

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

Company presentation

March 2015



**EVONIK**  
INDUSTRIES

# Table of contents



<b>1</b>	<b>Evonik at a glance</b>
2	Group strategy
3	Financials Q4 / FY 2014
4	Appendix

One of the world leaders in specialty chemicals



1.9

billion € adj. EBITDA  
achieved in 2014

80%

of sales from  
#1-3 market positions

>13

billion € total market  
capitalization

~33,000

employees in more  
than 100 countries

>4%

average volume growth  
(CAGR) since 2009<sup>1</sup>

~500

R&D projects driving  
innovation

<sup>1</sup> Excluding Carbon Black, Real Estate and lithium-ion business

# Three specialty chemicals segments

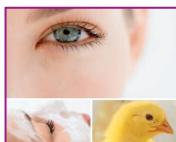


**Sales**  
€12,917 bn

**Adj. EBITDA**  
€1,867 bn

**Margin**  
14.5%

**ROCE**  
12.3%



## Nutrition & Care

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

**Sales** €4,076 m  
**Adj. EBITDA** €847 m  
**Margin** 20.8%



## Resource Efficiency

Environment-friendly and energy-efficient system solutions

**Sales** €4,040 m  
**Adj. EBITDA** €836 m  
**Margin** 20.7%



## Performance Materials

Polymer materials and intermediates mainly for the rubber and plastics industries

**Sales** €3,827 m  
**Adj. EBITDA** €325 m  
**Margin** 8.5%

## Services

**Sales**  
**Adj. EBITDA**

€895 m  
€180 m

## Corporate / Other

**Sales**  
**Adj. EBITDA**

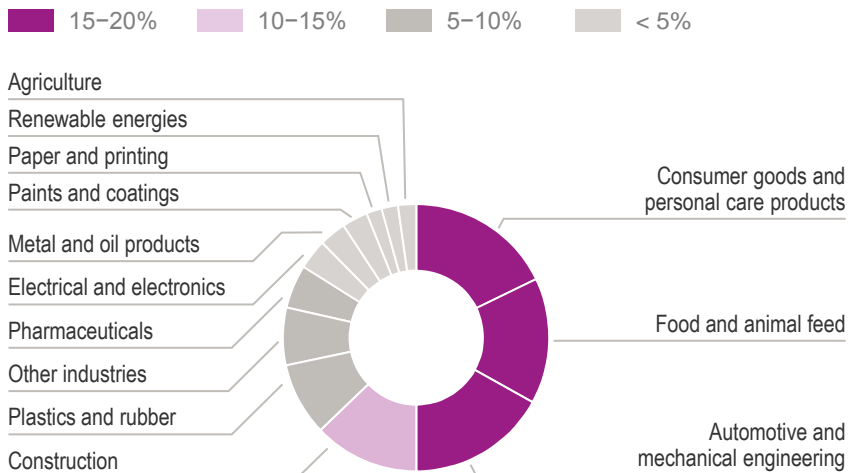
€79 m  
-€317 m

Specialty chemicals segments' financials for FY 2014 restated to reflect new segment structure from Jan 1<sup>st</sup>, 2015

March 2015 | Evonik company presentation | Evonik at a glance

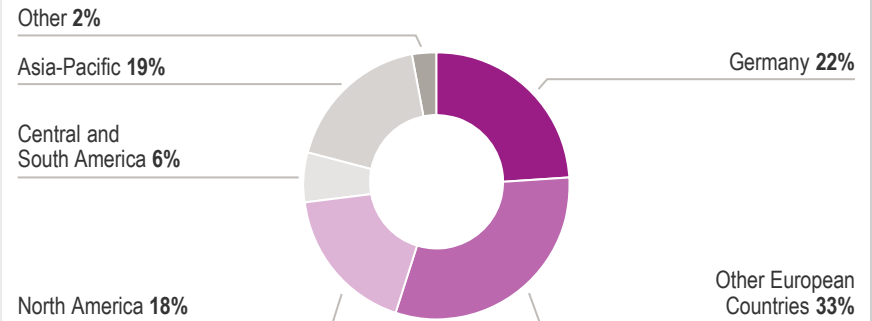
# Balanced and diversified portfolio

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



No dependency on single end markets;  
no end market exposure >20%

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

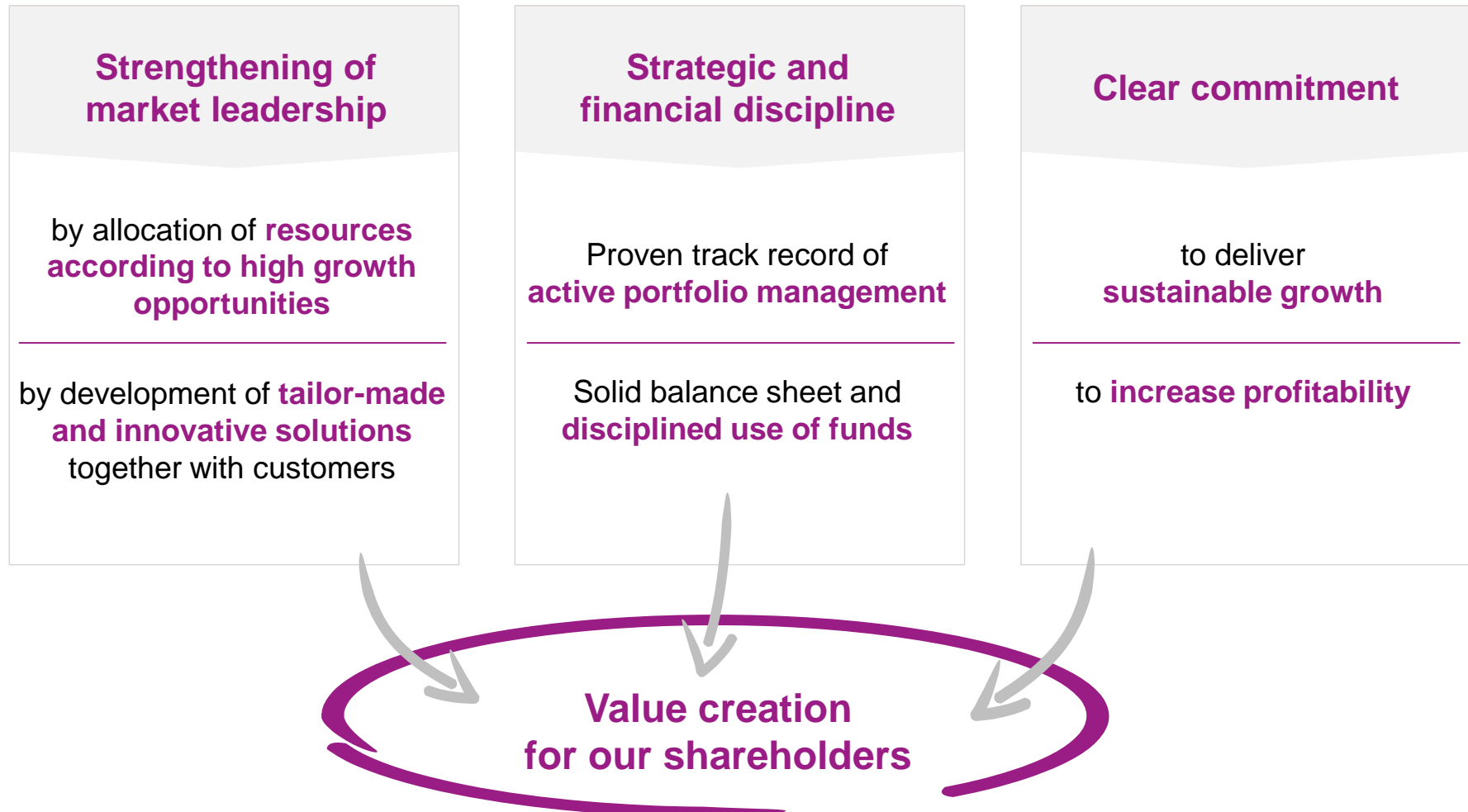


Strong European heritage,  
focus on expansion into growth regions

<sup>1</sup> Based on specialty chemicals segments' 2014 sales

<sup>2</sup> Consolidated Group sales 2014

# Committed to create value



# Table of contents



1	Evonik at a glance
<b>2</b>	<b>Group strategy</b>
3	Financials Q4 / FY 2014
4	Appendix

# New corporate structure

## Enabling differentiated management of segments



### Strategic Management Holding

- Three specialty chemicals segments **as separate legal entities**
- **Differentiated management of businesses** tailored to specific needs
- **Higher degree of entrepreneurial freedom**

#### Nutrition & Care

#### Resource Efficiency

#### Performance Materials



Investments



Innovation



M&A



**Efficiency**





# Levers for sustainable growth

## Combining internal and external growth

### Investments



- Focused investments into high-growth end markets and regions
- Disciplined and flexible approach in execution
- Recently finished projects according with increasing earnings contribution

### Innovation



- “Power to create” as part of Evonik’s DNA
- “Leading innovation” initiative with ambition to generate best-in-class ideas for future products and solutions
- Strong market and customer orientation for tailor-made solutions

### M&A



- Acquisitions as additional route for value creation
- Sharpening of specialty chemicals portfolio
- Proven track record of portfolio optimization
- Disciplined use of funds

# Investments

Major projects finished in 2014, more underway

## Plants currently under construction

### Fumed silica & silanes platform<sup>1</sup>

Capex ~€100 m  
Start up 2017

### Expansion C4 chain

Capex >€250 m  
Start up 2015

### Oleochemicals plant

Capex >€50 m  
Start up Q2 2015

### New silica plant

Capex ~€50 m  
Start up 2016

Marl &  
Antwerp

Xuzhou  
Jilin

Shanghai

Singapore

Sao Paulo

## Recently finished investment projects



### H<sub>2</sub>O<sub>2</sub> for HPPO plant

Capex >130 m  
Start up Q2 2014



### Oleochemicals plant

Capex >€50 m  
Start up Q1 2014



### Isophorone chain

Capex >€100 m  
Start up Q2 2014



### Methionine plant

Capex >€500 m  
Start up Q4 2014



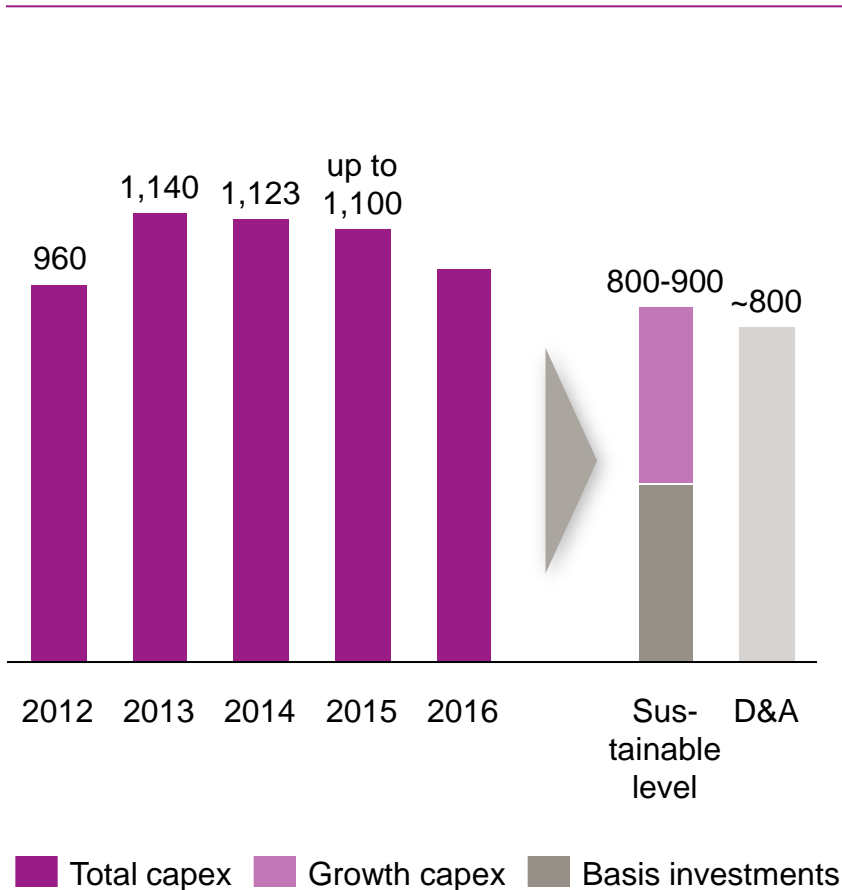
● Nutrition & Care    ● Resource Efficiency    ● Performance Materials

<sup>1</sup> Basic engineering

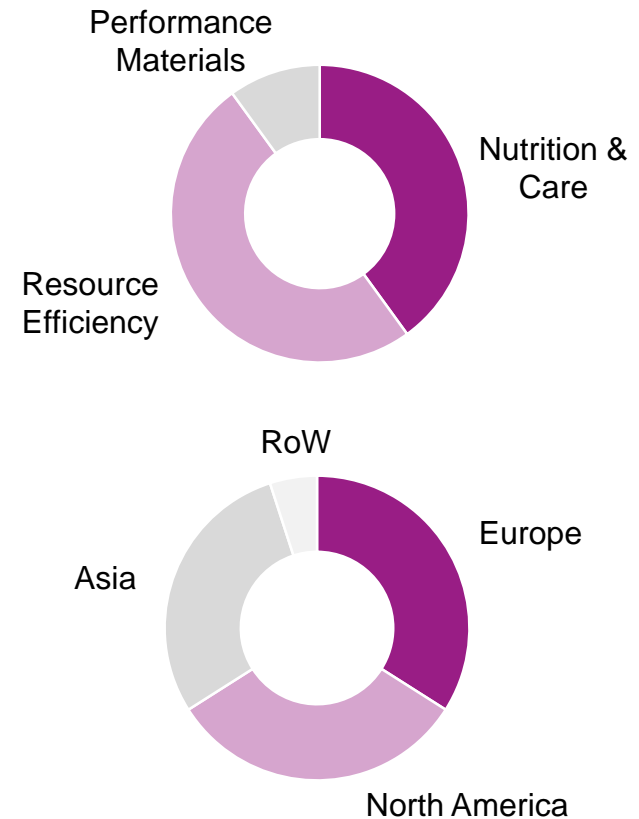
# Investments

## Capex returning to sustainable level after 2016

Capex spending (in € m)



Growth capex by segment and region<sup>1</sup>



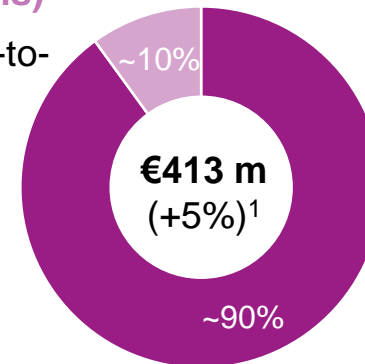
<sup>1</sup> After 2016

# Innovation

Strong market and customer orientation

## Transformational innovation (Creavis)

- Centralized, mid-to-long-term R&D



## Core and adjacent business innovation

- Decentralized, shorter-term R&D in operating segments
- Cross business, e.g. in industry teams
- Very close to customers (often joint R&D efforts)

Technology /  
Products

new  
adjacent  
established

Transformational innovation

Adjacent business innovation

Incremental core business innovation

established

adjacent

new

Market /  
Application

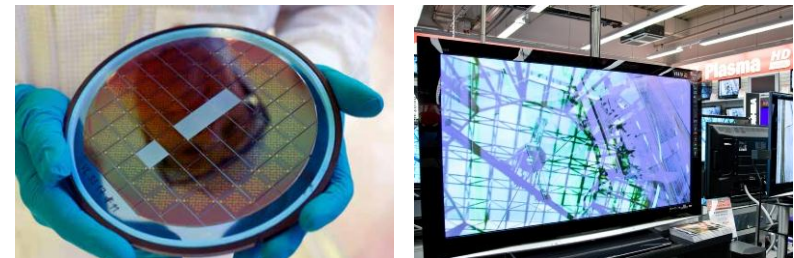
<sup>1</sup> R&D expenses 2014 (vs. 2013)

### Process innovation: Bio-based PA12



- Development of new, bio-based process for the synthesis of the Polyamide 12 (PA12) monomer amino lauric acid
- Based on palm kernel oil
- Development initiated at Creavis, R&D then taken up by Business Line High Performance Polymers
- Pilot plant up and running in Slovenska Lupca since 2013

### Product innovation: Material for metal-oxide semiconductors



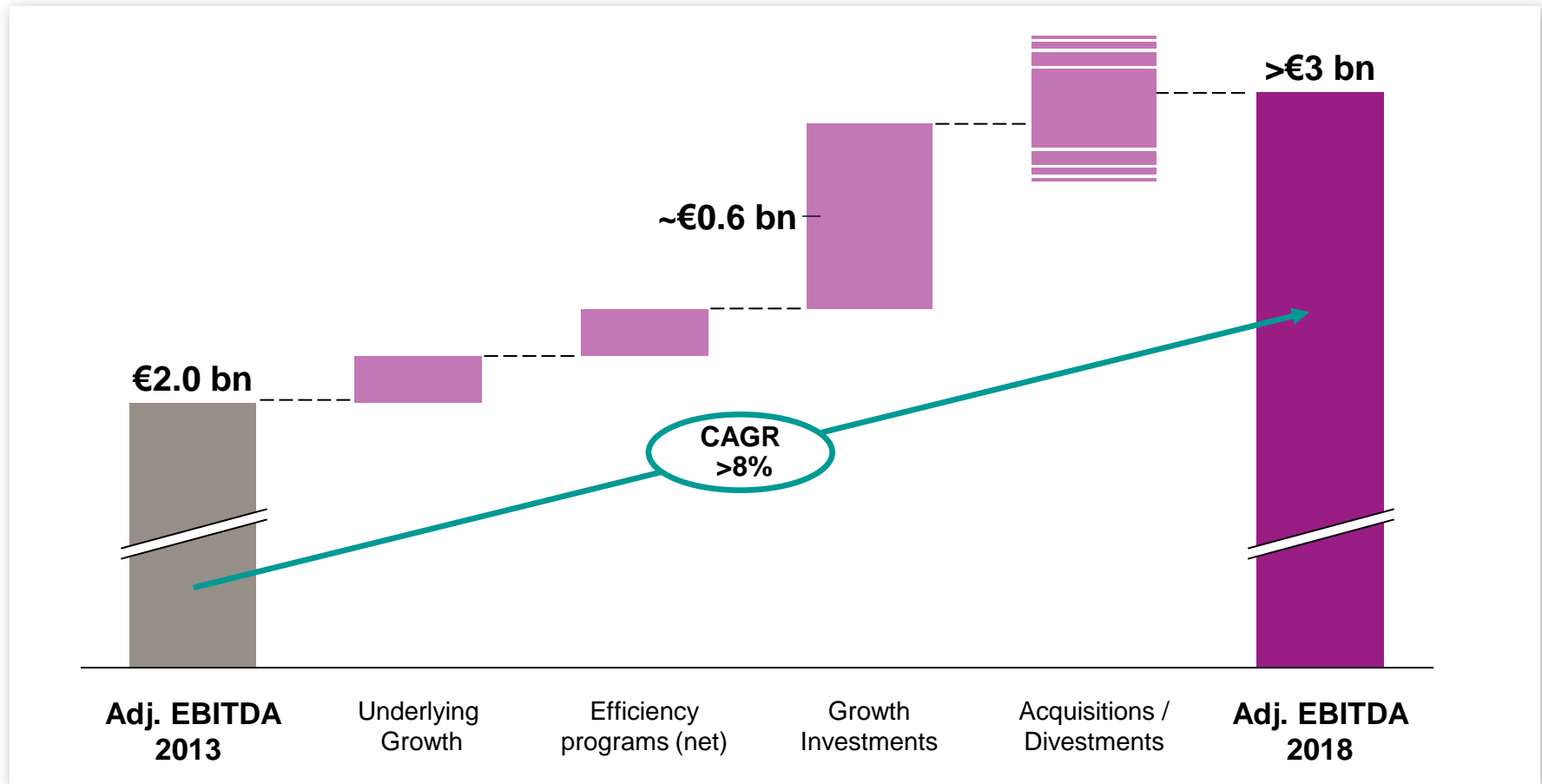
- Additives for new inorganic metal-oxide semiconductors heighten image resolution and lower production costs of ultra-HD televisions
- Replacement of traditional amorphous silicon
- Customer trial runs already underway
- Idea generated by Creavis, before being advanced to market readiness by a cross-functional team of Resource Efficiency together with potential key customers from the display industry

# Proven history of efficiency improvements

## Improving cost position since 2009



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



# Table of contents

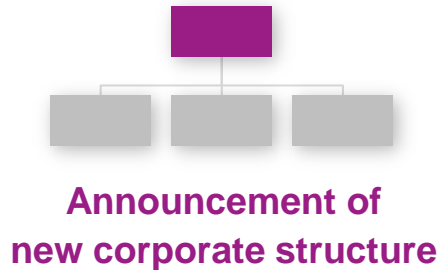


1	Evonik at a glance
2	Group strategy
<b>3</b>	<b>Financials Q4 / FY 2014</b>
4	Appendix



# Highlights FY 2014

## Constant progress and new strategic alignment



### Start-up of several new production sites



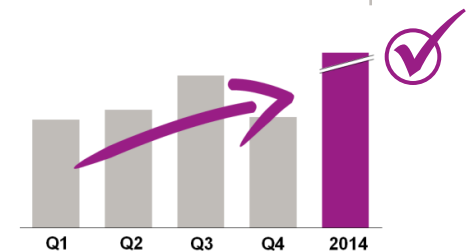
May

August

November

**Sale of remaining  
STEAG stake**

**steag**



**Outlook accomplished**

# Financial highlights FY 2014

## Outlook achieved; returning to earnings growth



**Sales** of €12,917 m slightly above prior year (+2%);  
good volume development; pricing strengthening towards year-end

**Outlook accomplished: adj. EBITDA** of €1,867 m;  
Q4 shows first yoy adj. EBITDA growth since 2011

Stable **dividend** of €1.00 per share for FY 2014 proposed (FY 2013: € 1.00)

**Outlook 2015:** slightly higher sales and adj. EBITDA, additional upside potential from FX

# Investment projects

## Successful start-up of major plants



### World-scale methionine plant in Singapore

- Global production setup: Europe, US and now Asia
- Finished in time and on budget
- Largest single chemicals investment in the history of Evonik



### New isophorone chain in Shanghai

- Regional diversification with five fully integrated isophorone chains in Europe, US and now Asia
- Serve growing Asian customer base with locally manufactured products



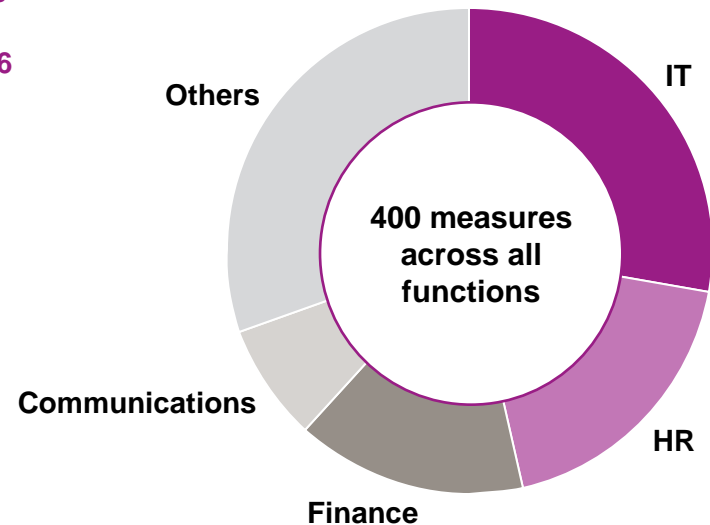
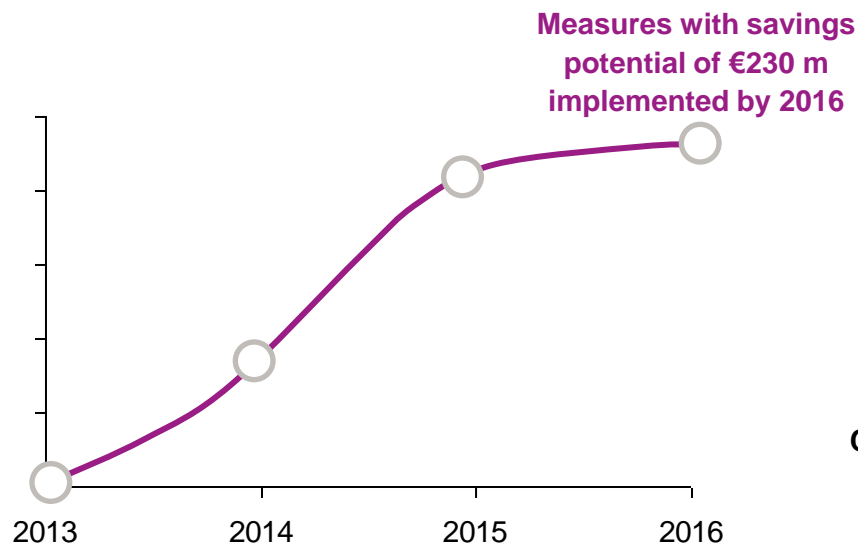
### H<sub>2</sub>O<sub>2</sub> plant in Jilin

- Fence-to-fence setup
- Environmentally-friendly and energy efficient process to produce propylene oxide using hydrogen peroxide

# Administration Excellence

## Implementation of measures well underway

### Implementation of Admin Excellence measures



**First results already visible**

- Savings of €40 m realized in FY 2014
- Admin expenses reduced by 5% in FY 2014

# Financial highlights Q4 2014

yoy earnings increase despite inventory revaluations



**Sales** increased by 4% to €3,226 m; strong pricing and supportive FX

**Adj. EBITDA** of €442 m; clearly above last year despite ~€30 m inventory revaluations

**Adj. EPS** of 0.38 €; supported by positive one-off effects in interest result and lower adj. tax rate

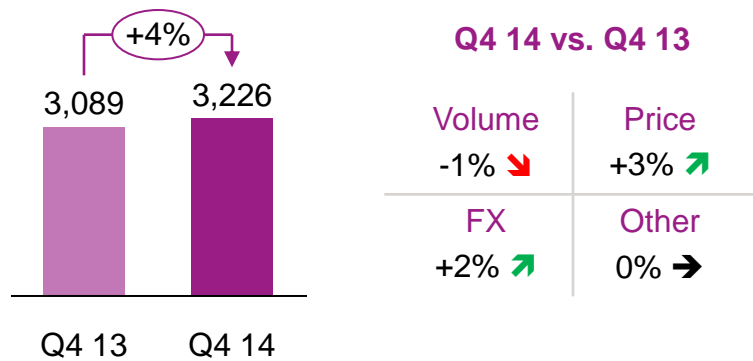
Strong **operational cash-flow** led to qoq almost stable **net cash position** of €400 m

# Financial highlights Q4 2014

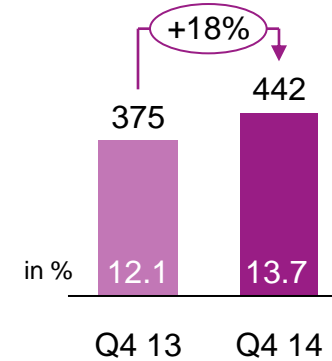
## Strong adj. EBITDA and margin improvement



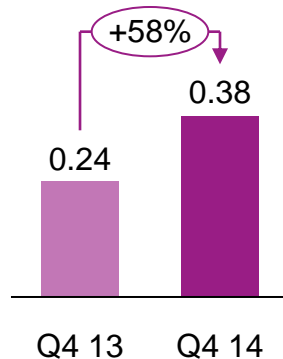
### Sales (in € m)



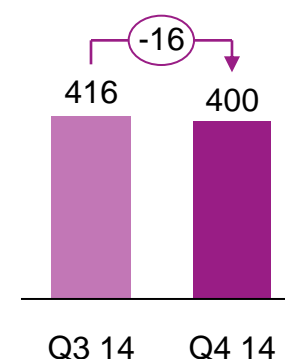
### Adj. EBITDA (in € m) / margin



### Adj. EPS (in €)



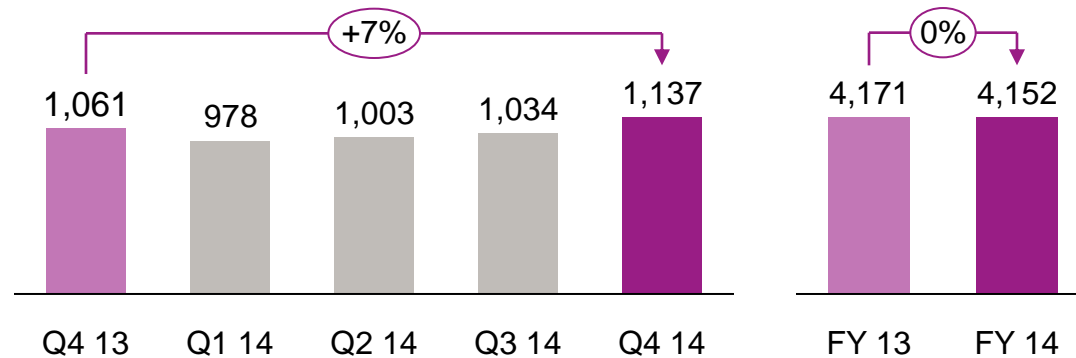
### Net financial position (in € m)



# Consumer, Health & Nutrition

## Positive price trend towards year-end

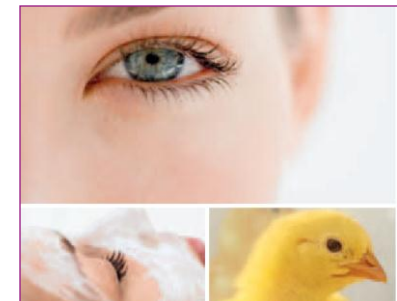
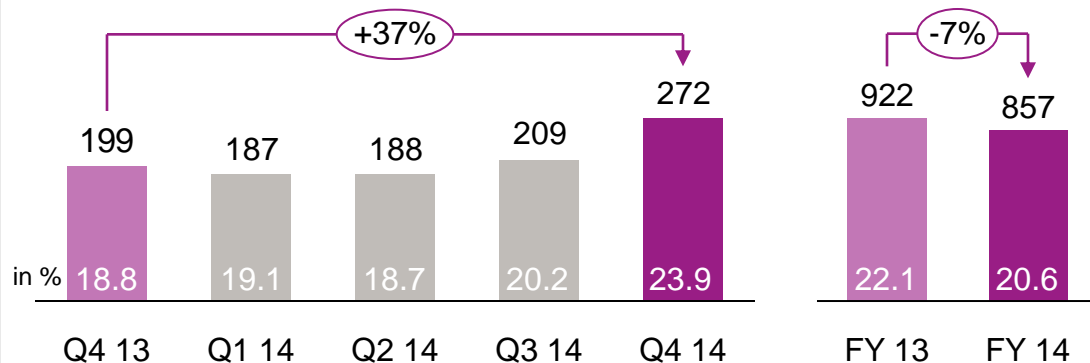
### Sales (in € m)



### Q4 14 vs. Q4 13

Volume	Price
-2% ↓	+8% ↑
FX	Other
+2% ↑	-1% ↓

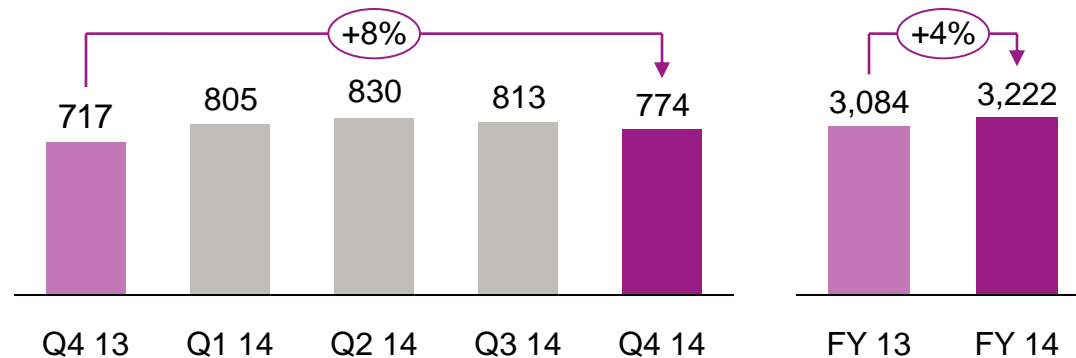
### Adj. EBITDA (in € m) / margin (in %)



# Resource Efficiency

Margin expansion for 5th consecutive year

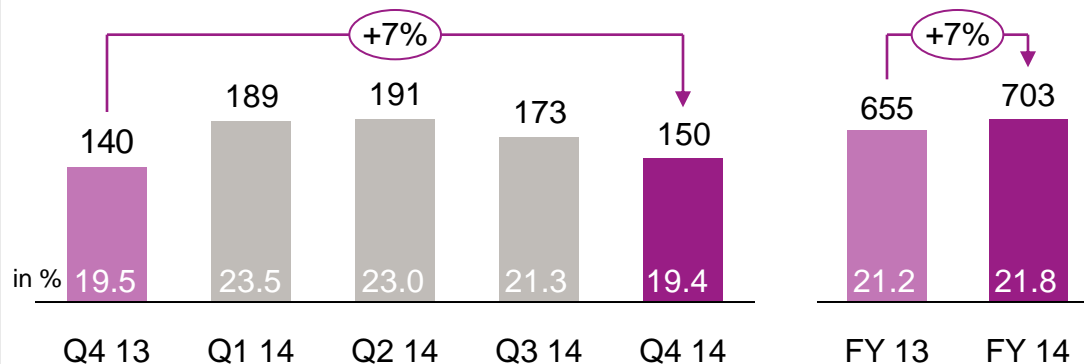
## Sales (in € m)



### Q4 14 vs. Q4 13

Volume	Price
+4% ↗	0% →
FX	Other
+2% ↗	+2% ↗

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



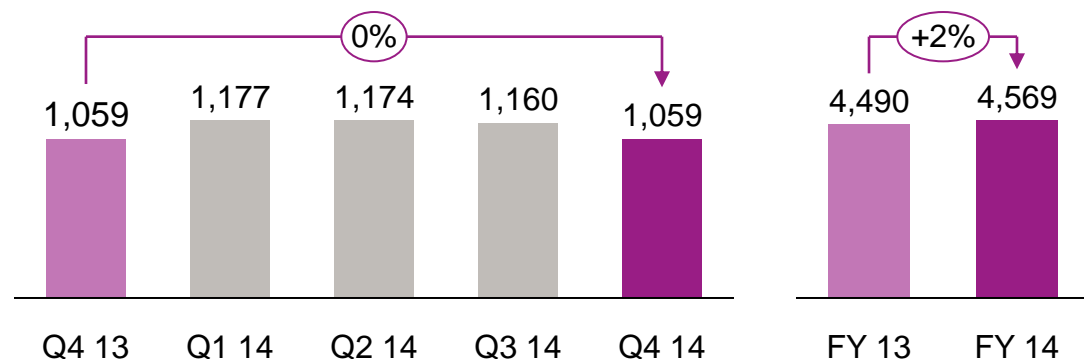


# Specialty Materials

Solid operational performance in Q4 mitigated by inventory revaluations



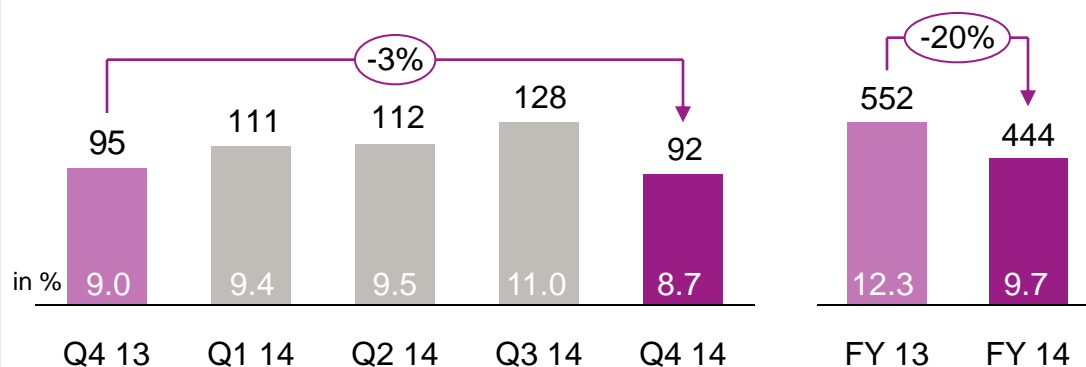
## Sales (in € m)



### Q4 14 vs. Q4 13

Volume	Price
-3%	+1%
FX	Other
+2%	0%

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



# Specialty Chemicals segments

## New segment structure from January 2015



### Segments until end of FY 2014

Consumer, Health & Nutrition

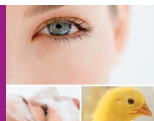
Resource Efficiency

Specialty Materials

- Q4 / FY 2014 reported with old segment names and structure for the last time

### Segments from January 2015 onwards

Nutrition & Care



Resource Efficiency



Performance Materials

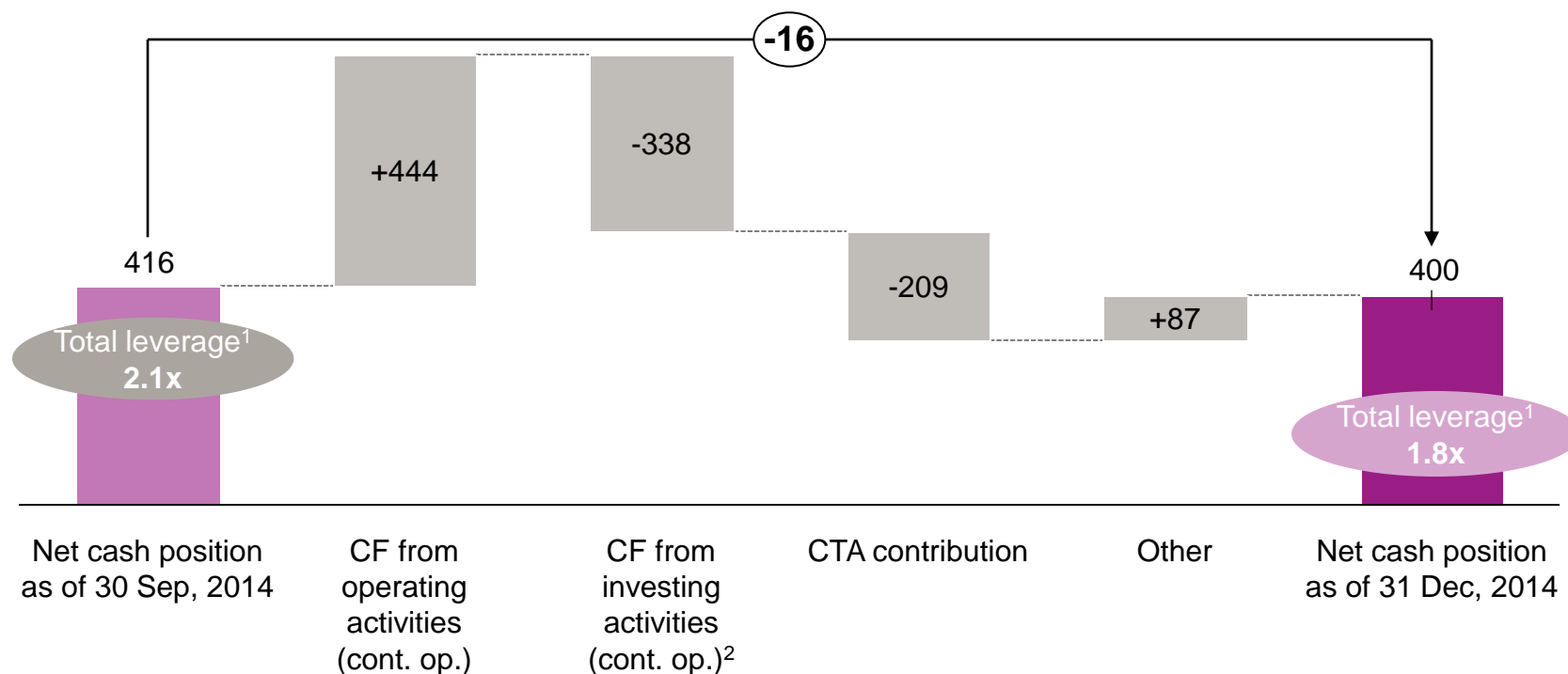


- Two Segments renamed; all 2014 segment figures to be restated
- Leaner organisation (Business Unit level cancelled)
- Minor shifts on Business Line level:
  - Active Oxygens and High Performance Polymers shifted to Resource Efficiency
  - CyPlus Technologies now part of Performance Materials

# Net financial position

## Strong operating cash flow generation

### Development of net financial position (in € m)

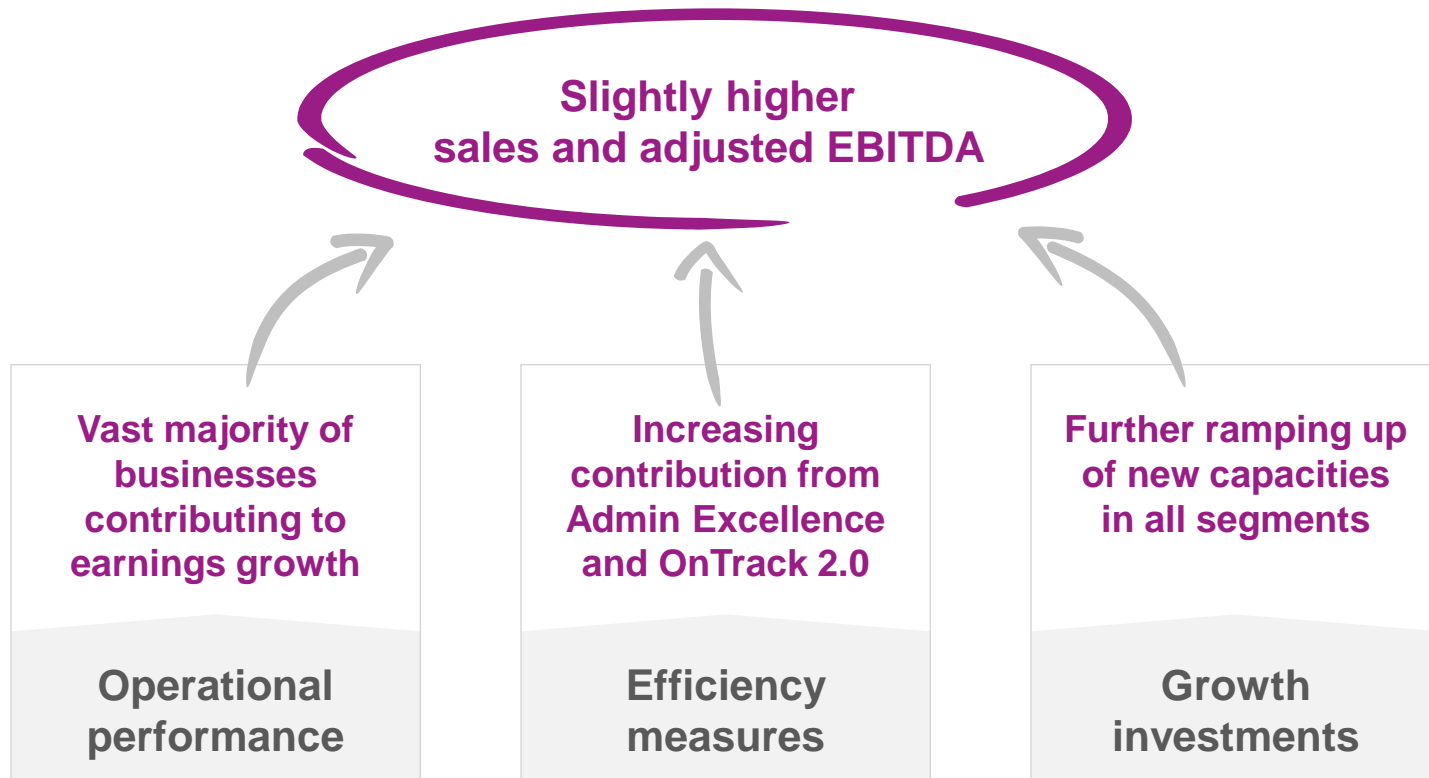


<sup>1</sup> Total leverage defined as (net financial debt + unfunded pensions obligations) / adj. EBITDA LTM

<sup>2</sup> Cash outflow for investment in intangible assets, PP&E and shareholdings, not incl. cash in- and outflows related to divestments and securities

# Outlook for 2015

Strong pillars as basis for growth in 2015



- **Additional upside potential** for sales and adj. EBITDA from FX
- Effects from lower raw material prices should largely balance out on Group level

## Additional indications for 2015

- EUR/USD sensitivity<sup>1</sup>: +/-1 USD cent = -/+ ~€5 m adj. EBITDA (FY basis)
- Adj. EBITDA Services<sup>2</sup>: **Slightly below prior year** (2014: €180 m) due to positive one-off effects in 2014 and pension service cost effect
- Adj. EBITDA Corporate/Other<sup>\*\*</sup>: **On prior year level** (2014: -€317 m) due to strict cost control compensating for factor cost increases
- Adj. D&A: **~€700 m** (2014: €629 m)
- Adj. net interest result: **Stable** in 2015 (2014: -€192 m); 2014 benefitted from positive one-off effects in Q4 (~€30 m), positive trend from new bonds and CTA contribution to continue
- Adj. tax rate: **~29%** (2014: 28.2%)
- Capex: **Up to €1.1 bn** in 2015 (2014: €1.1 bn)
- Net financial position: **Net debt position** end of 2015 (2014: €400 m net cash)

<sup>1</sup> Including transaction effects (after hedging) and translation effects; before secondary/market effects

<sup>2</sup> Before reorganization of Group structure



**EVONIK**  
INDUSTRIES

# Table of contents



<b>A</b>	<b>Financial policy and pensions</b>
B	Company history and ownership structure
C	Specialty chemicals segments
D	Upcoming IR events and contact

# Financial policy

Evonik as reliable partner for investors & banks



## Financial Policy

**Total  
Leverage  
Ratio  $\leq 2.5x^1$**

**Robust  
funding level  
of DBO<sup>2</sup>**

**Solid  
investment  
grade rating**

**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 LTM

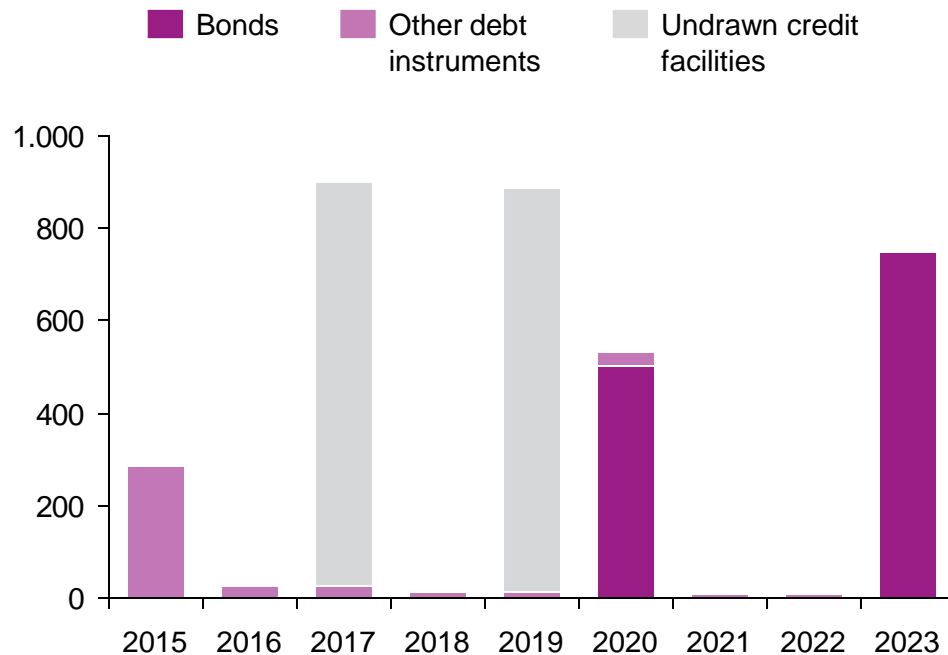
<sup>2</sup> Defined benefit obligations



# Balanced maturity profile

## No major maturities until 2020

Maturity profile (in € m)

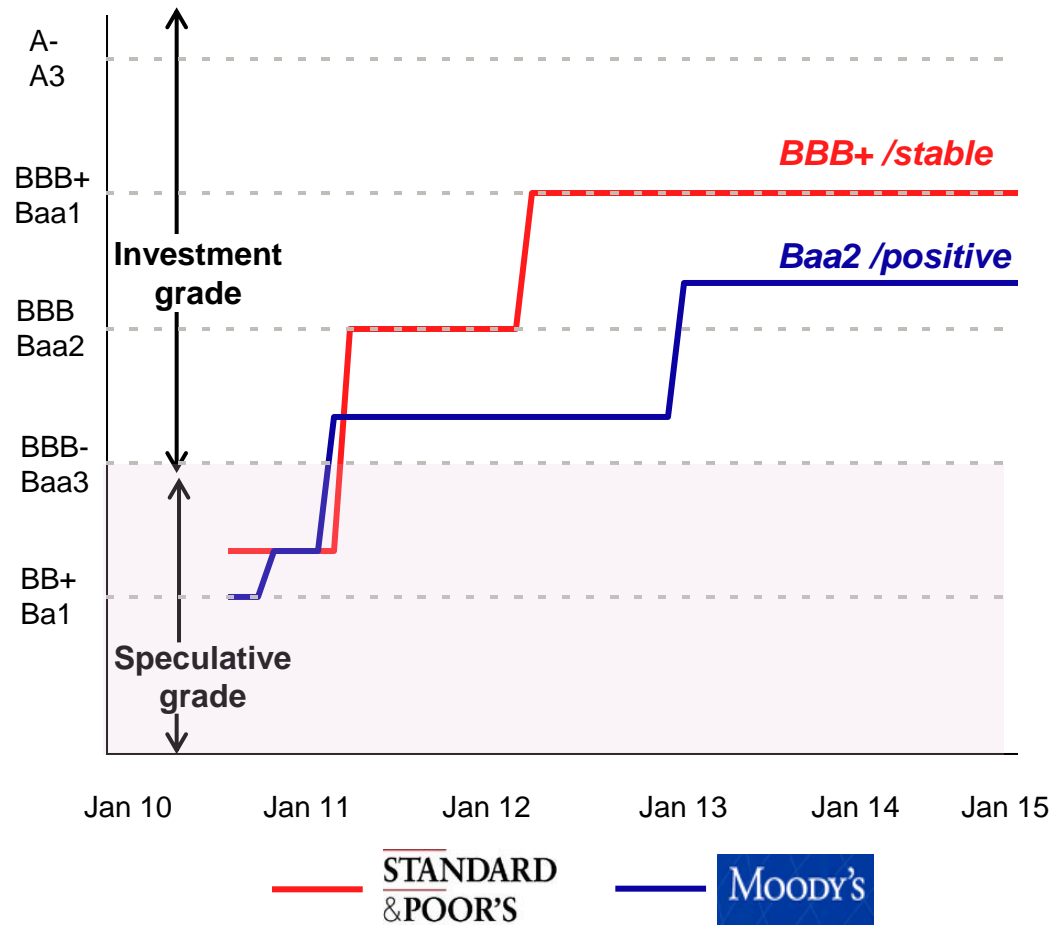


- Maturity of syndicated RCF extended by one year to 2017/19 (€875 m each)
- Repayment of €750 m 7% bond (2009/14) in October 2014
- Issuance of new €750 m 1% bond in January 2015 (8yrs to 2023)
- Achieved lowest ever 8-year spread and coupon for a BBB (+/-/flat) rated corporate issuer
- No major maturities until 2020

# Rating history

Positioned in upper range of BBB

## Rating development

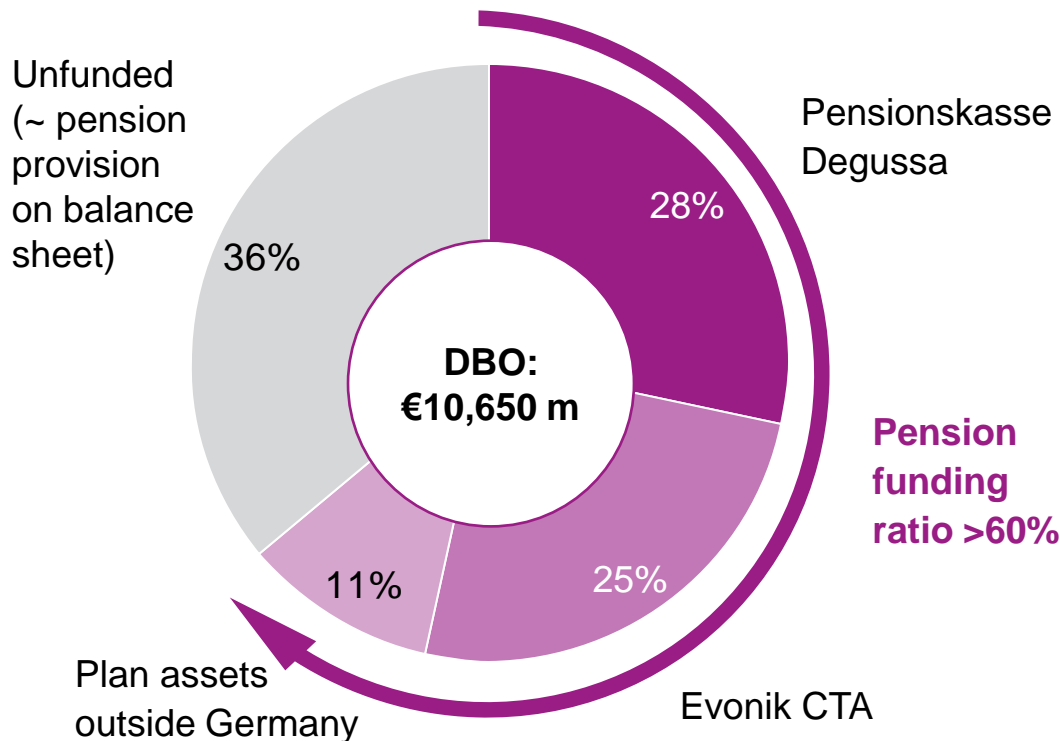


- S&P's rating BBB+ with stable outlook since May 2012
- Moody's rating Baa2 with positive outlook since March 2014
- Impressive rating dynamic thanks to focus on specialty chemicals and clear financial policy
- Maintaining a solid, long-term investment grade rating is an integral part of our financial policy

# Pensions

## Pension obligations well financed

### Pension funding overview as of Dec 31, 2014



- Pension funding gap increased during 2014 due to lower discount rate (year-end 2014: 2.5% vs year-end 2013: 3.75%)
- Pensions very long-term, patient debt with no funding obligations in Germany
- Funding ratio remains on solid level above 60%
- Further cash contribution of €200 m intended in Q4 2015 (ends cash contribution plan of €1.6 bn from 2012-2015)

# Pensions

## Breakdown of P&L and cash flow effects

### P&L

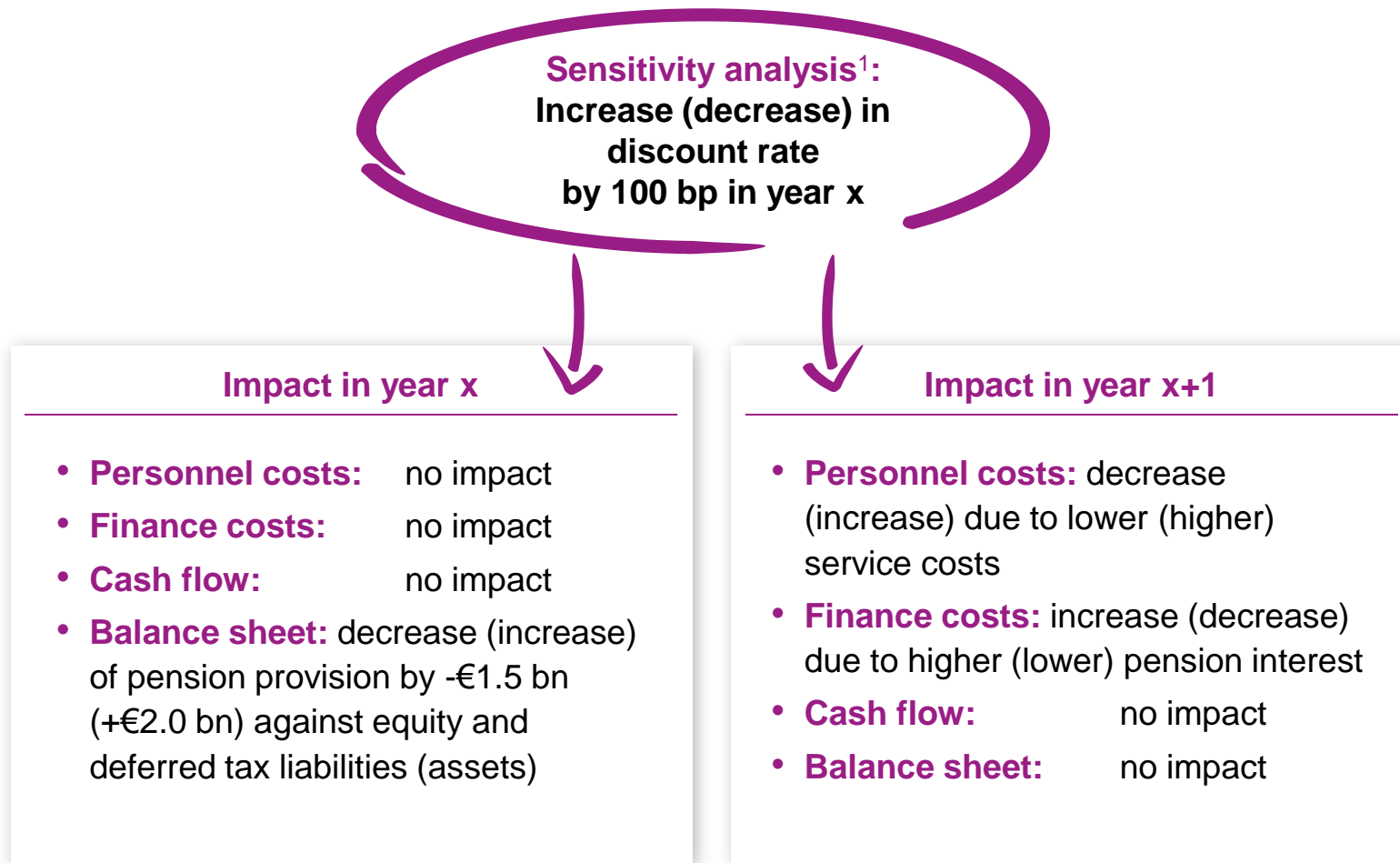
in € m	P&L item / KPI	2013	2014	Annual report
Current service costs	Adj. EBITDA	-178	-172	p. 223
Interest costs	Net interest expense	-330	-341	p. 220
Exp. return on plan assets	Net interest expense	+195	+224	p. 221
Other	Adj. EBITDA	-50	-38	p. 223
Total pension expense		-363	-327	

### Cash flow

in € m		2013	2014	Annual report
Benefits paid	} From defined benefit plans	-401	-404	p. 220
Benefits paid from plan assets		+168	+163	p. 221
Contribution to plan assets (excl. CTA)		-126	-135	p. 221
Payments under defined contribution plans		-134	-144	p. 223
Total cash out for pensions (excl. CTA)		-493	-520	

# Pensions

Discount rate changes with significant effects on balance sheet and P&L



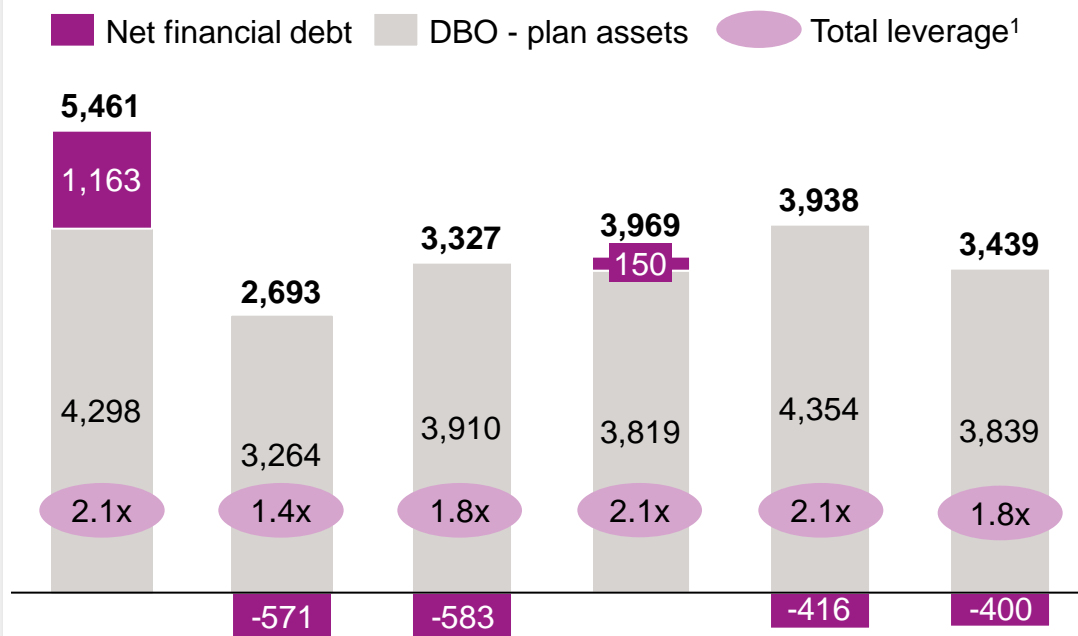
<sup>1</sup> Excluding any effects from potential actuarial changes  
March 2015 | Evonik company presentation | Appendix

# Pensions

Increase in pension obligations due to lowered discount rate throughout 2014



## Net debt development (in € m)



- Majority of debt consists of long-dated pension obligations; average life of DBO exceeds 15 years
- Increase in pension provisions in 2014 by €0.6 bn due to lower discount rate (from 3.75% to 2.50%)
- Total Leverage remains comfortably below targeted 2.5x

2012	2013	Q1 2014	Q2 2014	Q3 2014	2014	
3.78	3.84				2.65	Global discount rate <sup>2</sup>
3.75	3.75	3.25	3.25	2.75	2.50	Discount rate for Germany

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

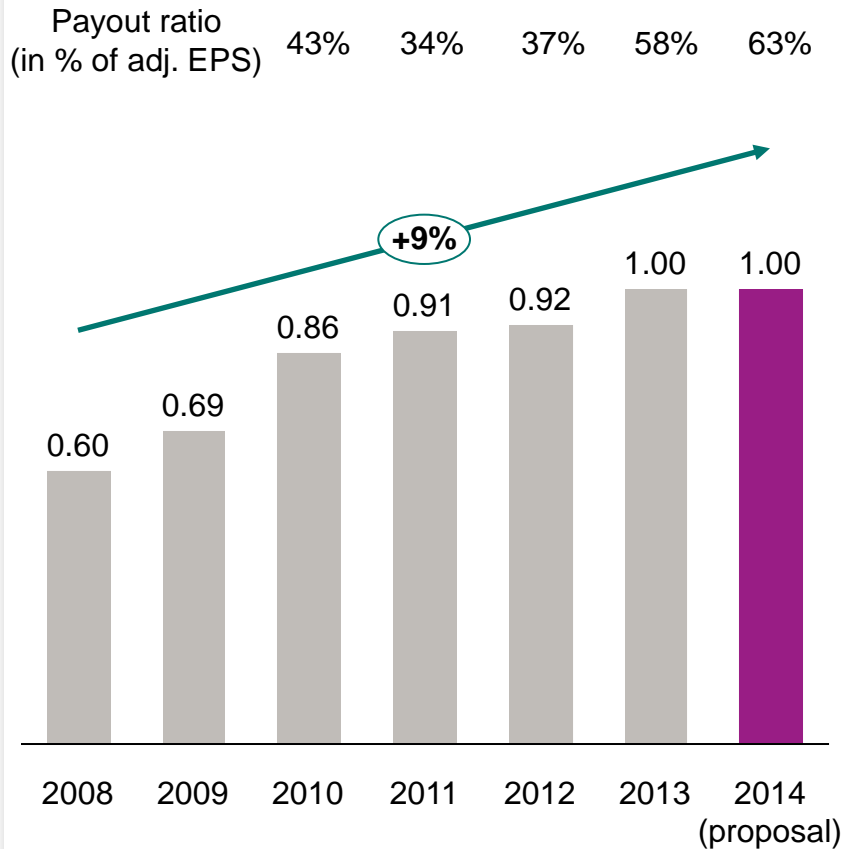
<sup>2</sup> Calculated annually

# Dividend policy

## Reliability and attractive returns



### Dividend history (in €)



### Dividend policy

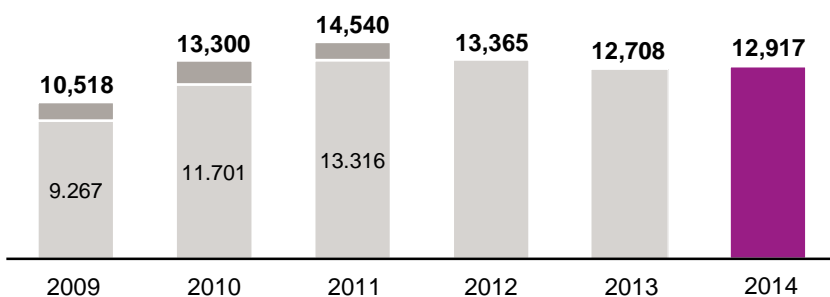
Two components of Evonik's dividend policy:

- 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 (already pre-listing)
  - Dividend proposal for 2014 of 1.00 €; stable dividend despite lower adj. net income

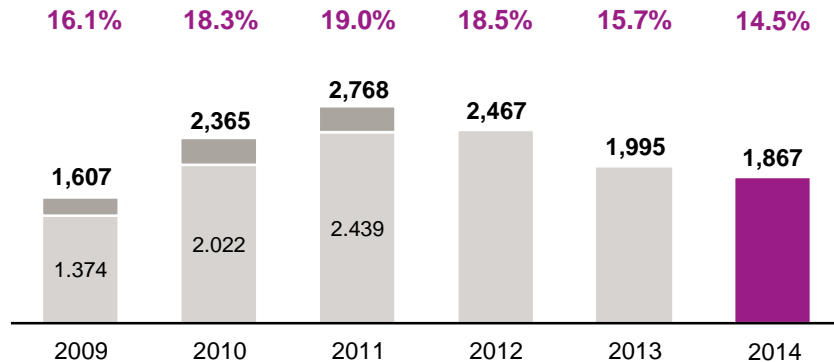
# Strong financial track record

## Sales (in € m)

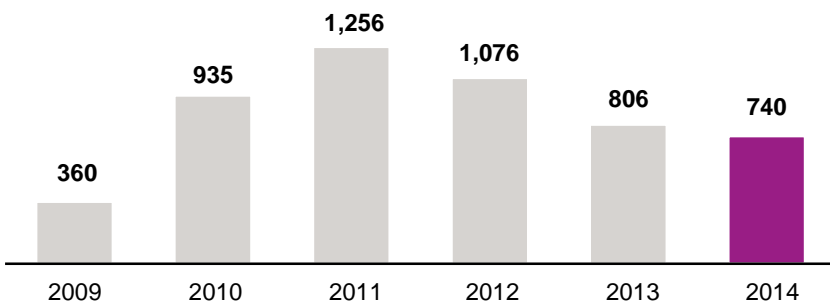
Carbon Black/Real Estate



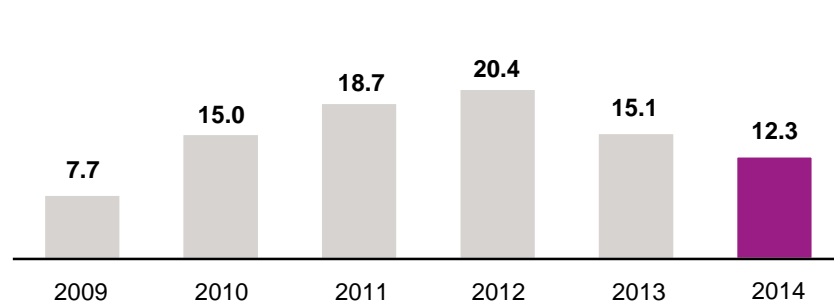
## Adj. EBITDA (in € m) / margin<sup>1</sup>



## Adj. net income (in € m)



## ROCE (in %)

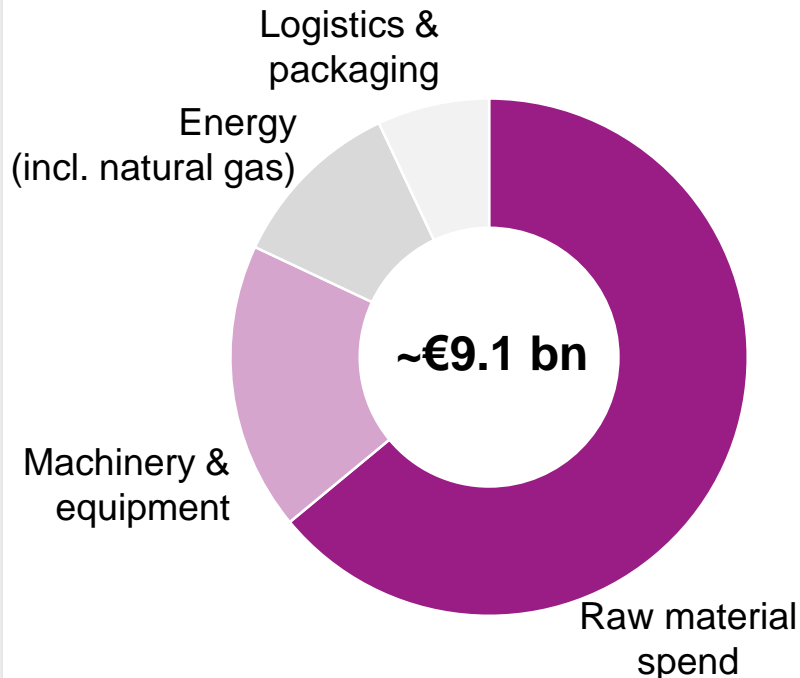


<sup>1</sup> Excluding Carbon Black



# Raw material split

## Total procurement volume (in € m)

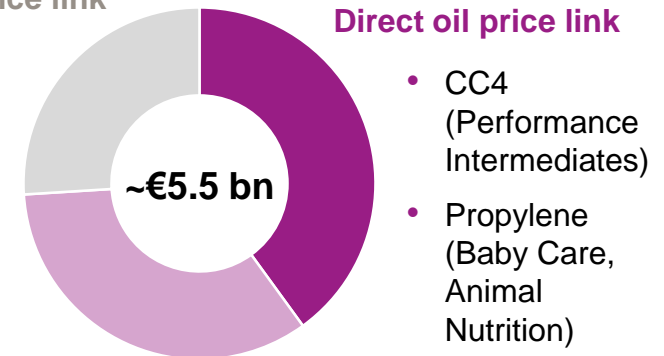


## Oil price link of raw material spend<sup>1</sup> (examples)

- Sodium silicate (Silica)
- Sugar (Animal Nutrition)
- Fatty acids (Personal Care)

### No oil price link

### Direct oil price link



### Indirect oil price link

- Acrylic acid (Baby Care)
- Acetone (Coatings & Additives, Acrylic Monomers)
- Methanol (Acrylic Monomers, Performance Intermediates)

<sup>1</sup> Raw material spend ~60% of total procurement volume  
March 2015 | Evonik company presentation | Appendix

# Table of contents



A	Financial policy and pensions
<b>B</b>	<b>Company history and ownership structure</b>
C	Specialty chemicals segments
D	Upcoming IR events and contact

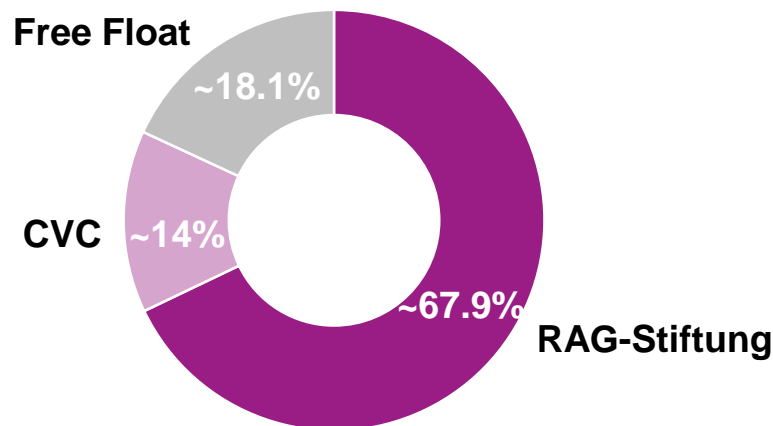
# Company history

More than 150 years of experience in chemicals



### 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 (originally 25%)



### 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)
- CVC sold a 3.9% stake on March 4, 2015
- Member of the German MDAX since September 2013

**Avg. trading volume:**  
**> 5 million € per day**  
(~ 200 k shares)

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

# 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) and accident performance</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:</li><li>• Absolute performance: Real price of the Evonik share</li><li>• Relative performance against external index benchmark (MSCI Chemicals)</li><li>• Bonus capped at 300% of initial amount</li><li>• To be paid out in cash after lock-up period</li></ul>

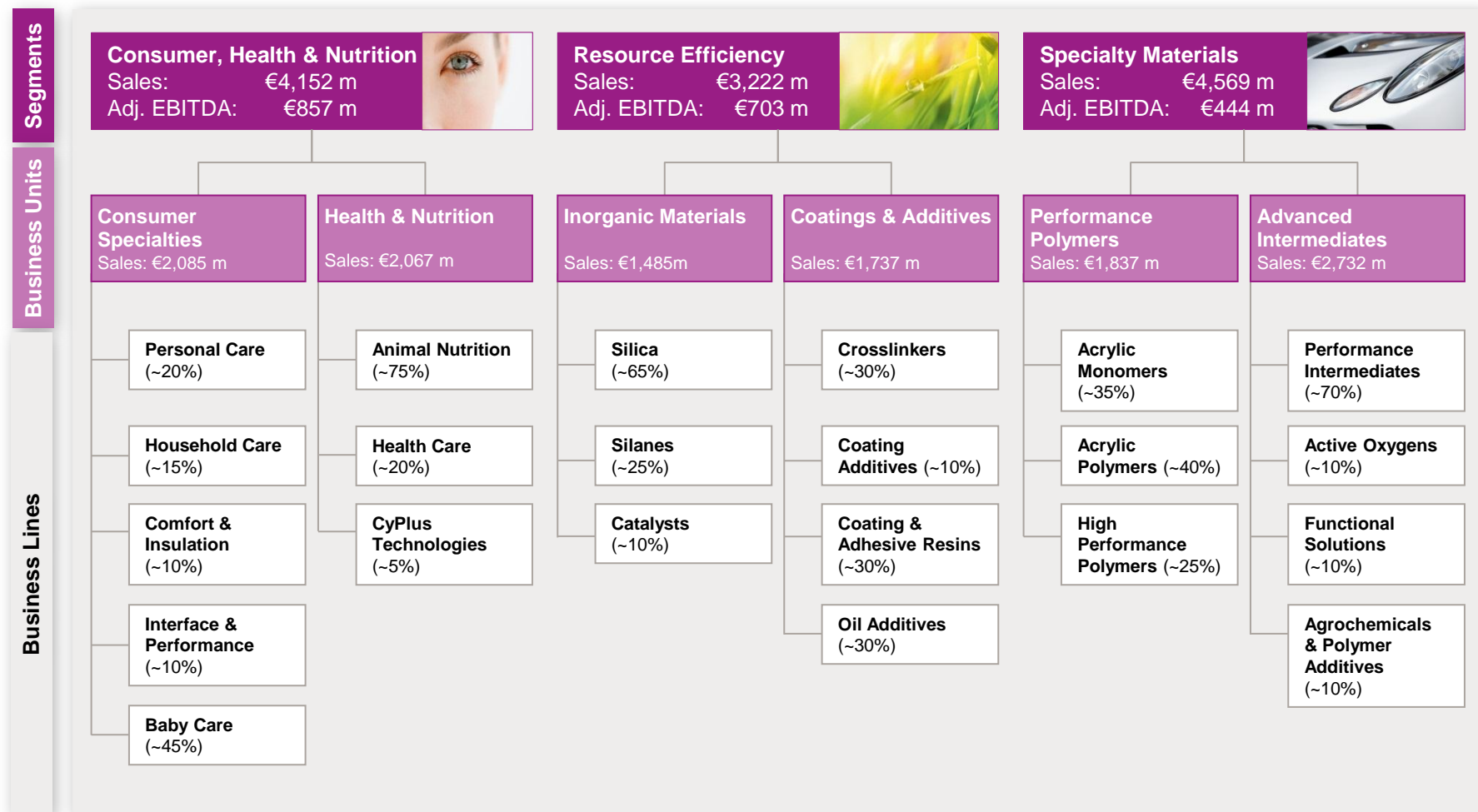
# Table of contents



A	Financial policy and pensions
B	Company history and ownership structure
<b>C</b>	<b>Specialty chemicals segments</b>
D	Upcoming IR events and contact

# Specialty Chemicals segments

## Overview as of year-end 2014



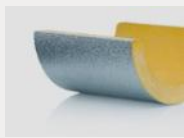




Data as of fiscal year-end 2014

# 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 2014</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



# Consumer, Health & Nutrition

## BU Health & Nutrition



	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 2014</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 sealants</li> <li>Polybutadiene</li> </ul>
<b>Sales split 2014</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>

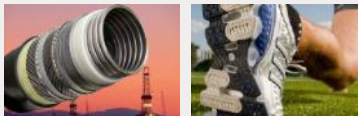


<sup>1</sup> Company estimates for relevant markets based on multiple research reports

<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 2014</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

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# Specialty Materials

## BU Advanced Intermediates

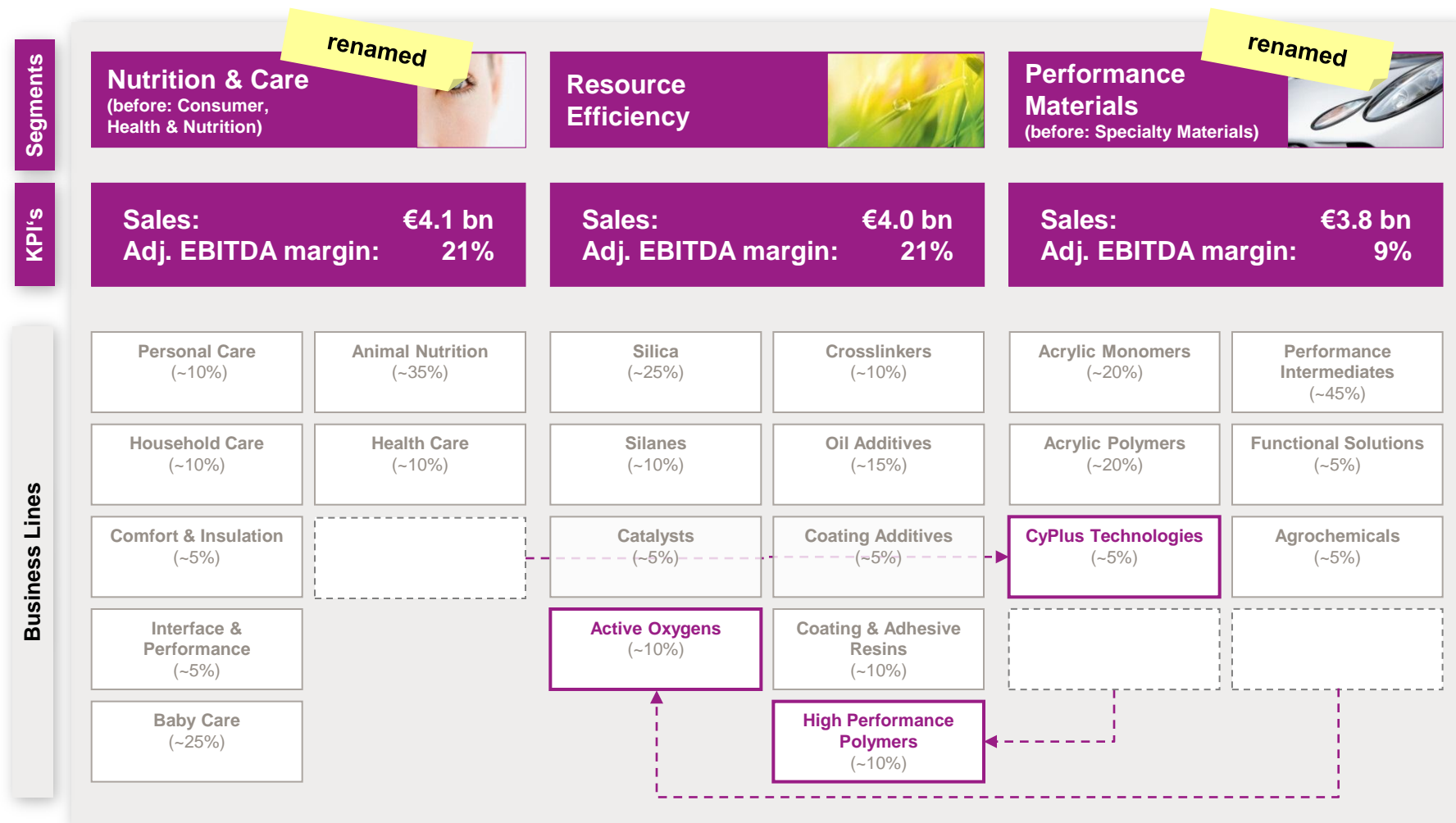
	Performance Intermediates	Active Oxygens	Functional Solutions	Agrochemicals & Polymer Additives
				
<b>Applications</b>	<ul style="list-style-type: none"> <li>Plastics</li> <li>Styrene-butadiene-rubber</li> <li>High performance polymers</li> </ul>	<ul style="list-style-type: none"> <li>Oxidising agent 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 2014</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>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



Financials for FY 2014, restated to reflect new segment structure from Jan 1<sup>st</sup>, 2015

# Table of contents



A	Financial policy and pensions
B	Company history and ownership structure
C	Specialty chemicals segments
<b>D</b>	<b>Upcoming IR events and contact</b>

# Upcoming IR events



## Roadshows

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- 5 Mar, 2015: Frankfurt / Main
- 9-10 Mar, 2015: London
- 30-31 Mar, 2015: New York

## Conference participations

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- 4 Jun, 2015: Nomura SRI Conference, London
- 18 Jun, 2015: Deutsche Bank German, Swiss & Austrian Conference, Berlin
- 23 Jun, 2015: Credit Suisse Global Chemicals & Agriculture Conference, London

## Next reporting dates

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- 6 May, 2015: Q1 2015 reporting
- 4 Aug, 2015: Q2 2015 reporting
- 4 Nov, 2015: Q3 2015 reporting



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



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