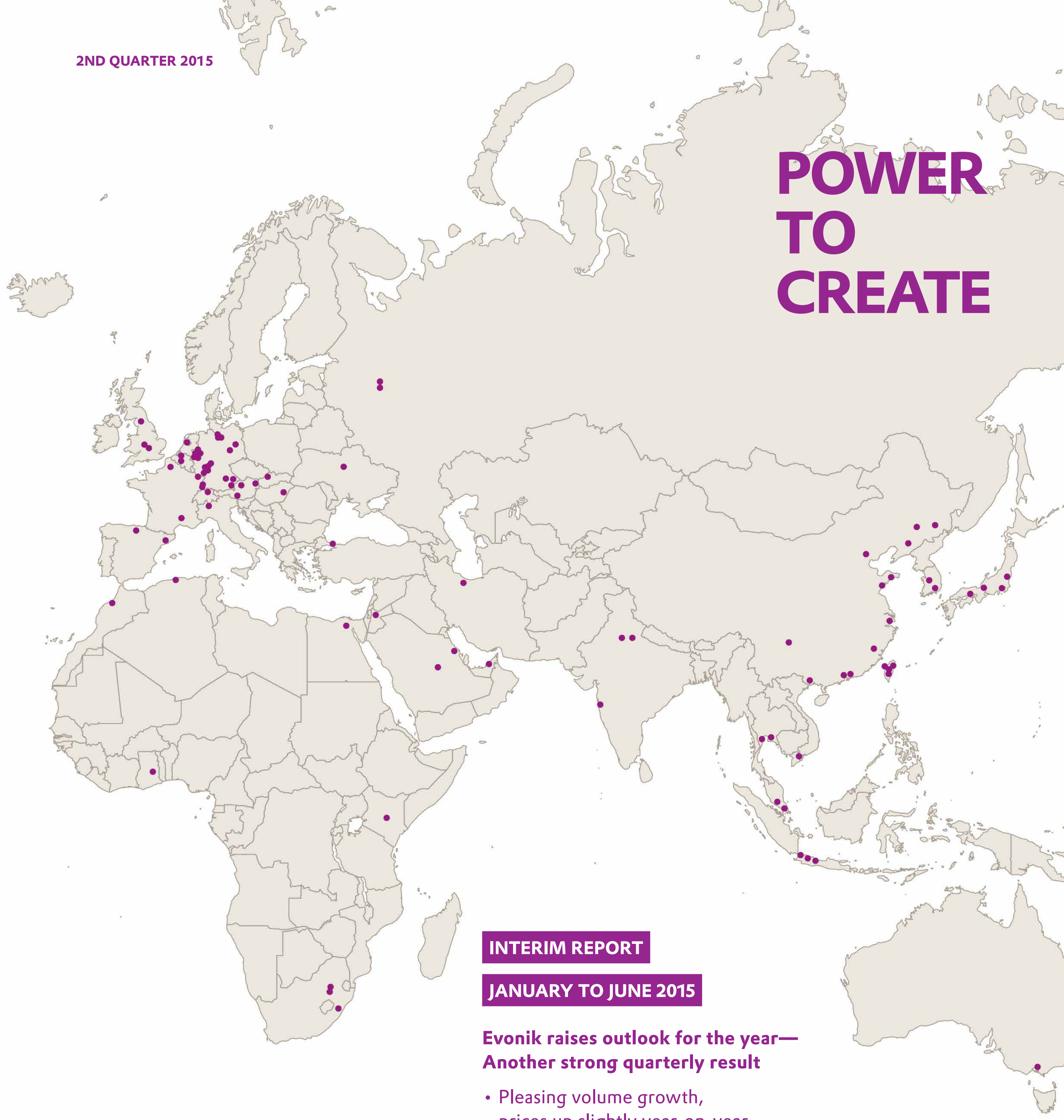
2ND QUARTER 2015



POWER TO CREATE

INTERIM REPORT

JANUARY TO JUNE 2015

Evonik raises outlook for the year— Another strong quarterly result

- Pleasing volume growth, prices up slightly year-on-year
- Adjusted EBITDA above strong first quarter
- All three chemical segments posted better results than in the first quarter
- Adjusted EBITDA margin at a very good level of 18.8 percent
- Outlook for 2015 as a whole raised again

EVONIK INDUSTRIES

Key data for the Evonik Group

Key data for the Evonik Group

	2nd quarter		1st half	
in € million	**2015**	2014	**2015**	2014
Sales	3,519	3,247	6,944	6,448
Adjusted EBITDA [a]	661	471	1,311	936
Adjusted EBITDA margin in %	18.8	14.5	18.9	14.5
Adjusted EBIT [b]	486	321	971	639
Income before financial result and income taxes, continuing operations (EBIT)	608	249	1,056	549
Net income	418	139	674	305
Earnings per share in €	0.90	0.30	1.45	0.65
Adjusted earnings per share in €	0.66	0.39	1.35	0.80
Cash flow from operating activities, continuing operations	167	–19	612	279
Capital expenditures	189	268	379	477
Net financial assets as on the balance sheet as of June 30	–	–	459	400
Employees as of June 30	–	–	33,187	33,168

Prior-year figures restated.

[a] Earnings before financial result, taxes, depreciation and amortization, after adjustments.
[b] Earnings before financial result and taxes, after adjustments.

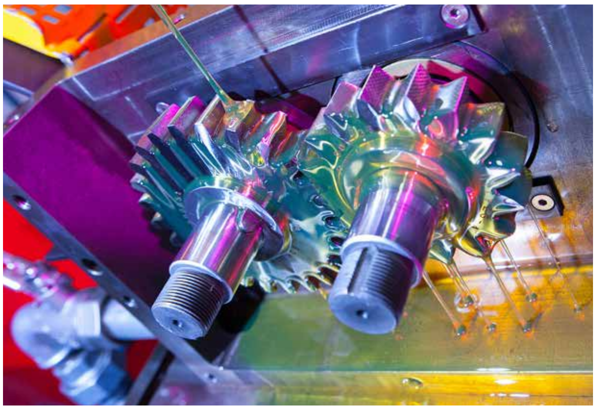
Due to rounding, some figures in this report may not add up exactly to the totals stated.

Contents

Evonik in focus: Q2 2015

Basic engineering for silicas plant in the USA has started
Evonik has started basic engineering for a new production plant for precipitated silicas. The plan is to build this world-scale facility in the south-east of the USA, close to major tire producers' sites, by the end of 2017. Investment will be in the upper double-digit million euro range. Using a combination of silica and silanes, tires with far lower rolling resistance can be produced. These can reduce fuel consumption by up to 8 percent (compared with conventional auto tires). There is rising demand for energy-saving tires in the USA. The new plant, which is still subject to approval by the relevant authorities, would be Evonik's biggest investment in North America for five years.

Change on Evonik's Executive Board
At its meeting on June 25, 2015, the Supervisory Board of Evonik Industries AG adopted a resolution on ending the term of office of Patrik Wohlhauser as a member of the Executive Board and Chief Operating Officer (COO) by mutual agreement effective June 30, 2015. At the same meeting, Dr. Ralph Sven Kaufmann was appointed to the Executive Board as new COO. He took up his post on July 1, 2015.



Shares in Vivawest divested
Evonik Industries AG has divested its remaining 10.3 percent stake in the residential real estate company Vivawest GmbH to RAG Aktiengesellschaft. This raises RAG's interest in Vivawest from 7.9 percent to 18.2 percent. Through this transaction, Evonik Industries AG has now completely withdrawn from its real estate activities in order to focus on specialty chemicals. The transaction was closed on June 29, 2015.

Oil additives plant in Singapore extended
Rising mobility in Asia is raising demand for high-performance lubricants. In view of this, the Resource Efficiency segment has almost doubled capacity at its oil additives plant on Jurong Island (Singapore) following a two-year project, planning and construction phase. The plant was opened in early May 2015 and is Evonik's largest production facility for oil additives. The others are in the USA, Canada, France and Germany. As the leading supplier of oil additives, Evonik develops technologies to improve the performance of engines and gears and increase the efficiency of hydraulic fluids. In this way, the company contributes to fuel and energy efficiency.

Evonik included in the MSCI indices
Evonik's shares have been included in the Morgan Stanley Capital International (MSCI) World and Germany indices since June 1, 2015. The decision was taken shortly after funds advised by CVC Capital Partners had sold an approximately 4.7 percent stake in Evonik via the capital market. Inclusion in the MSCI indices will raise awareness of Evonik on the international financial markets.

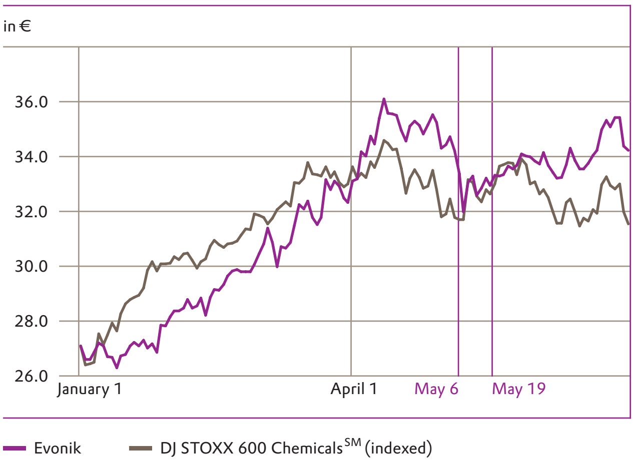
MSCI

Evonik on the capital markets

Very pleasing performance by Evonik shares

Supported by the company's good operating performance, Evonik shares posted an upward trend in the second quarter of 2015, rising to a new all-time high of €36.10 on April 10, 2015. This pleasing price performance continued after publication of our first quarter results on May 6, 2015. Our share price recovered rapidly from the divestment of a packet of shares in Evonik by funds advised by CVC Capital Partners (CVC), and from the ex-dividend discount. The share price remained stable at around €34 until June 30, 2015 and closed the quarter at €34.23, up more than 25 percent since the start of the year. Evonik shares therefore outperformed both the MDAX and the DJ STOXX 600 Chemicals[SM], both of which rose by around 16 percent in the same period.

Performance of Evonik shares January 1 – June 30, 2015



Free float has increased to 26.0 percent

The good performance of our share price in recent months has resulted in a further increase in our free float. Having sold a stake of around 3.9 percent in Evonik held through Gabriel Acquisitions GmbH via the capital markets on March 4, 2015, CVC placed a further 4.7 percent on May 6, 2015. On July 13, 2015, after the end of the second quarter, CVC sold a further packet of around 3.2 percent of Evonik shares via the capital markets. Since then CVC has held around 6.1 percent of Evonik shares. RAG-Stiftung's stake is unchanged at 67.9 percent and the free float has increased to 26.0 percent. This has further raised global investors' interest in Evonik. Average daily trading in our shares rose to around 789,000 shares (around €27 million) in the second quarter, compared with around 417,000 shares in the first quarter of 2015 and around 185,000 in 2014.

Annual Shareholders' Meeting resolves to pay a dividend of €1.00 per share

Evonik has a long-term dividend policy aligned to continuity and reliability. At the Annual Shareholders' Meeting on May 19, 2015, the shareholders adopted the proposal put forward by the Executive Board and Supervisory Board to pay a dividend of €1.00 per share despite a slight drop in net income in 2014. The total dividend payment of €466 million was made on May 20, 2015. The dividend yield of around 3 percent places Evonik among the leaders in the chemical industry.

Key data

	Jan. 1 – June 30, 2015
Highest share price [a] in €	36.10
Lowest share price [a] in €	32.00
Average price [a] in €	34.21
Closing price [a] on June 30, 2015 in €	34.23
No. of shares	466,000,000
Market capitalization [a] on June 30, 2015 in € billion	15.95
Average daily trading volume [a] No. of shares	approx. 789,000

[a] Xetra trading.

Basic data on Evonik stock

WKN	EVNK01
ISIN	DE000EVNK013
Ticker symbol	EVK
Reuters (Xetra trading)	EVKn.DE
Bloomberg (Xetra trading)	EVK GY
First trading day	April 25, 2013
Trading segments	Regulated market (Prime Standard), Frankfurt am Main
Indices	MDAX, MSCI World, DJ STOXX® Europe 600, FTSE4Good Global, STOXX® Global ESG Leaders

Intensive dialogue with analysts and investors

The increased interest in our specialty chemicals company was also clear in the large number of one-on-one discussions held by the Executive Board and Investor Relations team with capital market players and at our roadshows and field trips. Overall, we registered more than 150 contacts with investors in the second quarter of 2015, for example, in Amsterdam, Frankfurt, London, Luxembourg, Paris and Singapore.

Evonik included in the MSCI indices

Evonik's shares have been included in the Morgan Stanley Capital International (MSCI) World and Germany indices since June 1, 2015. This decision was taken shortly after the divestment of a stake in the company by CVC. Inclusion in the MSCI indices will raise awareness of Evonik on the international financial markets further.

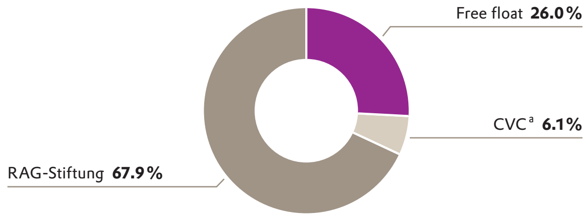
Price targets raised

At the end of the second quarter of 2015, Evonik's shares were covered by 21 analysts. Eleven of them rated Evonik shares as a buy, one as a sell, and nine issued neutral recommendations. With price targets ranging from €31 to €42, the median was €36.

Good response to Share.2015

This year's employee share program again proved very popular. The participation rate in Germany was 40 percent, slightly above the previous year's very high level. Overall, nearly 10,000 employees purchased Evonik shares. Worldwide, the average individual investment increased from €845 in 2014 to €1,009 in 2015.

Shareholder structure since July 15, 2015



[a] The shares in Evonik are held (directly and indirectly) by Gabriel Acquisitions GmbH, an indirect subsidiary of funds advised by CVC Capital Partners.

S&P confirms BBB+ rating

In April 2015 Standard & Poor's rating agency (S&P) confirmed Evonik's BBB+ rating, with a stable outlook. We therefore still have a solid investment grade credit rating. Aspects highlighted in S&P's analysis include the market-leading positions of many Evonik products and the Group's very good liquidity position.

Investor Relations

For further information on our investor relations activities, visit our website at **www.evonik.com/investor-relations.** The financial calendar on our website provides a convenient overview of important dates. The website also contains key facts and figures, especially financial and segment data and details of the company's structure and organization.

This is supplemented by information on Evonik shares, the terms of bond issues and an overview of our credit ratings. Current presentations, analysts' estimates and reports on our business performance are also available.

IR contact details: PHONE +49 201 177-3146 investor-relations@evonik.com

Innovation highlight: Scrubbing gases clean

Energy can be generated by the combustion of natural gas but acid gases like carbon dioxide and hydrogen sulfide have to be removed first. This can be done particularly effectively with CAPLUS®, a new class of specialty amines from Evonik. Although Evonik has not previously produced amines for gas scrubbing and is a newcomer to the gas and oil sector, it was able to demonstrate the advantages of its specialty amines in commercial plants relatively quickly and to provide evidence of their ecological and economic benefits.

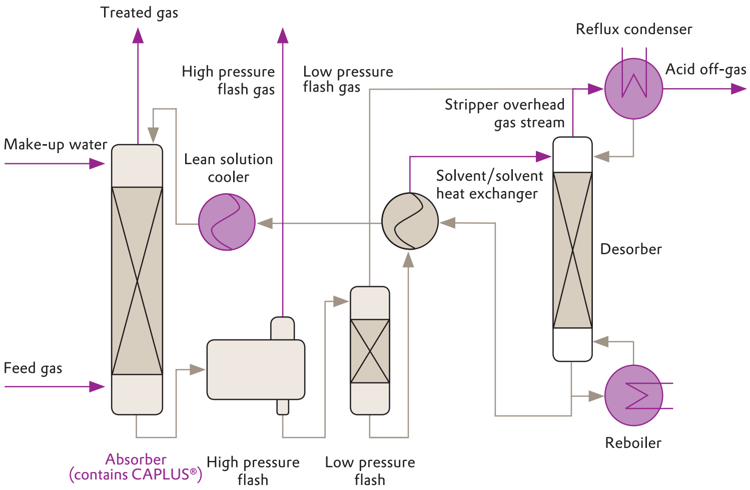
Natural gas is the world's most important gas stream. The International Energy Agency estimates that gas consumption will increase by 50 percent by 2035 to make up a quarter of the world's energy mix. Rising demand is also increasing the need for efficient and resource-saving scrubbing technologies. Gas is almost completely unusable unless it is pretreated because it contains unwanted acid gases such as carbon dioxide and hydrogen sulfide. These react to form acids if they come into contact with water, resulting in a risk of corrosion to pipelines, pumps and condensers.

A team of experts from the Performance Materials segment and the Technology & Infrastructure unit have developed CAPLUS®, a new class of specialty amines for gas scrubbing. These nitrogen-rich molecules remove the acid components far more effectively than established amines because they have better binding capacity for acid gases. At the same time, they increase the performance and service life of plants. They also avoid drawbacks of conventional gas scrubbing such as foaming and corrosion.

Evonik initially demonstrated this in the biogas scrubbing sector: CAPLUS® was used for the first time in a commercial biogas plant in Germany about two years ago. Since then, this plant has operated without problem and the operator has not had to add any fresh amine. Compared with standard products, energy savings of around 10 percent and a capacity increase of around 20 percent have been achieved.

Based on this milestone, Evonik has successfully entered the important natural gas scrubbing market. Since summer 2014, CAPLUS® has been used in a commercial natural gas scrubber in Southeast Asia. The new amine has met all requirements and the customer is therefore planning to convert further plants. Evonik is currently introducing CAPLUS® to other well-known natural gas producers in attractive growth markets in Southeast Asia, the Middle East and South America.

Principle of acid gas scrubbing



Acid gas scrubbing is based on a chemical reaction: The unwanted acid gases are removed from the raw gas in scrubbers at 40–60 °C by reacting them with specialty amines (CAPLUS®) dissolved in water. The gases are then released again in a desorber at elevated temperatures.

Profile of Evonik

Evonik is one of the world's leading specialty chemicals companies. The central elements of our strategy for sustained value creation are profitable growth, efficiency and values. Around 80 percent of sales come from market-leading positions, which we are systematically expanding. We concentrate on high-growth megatrends, especially health, nutrition, resource efficiency and globalization. As part of our ambitious growth strategy, we are also stepping up our presence in emerging markets, especially in Asia. Important competitive advantages come from our integrated technology platforms, which we continuously refine.

Nutrition & Care

The Nutrition & Care segment contributes to fulfilling basic human needs. That includes applications for everyday consumer goods as well as animal nutrition and health care.

Resource Efficiency

The Resource Efficiency segment supplies high-performance materials for environmentally friendly and energy-efficient systems to the automotive, paints & coatings, adhesives, construction, and many other industries.

Performance Materials

The heart of the Performance Materials segment is the production of polymer materials and intermediates, mainly for the rubber and plastics industries.

Services

This segment principally comprises site services, process technology and administrative services. It mainly provides services for Evonik's chemicals segments and the strategic management holding company, but also serves third parties.

HALF-YEAR FINANCIAL REPORT 2015

Interim management report as of June 30, 2015

1. Business conditions and performance

1.1 Economic background

Global economic conditions were still dominated by differing regional growth trends in the first six months of 2015. The development of the global economy was dampened, in particular, by the slightly weaker start to the year in the USA, which was mainly attributable to a reluctance to invest and to the perceptible appreciation of the US dollar. However, there were signs of an upturn in the second quarter, as expected. Another reason for the lower global growth momentum was weaker growth in the large emerging markets.

In Europe, by contrast, the economy continued to firm in the first six months, driven by the depreciation of the euro and the drop in the oil price. In Germany, consumer spending increased because of the good employment situation and the lower oil price, but industry only posted modest growth.

Worldwide, the development of Evonik's **end-customer industries** differed by region and by sector in the first half of 2015. Demand for consumer and care products and entertainment electronics was up year-on-year, primarily in Asia and North America, but also in some parts of Europe. Production of food and feed increased further. In Europe, the general industrial trend remained weak in the first six months, with only a slight rise in output, whereas in North America the trend was constant.

Having declined in the first quarter, the **price of Brent crude oil** increased slightly in the second quarter, but in the first six months of 2015 it was below the average for the first half of 2014.

The euro depreciated against the **US dollar** in the first quarter and stabilized in the second quarter. However, in the first six months of 2015 it remained below the average for the first half of the previous year.

1.2 Business performance

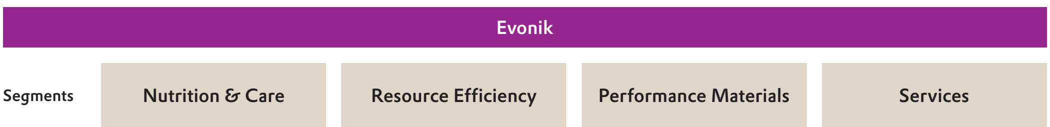
Significant events

To further improve our scope for profitable growth, we reorganized our **management and portfolio structure** effective January 1, 2015. The Executive Board now concentrates on Evonik's strategic development within a management holding structure. The three chemical segments are run by separate legal entities and have greater entrepreneurial freedom.

- The Consumer, Health & Nutrition segment has been renamed Nutrition & Care and is managed by Evonik Nutrition & Care GmbH.
- The Resource Efficiency segment is run by Evonik Resource Efficiency GmbH.
- The Specialty Materials segment has been renamed Performance Materials and is run by Evonik Performance Materials GmbH.

The business unit level has been eliminated.

Corporate structure as of January 1, 2015



In connection with this, we have made some slight changes in the allocation of the operating business to the segments[1], modified the presentation of the income statement[2], and slightly modified our definition of adjusted EBITDA[3]. The prior-year figures have been restated where applicable.

On June 29, 2015, Evonik Industries AG divested its remaining 10.3 percent stake in the residential real estate company **Vivawest** GmbH to RAG Aktiengesellschaft for €428 million. Through this transaction, Evonik Industries AG has now completely withdrawn from its real estate activities in order to focus on specialty chemicals. The divestment gain is recognized in other operating income.

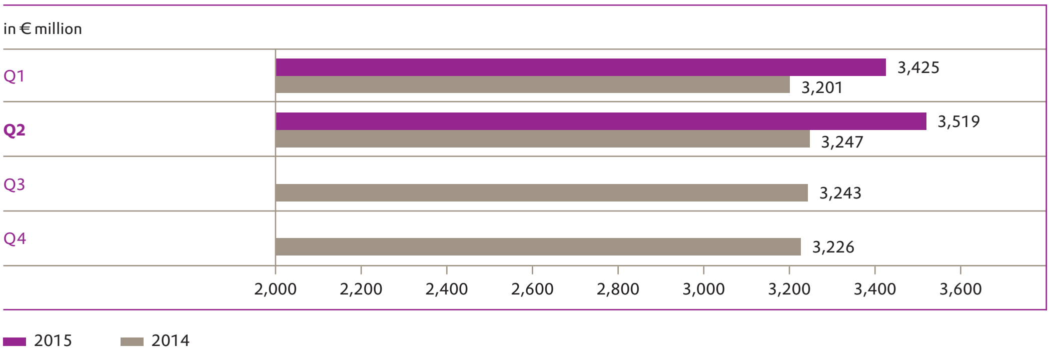
At its meeting on June 25, 2015, the Supervisory Board of Evonik Industries AG adopted a resolution on ending the term of office of Patrik Wohlhauser as a **member of the Executive Board** and Chief Operating Officer (COO) by mutual agreement effective June 30, 2015. At the same time, Dr. Ralph Sven Kaufmann was appointed to the Executive Board of Evonik Industries AG as the company's new COO with effect from July 1, 2015.

Business performance in the second quarter of 2015

The successful business trend continued in the second quarter of 2015. Sales and adjusted EBITDA increased further following the strong first quarter and were also substantially above the prior-year figures. Global demand for our products was good and volumes increased further compared with the second quarter of 2014. Selling prices rose considerably in the Nutrition & Care segment but decreased slightly year-on-year in the Performance Materials segment, principally due to the lower oil price. Overall, selling prices were higher than in the prior-year period.

[1] See Note 7.
[2] See Note 3.
[3] See Note 7.

Sales by quarters



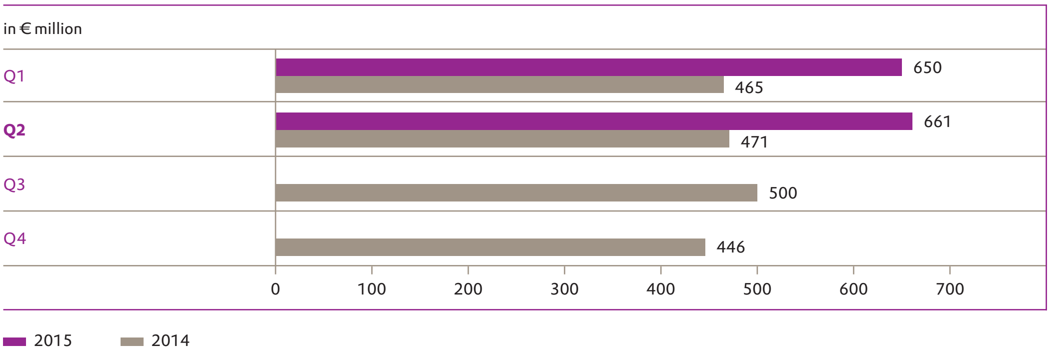
Prior-year figures restated.

The Evonik Group grew **sales** 8 percent to €3,519 million. Thanks to a slight rise in volumes and selling prices, organic growth was 3 percent. The exchange rate effect was mainly attributable to the depreciation of the euro versus the US dollar and the Chinese renminbi yuan. It contributed 6 percentage points of the overall rise. The other effects amounting to –1 percentage point included the skin care business, which was divested in June 2014.

Year-on-year change in sales

in %	1st quarter 2015	**2nd quarter 2015**	**1st half 2015**
Volumes	2	2	2
Prices	–	1	1
Organic sales growth	**2**	**3**	**3**
Exchange rates	6	6	6
Other effects	–1	–1	–1
Total	**7**	**8**	**8**

Adjusted EBITDA by quarters



Prior-year figures restated.

Adjusted EBITDA improved 40 percent to €661 million. The adjusted EBITDA margin increased from 14.5 percent to a very good level of 18.8 percent. Adjusted EBIT rose 51 percent to €486 million.

Statement of income

	2nd quarter			1st half		
in € million	2015	2014	Change in %	2015	2014	Change in %
Sales	**3,519**	**3,247**	**8**	**6,944**	**6,448**	**8**
Adjusted EBITDA	**661**	**471**	**40**	**1,311**	**936**	**40**
Depreciation and amortization	–175	–150		–340	–297	
Adjusted EBIT	**486**	**321**	**51**	**971**	**639**	**52**
Adjustments	122	–72		85	–90	
thereof attributable to						
Restructuring	*–14*	*–21*		*–21*	*–25*	
Impairment losses/reversals of impairment losses	*1*	*–22*		*–23*	*–23*	
Acquisition/divestment of shareholdings	*142*	*–*		*142*	*–*	
Other	*–7*	*–29*		*–13*	*–42*	
Financial result	–51	–63		–114	–147	
Income before income taxes, continuing operations	**557**	**186**	**199**	**942**	**402**	**134**
Income taxes	–133	–70		–249	–133	
Income after taxes, continuing operations	**424**	**116**	**266**	**693**	**269**	**158**
Income after taxes, discontinued operations	–5	26		–15	43	
Income after taxes	**419**	**142**	**195**	**678**	**312**	**117**
thereof attributable to non-controlling interests	1	3		4	7	
Net income	**418**	**139**	**201**	**674**	**305**	**121**
Earnings per share in €	**0.90**	**0.30**	**–**	**1.45**	**0.65**	**–**

Prior-year figures restated.

The **adjustments** of €122 million include restructuring expenses of €14 million, mainly in connection with the new Group structure. The income of €142 million from the divestment of shareholdings mainly relates to the divestment of the 10.3 percent stake in Vivawest. Other adjustments principally comprise expenses for an increase in provisions for the phased early retirement program to comply with IAS 19 (2011). The adjustments of –€72 million in the previous year mainly comprised restructuring expenses, impairment losses on capitalized costs for a project in the Resource Efficiency segment, which was terminated following a routine review of investment projects, and expenses in connection with claims for damages from business partners.

The **financial result** improved by €12 million to –€51 million, mainly due to far more favorable refinancing. **Income before income taxes, continuing operations** almost tripled to €557 million in the second quarter of 2015 thanks to the rise in the operating result and the proceeds from the divestment of the stake in Vivawest. The income tax rate was 24 percent, which was below the expected Group tax rate, mainly due to tax-free income.

Income after taxes, discontinued operations came to –€5 million and was mainly due to the divestment of the remaining lithium-ion business. The prior-year figure of €26 million principally comprised operating income from the stake in STEAG, which was divested in September 2014. Overall, the Evonik Group's **net income** advanced 201 percent to €418 million.

Adjusted net income should reflect the operating performance of the continuing operations. In the second quarter of 2015 it increased 70 percent to €307 million. **Adjusted earnings per share** rose from €0.39 to €0.66.

Reconciliation to adjusted net income

	2nd quarter			1st half		
in € million	**2015**	2014	Change in %	**2015**	2014	Change in %
Income before financial result and income taxes (EBIT)[a]	**608**	**249**	**144**	**1,056**	**549**	**92**
Adjustments	–122	72		–85	90	
Adjusted EBIT	**486**	**321**	**51**	**971**	**639**	**52**
Adjusted financial result	–49	–63		–98	–123	
Amortization and impairment losses on intangible assets	10	17		19	37	
Adjusted income before income taxes[a]	**447**	**275**	**63**	**892**	**553**	**61**
Adjusted income taxes	–139	–92		–261	–173	
Adjusted income after taxes[a]	**308**	**183**	**68**	**631**	**380**	**66**
thereof adjusted income attributable to non-controlling interests	1	2		4	5	
Adjusted net income[a]	**307**	**181**	**70**	**627**	**375**	**67**
Adjusted earnings per share[a] in €	**0.66**	**0.39**	**–**	**1.35**	**0.80**	**–**

Prior-year figures restated.

[a] Continuing operations.

Business performance in the first half of 2015

Sales rose 8 percent to €6,944 million. We posted organic sales growth of 3 percent as a result of higher volumes (2 percentage points) and a slight rise in selling prices (1 percentage point). Currency effects contributed a further 6 percentage points, while the other effects had a slight downward impact (– 1 percentage point).

Adjusted **EBITDA** improved 40 percent to €1,311 million. This was principally due to the sustained good volume trend, partly due to the new capacity, and to higher selling prices and slightly lower raw material costs. The adjusted EBITDA margin was a very good 18.9 percent, compared with 14.5 percent in the first half of 2014. Adjusted EBIT rose 52 percent to €971 million.

The **adjustments** of €85 million include restructuring expenses of €21 million, mainly in connection with the new Group structure and the shutdown of a production plant in the Performance Materials segment. The impairment losses/reversals of impairment losses amounting to –€23 million chiefly relate to capitalized expenses for a project in the Resource Efficiency and Performance Materials segments that was terminated following a routine review of investment projects. Income of €142 million from the divestment of shareholdings mainly comprised the divestment of the 10.3 stake in Vivawest. In the prior-year period, the adjustments of –€90 million principally comprised restructuring expenses, impairment losses on capitalized costs for a project in the Resource Efficiency segment, which was terminated following a routine review of investment projects, and expenses in connection with claims for damages from business partners.

The **financial result** of –€114 million includes one-off factors amounting to –€16 million comprising impairment losses on an investment and, in the previous year, interest expense of €25 million in connection with the establishment of provisions. Excluding these effects, the financial result also improved significantly, mainly because refinancing was far more favorable. **Income before income taxes, continuing operations** rose 134 percent to €942 million. The income tax rate was 26 percent, which was below the expected Group tax rate, mainly due to tax-free income.

Income after taxes, discontinued operations totaling –€15 million mainly relates to the remaining lithium-ion activities, which were divested in April 2015. The prior-period figure of €43 million contains operating income from the lithium-ion business and the stake in STEAG, which was divested September 2014. The Evonik Group's **net income** rose 121 percent to €674 million.

Adjusted net income increased 67 percent to €627 million, while **adjusted earnings per share** rose from €0.80 to €1.35.

1.3 Segment performance

Nutrition & Care segment

Key data for the Nutrition & Care segment

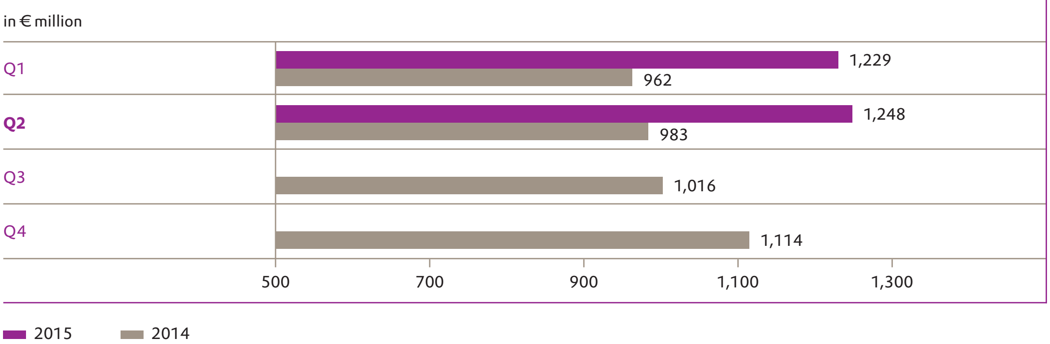
	2nd quarter			1st half		
in € million	**2015**	2014	Change in %	**2015**	2014	Change in %
External sales	1,248	983	27	2,476	1,945	27
Adjusted EBITDA	381	186	105	734	372	97
Adjusted EBITDA margin in %	30.5	18.9	–	29.6	19.1	–
Adjusted EBIT	324	148	119	626	297	111
Capital expenditures	59	125	–53	113	206	–45
Employees as of June 30	–	–	–	6,916	6,904	–

Prior-year figures restated.

The Nutrition & Care segment continued its very successful development in the **second quarter of 2015,** with sales rising 27 percent to €1,248 million. This was mainly due to far higher selling prices and positive currency effects, while overall volumes were around the same level as in the previous year.

The trend in essential amino acids for animal nutrition remained very pleasing. We were able to meet sustained high demand for our methionine products thanks to the new production facility in Singapore, which came on stream at the end of 2014. Selling prices also rose further to a very attractive level. Business with healthcare products generated higher sales, with both pharmaceutical polymers for smart drug delivery systems and exclusive synthesis developing very positively. Globally there was high demand for additives for polyurethane foam.

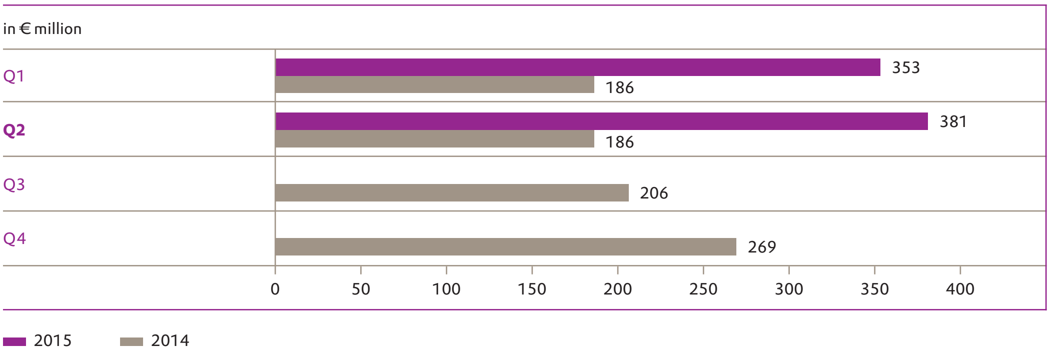
Sales Nutrition & Care segment



Prior-year figures restated.

Adjusted EBITDA more than doubled to €381 million, mainly because of the improvement in prices and lower raw material costs. The adjusted EBITDA margin rose significantly from 18.9 percent in the prior-year period to an excellent 30.5 percent.

Adjusted EBITDA Nutrition & Care segment



Prior-year figures restated.

In the **first six months of 2015** this segment's sales rose by 27 percent to €2,476 million. Alongside higher volumes, this was mainly attributable to the improvement in selling prices and positive currency effects. Adjusted EBITDA increased 97 percent to €734 million, mainly because of higher selling prices and lower raw material costs, and the adjusted EBITDA margin advanced to 29.6 percent.

Resource Efficiency segment

Key data for the Resource Efficiency segment

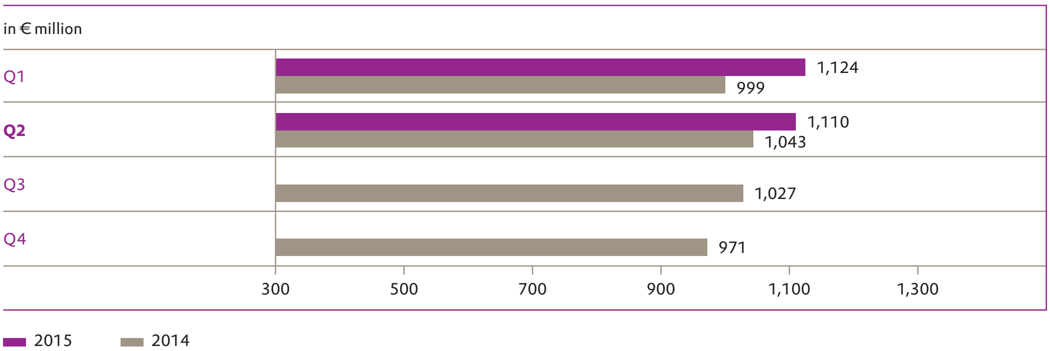
	2nd quarter			1st half		
in € million	**2015**	2014	Change in %	**2015**	2014	Change in %
External sales	1,110	1,043	6	2,233	2,042	9
Adjusted EBITDA	254	226	12	498	447	11
Adjusted EBITDA margin in %	22.9	21.7	–	22.3	21.9	–
Adjusted EBIT	200	178	12	392	358	9
Capital expenditures	52	67	−22	98	127	−23
Employees as of June 30	–	–	–	8,231	8,049	2

Prior-year figures restated.

In the **second quarter of 2015,** the Resource Efficiency segment grew sales 6 percent to €1,110 million. Since selling prices were stable, the increase came from higher volumes and positive currency effects.

Crosslinkers benefited from strong demand, especially from the automotive, coatings and construction sectors, and from increasing use in the composites market, for example, for lightweight structures and wind power. There was also a perceptible improvement in sales of oil additives, which improve the performance of engines and gears. Business with high-quality binders and adhesive resins for the adhesives and sealants industry also developed well. Very high demand was again registered for silicas, for example, for use in the tire, paints and coatings sectors and for specialty applications in the pharmaceutical and food industries. In the field of high-performance polymers, there was a continuation of the pleasing trend in polyamides, which are increasingly being used in powder form in 3D printing.

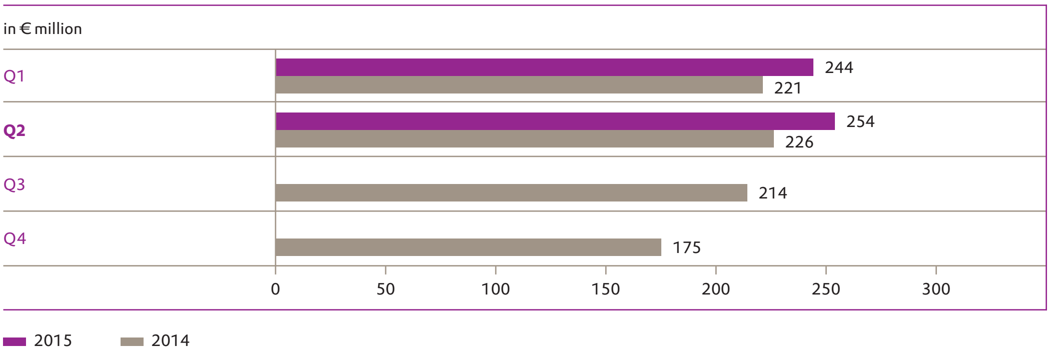
Sales Resource Efficiency segment



Prior-year figures restated.

Adjusted EBITDA improved 12 percent to €254 million thanks to high capacity utilization and a slight drop in raw material prices. The adjusted EBITDA margin was a very good 22.9 percent, up from 21.7 percent in the second quarter of 2014.

Adjusted EBITDA Resource Efficiency segment



Prior-year figures restated.

In the **first six months** of the year, sales in the Resource Efficiency segment rose 9 percent to €2,233 million. This was mainly due to higher volumes and positive currency effects, while selling prices were in line with the previous year. Adjusted EBITDA increased 11 percent to €498 million, driven mainly by volume growth, high capacity utilization and lower raw material costs. There was a slight improvement in the adjusted EBITDA margin from 21.9 percent to 22.3 percent.

Performance Materials segment

Key data for the Performance Materials segment

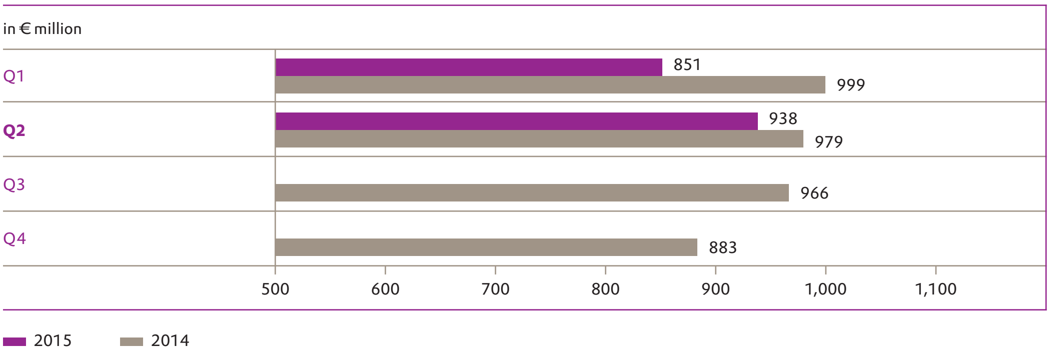
in € million	2nd quarter 2015	2nd quarter 2014	2nd quarter Change in %	1st half 2015	1st half 2014	1st half Change in %
External sales	938	979	−4	1,788	1,978	−10
Adjusted EBITDA	82	83	−1	154	163	−6
Adjusted EBITDA margin in %	8.7	8.5	–	8.6	8.2	–
Adjusted EBIT	51	57	−11	93	110	−15
Capital expenditures	43	45	−4	89	86	3
Employees as of June 30	–	–	–	4,245	4,422	−4

Prior-year figures restated.

In the Performance Materials segment, sales dropped 4 percent to €938 million in the **second quarter.** This was principally caused by persistently low selling prices. The reduction was checked by an upturn in volumes and positive currency effects.

The business development of performance intermediates was still dominated by declining selling prices—mainly as a result of the drop in the oil price—while demand picked up slightly. By contrast, the methacrylates business posted higher sales. This was mainly due to good demand for specialty polymers, for example from the European and US automotive industries.

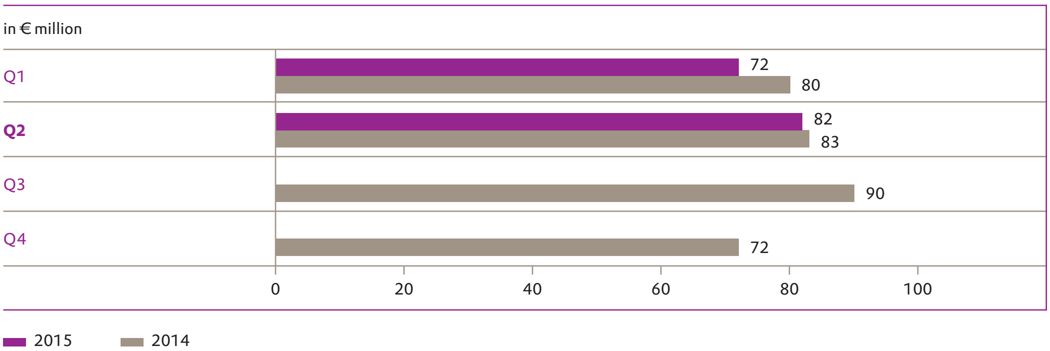
Sales Performance Materials segment



Prior-year figures restated.

Adjusted EBITDA was €82 million, almost unchanged from the prior-year period, partly due to lower raw material costs. The adjusted EBITDA margin was 8.7 percent, up from 8.5 percent in the second quarter of 2014.

Adjusted EBITDA Performance Materials segment



Prior-year figures restated.

In the **first six months,** sales declined 10 percent to €1,788 million in the Performance Materials segment as a result of lower selling prices. By contrast, currency effects had a positive impact. Adjusted EBITDA dropped 6 percent to €154 million, mainly on price grounds. The adjusted EBITDA margin increased slightly to 8.6 percent.

Services segment

Key data for the Services segment

in € million	2nd quarter 2015	2nd quarter 2014	2nd quarter Change in %	1st half 2015	1st half 2014	1st half Change in %
External sales	211	223	−5	419	454	−8
Adjusted EBITDA	31	45	−31	77	88	−13
Adjusted EBITDA margin in %	14.7	20.2	–	18.4	19.4	–
Adjusted EBIT	4	21	−81	24	39	−38
Capital expenditures	31	24	29	70	47	49
Employees as of June 30	–	–	–	12,907	12,649	2

Prior-year figures restated.

Sales declined 5 percent to €211 million in the **second quarter.** This was mainly attributable to the reduction in energy prices which the segment charges to external customers at our sites. Adjusted EBITDA slipped to €31 million, partly due to higher variable personnel expenses.

In the **first six months** sales were €419 million, a drop of 8 percent year-on-year. Adjusted EBITDA was €77 million, compared with €88 million in the first half of the previous year.

2. Earnings, financial and asset position

2.1 Earnings position

Sales grew 8 percent to €6,944 million. The cost of sales was €4,663, almost at the same level as the prior-year period despite the increase in volumes and the upward pressure on costs coming from currency effects. The **gross profit on sales** increased by 27 percent to €2,281 million. The 12 percent rise in selling expenses to €711 million was attributable to the increase in business resulting from new production facilities as well as to currency effects. To strengthen our innovative capability still further, we raised spending on research and development by 1 percent to €205 million. General administrative expenses increased by 14 percent to €343 million, mainly due to higher provisions for LTI Plans as a result of the positive price performance of Evonik shares, and to higher variable personnel expenses and currency effects.

From the start of this year, the effect of currency translation of operating monetary assets and liabilities and the associated hedging instruments has been presented as net amounts in other operating income and other operating expenses. The €202 million increase in other operating income to €291 million mainly came from higher income from the disposal of assets and from the translation of operational monetary assets and liabilities. The €47 million rise in other operating expenses to €259 million was principally due to the net expense for operational currency hedging. **Income before financial result and income taxes, continuing operations** increased 92 percent to €1,056 million.

The **financial result** improved to – €114 million. This includes one-off factors amounting to – €16 million comprising impairment losses on an investment and, in the previous year, interest expense of €25 million in connection with the establishment of provisions. Without taking these one-off factors into account, the financial result also improved considerably, mainly due to far more favorable refinancing. **Income before income taxes, continuing operations** was 134 percent higher at €942 million. The income tax rate was 26 percent, which was below the expected Group tax rate, mainly due to tax-free income. Income after taxes, continuing operations improved by 158 percent to €693 million.

Income after taxes, discontinued operations was – €15 million and mainly relates to the remaining lithium-ion activities, which were divested in April 2015. The prior-period figure of €43 million contains operating income from the lithium-ion business and the stake in STEAG, which was divested in September 2014. **Net income** rose 121 percent to €674 million.

2.2 Financial and asset position

In January 2015 Evonik issued a **new bond** with a nominal value of €750 million. It has a tenor of eight years and the interest coupon is 1.0 percent. Financial debt increased by €768 million to €1,697 million, mainly because of this bond issue. As a result, cash and cash equivalents increased by €856 million to €1,777 million. The dividend of €466 for fiscal 2014 was paid on May 20, 2015. Positive factors were the proceeds from the shares in Vivawest, which were divested at the end of June (€428 million) and the good operating cash flow. **Net financial assets** increased to €459 million, a rise of €59 million compared with December 31, 2014.

Net financial assets

in € million	June 30, 2015	Dec. 31, 2014
Non-current financial liabilities[a]	–1,393	–639
Current financial liabilities[a]	–304	–290
Financial debt	**–1,697**	**–929**
Cash and cash equivalents	1,777	921
Current securities	365	387
Other liquid funds	14	21
Financial assets	**2,156**	**1,329**
Net financial assets as stated on the balance sheet	**459**	**400**

[a] Excluding derivatives.

Cash flow statement (excerpt)

	1st half	
in € million	2015	2014
Cash flow from operating activities, continuing operations	612	279
Cash flow from operating activities, discontinued operations	3	29
Cash flow from operating activities	**615**	**308**
Cash flow from investing activities, continuing operations	–35	–585
Cash flow from investing activities, discontinued operations	–	–1
Cash flow from investing activities	**–35**	**–586**
Cash flow from financing activities, continuing operations	264	–417
Cash flow from financing activities, discontinued operations	–	–
Cash flow from financing activities	**264**	**–417**
Change in cash and cash equivalents	**844**	**–695**

Prior-year figures restated.

The **cash flow from operating activities, continuing operations** improved by €333 million to €612 million. The good operating performance was the main reason for this. Downside factors included a higher rise in net working capital, mainly in connection with the considerable expansion of business in the Nutrition & Care and Resource Efficiency segments, and higher income tax payments. The cash flow from discontinued operations was €3 million, compared with €29 million in the prior-year period. Overall, the cash flow from operating activities increased by €307 million to €615 million.

The cash outflow for investing activities, continuing operations was €35 million. The main factors here were outflows for property, plant and equipment and equity investments, which were countered by inflows from the divestment of investments. In the prior-year period, the cash outflow of €585 million was mainly attributable to capital expenditures for property, plant and equipment and outflows for investments. Together with the corresponding cash flow from the discontinued operations, there was a cash outflow of €35 million for investing activities, compared with an outflow of €586 million in the prior-year period.

The cash flow from financing activities, continuing operations comprised an inflow of €264 million. This was principally due to the issue of the new bond, while payment of the dividend for fiscal 2014 had a counter-effect. In the prior-year period, there was a cash outflow of €417 million for financing activities for the continuing operations, mainly due to the dividend payment for 2013.

Capital expenditures for property, plant and equipment were 21 percent lower than in the previous year at €379 million (H1 2014: €477 million). 30 percent of capital expenditures were allocated to the Nutrition & Care segment, 26 percent to the Resource Efficiency segment, and 23 percent to the Performance Materials segment. New production capacity was taken into service to strengthen our leading market positions: In Singapore we completed the expansion of our oil additives plant. In Antwerp (Belgium), we completed construction of a new production facility for C_4-based products and the fourth expansion phase of a plant that produces an exclusive intermediate for the agricultural industry.

Investment in **financial assets** amounted to €49 million (H1 2014: €45 million). This includes the acquisition of the Indian catalyst producer Monarch Catalyst Pvt. Ltd., Dombivli, which strengthens the Resource Efficiency segment's market position in activated base and precious metal catalysts and extends its business into oil and fat hydrogenation catalysts.

Total assets were €16.8 billion as of June 30, 2015, €1.1 billion higher than at year-end 2014. The €0.1 billion drop in non-current assets to €10.1 billion was mainly due to the divestment of the stake in Vivawest. Current assets rose by €1.2 billion to €6.7 billion. Contributory factors were the increase in trade accounts receivable resulting from the expansion of business, and an increase in cash and cash equivalents, mainly from the bond issued in January 2015. Equity increased by €0.8 billion to €7.3 billion. The equity ratio rose from 41.6 percent to 43.3 percent.

3. Research & development

Research and development (R&D) expenses increased by 1 percent to €205 million in the first half of 2015. Key projects were composites for lightweight automotive and aviation engineering, and efficient, energy-saving gas separation. For example, the Resource Efficiency segment's new SEPURAN® N_2 hollow fiber membrane allows inexpensive air separation and, consequently, **efficient recovery of nitrogen.** Nitrogen is used, among other things, to prevent fires in chemical warehouses and as a protective gas to prevent the oxidation of oxygen-sensitive products. This new development builds on the success of SEPURAN® Green, which has become established worldwide within a short time for upgrading biogas.

A new material concept comprising hybrid polymer systems, which our Composites Project House is developing to make the production of **composites for lightweight structures** simpler and cheaper, has been honored with the 2015 Innovation Award presented by CFK Valley e. V. CFK Valley is a world-leading competency network for fiber composites. The Innovation Award is presented for highly innovative developments with good business potential.

We have selectively extended our corporate venture capital portfolio through two investments. JeNaCell GmbH, our first direct investment in a German company, is a good strategic fit with our expertise in biotechnology and delivery systems for active medical ingredients. JeNaCell is a specialist in nanocellulose generated by biotechnological methods, which is used, for example, as a dressing to improve the **treatment of burns.** It can also be loaded with medical and cosmetic active ingredients for controlled release to the skin over time. Starting in fall 2015, Wiivv Wearables Inc., Vancouver (Canada) will be using **3D printing** to produce insoles adapted to the specific biomechanical needs of individual customers. This start-up is among the first companies in the world to use 3D printing for individualized mass production. As a leading supplier of polyamide 12 for 3D printing, Evonik will be supporting the market launch of these products through its investment in Wiivv.

4. Employees

As of June 30, 2015, the Evonik Group had 33,187 employees. The decline of 225 compared with year-end 2014 was mainly due to the divestment of the remaining lithium-ion activities, which were recognized as discontinued operations.

Employees by segment

	June 30, 2015	Dec. 31, 2014
Nutrition & Care	6,916	6,943
Resource Efficiency	8,231	7,835
Performance Materials	4,245	4,353
Services	12,907	13,173
Other operations	888	937
Continuing operations	**33,187**	**33,241**
Discontinued operations	–	171
Evonik	**33,187**	**33,412**

Prior-year figures restated.

5. Opportunity and risk report

As an international Group with a diversified portfolio of specialty chemicals, Evonik is exposed to a wide range of **opportunities** and **risks.** The risk categories and principal individual opportunities and risks relating to our earnings, financial and asset position, and the structure of our risk management system were described in detail in the opportunity and risk report, which forms part of the Management Report for 2014.

In view of the continued volatility of the operating environment, we regularly and systematically monitor and analyze the markets, sectors and growth prospects of relevance for our segments. Based on current market trends in our Nutrition & Care, Resource Efficiency and Performance Materials segments, we see considerably fewer opportunities and risks for this year than in our assessment at the end of 2014. Since some opportunities have already materialized, overall the Group now has fewer opportunities than risks. There are still no risks that could jeopardize the continued existence of the Evonik Group or major individual companies.

6. Events after the reporting date

No material events have occurred since the reporting date.

7. Expected development

We still expect **global economic conditions** in 2015 as a whole to be dominated by differing regional growth trends: The cyclical upturn in the developed economies, especially the USA, is likely to be countered by a slowdown in the emerging markets.

The projection for the global economy is still marked by considerable uncertainty. It could develop differently from our expectations, especially as a result of central bank action and geopolitical conflicts. Further, if Greece were to go bankrupt or exit the European Monetary Union, this could lead to greater uncertainty on the financial markets and adversely affect the economy in the euro zone. Nevertheless, in view of the precautions put in place by the European system of central banks in recent years, the potential risks associated with this seem to have declined perceptibly.

Overall, the forecast we made in the first quarter of 2015 remains unchanged: We assume a moderate rise in global growth to 3.0 percent compared with 2014.

The sluggish cyclical momentum and current increase in supply should continue to have an impact on the raw material markets. All in all, in fiscal 2015 our internal raw material cost index should therefore remain below the average for 2014.

Overall, our forecast is based on the following assumptions:

- Global growth: 3.0 percent (unchanged)
- Euro/US dollar exchange rate: US$1.13 (unchanged[1])
- Internal raw material cost index lower than in the prior year (unchanged)

[1] At the start of the year, we originally assumed US$1.30.

The positive business trend in the first quarter remained equally strong in the second quarter. In view of this, we are raising our **outlook** for fiscal 2015: We now expect sales of around €13.5 billion (2014: €12.9 billion) and adjusted EBITDA of around €2.4 billion (2014: €1,882 million).

At the start of the fiscal year, we assumed a slight increase in sales and earnings. Following our successful first quarter, we raised our guidance for adjusted EBITDA to at least €2.2 billion.

The positive market trend for our Nutrition & Care and Resource Efficiency segments and the pleasing demand for their products should continue, leading to further volume growth. The new production facilities that came on stream last year will also contribute to the increase in volume growth. We expect selling prices to develop solidly across most of our product portfolio. We assume that in the Nutrition & Care segment average prices for amino acids for animal nutrition will remain well above last year's levels. In the Performance Materials segment, selling prices in some businesses could remain under pressure due to lower raw material prices.

Alongside the high profitability of our operating businesses, the On Track 2.0 and Administration Excellence efficiency enhancement programs will make a perceptible contribution to the earnings increase in 2015. The earnings impact of lower raw material prices on individual businesses will vary, but should largely balance out across the portfolio as a whole.

This report contains forward-looking statements based on the present expectations, assumptions and forecasts made by the Executive Board and the information available to it. These forward-looking statements do not constitute a guarantee of future developments and earnings expectations. Future performance and developments depend on a wide variety of factors which contain a number of risks and unforeseeable factors and are based on assumptions that may prove incorrect.

Consolidated interim financial statements as of June 30, 2015

Income statement

Income statement for the Evonik Group

	2nd quarter		1st half	
in € million	**2015**	2014	**2015**	2014
Sales	3,519	3,247	6,944	6,448
Cost of sales	–2,345	–2,335	–4,663	–4,649
Gross profit on sales	**1,174**	**912**	**2,281**	**1,799**
Selling expenses	–371	–318	–711	–633
Research and development expenses	–104	–104	–205	–202
General administrative expenses	–184	–149	–343	–300
Other operating income	211	41	291	89
Other operating expenses	–119	–138	–259	–212
Result from investments recognized at equity	1	5	2	8
Income before financial result and income taxes, continuing operations	**608**	**249**	**1,056**	**549**
Interest income	10	5	14	12
Interest expense	–50	–64	–110	–146
Other financial income/expense	–11	–4	–18	–13
Financial result	**–51**	**–63**	**–114**	**–147**
Income before income taxes, continuing operations	**557**	**186**	**942**	**402**
Income taxes	–133	–70	–249	–133
Income after taxes, continuing operations	**424**	**116**	**693**	**269**
Income after taxes, discontinued operations	–5	26	–15	43
Income after taxes	**419**	**142**	**678**	**312**
thereof attributable to				
Non-controlling interests	1	3	4	7
Shareholders of Evonik Industries AG (net income)	418	139	674	305
Earnings per share in € (basic and diluted)	**0.90**	**0.30**	**1.45**	**0.65**

Prior-year figures restated.

Statement of comprehensive income

Statement of comprehensive income for the Evonik Group

	2nd quarter		1st half	
in € million	**2015**	2014	**2015**	2014
Income after taxes	**419**	**142**	**678**	**312**
Gains/losses on available-for-sale securities	1	1	11	2
Gains/losses on hedging instruments	89	–20	–20	–37
Currency translation adjustment	–124	43	232	42
Attributable to the equity method (after income taxes)	–1	–	2	–
Deferred taxes	–26	5	2	10
Comprehensive income that will be reclassified subsequently to profit or loss	**–61**	**29**	**227**	**17**
Remeasurement of the net defined benefit liability for defined benefit pension plans	1,364	94	463	–547
Attributable to the equity method (after income taxes)	–4	–	–4	–
Deferred taxes	–410	–29	–139	164
Comprehensive income that will not be reclassified subsequently to profit or loss	**950**	**65**	**320**	**–383**
Other comprehensive income after taxes	**889**	**94**	**547**	**–366**
Total comprehensive income	**1,308**	**236**	**1,225**	**–54**
thereof attributable to				
Non-controlling interests	–4	5	10	8
Shareholders of Evonik Industries AG	1,312	231	1,215	–62
Total comprehensive income attributable to shareholders of Evonik Industries AG	**1,312**	**231**	**1,215**	**–62**
thereof attributable to				
Continuing operations	1,317	206	1,230	–103
Discontinued operations	–5	25	–15	41

Prior-year figures restated.

Balance sheet

Balance sheet for the Evonik Group

in € million	June 30, 2015	Dec. 31, 2014
Intangible assets	3,175	3,100
Property, plant and equipment	5,712	5,515
Investments recognized at equity	59	357
Financial assets	92	83
Deferred tax assets	1,017	1,127
Other income tax assets	14	11
Other receivables	60	58
Non-current assets	**10,129**	**10,251**
Inventories	1,777	1,778
Other income tax assets	209	211
Trade accounts receivable	2,075	1,720
Other receivables	345	303
Financial assets	436	449
Cash and cash equivalents	1,777	921
	6,619	**5,382**
Assets held for sale	31	52
Current assets	**6,650**	**5,434**
Total assets	**16,779**	**15,685**

Prior-year figures restated.

in € million	June 30, 2015	Dec. 31, 2014
Issued capital	466	466
Capital reserve	1,166	1,165
Accumulated income	5,569	5,040
Accumulated other comprehensive income	−23	−244
Equity attributable to shareholders of Evonik Industries AG	**7,178**	**6,427**
Equity attributable to non-controlling interests	95	95
Equity	**7,273**	**6,522**
Provisions for pensions and other post-employment benefits	3,489	3,953
Other provisions	954	903
Deferred tax liabilities	441	449
Other income tax liabilities	224	199
Financial liabilities	1,437	666
Other payables	95	71
Non-current liabilities	**6,640**	**6,241**
Other provisions	803	957
Other income tax liabilities	177	105
Financial liabilities	465	469
Trade accounts payable	1,028	1,126
Other payables	388	247
	2,861	**2,904**
Liabilities associated with assets held for sale	5	18
Current liabilities	**2,866**	**2,922**
Total equity and liabilities	**16,779**	**15,685**

Prior-year figures restated.

Statement of changes in equity

Statement of changes in equity for the Evonik Group

in € million	Issued capital	Capital reserve	Accumulated income
As of January 1, 2014	**466**	**1,165**	**5,547**
Capital increases/decreases	–	–	–
Dividend distribution	–	–	–466
Purchase of treasury shares	–	–	–
Share-based payment	–	3	–
Sale of treasury shares	–	–3	–
Income after taxes	–	–	305
Other comprehensive income after taxes	–	–	–383
Total comprehensive income	–	–	–78
Other changes	–	–	–4
As of June 30, 2014	**466**	**1,165**	**4,999**
As of January 1, 2015	**466**	**1,165**	**5,040**
Capital increases/decreases	–	–	–
Dividend distribution	–	–	–466
Purchase of treasury shares	–	–	–
Share-based payment	–	3	–
Sale of treasury shares	–	–2	–
Income after taxes	–	–	674
Other comprehensive income after taxes	–	–	320
Total comprehensive income	–	–	994
Other changes	–	–	1
As of June 30, 2015	**466**	**1,166**	**5,569**

Treasury shares	Accumulated other comprehensive income	Attributable to shareholders of Evonik Industries AG	Attributable to non-controlling interests	Total equity
–	**−420**	**6,758**	**78**	**6,836**
–	–	–	–	–
–	–	−466	−5	−471
−13	–	−13	–	−13
–	–	3	–	3
13	–	10	–	10
–	–	305	7	312
–	16	−367	1	−366
–	16	−62	8	−54
–	1	−3	3	–
–	**−403**	**6,227**	**84**	**6,311**
–	**−244**	**6,427**	**95**	**6,522**
–	–	–	–	–
–	–	−466	−10	−476
−14	–	−14	–	−14
–	–	3	–	3
14	–	12	–	12
–	–	674	4	678
–	221	541	6	547
–	221	1,215	10	1,225
–	–	1	–	1
–	**−23**	**7,178**	**95**	**7,273**

Cash flow statement

Cash flow statement for the Evonik Group

	2nd quarter		1st half	
in € million	**2015**	2014	**2015**	2014
Income before financial result and income taxes, continuing operations	608	249	1,056	549
Depreciation, amortization, impairment losses/reversal of impairment losses on non-current assets	177	173	368	320
Result from investments recognized at equity	–1	–5	–2	–8
Gains/losses on the disposal of non-current assets	–148	7	–147	7
Change in inventories	3	–27	58	–46
Change in trade accounts receivable	–54	–37	–298	–168
Change in trade accounts payable and current advance payments received from customers	–21	13	–74	49
Change in provisions for pensions and other post-employment benefits	–24	–35	–60	–67
Change in other provisions	–179	–222	–128	–186
Change in miscellaneous assets/liabilities	–41	–42	45	–46
Cash outflows for interest	–31	–19	–43	–29
Cash inflows from interest	4	3	6	8
Cash inflows from dividends	16	16	18	16
Cash inflows/outflows for income taxes	–142	–93	–187	–120
Cash flow from operating activities, continuing operations	**167**	**–19**	**612**	**279**
Cash flow from operating activities, discontinued operations	2	12	3	29
Cash flow from operating activities	**169**	**–7**	**615**	**308**
Cash outflows for investments in intangible assets, property, plant and equipment	–180	–263	–446	–521
Cash outflows for investments in shareholdings	–37	–3	–40	–42
Cash inflows from divestments of intangible assets, property, plant and equipment	5	–	8	2
Cash inflows/outflows from divestment of shareholdings	420	–38	423	–22
Cash inflows/outflows relating to securities, deposits and loans	272	2	30	–2
Transfers to the pension trust fund (CTA)	–10	–	–10	–
Cash flow from investing activities, continuing operations	**470**	**–302**	**–35**	**–585**
Cash flow from investing activities, discontinued operations	–	–	–	–1
Cash flow from investing activities	**470**	**–302**	**–35**	**–586**

in € million	2nd quarter 2015	2nd quarter 2014	1st half 2015	1st half 2014
Cash outflows for dividends to shareholders of Evonik Industries AG	–466	–466	–466	–466
Cash outflows for dividends to non-controlling interests	–3	–	–10	–3
Cash outflows for the purchase of treasury shares	–7	–7	–14	–13
Cash inflows from the sale of treasury shares	15	13	15	13
Cash inflows from the addition of financial liabilities	30	27	825	139
Cash outflows for repayment of financial liabilities	–38	–	–86	–87
Cash flow from financing activities, continuing operations	**–469**	**–433**	**264**	**–417**
Cash flow from financing activities, discontinued operations	–	–	–	–
Cash flow from financing activities	**–469**	**–433**	**264**	**–417**
Change in cash and cash equivalents	**170**	**–742**	**844**	**–695**
Cash and cash equivalents as of April 1 / January 1	**1,614**	**1,618**	**921**	**1,572**
Change in cash and cash equivalents	170	–742	844	–695
Changes in exchange rates and other changes in cash and cash equivalents	–6	5	13	4
Cash and cash equivalents as of June 30	**1,778**	**881**	**1,778**	**881**
Cash and cash equivalents included in assets held for sale	–1	–	–1	–
Cash and cash equivalents as on the balance sheet as of June 30	**1,777**	**881**	**1,777**	**881**

Prior-year figures restated.

Notes

1. Segment report

Segment report by operating segments—2nd quarter

	Nutrition & Care		Resource Efficiency		Performance Materials	
in € million	**2015**	2014	**2015**	2014	**2015**	2014
External sales	1,248	983	1,110	1,043	938	979
Internal sales	9	7	15	22	31	41
Total sales	1,257	990	1,125	1,065	969	1,020
Adjusted EBITDA	381	186	254	226	82	83
Adjusted EBITDA margin in %	30.5	18.9	22.9	21.7	8.7	8.5
Adjusted EBIT	324	148	200	178	51	57
Capital expenditures	59	125	52	67	43	45
Financial investments	–	–	32	1	11	–

Prior-year figures restated.

Segment report by regions—2nd quarter

	Germany		Other European countries		North America	
in € million	**2015**	2014	**2015**	2014	**2015**	2014
External sales	616	715	1,079	1,087	700	570
Capital expenditures	90	86	25	29	42	27

Prior-year figures restated.

	Services		Other operations		Corporate, consolidation		**Total Group (continuing operations)**	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	211	223	14	26	−2	−7	3,519	3,247
	465	460	22	15	−542	−545	–	–
	676	683	36	41	−544	−552	3,519	3,247
	31	45	−11	−7	−76	−62	661	471
	14.7	20.2	–	–	–	–	18.8	14.5
	4	21	−15	−11	−78	−72	486	321
	31	24	4	5	–	2	189	268
	2	1	–	1	–	–	45	3

	Central and South America		Asia-Pacific		Middle East, Africa		**Total Group (continuing operations)**	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	249	177	758	616	117	82	3,519	3,247
	21	34	10	92	1	–	189	268

Segment report by operating segments—1st half

	Nutrition & Care		Resource Efficiency		Performance Materials	
in € million	**2015**	2014	**2015**	2014	**2015**	2014
External sales	2,476	1,945	2,233	2,042	1,788	1,978
Internal sales	16	14	30	46	66	84
Total sales	2,492	1,959	2,263	2,088	1,854	2,062
Adjusted EBITDA	734	372	498	447	154	163
Adjusted EBITDA margin in %	29.6	19.1	22.3	21.9	8.6	8.2
Adjusted EBIT	626	297	392	358	93	110
Capital expenditures	113	206	98	127	89	86
Financial investments	–	1	32	41	11	–
Employees as of June 30	6,916	6,904	8,231	8,049	4,245	4,422

Prior-year figures restated.

Segment report by regions—1st half

	Germany		Other European countries		North America	
in € million	**2015**	2014	**2015**	2014	**2015**	2014
External sales	1,242	1,469	2,126	2,184	1,351	1,111
Goodwill as of June 30 [a]	1,542	1,542	547	543	360	295
Other intangible assets, property, plant and equipment, investment property as of June 30 [a]	2,775	2,729	546	489	955	744
Capital expenditures	181	163	48	47	74	51
Employees as of June 30	21,173	21,113	2,681	2,751	3,712	3,741

Prior-year figures restated.

[a] Non-current assets according to IFRS 8.33 b.

Services		Other operations		Corporate, consolidation		**Total Group (continuing operations)**	
2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
419	454	38	49	−10	−20	6,944	6,448
916	921	42	33	−1,070	−1,098	–	–
1,335	1,375	80	82	−1,080	−1,118	6,944	6,448
77	88	−24	−14	−128	−120	1,311	936
18.4	19.4	–	–	–	–	18.9	14.5
24	39	−32	−21	−132	−144	971	639
70	47	8	10	1	1	379	477
4	1	2	2	–	–	49	45
12,907	12,649	573	803	315	155	33,187	32,982

Central and South America		Asia-Pacific		Middle East, Africa		**Total Group (continuing operations)**	
2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
490	362	1,508	1,163	227	159	6,944	6,448
32	26	288	241	–	–	2,769	2,647
196	130	1,636	1,344	10	10	6,118	5,446
40	54	36	162	–	–	379	477
619	601	4,850	4,644	152	132	33,187	32,982

2. General information

Evonik Industries AG is an international specialty chemicals company headquartered in Germany.

The present condensed and consolidated interim financial statements (consolidated interim financial statements) of Evonik Industries AG and its subsidiaries (referred to jointly as Evonik or the Evonik Group) as of June 30, 2015, have been prepared in accordance with the provisions of IAS 34 Interim Financial Reporting, and in application of Section 315a Paragraph 1 of the German Commercial Code (HGB) using the International Financial Reporting Standards (IFRS) and comply with these standards. The IFRS comprise the standards (IFRS, IAS) issued by the International Accounting Standards Board (IASB), London (UK) and the interpretations (IFRIC, SIC) of the IFRS Interpretations Committee (IFRS IC), as adopted by the European Union.

The consolidated interim financial statements as of June 30, 2015 are presented in euros. The reporting period is January 1 to June 30, 2015. All amounts are stated in millions of euros (€ million) except where otherwise indicated. The basis for the consolidated interim financial statements comprises the consolidated financial statements for the Evonik Group as of December 31, 2014, which should be referred to for further information.

3. Presentation and structure, accounting principles

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the consolidated financial statements as of December 31, 2014, with the exception of the following change:

Effective January 1, 2015, the Executive Board of Evonik Industries AG altered the management and portfolio structure to further improve the opportunities for profitable growth. This has greatly increased the entrepreneurial independence of the three chemical segments. In line with this, changes have been made to the presentation of the income statement to ensure clear separation of operational and financing-related income and expenses and better reflect the reorganized responsibilities. Further, this improves comparability with competitors. The following changes have been made:

- the result from investments recognized at equity is now allocated to income before financial result and income taxes, continuing operations
- greater differentiation in the allocation of income and expenses from currency translation and currency hedging; these are recognized in income before financial result and income taxes, continuing operations where they relate to the operating business, and in the financial result where they relate to financing
- more transparent presentation of the economic significance of the results of currency translation and currency hedging by switching from a gross to a net view.

The following prior-period items have been restated:

Impact of changes in the presentation of the consolidated income statement of the Evonik Group (excerpt)

	2nd quarter 2014	1st half 2014
in € million	Impact of change	Impact of change
Other operating income	–70	–183
Other operating expenses	74	196
Result from investments recognized at equity	5	8
Income before financial result and income taxes, continuing operations	**9**	**21**
Result from investments recognized at equity	–5	–8
Other financial income/expense	–4	–13
Financial result	**–9**	**–21**
Income before income taxes, continuing operations	**–**	**–**

There was no impact on basic or diluted earnings per share.

For reasons of materiality, investment property, which was previously shown as a separate line item on the balance sheet, is now included in property, plant and equipment. As of December 31, 2014 it amounted to €10 million.

With effect from January 1, 2015, the determination of the discount rate used to value newly acquired pension entitlements (service cost) in the euro zone was adjusted. While the discount rate for service cost was previously derived from total cash flows relating to pension entitlements (present employees, vested rights of former employees, retirees), it is now based on cash flows relating to current employees, since only they acquire new entitlements.

Before this change, the discount rate as of January 1, 2015 would have been 2.50 percent. The new discount rate for newly acquired entitlements is 2.75 percent. The service cost was therefore €8 million lower as of June 30, 2015. As a change in estimation, this adjustment is entirely prospective.

4. Changes in the Group

4.1 Scope of consolidation

The scope of consolidation changed as follows in the reporting period:

Changes in the scope of consolidation

No. of companies	Germany	Other countries	Total
Evonik Industries AG and consolidated subsidiaries			
As of December 31, 2014	**42**	**98**	**140**
Acquisitions	–	1	1
Other companies consolidated for the first time	–	1	1
Divestments	–1	–	–1
As of June 30, 2015	**41**	**100**	**141**
Joint operations			
As of December 31, 2014	**2**	**2**	**4**
As of June 30, 2015	**2**	**2**	**4**
Investments recognized at equity			
As of December 31, 2014	**5**	**9**	**14**
Divestments	–1	–	–1
Other companies deconsolidated	–1	–	–1
As of June 30, 2015	**3**	**9**	**12**
	46	**111**	**157**

4.2 Acquisitions and divestments

This section provides a more detailed overview of the principal changes in the scope of consolidation in the reporting period, divided into acquisitions and divestments.

Acquisitions

Evonik acquired all shares in Monarch Catalyst Pvt. Ltd. (Monarch), Dombivli (India) on June 5, 2015. Monarch's global activities in the field of oil and fat hydrogenation catalysts extend Evonik's portfolio of catalysts. In addition, they strengthen Evonik's market position in activated base and precious metal catalysts in India and the Asian market. The business has been integrated into the Resource Efficiency segment.

First-time consolidation of Monarch was based on a provisional purchase price allocation. The impact on the balance sheet as of the date of initial consolidation was as follows:

Impact of the acquisition of Monarch Catalyst Pvt. Ltd. on the balance sheet

in € million	Amounts recognized
Non-current assets	9
Current assets	12
thereof receivables	8
thereof cash and cash equivalents	1
Non-current liabilities	–3
Current liabilities	–8
Net assets	**10**
Goodwill	22
Cost of acquisition (purchase price)	**32**

The purchase price was settled out of cash and cash equivalents. Transaction costs of less than €1 million relating to this acquisition are mainly included in other operating expenses. The goodwill is not tax-deductible.

In view of the short period for which it has been part of the Group and the size of the business, the contributions made by Monarch to sales and earnings were not material relative to the Resource Efficiency segment as a whole, either in the reporting period or on a pro forma basis in the period since January 1, 2015.

Divestments

Under an agreement dated April 29, 2015, Evonik sold its 100 percent stake in Evonik Litarion GmbH, Kamenz (Germany) to Electrovaya GmbH, Düsseldorf (Germany). It was agreed not to disclose the purchase price. This divestment was closed on the date on which the agreement was signed. Until then, the shares were included in the segment report in other operations.

Under an agreement dated June 23, 2015, Evonik sold 10.3 percent of the shares in Vivawest GmbH (Vivawest), Essen (Germany), to RAG Aktiengesellschaft, Herne (Germany) for a purchase price of €428 million. The transaction was closed on June 29, 2015. The proceeds from this transaction amounted to €143 million. In the segment report, these shares were previously included in other operations.

4.3 Assets held for sale and discontinued operations

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations sets out the accounting principles to be used for assets held for sale and their presentation in the consolidated financial statements.

Assets held for sale and the associated liabilities have to be stated separately from other assets and liabilities on the balance sheet. The amounts recognized for these assets and liabilities in the previous year do not have to be restated.

Businesses whose assets and liabilities have been classified as held for sale may also meet the criteria for classification as discontinued operations, especially if a separate, significant business area is to be disposed of. The income and expenses of such discontinued operations have to be stated separately from those of continuing operations in the income statement. The cash flows also have to be stated separately. The prior-period figures have to be restated in the income statement and the cash flow statement.

The 100 percent stake in Evonik Litarion GmbH, Kamenz (Germany), comprising the remaining lithium-ion business, was classified as a discontinued operation until the divestment was completed on April 29, 2015.

The following table shows the main impact of the discontinued operations on the income statement, broken down into operating income and the gain or loss on divestment:

Impact of discontinued operations on the income statement in the second quarter

	Operating income after taxes		Divestment gains/losses after taxes		Income after taxes, discontinued operations	
	2nd quarter		2nd quarter		2nd quarter	
in € million	**2015**	2014	**2015**	2014	**2015**	2014
Lithium-ion business	–1	1	–3	–1	–4	–
Former Energy Business Area	–	26	–	–	–	26
Other discontinued operations	–	–	–1	–	–1	–
Total	**–1**	**27**	**–4**	**–1**	**–5**	**26**

Impact of discontinued operations on the income statement in the first half

	Operating income after taxes		Divestment gains/losses after taxes		Income after taxes, discontinued operations	
	1st half		1st half		1st half	
in € million	**2015**	2014	**2015**	2014	**2015**	2014
Lithium-ion business	–8	22	–3	–1	–11	21
Former Energy Business Area	–	22	–2	–	–2	22
Other discontinued operations	–	–	–2	–	–2	–
Total	**–8**	**44**	**–7**	**–1**	**–15**	**43**

No tax was incurred in connection with the proceeds of the divestment.

Breakdown of operating income from the discontinued operations:

Operating income, discontinued operations

in € million	2nd quarter 2015	2nd quarter 2014	1st half 2015	1st half 2014
Lithium-ion business	2	12	10	72
Former Energy Business Area	–	12	–	30
Income	**2**	**24**	**10**	**102**
Lithium-ion business	–3	–11	–18	–42
Former Energy Business Area	–	14	–	–8
Expenses	**–3**	**3**	**–18**	**–50**
Lithium-ion business	–1	1	–8	30
Former Energy Business Area	–	26	–	22
Operating income before income taxes, discontinued operations	**–1**	**27**	**–8**	**52**
Lithium-ion business	–	–	–	–8
Former Energy Business Area	–	–	–	–
Income taxes	**–**	**–**	**–**	**–8**
Lithium-ion business	–1	1	–8	22
Former Energy Business Area	–	26	–	22
Operating income after taxes, discontinued operations	**–1**	**27**	**–8**	**44**

In the first half of 2015 the operating income before income taxes from the lithium-ion business included impairment losses of €7 million.

The following table shows the assets held for sale and the associated liabilities after all consolidation steps:

Assets held for sale and associated liabilities

in € million	June 30, 2015	Dec. 31, 2014
Property, plant and equipment	2	5
Deferred tax assets	3	3
Inventories	5	17
Trade accounts receivable	19	26
Other receivables	1	1
Cash and cash equivalents	1	–
Assets held for sale	**31**	**52**
Provisions for pensions and other post-employment benefits	–	1
Other provisions	1	4
Deferred tax liabilities	2	2
Other income tax liabilities	–	1
Financial liabilities	–	7
Trade accounts payable	2	3
Liabilities associated with assets held for sale	**5**	**18**

The net value of the assets held for sale and associated liabilities amounting to €26 million as of June 30, 2015 is the result of a loss-free valuation. It is allocated to Level 2 of the fair value hierarchy set out in IFRS 13 Fair Value Measurement. The main input factor for the valuation was expected proceeds from sale less the costs to sell.

5. Notes to the income statement

5.1 Other operating income

Other operating income

in € million	2nd quarter 2015	2nd quarter 2014	1st half 2015	1st half 2014
Income from the disposal of assets	147	1	151	2
Net income from currency translation of operating monetary assets and liabilities	–	4	40	2
Net income from operational currency hedging	12	–	–	–
Income from the reversal of provisions	12	7	22	12
Income from restructuring measures	–	–	3	–
Other income	40	29	75	73
Other operating income	**211**	**41**	**291**	**89**
thereof adjustments	144	2	154	6

The currency translation and operational currency hedging results are recognized in other operating income or other operating expenses as appropriate. Currency management and the presentation of the earnings effects derived from this are outlined in Note 8.1.

The income from the disposal of assets totaling €151 million (H1 2014: €2 million) mainly comprises income from the divestment of the shares in Vivawest.

Alongside income from the reversal of provisions totaling €22 million (H1 2014: €12 million), further reversals of provisions amounting to €3 million (H1 2014: none) are recognized in income from restructuring measures.

The other income of €75 million (H1 2014: €73 million) comprises, among other things, income from non-core operations, income from insurance premiums, and rental income from leases.

5.2 Other operating expenses

Other operating expenses

in € million	2nd quarter 2015	2nd quarter 2014	1st half 2015	1st half 2014
Net expenses for currency translation of operating monetary assets and liabilities	23	–	–	–
Net expenses for operational currency hedging	–	3	54	2
Impairment losses	4	25	29	28
Expenses for restructuring measures	14	20	24	25
Other expense	78	90	152	157
Other operating expenses	**119**	**138**	**259**	**212**
thereof adjustments	22	74	69	96

The impairment losses totaling €29 million (H1 2014: €28 million) chiefly relate to capitalized expenses for a project in the Resource Efficiency and Performance Materials segments that was terminated following a routine review of investment projects.

The expenses for restructuring measures amounting to €24 million (H1 2014: €25 million) mainly comprise expenses in connection with the new Group structure and the shutdown of a production plant in the Performance Materials segment.

The other expense of €152 million (H1 2014: €157 million) includes expenses for outsourcing, non-core businesses, and legal and consultancy fees.

5.3 Financial result

Interest expense declined €36 million year-on-year to €110 million in the first six months of 2015, mainly because of far more favorable refinancing and a one-off effect in the prior-year period relating to the establishment of provisions. The change in capitalized borrowing costs for work in progress had a counter-effect.

The other financial income/expense comprises the following items:

Other financial income/expense

	2nd quarter		1st half	
in € million	**2015**	2014	**2015**	2014
Net income from currency translation of financing-related monetary assets and liabilities	104	6	84	–9
Net income from financing-related currency hedging	–113	–10	–86	–4
Miscellaneous financial expense	–2	–	–16	–
Other financial income/expense	**–11**	**–4**	**–18**	**–13**

The miscellaneous financial expense comprises impairment losses on an equity investment.

6. Notes to the balance sheet

6.1 Equity and employee share program

In 2014, the Executive Board of Evonik Industries AG decided to purchase shares in the company, utilizing the resolution adopted by the Annual Shareholders' Meeting on March 11, 2013 authorizing it to buy back shares in the company. The Supervisory Board has approved this share buy-back program, which relates to the share-based employee participation program (employee share program) Share.2015 launched by Evonik Industries AG in March 2015. The period during which eligible employees could acquire shares ended on March 27, 2015. The lock-up period for Evonik shares purchased or granted through the Share.2015 program ends on December 31, 2017.

Overall, Evonik Industries AG purchased 415,533 ordinary shares on the capital market at an average price of €33.43 per share. At the end of April 2015, 374,627 of these ordinary shares (including 95,748 bonus shares) were transferred to participating employees on the basis of the share price and the exchange rate for the US dollar prevailing on April 23, 2015. The remaining 40,906 ordinary shares were sold to third parties by April 27, 2015.

As of June 30, 2015, Evonik therefore no longer held any treasury shares.

6.2 Provisions for pensions and other post-employment benefits

Compared with December 31, 2014, provisions for pensions and other post-employment benefits had decreased by a total of €464 million to €3,489 million as of June 30, 2015. This figure includes €463 million recognized in equity with no impact on income after taxes. The reduction was mainly attributable to the change in the discount rate used for Germany and the euro-zone countries from 2.50 percent to 2.75 percent. The discount rate for Germany and the euro-zone countries is determined from market data for AA-rated euro-denominated corporate bonds, whose market yields had increased as of June 30, 2015. At the same time, the market value of the plan assets developed better than expected. The €463 million change in provisions for pensions and other post-employment benefits, which had no impact on income, and the change of €139 million in the related deferred tax assets are reflected in an increase of €324 million in other comprehensive income from the remeasurement of the net defined benefit liability for defined benefit pension plans, which is recognized in equity under accumulated income.

6.3 Non-current financial liabilities

Non-current financial liabilities increased by €771 million to €1,437 million, principally as a result of the issue of a €750 million bond by Evonik Industries AG in January 2015. The bond matures in 2023 and has a coupon of 1.0 percent. The issue price was 99.337 percent.

7. Notes on the segment report

The Executive Board of Evonik Industries AG decides on the allocation of resources and evaluates the profitability of the Group's operations on the basis of the following operating segments, which form the core business:

- Nutrition & Care (2014: Consumer, Health & Nutrition)
- Resource Efficiency
- Performance Materials (2014: Specialty Materials)
- Services.

The reporting based on segments reflects the internal organization and management of the Group (management approach).

In connection with the new management and portfolio structure, see Note 3, with effect from January 1, 2015 some segments were renamed, some activities were reallocated among the segments, and the definition of the main management parameter adjusted EBITDA was modified.

To ensure that adjusted EBITDA better reflects responsibilities, income and expenses relating to financing and liquidity management have been transferred from adjusted EBITDA to the financial result. These mainly comprise the results from currency translation of loans and the related hedging. This change also affects adjusted EBIT.

Further, the following activities have been reallocated among the segments:
- The Active Oxygens and High Performance Polymers activities are now part of the Resource Efficiency segment (2014: part of the Specialty Materials segment)
- CyPlus Technologies is now part of the Performance Materials segment (2014: part of the Consumer, Health & Nutrition segment) and
- some service functions have been transferred from Corporate to the Services segment.

The prior-year figures have been restated where applicable.

The remaining lithium-ion activities, which were divested in the second quarter of 2015 and were classified as discontinued operations until then, see Note 4, are shown in the segment report in the column "Other operations". Since the column "Total Group" no longer contains any discontinued operations, an adjustment is made for these activities in the column "Corporate, consolidation".

The following table shows a reconciliation from adjusted EBITDA for the reporting segments to income before income taxes for the Group's continuing operations

Reconciliation from adjusted EBITDA of the reporting segments to income before income taxes, continuing operations

	2nd quarter		1st half	
in € million	**2015**	2014	**2015**	2014
Adjusted EBITDA, reporting segments	**748**	**540**	**1,463**	**1,070**
Adjusted EBITDA, other operations	–11	–7	–24	–14
Adjusted EBITDA, Corporate	–75	–52	–135	–106
Consolidation	–2	–6	–1	–6
Less discontinued operations	1	–4	8	–8
Adjusted EBITDA, Corporate, other operations, consolidation	**–87**	**–69**	**–152**	**–134**
Adjusted EBITDA	**661**	**471**	**1,311**	**936**
Depreciation, amortization, impairment losses/reversal of impairment losses	–175	–174	–365	–322
Depreciation, amortization, impairment losses/reversal of impairment losses included in adjustments	–	24	25	25
Adjusted EBIT	**486**	**321**	**971**	**639**
Adjustments	122	–72	85	–90
Financial result	–51	–63	–114	–147
Income before income taxes, continuing operations	**557**	**186**	**942**	**402**

8. Other disclosures

8.1 Financial instruments

The following overview shows the carrying amounts and fair values of all financial assets and liabilities:

Carrying amounts and fair values of financial assets as of June 30, 2015

	Carrying amounts by valuation category				June 30, 2015	
in € million	Available-for-sale assets	Loans and receivables	Assets held for trading	Not allocated to any category	Carrying amount	Fair value
Financial assets	**431**	**39**	**18**	**40**	**528**	**528**
Other investments	63	–	–	–	63	63
Loans	–	16	–	–	16	16
Securities and similar claims	368	–	–	–	368	368
Receivables from derivatives	–	–	18	40	58	58
Other financial assets	–	23	–	–	23	23
Trade accounts receivable	**–**	**2,075**	**–**	**–**	**2,075**	**2,075**
Cash and cash equivalents	**–**	**1,777**	**–**	**–**	**1,777**	**1,777**
	431	**3,891**	**18**	**40**	**4,380**	**4,380**

Carrying amounts and fair values of financial assets as of December 31, 2014

	Carrying amounts by valuation category				Dec. 31, 2014	
in € million	Available-for-sale assets	Loans and receivables	Assets held for trading	Not allocated to any category	Carrying amount	Fair value
Financial assets	**456**	**41**	**19**	**16**	**532**	**532**
Other investments	64	–	–	–	64	64
Loans	–	12	–	–	12	12
Securities and similar claims	392	–	–	–	392	392
Receivables from derivatives	–	–	19	16	35	35
Other financial assets	–	29	–	–	29	29
Trade accounts receivable	**–**	**1,720**	**–**	**–**	**1,720**	**1,720**
Cash and cash equivalents	**–**	**921**	**–**	**–**	**921**	**921**
	456	**2,682**	**19**	**16**	**3,173**	**3,173**

In the following overview, loans from non-banks and liabilities from finance leases, which were previously presented separately, have been reclassified to other financial liabilities on the grounds of materiality.

Carrying amounts and fair values of financial liabilities as of June 30, 2015

in € million	Carrying amounts by valuation category			June 30, 2015	
	Liabilities held for trading	Liabilities at amortized cost	Not allocated to any category	Carrying amount	Fair value
Financial liabilities	**36**	**1,697**	**169**	**1,902**	**1,895**
Bonds	–	1,240	–	1,240	1,237
Liabilities to banks	–	431	–	431	427
Liabilities from derivatives	36	–	169	205	205
Other financial liabilities	–	26	–	26	26
Trade accounts payable	**–**	**1,028**	**–**	**1,028**	**1,028**
	36	**2,725**	**169**	**2,930**	**2,923**

Carrying amounts and fair values of financial liabilities as of December 31, 2014

in € million	Carrying amounts by valuation category			Dec. 31, 2014	
	Liabilities held for trading	Liabilities at amortized cost	Not allocated to any category	Carrying amount	Fair value
Financial liabilities	**36**	**928**	**171**	**1,135**	**1,171**
Bonds	–	496	–	496	529
Liabilities to banks	–	406	–	406	409
Liabilities from derivatives	36	–	170	206	206
Other financial liabilities	–	26	1	27	27
Trade accounts payable	**–**	**1,126**	**–**	**1,126**	**1,126**
	36	**2,054**	**171**	**2,261**	**2,297**

The fair value determination is based on the three-level hierarchy stipulated by IFRS 13 Fair Value Measurement:

- Level 1: Quoted price for the financial instrument in an active market
- Level 2: Quoted price in an active market for similar financial instruments or valuation methods based on observable market data
- Level 3: Valuation methods not based on observable market data

The following table shows the financial instruments that are **measured at fair value** on a recurring basis after initial recognition on the balance sheet:

Financial instruments recognized at fair value

	Fair value based on			June 30, 2015
in € million	Level 1	Level 2	Level 3	
Financial assets	**414**	**58**	**–**	**472**
Other investments	46	–	–	46
Securities and similar claims	368	–	–	368
Receivables from derivatives	–	58	–	58
Financial liabilities	**–**	**–205**	**–**	**–205**
Liabilities from derivatives	–	–205	–	–205

Financial instruments recognized at fair value

	Fair value based on			Dec. 31, 2014
in € million	Level 1	Level 2	Level 3	
Financial assets	**445**	**35**	**–**	**480**
Other investments	53	–	–	53
Securities and similar claims	392	–	–	392
Receivables from derivatives	–	35	–	35
Financial liabilities	**–**	**–206**	**–**	**–206**
Liabilities from derivatives	–	–206	–	–206

The financial instruments allocated to Level 1 are recognized at their present stock market price. They comprise all securities and one equity investment. As of the present reporting date, all derivatives are allocated to Level 2. They comprise currency, interest rate and commodity derivatives whose fair value was determined with the aid of a discounted cash flow method using the exchange rates at the European Central Bank, observed interest rate structure curves, observed commodity prices, and observed credit default premiums. There were no transfers between the levels of the fair value hierarchy in the reporting period.

The fair value of financial instruments **recognized at amortized cost** is calculated as follows:

The fair value of bonds is their directly observable stock market price on the reporting date. For loans, other financial assets, liabilities to banks, and other financial liabilities, the fair value is determined as the present value of the expected future cash inflows or outflows and is therefore allocated to Level 2. Discounting is based on the interest rate for the respective maturity on the reporting date, taking the creditworthiness of the counterparties into account. Since the majority of loans, other financial receivables and liabilities, and trade accounts receivable and payable are current, their fair values—like the fair value of cash and cash equivalents—correspond to their carrying amounts.

The other investments that are recognized on the balance sheet at amortized cost comprise investments in equity instruments for which there is no quoted price in an active market and whose fair values cannot be determined reliably in accordance with one of the three levels of the fair value hierarchy. In these cases, the fair value is assumed to be equal to the amortized cost. There is no intention of selling these investments.

Management of currency risk

The derivative financial instruments held by Evonik are mainly used to reduce currency risk. The risk positions resulting from foreign currency receivables and liabilities are generally netted and bundled via intragroup hedging; the resulting net positions are then hedged via market derivatives. Currency management is carried out separately for operational risk positions (mainly trade accounts receivable and payable denominated in foreign currencies) and risk positions arising from financing activities. Currency translation and hedging results are disclosed in the income statement in line with this distinction. The net presentation of the respective results reflects both their economic substance and the management of the risk positions at Evonik.

Net currency result

	2nd quarter		1st half	
in € million	**2015**	2014	**2015**	2014
From operating currency exposure and associated hedging instruments				
Gross income from currency translation	39	23	119	50
Gross expenses for currency translation	–62	–19	–79	–48
Net result from currency translation of operating monetary assets and liabilities	**–23**	**4**	**40**	**2**
Gross income from currency hedging	148	30	145	82
Gross expenses for currency hedging	–136	–33	–199	–84
Net result from operational currency hedging	**12**	**–3**	**–54**	**–2**
From financing-related currency exposure and associated hedging instruments				
Gross income from currency translation	134	17	221	32
Gross expenses for currency translation	–30	–11	–137	–41
Net result from currency translation of financing-related monetary assets and liabilities	**104**	**6**	**84**	**–9**
Gross income from currency hedging	38	4	141	20
Gross expenses for currency hedging	–151	–14	–227	–24
Net result from financing-related currency hedging	**–113**	**–10**	**–86**	**–4**
Net currency result (operational and financing-related)	**–20**	**–3**	**–16**	**–13**

Micro hedging of foreign currency balance sheet exposure is only carried out in specific cases (e.g. financing-related currency hedging of non-current loans through cross-currency interest rate swaps). Since hedge accounting is applied for these hedges as well as for hedges of planned or firmly committed cash flows in foreign currencies (e.g. hedging of planned sales revenues), their hedge results are only reflected in the net currency result with the corresponding ineffective portion or any forward components that are excluded from the hedge accounting relationship. The effective results of these hedges are recognized in equity through accumulated other comprehensive income until they are transferred to the income statement to offset the counter-effect of the hedged item.

8.2 Related parties

Following the resolution adopted by the Annual Shareholders' Meeting on May 19, 2015, the dividend for fiscal 2014 was paid on May 20, 2015. RAG-Stiftung, Essen (Germany) received €316 million, Gabriel Acquisitions GmbH, Gadebusch (Germany) received €24 million, and The Gabriel Finance Limited Partnership, St. Helier (Jersey) received €20 million.

The contingent liabilities of €33 million relating to a joint venture reported as of December 31, 2014 resulted from a guarantee granted to secure a loan for the joint venture Saudi Acrylic Polymers Company, Ltd., Jubail (Saudi Arabia). The issue of a further guarantee of €2 million and the change in the exchange rate as of June 30, 2015 increased this obligation to €38 million.

In addition, in the first quarter of 2015 a further guarantee of €4 million was provided as collateral for a facility for hedging transactions at the joint venture CyPlus Idesa S.A.P.I. de C.V., Mexico City (Mexico).

Under an agreement dated June 23, 2015, Evonik sold 10.3 percent of Vivawest's shares to RAG Aktiengesellschaft for a purchase price of €428 million. The divestment was closed on June 29, 2015, see Note 4.2.

There have not been any other material changes in related party transactions since December 31, 2014.

8.3 Contingent receivables and liabilities

As of June 30, 2015 guarantee obligations had increased by €9 million, see Note 8.2.

8.4 Events after the reporting date

No material events have occurred since the reporting date.

8.5 Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group in accordance with German accepted accounting principles, and the interim management report for the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Essen, July 27, 2015

Evonik Industries AG
The Executive Board

Dr. Engel Dr. Kaufmann Kullmann

Wessel Wolf

Review report

To Evonik Industries AG, Essen,

We have reviewed the condensed consolidated interim financial statements—comprising the condensed income statement, condensed statement of comprehensive income, condensed balance sheet, condensed statement of changes in equity, condensed cash flow statement and selected explanatory notes—and the interim Group management report for Evonik Industries AG, Essen, for the period from January 1, 2015 to June 30, 2015, which are part of the half-year financial report pursuant to § (Article) 37w WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim Group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the company's Executive Board. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim Group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim Group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) and additionally observed the International Standard on Review Engagements "Review of Interim Financial Information performed by the Independent Auditor of the Entity" (ISRE 2410). These standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim Group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, July 28, 2015

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Lutz Granderath	Antje Schlotter
German Public Auditor	German Public Auditor

Financial calendar

Financial calendar 2015/2016

Event	Date
Interim Report Q3 2015	November 4, 2015
Full Year Results/Q4 2015	March 3, 2016
Interim Report Q1 2016	May 4, 2016
Annual Shareholders' Meeting 2016	May 18, 2016
Interim Report Q2 2016	August 5, 2016
Interim Report Q3 2016	November 4, 2016

Credits

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