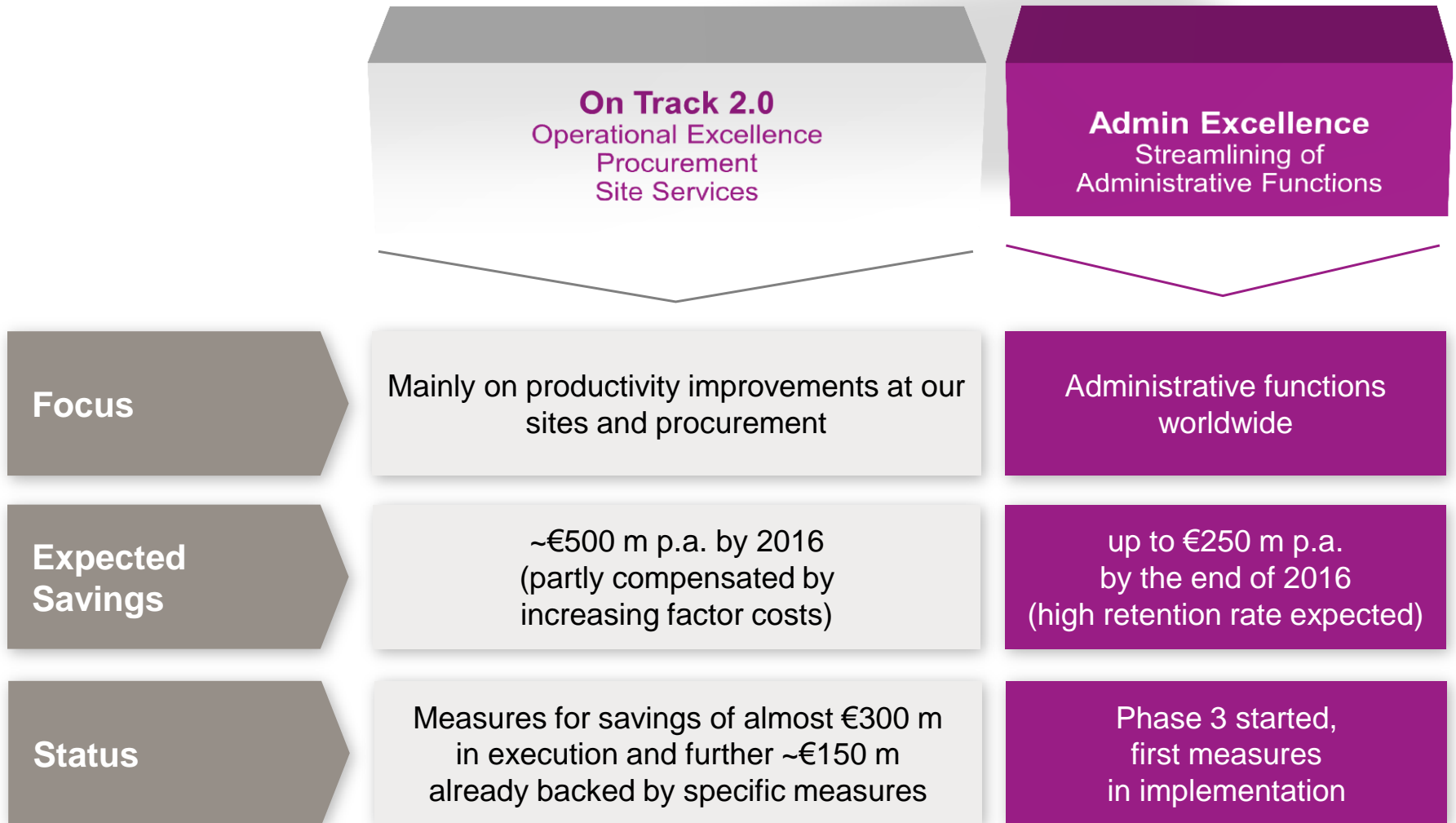
- Acquisitions as additional growth route to create value
- Sharpening of specialty chemicals portfolio
- Key criteria: clear strategic fit and value creation

## Dividend: Attractive shareholder returns

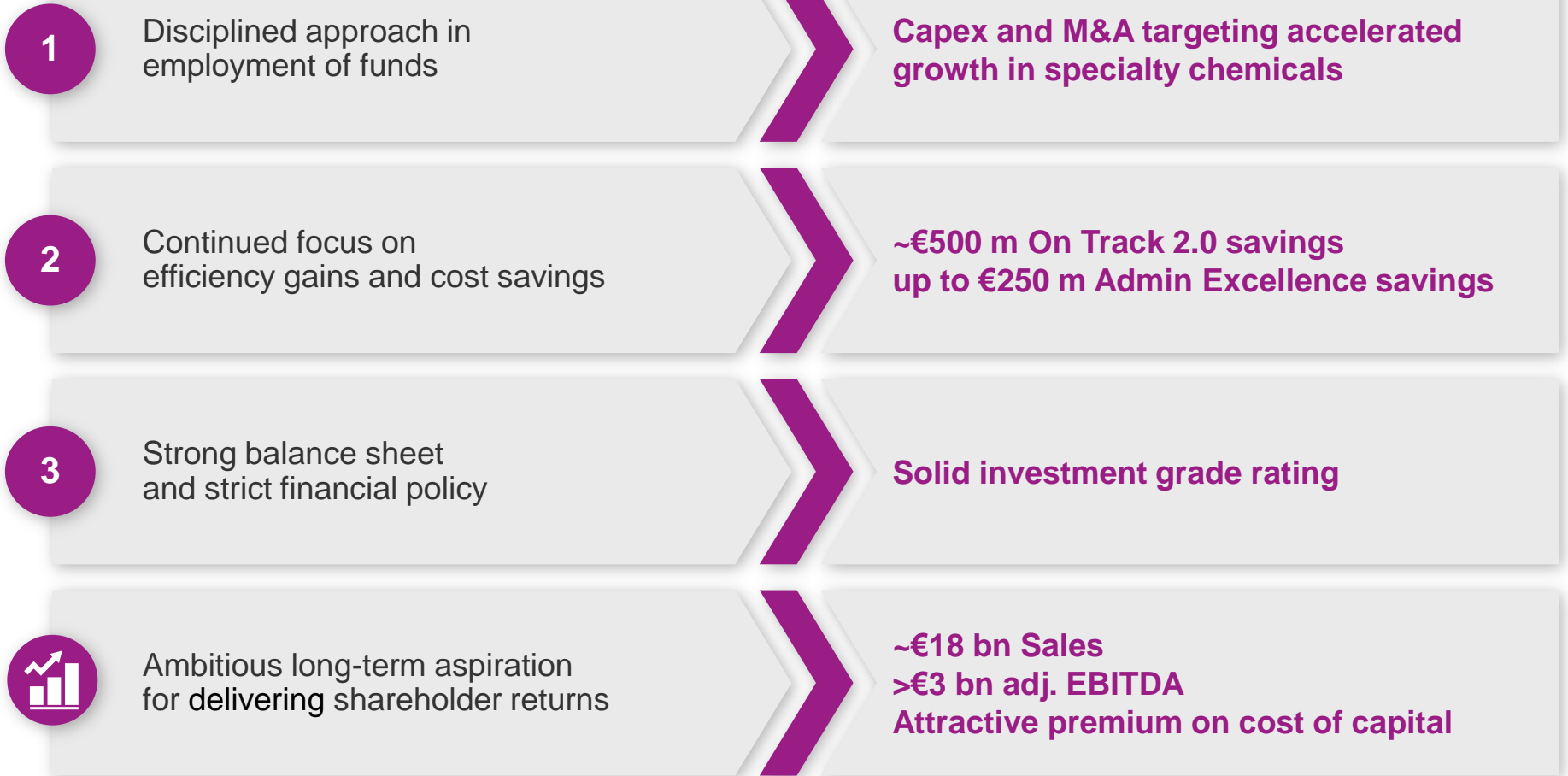
- Reliable track record of dividend distribution (CAGR 08-13: 11%)
- Dividend target ratio: ~40% of adjusted net income
- Dividend stability

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

# Efficiency programs well underway















# Clear commitment to deliver sustainable profitable growth



A	Evonik at a glance & investment highlights
<b>B</b>	<b>Capex &amp; financial policy</b>
C	Company history & ownership structure
D	Specialty Chemicals segments
E	Upcoming IR events and contact



# Several major investment projects finished or close to completion

Segment	Product area	Location	Capex budget	Capex spent <sup>1</sup>	Start-up (actual/expected)
Consumer, Health & Nutrition	Methionine	Singapore 	>€500 m		Q4 2014
	Personal & home care ingredients	China Brazil 	>€100 m		Q1 2014 Q1 2015
Resource Efficiency	Precipitated silica	Global master plan 	~€100 m		Q1 2013 (Taiwan) Q1 2014 (Thailand) Q3 2014 (USA)
	Isophorone/ Isophorone diamine	China 	>€100 m		Q2 2014
Specialty Materials	H <sub>2</sub> O <sub>2</sub> for HPPO	China 	>€130 m		Q2 2014
	C4 Chain	Germany & Belgium 	>€250 m		2015

<sup>1</sup> As of September 2014

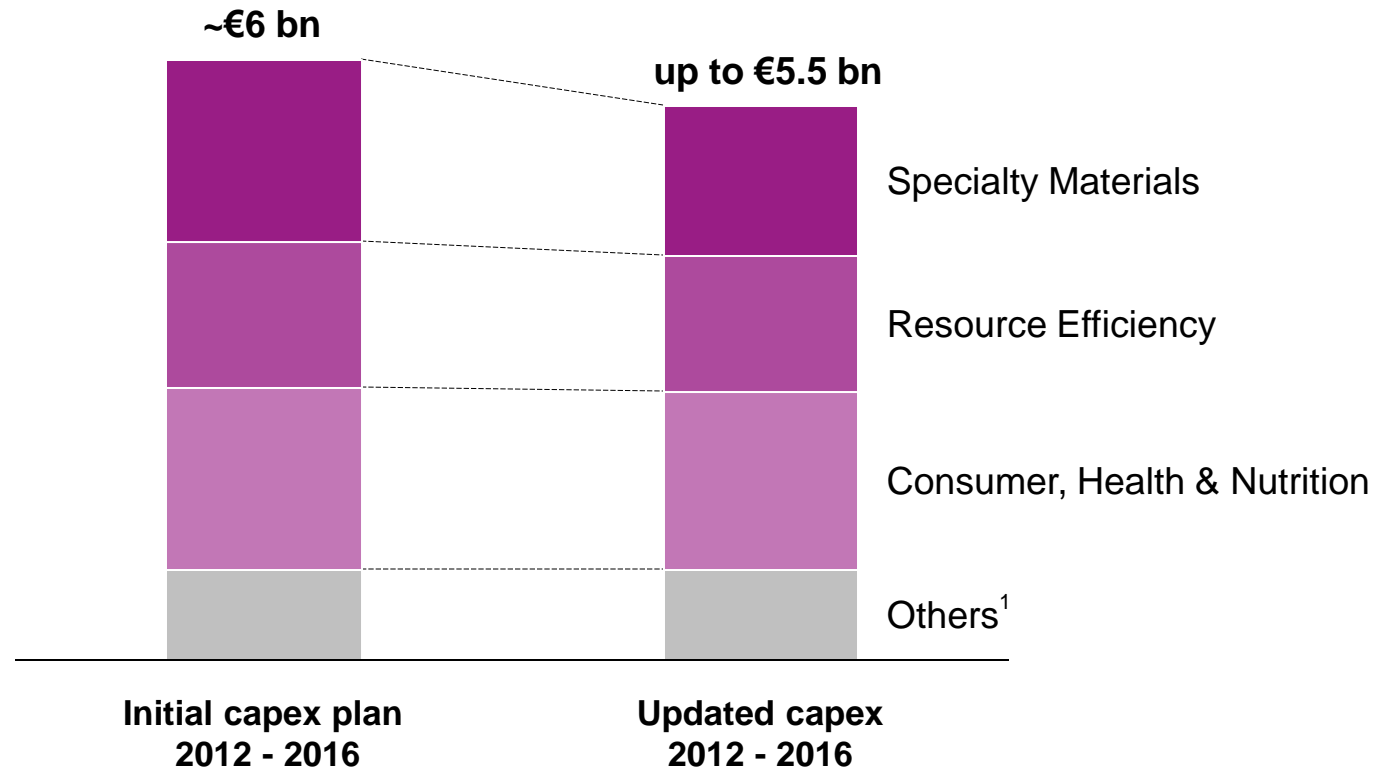
# Selected projects planned for 2015 & 2016

Segment	Product area	Location	Capex budget	Capex spent <sup>1</sup>	Start-up (expected)	Status
Consumer, Health & Nutrition	Methionine: Mepron® (for dairy cows) AQUAVI® Met-Met (for aquaculture)	USA/ Belgium 	<50 m		2015	approved
	Resource Efficiency	Precipitated silica	Global master plan 	~€100 m		2016 (Brazil)
Fumed Silica and Silanes		China 	~€100 m		2016	LOI for JV signed

**Further projects currently being planned, but not yet approved**

<sup>1</sup> As of September 2014

# Taking advantage of flexibility in capex program

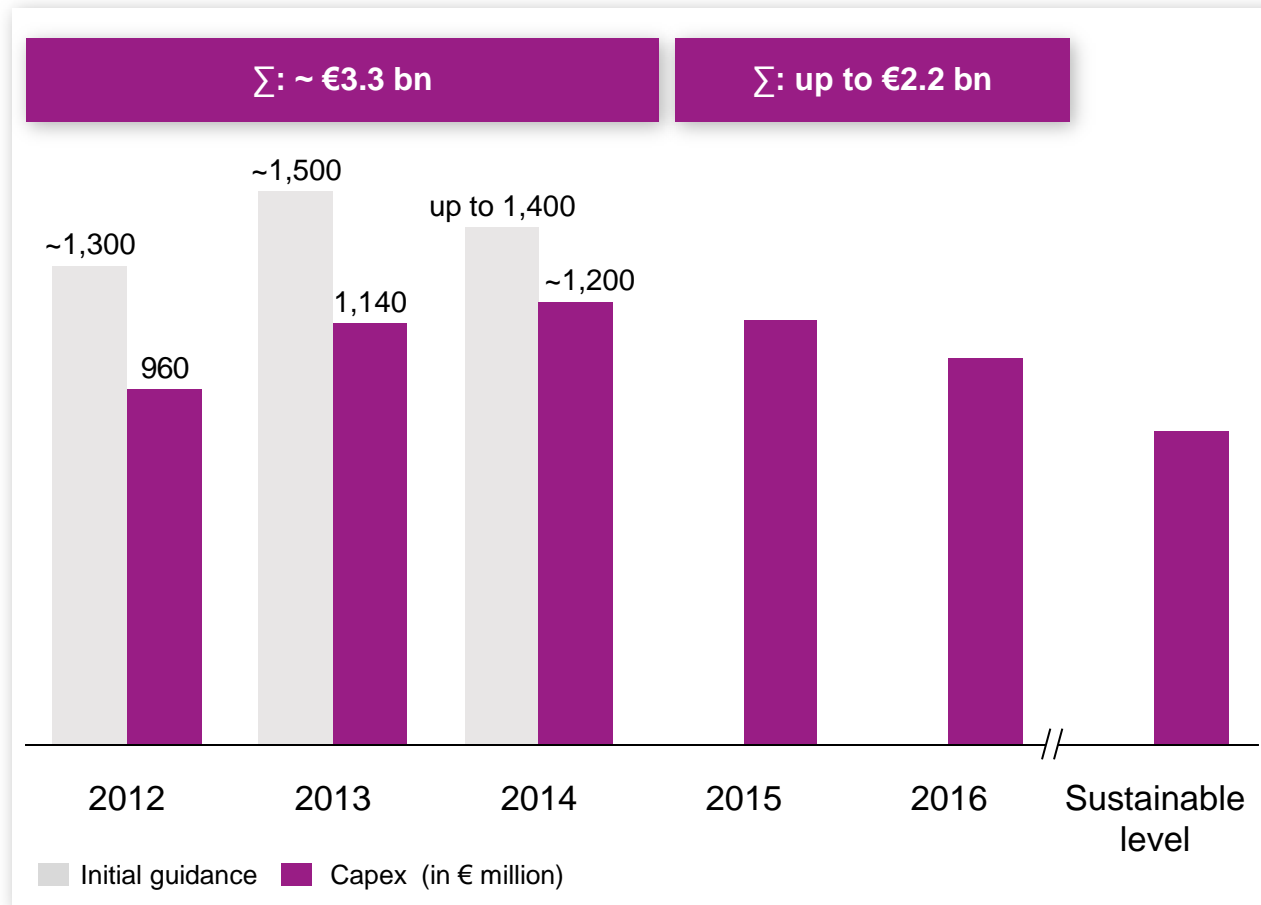


Thereof growth investments	~€4 bn	up to €3.5 bn
Thereof basis investments	~€2 bn	~€2 bn

**Adjustment of growth capex by ~13%**

<sup>1</sup> Others: Services and Corporate / Others

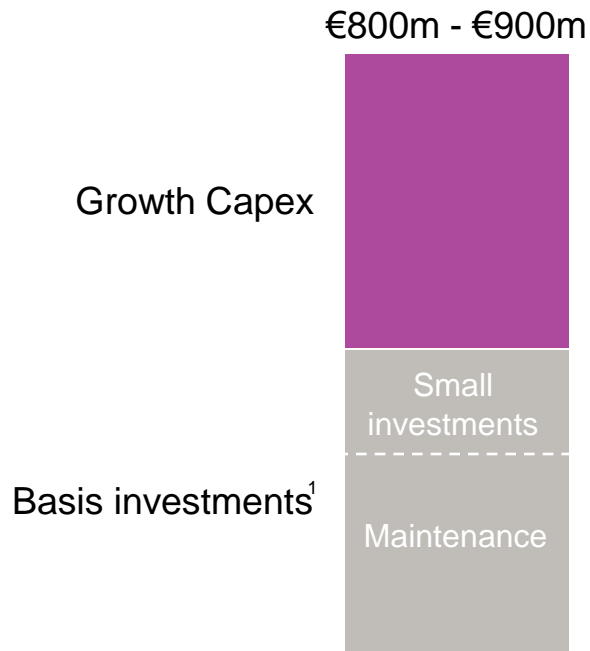
# Distribution of capex spending 2012 -2016



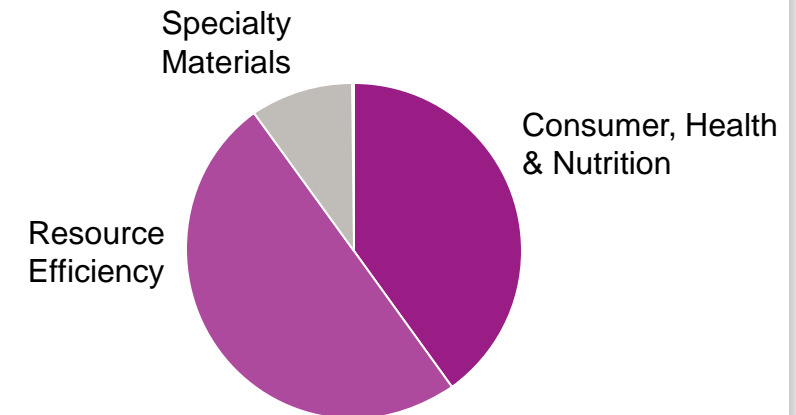
- ~€3.3 bn capex will be spent end of 2014
- Target amount for 2015 and 2016: up to €2.2 bn
- Return to sustainable annual capex level of €800 m - €900 m p.a. after 2016 (at current portfolio setup)
  - Thereof ~€450 m basis investments<sup>1</sup>
  - Corresponding D&A of ~€800 m

# Return to sustainable capex after 2016

## Sustainable annual capex level



## Growth capex by segment



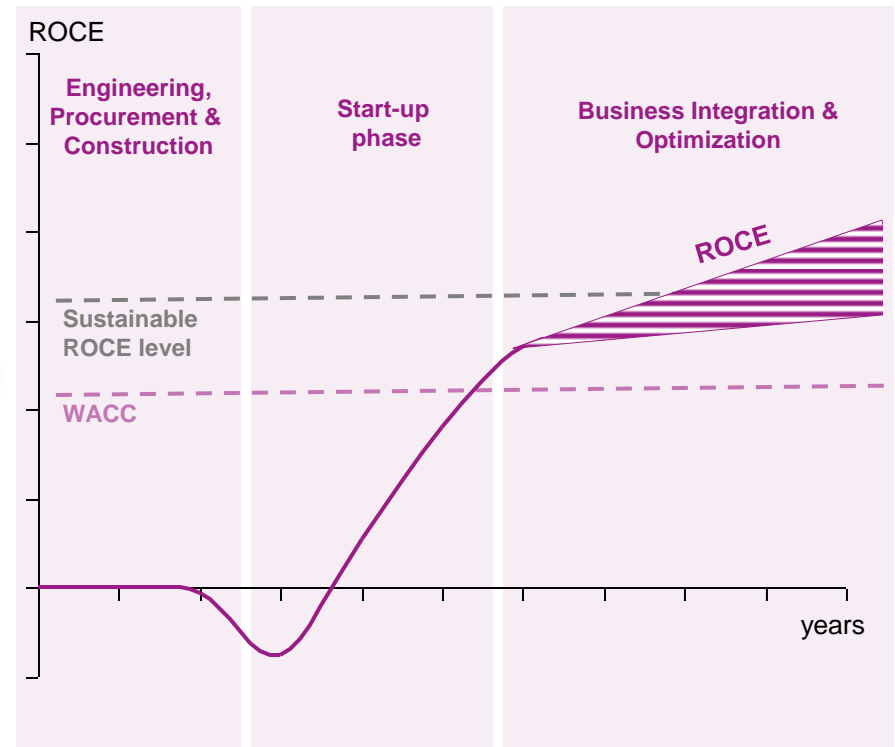
Growth capex mainly allocated to high-margin specialty chemicals businesses

<sup>1</sup> Basis investments defined as small investments (below €2.5 m focused on growth or efficiency improvements) and maintenance capex (maintenance and regulatory compliance investments)

# Diligent investment evaluation to secure premium returns

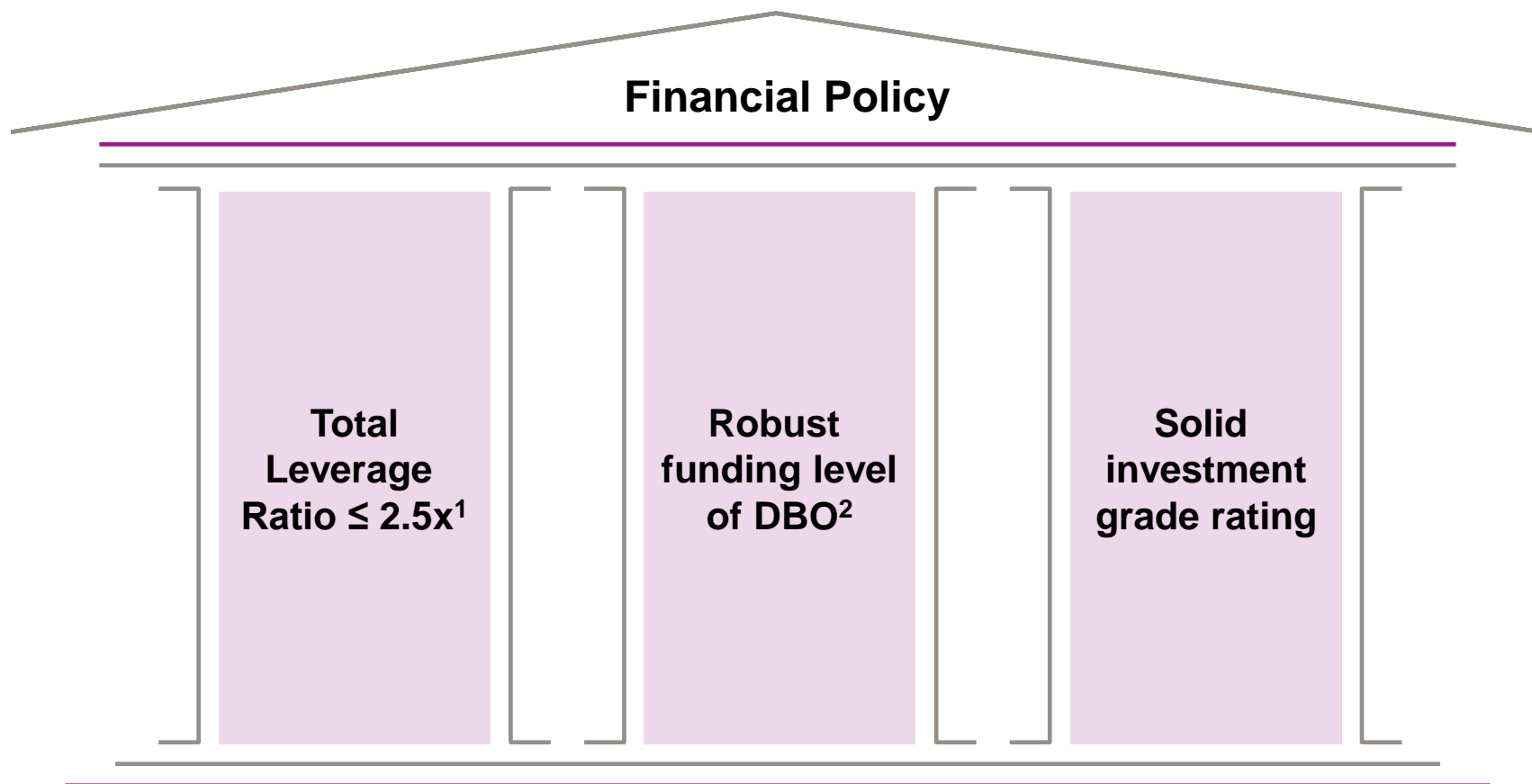
## Strategic and economic assessment

- Strategic assessment considering competitive position, market attractiveness and regional focus
- Economic assessment using DCF-based investment evaluation
- Strict internal hurdle rates and “competition” for scarce resources



Different return levels depending on project layout (e.g. greenfield or debottlenecking)

# Financial policy: Evonik as reliable partner for investors & banks

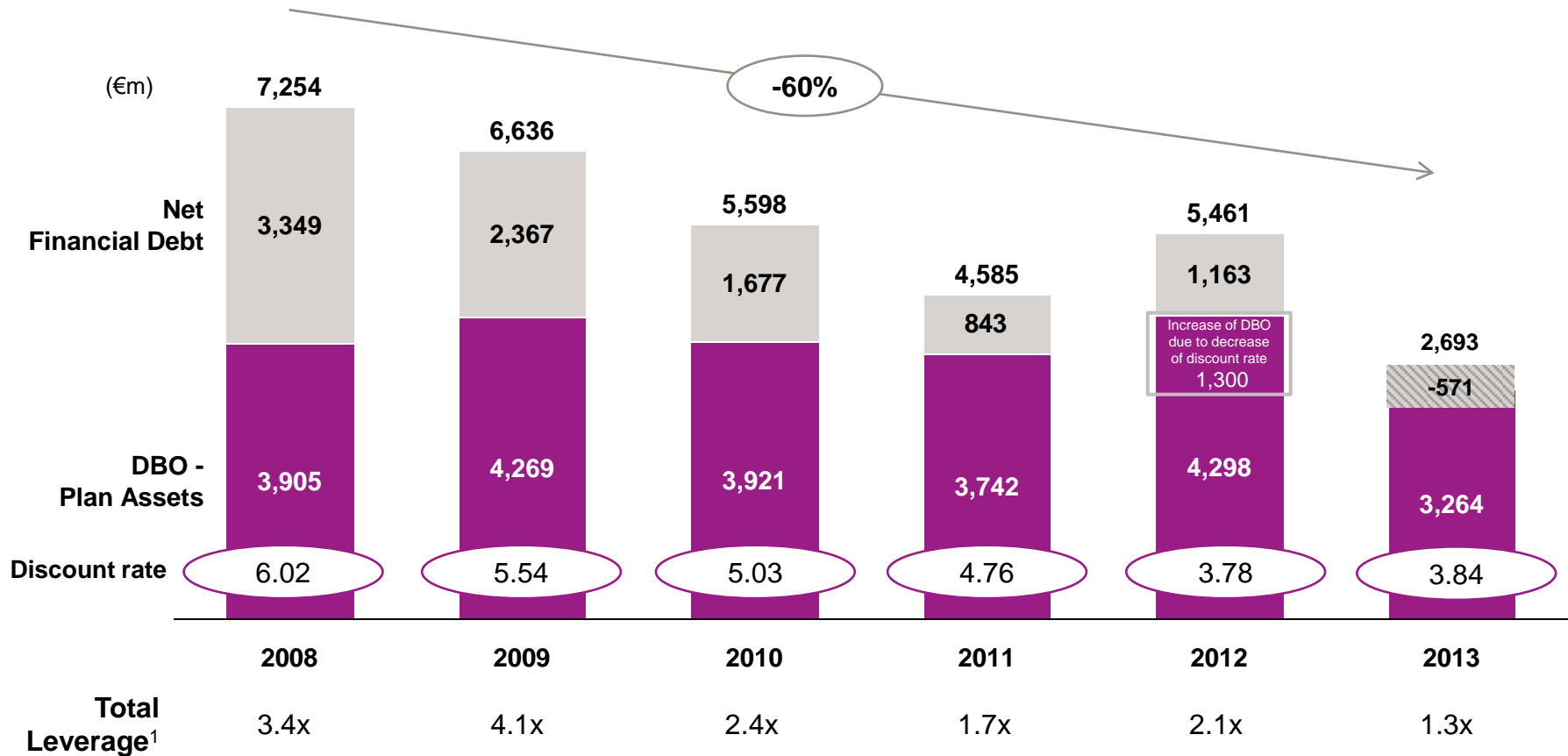


**Evonik aims to remain a reliable partner for both its investors and banks**

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

<sup>2</sup> Defined benefit obligations

# Further significant deleveraging through Real Estate divestment

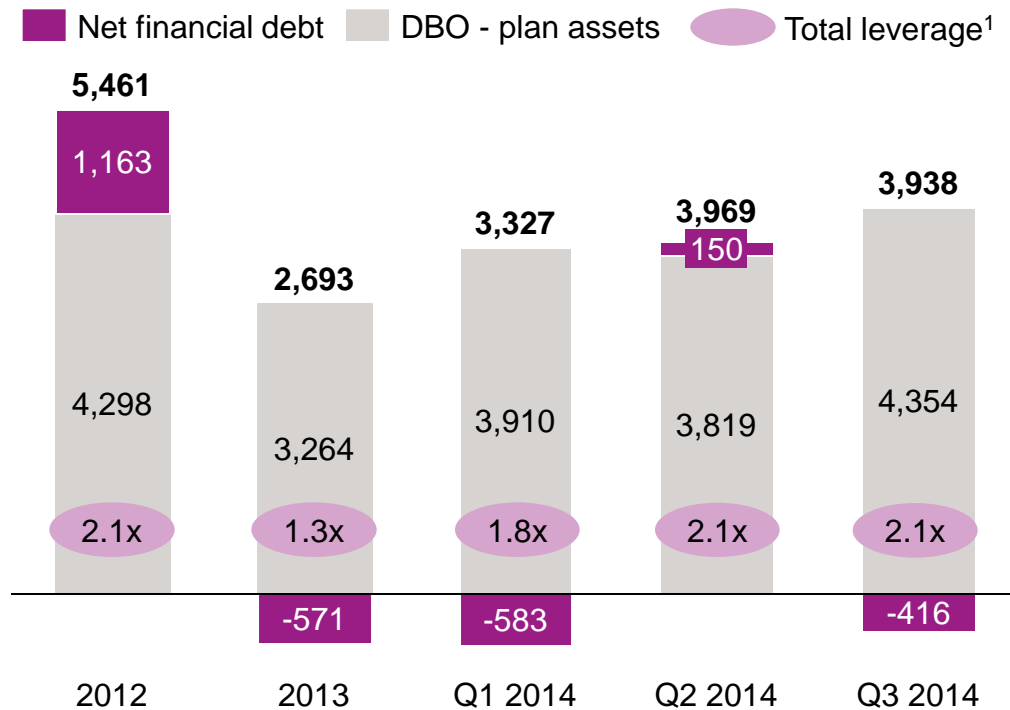


<sup>1</sup> Total leverage defined as (net financial debt + unfunded pension obligations) / adj. EBITDA LTM



# Increase in pension obligations due to lowered discount rate

## Net debt development (in m €)



- Majority of debt consists of long-dated pension obligations; average life of DBO exceeds 15 years
- Further increase in pension provisions in Q3 by €0.5 bn due to lower discount rate (from 3.25% to 2.75%)
- Effect offset against equity without impact on cash or earnings
- Total Leverage remains comfortably below targeted 2.5x ceiling

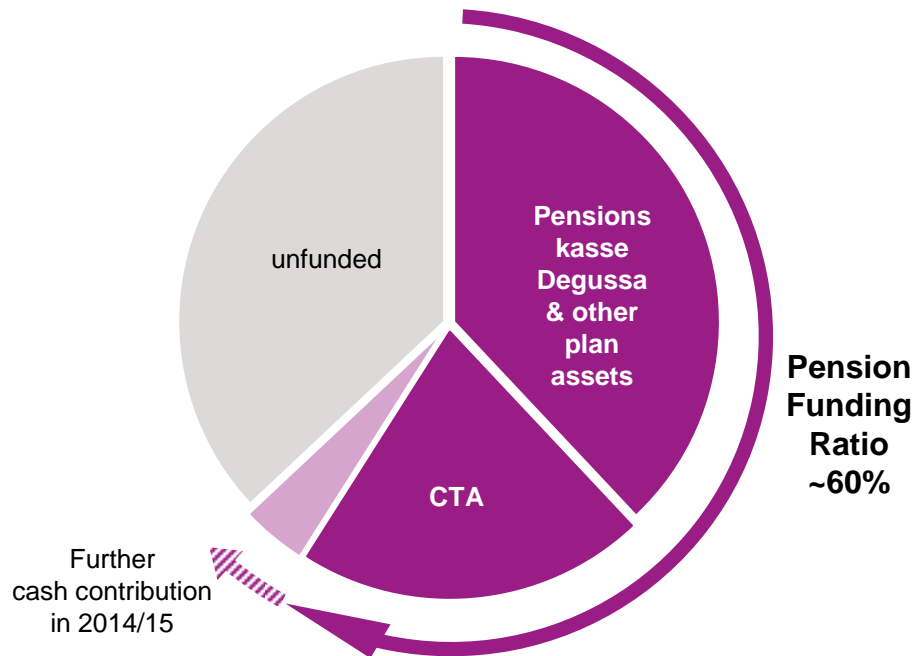
3.78	3.84				Global discount rate <sup>2</sup>
3.75	3.75	3.25	3.25	2.75	Discount rate for Germany

<sup>1</sup> Total Leverage = (Net Financial Debt + (DBO-Plan Assets)) / Adjusted LTM EBITDA

<sup>2</sup> Calculated annually

# Pension obligations well financed

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



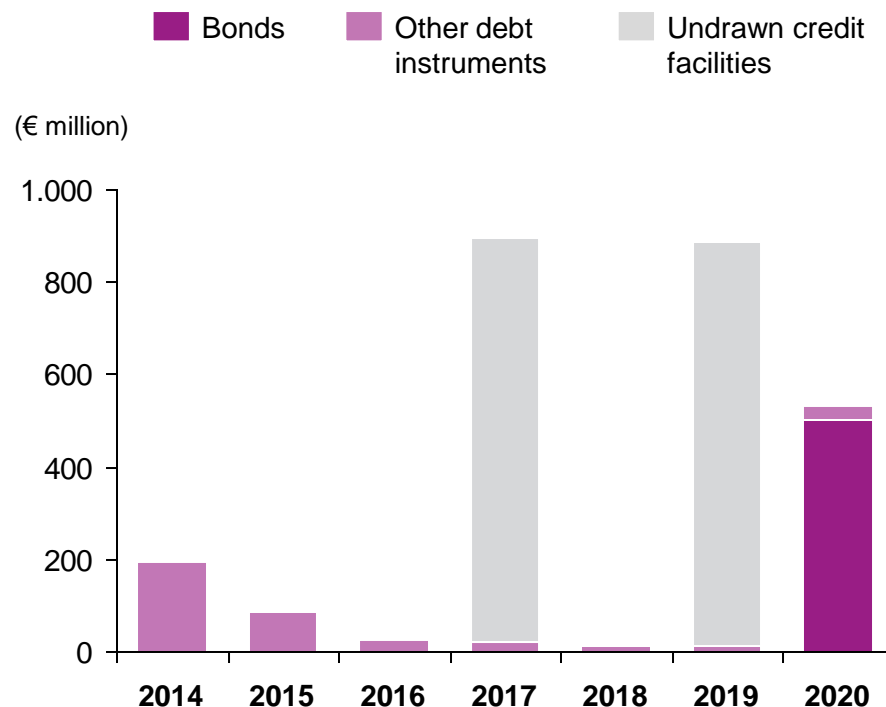
- Pension funding gap increased during 2014 due to lower discount rate (Q3 2014: 2.75%; FY13: 3.75% for Germany)
- Funding ratio remains on a solid level of ~60%
- Further cash contributions of €200 m intended in 2014/15 each

in € m	2012	2013	Q3 2014
Pension Funding Gap <sup>1</sup>	4,298	3,264	4,354

<sup>1</sup> DBO – plan assets

# Balanced maturity profile

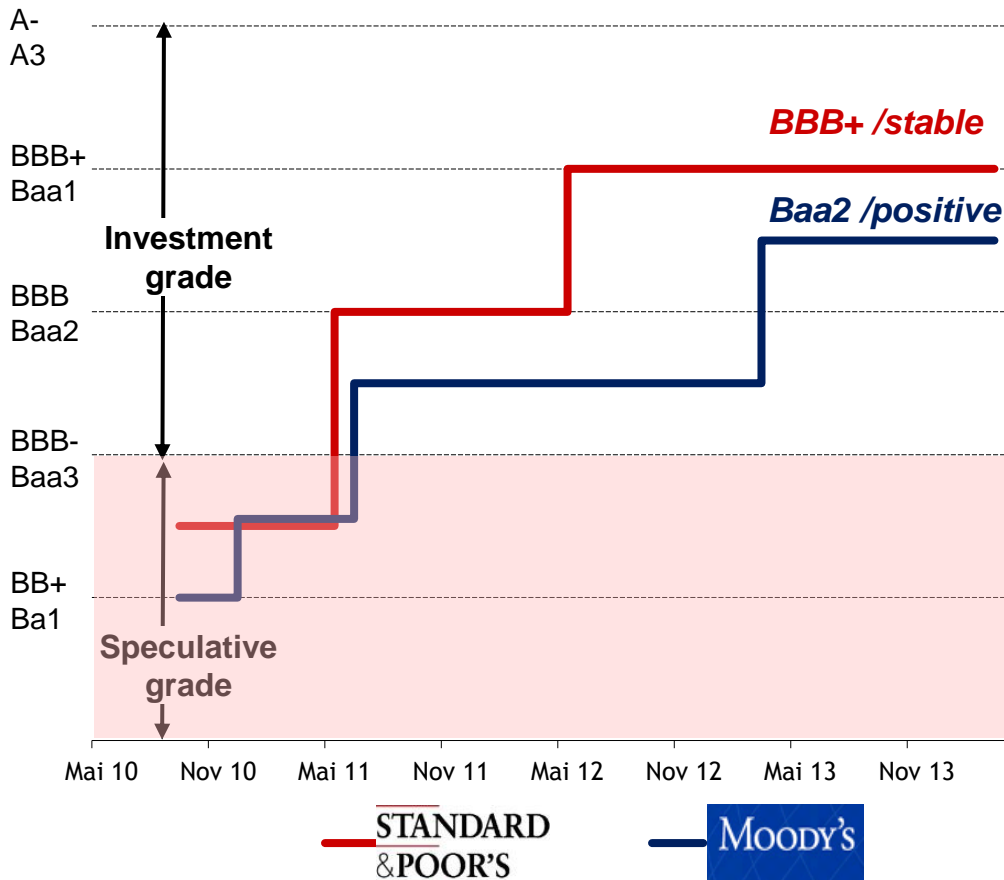
## Maturity profile



- Unchanged policy to fund long-term debt through Capital Markets:
  - €3 bn debt issuance program in place
  - Additional flexibility from STEAG proceeds (€569 m)
- Undrawn syndicated revolving credit facilities as backup

# Rating positioned in upper range of BBB

## Rating development

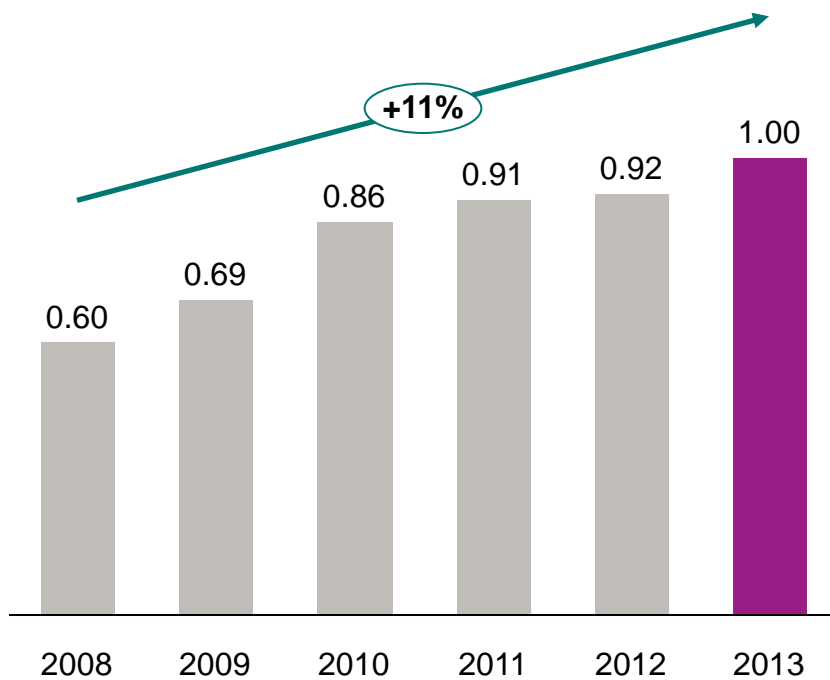


- Rating upgrade by Moody's to Baa2 with positive outlook in March 2013 – confirmed in March 2014
- S&P's rating BBB+ with stable outlook since May 2012 – confirmed in June 2014
- Impressive rating dynamic thanks to focus on specialty chemicals and clear financial policy
- Maintaining a solid investment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

# Reliable dividend policy and attractive returns

## Dividend history (in €)

Payout ratio  
(in % of adj. EPS)    43%    34%    37%    56%



## Dividend policy

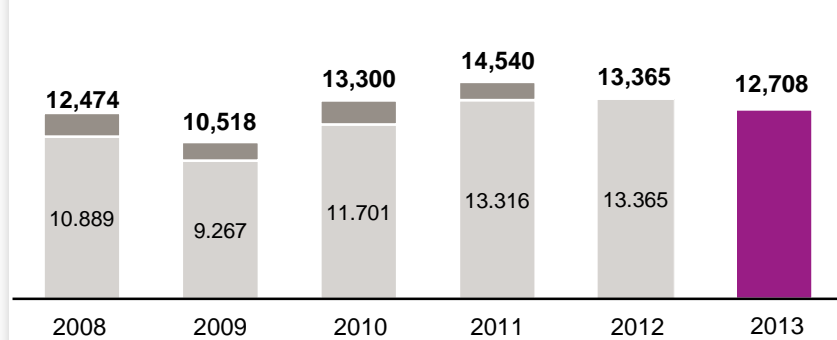
Two components of Evonik's dividend policy:

- 1) Overarching target of **dividend continuity**
  - 2) additionally, targeted payout ratio: **~40% of adjusted net income**
- Compelling track record with regards to dividend policy and shareholder returns (also pre-listing)
  - Dividend payment for 2013 of 1.00 € supported by significant cash inflows from Real Estate divestment

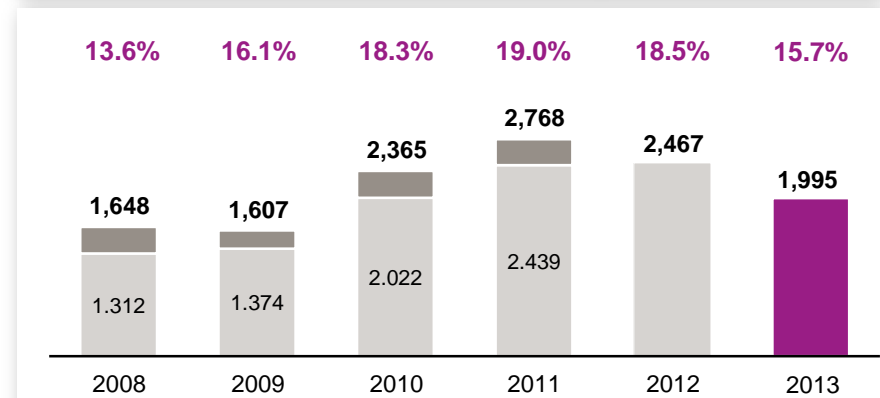
# Strong financial track record

## Sales (€m)

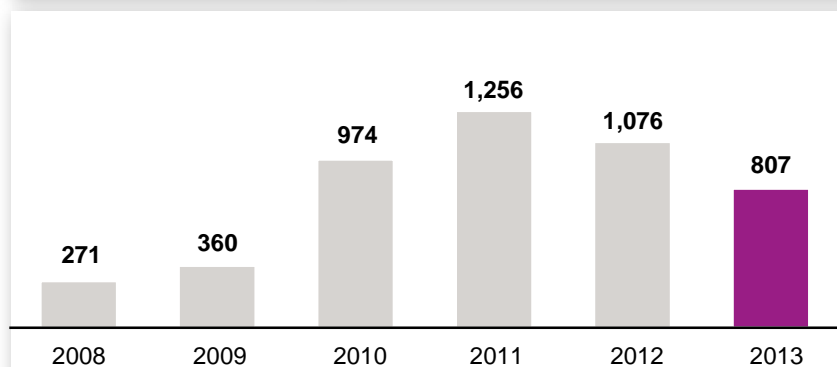
Carbon Black/Real Estate



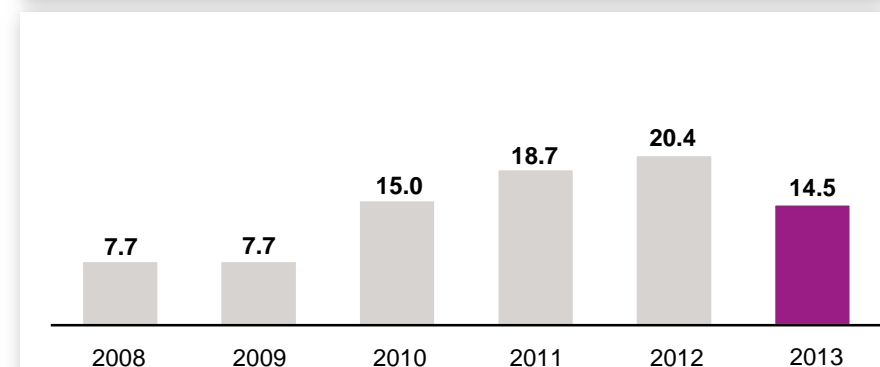
## Adj. EBITDA (€m) and margin<sup>1</sup> (%)



## Adj. net income (€m)



## ROCE(%)



Note: 2013 restated due to IFRS 11; all figures without Steag.  
<sup>1</sup> Excluding Carbon Black

A	Evonik at a glance & investment highlights
B	Capex & financial policy
<b>C</b>	<b>Company history &amp; ownership structure</b>
D	Specialty Chemicals segments
E	Upcoming IR events and contact

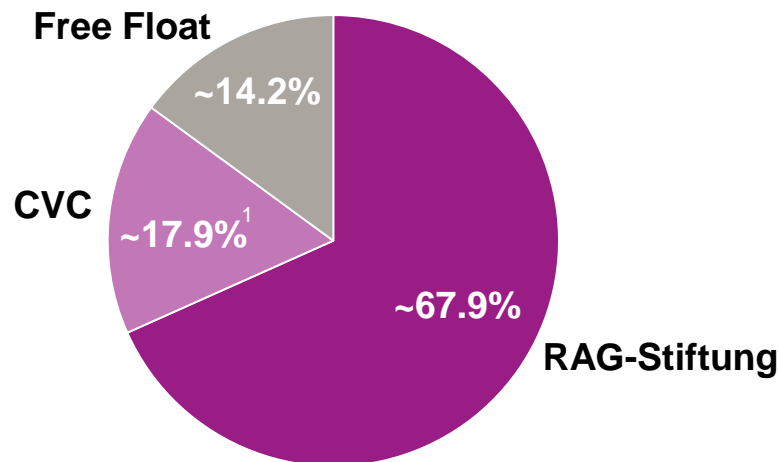
# More than 150 years of experience in the chemicals industry





### Ownership structure

- **RAG-Stiftung:** Obligation to finance the perpetual liabilities arising from the cessation of hard-coal mining in Germany; intention to retain a strategic shareholding of **at least 25.1% in the long term**
- **CVC:** Private equity firm with major stake in Evonik since 2008



<sup>1</sup> Shares held by Gabriel Acquisitions GmbH, an indirect subsidiary of funds advised by CVC

### Presence on capital markets

- Trading since April 25, 2013 in the Prime Standard of Frankfurt Stock Exchange
- 14.2% of shares successfully placed in advance of the listing (7.1% by RAG-Stiftung and CVC each)
- Member of the German MDAX since September 2013

Avg. trading volume:  
**> 5 million € per day**  
(~ 182 k shares)

# Management compensation (as of 2014)

Value creation focus anchored in management incentivization system at Board level

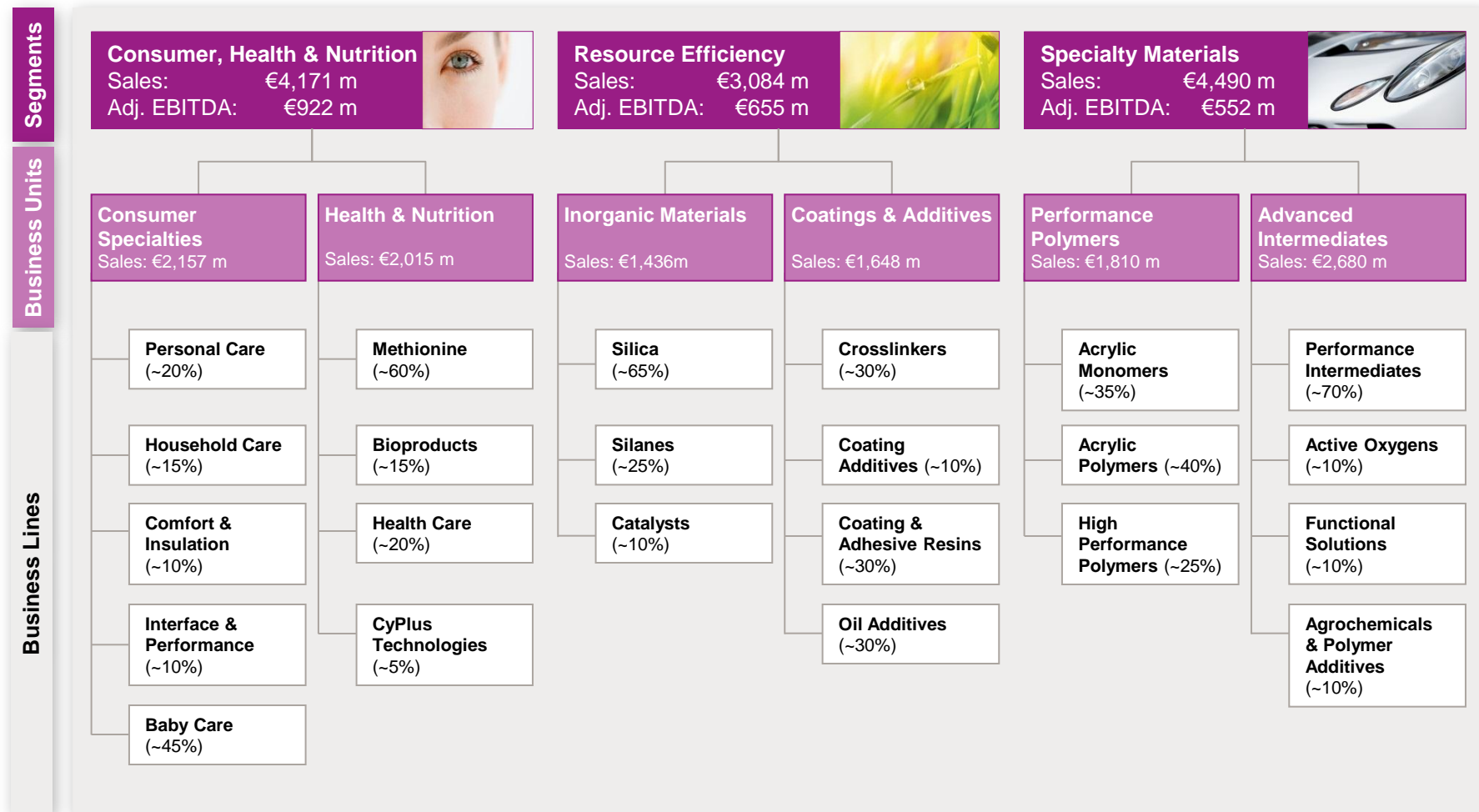


<b>Fixed salary</b> (c.30%)	<ul style="list-style-type: none"><li>• To be paid in cash for each financial year on a monthly basis</li></ul>
<b>Bonus</b> (c.33%)	<ul style="list-style-type: none"><li>• To be paid out in cash annually</li><li>• Pay-out calculated on the basis of the achievement of certain,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

A	Evonik at a glance & investment highlights
B	Capex & financial policy
C	Company history & ownership structure
<b>D</b>	<b>Specialty Chemicals segments</b>
E	Upcoming IR events and contact

# Specialty Chemicals segments

## Overview




Data as of Fiscal Year End 2013; restated due to IFRS 11

# Consumer, Health & Nutrition





## BU Consumer Specialties



	Personal Care	Household Care	Comfort & Insulation	Interface & Perform.	Baby Care
					
<b>Applications</b>	<ul style="list-style-type: none"> <li>Personal care</li> <li>Occupational skin care</li> </ul>	<ul style="list-style-type: none"> <li>Laundry care</li> <li>Home care</li> <li>Car care</li> </ul>	<ul style="list-style-type: none"> <li>Furniture / appliances</li> <li>Construction</li> <li>Automotive</li> </ul>	<ul style="list-style-type: none"> <li>Packaging / tapes</li> <li>Agrochemicals</li> <li>Plastic additives</li> </ul>	<ul style="list-style-type: none"> <li>Baby care</li> <li>Female care</li> <li>Adult care</li> </ul>
<b>Key products</b>	<ul style="list-style-type: none"> <li>Actives, emulsifiers, conditioners</li> <li>Skin cleansers</li> </ul>	<ul style="list-style-type: none"> <li>Fabric conditioners</li> <li>Specialty surfactants</li> </ul>	<ul style="list-style-type: none"> <li>Foam stabilizers</li> <li>Catalysts</li> <li>Release agents</li> </ul>	<ul style="list-style-type: none"> <li>Release coatings</li> <li>Super spreading additives</li> </ul>	<ul style="list-style-type: none"> <li>Superabsorbents</li> </ul>
<b>Sales split 2013</b>	~20%	~15%	~10%	~10%	~45%
<b>Market position<sup>1</sup></b>	# 4 in cosmetic ingredients	# 1 in fabric softeners	# 1 in polyurethane foam additives	# 1-2 in release coatings	# 1-2 in superabsorbents
<b>Main competitors</b>	<ul style="list-style-type: none"> <li>Croda</li> <li>BASF / Cognis</li> <li>Ashland / ISP</li> </ul>	<ul style="list-style-type: none"> <li>AkzoNobel</li> <li>BASF / Cognis</li> <li>Solvay / Rhodia</li> <li>Stepan</li> </ul>	<ul style="list-style-type: none"> <li>Air Products</li> <li>Dymatic</li> <li>Momentive</li> </ul>	<ul style="list-style-type: none"> <li>Clariant</li> <li>Dow Corning</li> <li>Momentive</li> <li>Wacker</li> </ul>	<ul style="list-style-type: none"> <li>BASF</li> <li>Nippon Shokubai</li> </ul>

<sup>1</sup> Company estimates for relevant markets based on multiple research reports

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

	Methionine	Bioproducts	Health Care	CyPlus Technologies
				
<b>Applications</b>	<ul style="list-style-type: none"> <li>Animal nutrition, mainly poultry and swine</li> </ul>	<ul style="list-style-type: none"> <li>Animal nutrition, poultry and swine</li> </ul>	<ul style="list-style-type: none"> <li>Active pharmaceutical ingredients and functional pharmaceutical excipients:                             <ul style="list-style-type: none"> <li>drug delivery systems</li> <li>functional drug coatings</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Fine chemicals</li> <li>Precious metals mining</li> </ul>
<b>Key products</b>	<ul style="list-style-type: none"> <li>Methionine</li> </ul>	<ul style="list-style-type: none"> <li>Lysine</li> <li>Threonine</li> <li>Tryptophan</li> </ul>	<ul style="list-style-type: none"> <li>Active pharma ingredients</li> <li>Pharma grade amino acids</li> <li>Pharmaceutical coatings</li> </ul>	<ul style="list-style-type: none"> <li>Sodium cyanide</li> <li>Potassium cyanide</li> </ul>
<b>Sales split 2013</b>	~60%	~15%	~20%	~5%
<b>Market position<sup>1</sup></b>	# 1 in DL-Methionine	# 3 in L-Threonine and L-Tryptophan	# 2 in drug-delivery systems	n.a.
<b>Main competitors</b>	<ul style="list-style-type: none"> <li>Chem China / Adisseo</li> <li>Novus</li> <li>Sumitomo Chemicals</li> <li>Unisplendour</li> </ul>	<ul style="list-style-type: none"> <li>Ajinomoto</li> <li>Archer Daniels Midland</li> <li>Cheil Jedang</li> <li>Global BioChem</li> </ul>	<ul style="list-style-type: none"> <li>Colorcon</li> <li>Dow Cellulosics</li> <li>DSM</li> <li>Kyowa Hakko</li> <li>Lonza</li> </ul>	<ul style="list-style-type: none"> <li>AGR</li> <li>DuPont</li> <li>Orica</li> </ul>

<sup>1</sup> Company estimates for relevant markets based on multiple research reports

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

# Resource Efficiency

## BU Inorganic Materials





	Silica	Silanes	Catalysts
			
<b>Applications</b>	<ul style="list-style-type: none"> <li>• Silicone rubber</li> <li>• Green tires &amp; rubber</li> <li>• Paints &amp; coatings</li> <li>• Adhesives &amp; sealants</li> </ul>	<ul style="list-style-type: none"> <li>• Optical fibres</li> <li>• Fumed silica</li> <li>• Adhesive &amp; sealants</li> <li>• Building protection</li> </ul>	<ul style="list-style-type: none"> <li>• Catalysts for fine chemicals and polyolefins</li> <li>• Enabler for process innovation</li> </ul>
<b>Key products</b>	<ul style="list-style-type: none"> <li>• Precipitated silica</li> <li>• Fumed silica</li> <li>• Special oxides</li> </ul>	<ul style="list-style-type: none"> <li>• Chlorosilanes</li> <li>• Organofunctional silanes</li> <li>• Rubber silanes</li> </ul>	<ul style="list-style-type: none"> <li>• Precious metal catalysts</li> <li>• Activated base metal catalysts</li> </ul>
<b>Sales split 2013</b>	~65%	~25%	~10%
<b>Market position<sup>1</sup></b>	# 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
<b>Main competitors</b>	<ul style="list-style-type: none"> <li>• Cabot</li> <li>• JM Huber</li> <li>• Solvay</li> <li>• Wacker</li> </ul>	<ul style="list-style-type: none"> <li>• OCI</li> <li>• Dow Corning</li> <li>• Momentive</li> <li>• Shin Etsu</li> </ul>	<ul style="list-style-type: none"> <li>• BASF</li> <li>• Clariant</li> <li>• Johnson Matthey</li> <li>• WR Grace</li> </ul>

<sup>1</sup> Company estimates for relevant markets based on multiple research reports

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

# Resource Efficiency

## BU Coatings & Additives

	Crosslinkers	Oil Additives	Coating Additives	Coating & Adhesive Resins
				
<b>Applications</b>	<ul style="list-style-type: none"> <li>Composites</li> <li>Coatings &amp; paints</li> <li>Flooring</li> <li>Automotive interior</li> </ul>	<ul style="list-style-type: none"> <li>Auto &amp; industrials</li> <li>Hydraulic systems</li> <li>Refinery processing</li> <li>Biofuels</li> </ul>	<ul style="list-style-type: none"> <li>Eco-friendly coatings (low VOC, water based)</li> <li>High solid industrial coatings</li> </ul>	<ul style="list-style-type: none"> <li>Hot melt</li> <li>Pre coated metal</li> <li>Protective coatings</li> <li>Road marking</li> </ul>
<b>Key products</b>	<ul style="list-style-type: none"> <li>Crosslinkers for composites, elastomers and non-solvent coatings</li> </ul>	<ul style="list-style-type: none"> <li>Lubricant additives (viscosity modifiers)</li> <li>Fuel additives</li> </ul>	<ul style="list-style-type: none"> <li>Additives for eco-friendly and highly solid industrial coatings</li> </ul>	<ul style="list-style-type: none"> <li>Functional resins</li> <li>Adhesive hot melts</li> <li>Heat sealents</li> <li>Polybutadiene</li> </ul>
<b>Sales split 2013</b>	~30%	~30%	~10%	~30%
<b>Market position<sup>1</sup></b>	# 1 in isophorone chemicals	# 1 oil additives	# 1 in organically modified silicones	# 1 in polyester resins
<b>Main competitors</b>	<ul style="list-style-type: none"> <li>Arkema</li> <li>BASF</li> <li>Bayer</li> </ul>	<ul style="list-style-type: none"> <li>Infineum</li> <li>Lubrizol</li> <li>NewMarket</li> <li>Oronite</li> </ul>	<ul style="list-style-type: none"> <li>Air Products</li> <li>Altana</li> <li>Dow Corning</li> </ul>	<ul style="list-style-type: none"> <li>Dow</li> <li>DSM</li> <li>Mitsubishi Chemical</li> </ul>

<sup>1</sup> Company estimates for relevant markets based on multiple research reports




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



# Specialty Materials

## BU Performance Polymers







	High Performance Polymers	Acrylic Monomers	Acrylic Polymers
			
<b>Applications</b>	<ul style="list-style-type: none"> <li>• Medical</li> <li>• Photovoltaic systems</li> <li>• Automotive components</li> <li>• Oil &amp; gas pipes</li> </ul>	<ul style="list-style-type: none"> <li>• Coatings</li> <li>• PMMA</li> <li>• Specialty monomer applications (e.g. disposable contact lenses)</li> </ul>	<ul style="list-style-type: none"> <li>• LED/touch screens</li> <li>• Photovoltaic</li> <li>• Light-weight systems</li> <li>• Automotive components</li> </ul>
<b>Key products</b>	<ul style="list-style-type: none"> <li>• High performance polyamide (PA12)</li> <li>• Polyetheretherketone (PEEK)</li> <li>• Polyimide fibres and foams</li> </ul>	<ul style="list-style-type: none"> <li>• Methy methacrylate (MMA) and application monomers</li> <li>• Methacrylic acid</li> </ul>	<ul style="list-style-type: none"> <li>• Molding compounds</li> <li>• Acrylic sheets (Plexiglas / Acrylite)</li> <li>• PMMA systems</li> </ul>
<b>Sales split 2013</b>	~25%	~35%	~40%
<b>Market position<sup>1</sup></b>	# 1 in polyamide 12	# 2 in MMA	# 1-2 in PMMA
<b>Main competitors</b>	<ul style="list-style-type: none"> <li>• Arkema</li> <li>• DuPont</li> <li>• EMS</li> <li>• Victrex</li> </ul>	<ul style="list-style-type: none"> <li>• LG MMA</li> <li>• Mitsubishi Chemicals</li> <li>• Sumitomo</li> </ul>	<ul style="list-style-type: none"> <li>• Arkema</li> <li>• Mitsubishi Chemicals</li> <li>• Sumitomo</li> </ul>

<sup>1</sup> Company estimates for relevant markets based on multiple research reports

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

# Specialty Materials

## BU Advanced Intermediates

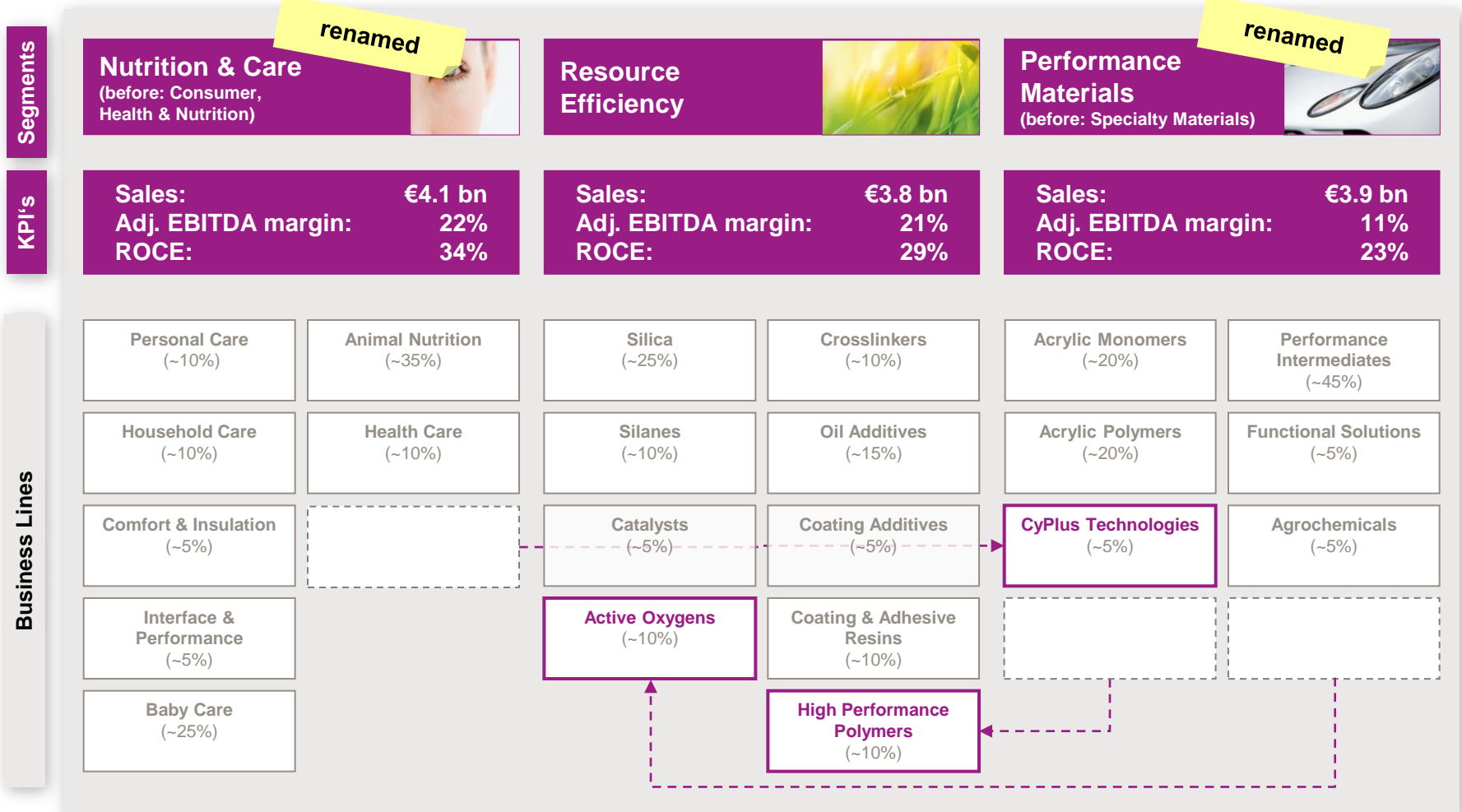
	Performance Intermediates	Active Oxygens	Functional Solutions	Agrochemicals & Polymer Additives
				
<b>Applications</b>	<ul style="list-style-type: none"> <li>Plastics</li> <li>Styrene-butadiene-rubber</li> <li>High performance polymers</li> </ul>	<ul style="list-style-type: none"> <li>Oxidising agent in chemical reactions</li> <li>Pulp &amp; paper bleaching</li> </ul>	<ul style="list-style-type: none"> <li>Catalysts for biodiesel production</li> </ul>	<ul style="list-style-type: none"> <li>Polymer additives</li> <li>Optical brighteners</li> <li>Photovoltaic</li> <li>Agro chemicals</li> </ul>
<b>Key products</b>	<ul style="list-style-type: none"> <li>Butadiene</li> <li>Butene-1</li> <li>MTBE</li> <li>Plasticisers / alcohols</li> </ul>	<ul style="list-style-type: none"> <li>Hydrogen peroxide</li> </ul>	<ul style="list-style-type: none"> <li>Alcoxides (e.g. sodium methylate)</li> </ul>	<ul style="list-style-type: none"> <li>Triacetoneamine</li> <li>Crosslinkers</li> <li>Precursors of glyphosates</li> </ul>
<b>Sales split 2013</b>	~70%	~10%	~10%	~10%
<b>Market position<sup>1</sup></b>	# 1 in 1-butene	# 2 in hydrogen peroxide	# 1 in alcoholates	# 1 in cyanuric chloride
<b>Main competitors</b>	<ul style="list-style-type: none"> <li>BASF</li> <li>Exxon Mobil</li> <li>LyondellBasell</li> <li>TPC</li> </ul>	<ul style="list-style-type: none"> <li>Arkema</li> <li>FMC</li> <li>Solvay</li> </ul>	<ul style="list-style-type: none"> <li>BASF</li> <li>DuPont</li> </ul>	<ul style="list-style-type: none"> <li>Lanxess</li> <li>Nalco</li> <li>Syngenta</li> </ul>

<sup>1</sup> Company estimates for relevant markets based on multiple research reports

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

# Specialty Chemicals segments

## New segment structure from January 2015



A	Evonik at a glance & investment highlights
B	Capex & financial policy
C	Company history & ownership structure
D	Specialty Chemicals segments
<b>E</b>	<b>Upcoming IR events and contact</b>

## Upcoming IR events

---

### Roadshows

---

- 5 Nov, 2014: Vienna
- 7 Nov, 2014: London
- 11 Nov, 2014: Frankfurt
- 19 Nov, 2014: Duesseldorf / Cologne
- 4 Dec, 2014: Edinburgh

---

### Conference participations

---

- 11-12 Nov, 2014: Morgan Stanley Global Chemicals Conference, Boston
- 20 Nov, 2014: Credit Agricole Industrial & Infrastructure Credit Seminar, London
- 27 Nov, 2014: HSBC Conference, Zurich
- 3 Dec, 2014: Bank of America European Chemicals Conference, London

---

### Next reporting dates

---

- 3 Mar, 2015: Q4 / FY 2014 reporting
- 6 May, 2015: Q1 2015 reporting



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

# Evonik Investor Relations Team



**Tim Lange**  
Head of Investor Relations

+49 201 177 3150  
[tim.lange@evonik.com](mailto:tim.lange@evonik.com)



**Petra Boden**  
Team Assistant

+49 201 177 3146  
[petra.boden@evonik.com](mailto:petra.boden@evonik.com)



**Hannelore Gantzer**  
Investor Relations Manager

+49 201 177 3678  
[hannelore.gantzer@evonik.com](mailto:hannelore.gantzer@evonik.com)



**Christoph Rump**  
Investor Relations Manager

+49 201 177 3149  
[christoph.rump@evonik.com](mailto:christoph.rump@evonik.com)



**Kai Kirchhoff**  
Investor Relations Manager

+49 201 177 3145  
[kai.kirchhoff@evonik.com](mailto:kai.kirchhoff@evonik.com)



**Xin Ming Yu**  
Junior IR Manager

+49 201 177 3147  
[xinming.yu@evonik.com](mailto:xinming.yu@evonik.com)

## **Disclaimer**

In so far as forecasts or expectations are expressed in this presentation or where our statements concern the future, these forecasts, expectations or statements may involve known or unknown risks and uncertainties. Actual results or developments may vary, depending on changes in the operating environment. Neither Evonik Industries AG nor its group companies assume an obligation to update the forecasts, expectations or statements contained in this release.



**EVONIK**  
**INDUSTRIES**