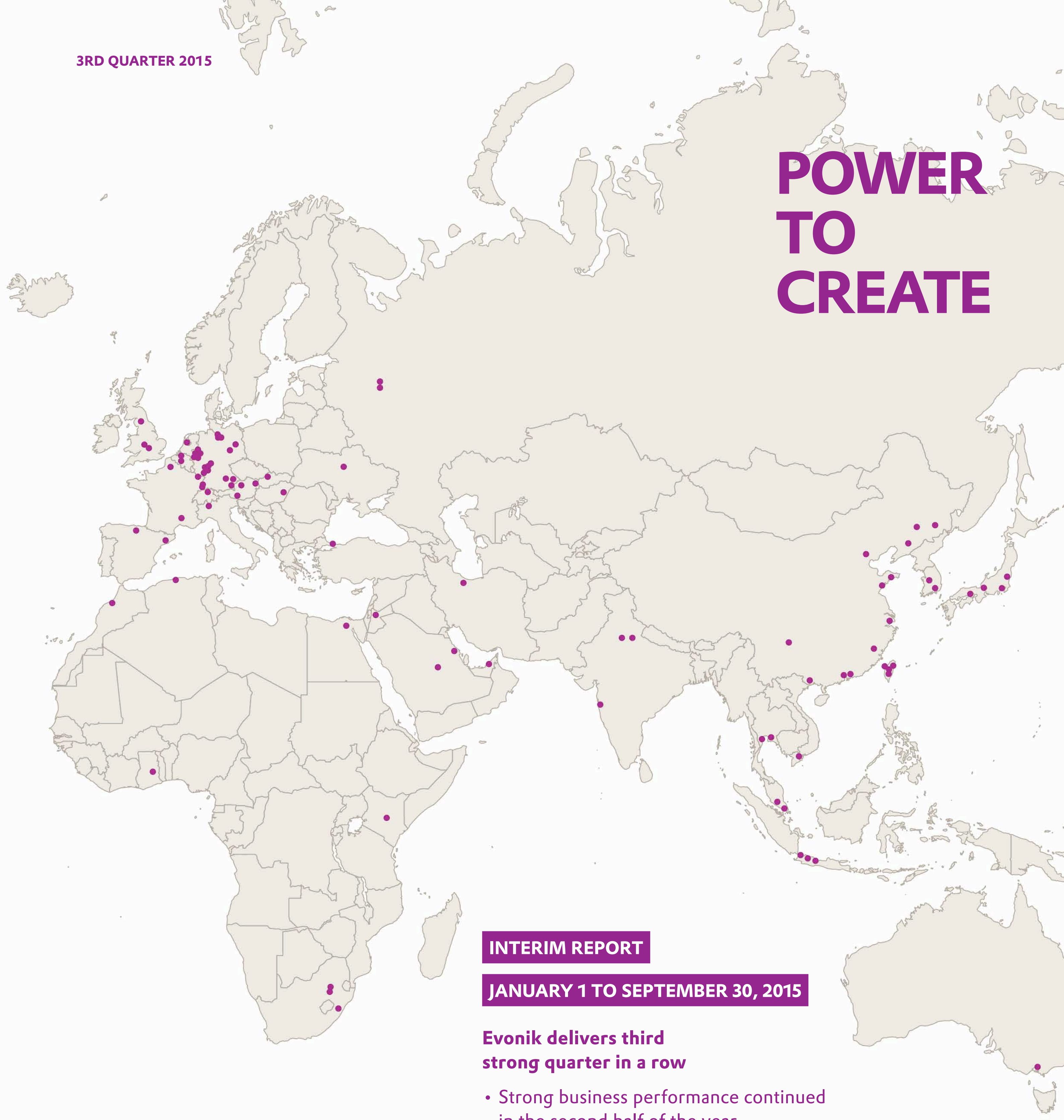
3RD QUARTER 2015



POWER TO CREATE

INTERIM REPORT

JANUARY 1 TO SEPTEMBER 30, 2015

Evonik delivers third strong quarter in a row

- Strong business performance continued in the second half of the year
- Adjusted EBITDA up considerably year-on-year and in line with the previous quarters' high level
- Year-on-year earnings growth in all three chemical segments
- Adjusted EBITDA margin of 19.4 percent stands out in the chemicals sector
- Outlook for 2015 confirmed

EVONIK INDUSTRIES

Key data for the Evonik Group

Key data for the Evonik Group

	3rd quarter		1st nine months	
in € million	**2015**	2014	**2015**	2014
Sales	3,365	3,243	10,309	9,691
Adjusted EBITDA [a]	653	500	1,964	1,436
Adjusted EBITDA margin in %	19.4	15.4	19.1	14.8
Adjusted EBIT [b]	473	349	1,444	988
Income before financial result and income taxes, continuing operations (EBIT)	382	295	1,438	844
Net income	188	111	862	416
Earnings per share in €	0.40	0.24	1.85	0.89
Adjusted earnings per share in €	0.64	0.47	1.98	1.27
Cash flow from operating activities, continuing operations	717	312	1,329	591
Capital expenditures	206	276	585	753
Net financial assets as on the balance sheet as of September 30	–	–	963	416
No. of employees as of September 30	–	–	33,650	33,296

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 Q3 2015

Evonik plans to build a further world-scale methionine plant

Evonik has started planning an additional world-scale production complex in Singapore for the amino acid DL-methionine for animal nutrition. The facility will have annual production capacity of 150,000 metric tons and is expected to start operating in 2019—contingent upon approval by the relevant bodies at Evonik. This decision is aligned to the global health and nutrition megatrends, which are the main growth drivers of the DL-methionine business. Over the past few years, the Nutrition & Care segment has responded steadily to the strong growth in this market with timely, demand-driven capacity expansion.

DSM and Evonik to develop algae-based omega-3 fatty acids

At the end of July 2015, DSM Nutritional Products Ltd., Kaiseraugst (Switzerland) and Evonik Nutrition & Care GmbH, Essen (Germany) announced that they had signed a joint development agreement for algae-based omega-3 fatty acid products for animal nutrition, especially aquaculture and pet food. The aim is to meet the rising demand for omega-3 fatty acids resource-efficiently using biotechnological processes based on marine algae as a contribution to improving the sustainability of aquaculture.

New technology broadens raw material basis for C_4

Evonik has taken new production facilities for C_4-based products into service in Antwerp (Belgium) and Marl (Germany). Total investment was in the triple-digit million euro range and the new plants increase capacity for the plasticizer alcohol isononanol for butadiene and the fuel additive MTBE. The plant operated by Performance Materials in Marl set a technological milestone: Thanks to a unique new process, FCC-C_4 streams can now be utilized for the first time. FCC stands for fluid catalytic cracking, a process used by refineries to convert heavy crude oil components into fuel components. The principal technological challenge was separating unwanted substances from the FCC-C_4 stream before processing.

Evonik acquires hydrogen peroxide producer in the Netherlands

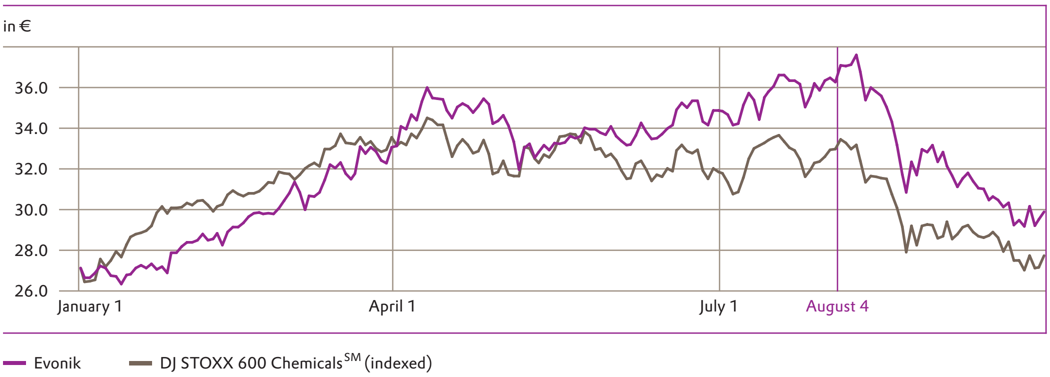
On September 3, 2015, Evonik signed an agreement to purchase PeroxyChem Netherlands B.V., Amsterdam (Netherlands). Subject to approval by the antitrust authorities, the production facilities in Delfzijl, 47 employees and the customer portfolio will be integrated into the Resource Efficiency segment. Closing is scheduled for the fourth quarter of 2015. The new site complements the present production network for hydrogen peroxide, which comprises three European sites in Antwerp (Belgium), Rheinfelden (Germany) and Weißenstein (Austria). Evonik is one of the world's leading suppliers of hydrogen peroxide with total annual production capacity of over 900,000 metric tons.

Evonik on the capital markets

Share price performance

Evonik shares made a good start to the third quarter of 2015. The share price rose steadily from €34.23 at the end of the previous quarter to a new all-time high of €37.73 on August 10, 2015.

Performance of Evonik shares January 1 – September 30, 2015



Publication of our second quarter results on August 4 had a positive impact on the share price as they showed that the successful business trend from the start of the year had continued in the second quarter. Earnings in all three chemical segments were above the very good first quarter results and were one of the main factors in the renewed upward revision of our outlook for 2015 as a whole. In a market environment dominated by uncertainty—especially with regard to the economic development of China, which also increased volatility on the financial markets—the share price fell from mid-August, mirroring the trend on the MDAX and the DJ STOXX 600 Chemicals[SM]. At the start of September, a large institutional investor divested a packet of around 7 million shares, putting further downward pressure on the share price in this tense market situation. The share finally stabilized at around €30 in the second half of September and ended the quarter at €29.92 on September 30.

Animal Nutrition field trip

We continued our intensive dialogue with the capital markets in the third quarter. Overall, we registered around 130 contacts with investors in the third quarter, for example at roadshows and conferences in Frankfurt, London, New York, Zurich, Munich and Milan.

Key data

	Jul. 1 – Sept. 30, 2015
Highest share price[a] in €	37.73
Lowest share price[a] in €	29.16
Average price[a] in €	33.72
Closing price[a] on September 30, 2015 in €	29.92
No. of shares	466,000,000
Market capitalization[a] on September 30, 2015 in € billion	13.94
Average daily trading volume[a] No. of shares	approx. 803,000

[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
Trading segments	Regulated market (Prime Standard), Frankfurt am Main
Indices	MDAX, MSCI World, DJ STOXX® Europe 600, FTSE4Good Global, STOXX® Global ESG Leaders

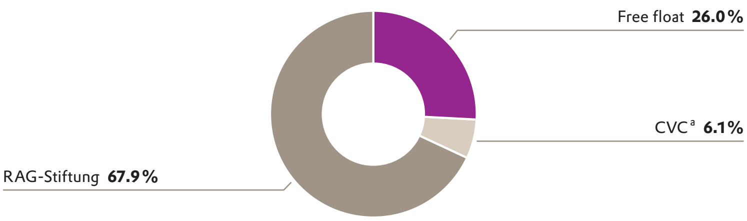
A highlight of our capital market communication was our Analyst & Investor Field Trip on Animal Nutrition on October 1. Nearly 40 analysts and investors visited our production site in Antwerp (Belgium).

The focus was the Nutrition & Care segment's Animal Nutrition Business Line. The management gave the analysts and investors extensive information on all aspects of the animal nutrition business and pointed out that market conditions remain attractive thanks to the nutrition, globalization and, above all, sustainability megatrends. In addition, innovation and investment were highlighted as growth drivers of this area of Evonik's business.

Price targets raised

At the end of the third quarter of 2015, Evonik's shares were covered by 21 analysts. Twelve of them rated the share as a buy, one as a sell, and eight issued neutral recommendations. With price targets ranging from €31 to €45, the median was €39, compared with €36 at the end of the second quarter.

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.

Higher free float

Our biggest shareholder in the reporting period was still RAG-Stiftung, which holds 67.9 percent of Evonik's capital stock. Our second largest shareholder—funds advised by CVC Capital Partners—successfully placed a further share packet totaling around 3.2 percent of Evonik's capital stock on July 13, 2015. At the end of the third quarter, its shareholding was therefore only around 6.1 percent. Consequently, the free float increased to 26.0 percent

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: Gas separation with fibers

Nitrogen is a highly sought-after gas, partly because it can prevent fires. Evonik's new hollow-fiber membrane SEPURAN® N_2 is a particularly energy-efficient and cost-saving way of obtaining this gas. As a technology leader in high-performance polymers, Evonik has therefore provided further evidence of what its SEPURAN® membranes can do. Since every membrane is tailored specifically to its application, this technology can be used for efficient separation of different gases. That is honored by the market: Although Evonik has only been marketing this innovative technology for four years, this growth business is already making a profit.

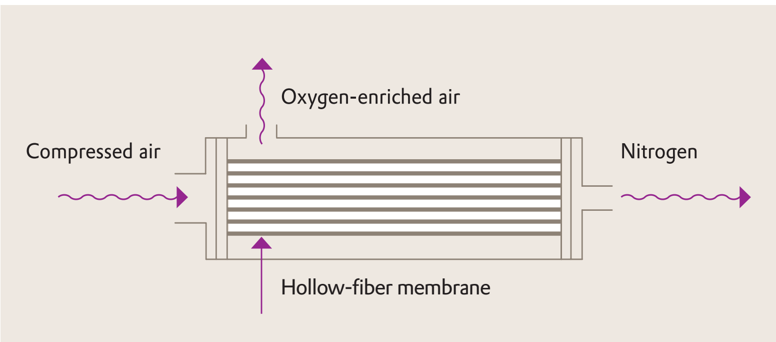
Demand for nitrogen (N_2) is driven by its properties. It is incombustible, inert, odorless and tasteless. It protects chemical facilities and server farms from fire and explosion and increases the shelf-life of cheese and fruit in the food sector. Further, liquid nitrogen is used as a refrigerant to freeze blood and tissue samples. The nitrogen market is worth more than US$10 billion, making it the world's second biggest gas market after oxygen. Opportunities to grow faster than the overall market for technical gases mainly come from energy-efficient production processes such as membrane processes, which currently only have a low market share.

Nitrogen is obtained from air, which comprises 78 percent nitrogen and just under 21 percent oxygen. SEPURAN® N_2 hollow-fiber membranes allow particularly efficient separation of these two gases.

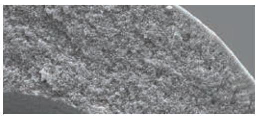
The purity of the N_2 can be regulated by the amount of air injected into the membrane: the lower the volume, the higher the quality of the nitrogen obtained. 95 to 98 percent purity is sufficient for many applications and that is precisely the strong point of this new technology from Evonik: Investment and energy consumption are lower than for both the conventional method—separation of air at low temperatures—and previous membrane processes.

Our Resource Efficiency segment is therefore building on the success of SEPURAN® Green, which is used worldwide in the treatment of biogas. There are already more than 40 biogas plants for this technology in operation or under construction around the world. SEPURAN® is synonymous with custom-designed membrane technology, which is also used in the treatment of hydrogen and the recovery of helium. Evonik covers the entire value chain of membrane modules, from production of the monomers and polymers through manufacture of the hollow fibers to fabrication of the complete modules. It therefore has expertise in all key areas of this technology, providing a good springboard for entering other high-growth market segments.

Functioning of a membrane for nitrogen generation



Compressed air is injected into the hollow-fiber membranes in order to separate off the nitrogen. Oxygen molecules are smaller than nitrogen molecules so they permeate the membranes more easily. The nitrogen therefore accumulates inside the hollow fiber, while oxygen accumulates on the outside.



Cross section of a hollow-fiber membrane

Hollow-fiber membrane bundle

SEPURAN® N_2 membrane module

The approximately 1.3 meter long membrane module (bottom) comprises tens of thousands of hollow fiber membranes (middle) whose walls act as filters (top).

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 and 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, plastics and agriculture 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.

QUARTERLY FINANCIAL REPORT 3RD QUARTER 2015

Interim management report as of September 30, 2015

1. Business conditions and performance

1.1 Economic background

Global economic conditions were dominated by differing regional growth trends in the first nine months of 2015. Economic momentum increased successively in the developed economies but declined stepwise in the emerging markets. The lower growth in the emerging markets was due to structural problems, the drop in raw material prices and slower growth in China. Uncertainty about the economic development in China increased, especially in the third quarter, resulting in higher volatility on the financial markets. Together, these effects caused a slight deterioration in global economic sentiment.

In the second and third quarters the US economy recovered from the temporary dip at the start of the year, with the main impetus coming from consumer spending. Contrary to market expectations, the Federal Reserve Board in the USA did not raise key interest rates in the third quarter.

In Europe, the economy picked up in the first nine months of the year thanks to the European Central Bank's expansionary monetary policy, the depreciation of the euro and the low oil price. In Germany, consumer spending increased because of the good employment situation and the reduction in the 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 nine months of 2015. Demand for food and animal feed continued its very pleasing trend. There was a year-on-year rise in output of consumer and care products, mainly in North America but also to some extent in Europe. Following a strong first half, growth momentum in entertainment electronics in Asia, North America and some parts of Europe weakened in the third quarter. Automotive production cooled in Asia, but continued to grow at a moderate pace in North America and Europe. Overall though, the general industrial trend in Europe and North America remained weak in the first nine months of 2015 and output only increased slightly.

Having recovered somewhat in the first half of 2015, the price of Brent crude oil dropped in the third quarter. In the first nine months it was therefore below the average for the previous year. The euro depreciated against the US dollar in the first half of the year. Although it stabilized in the third quarter, in the first nine months it was well below the average for the first nine months 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.[1]

In accordance with its focus on specialty chemicals, Evonik Industries AG divested its remaining 10.3 percent stake in the residential real estate company **Vivawest** GmbH to RAG Aktiengesellschaft for €428 million on June 29, 2015. The divestment gain is recognized in other operating income.

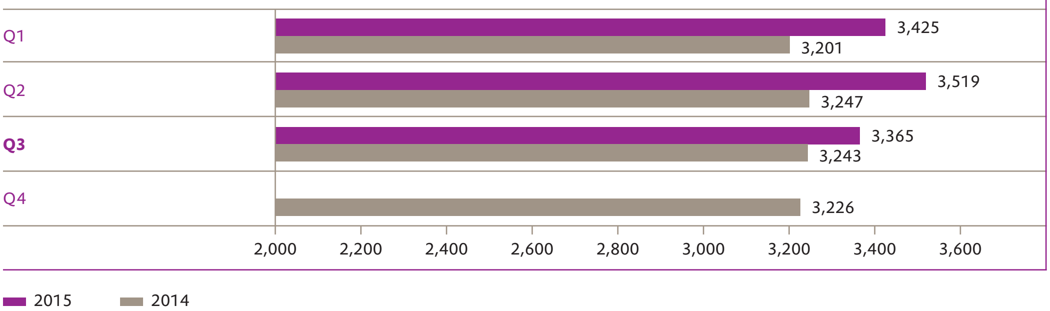
At its meeting on June 25, 2015, the Supervisory Board of Evonik Industries AG adopted a resolution on ending the term of office of Patrik Wohlhauser as a **member of the Executive Board** by mutual agreement effective June 30, 2015. At the same time, Dr. Ralph Sven Kaufmann was appointed to the Executive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

Business performance in the third quarter of 2015

The successful business trend continued in the third quarter of 2015. Adjusted EBITDA was in line with the high level reported in previous quarters and substantially above the prior-year figure. All three chemical segments contributed higher earnings than in the prior-year period. Global demand for our products was once again good but volumes were slightly lower than in the third quarter of 2014 as a consequence of routine plant maintenance. Selling prices rose considerably in the Nutrition & Care segment but decreased in the Performance Materials segment, principally due to the lower oil price. Overall, selling prices were higher than in the prior-year period.

Sales by quarters

in € million



Prior-year figures restated.

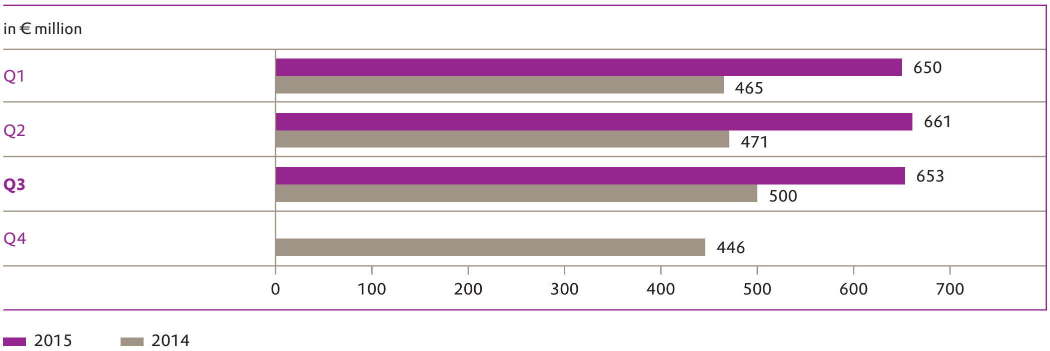
The Evonik Group grew **sales** 4 percent to €3,365 million. We posted organic sales growth of 1 percent as a result of higher selling prices. Volumes declined slightly, mainly due to routine plant maintenance. The exchange rate effect was mainly attributable to the depreciation of the euro versus the US dollar and the Chinese renminbi yuan. It contributed 3 percentage points of the overall rise.

[1] See Notes 3 and 7.

Year-on-year change in sales

in %	1st quarter 2015	2nd quarter 2015	**3rd quarter 2015**	**1st nine months 2015**
Volumes	2	2	−1	1
Prices	-	1	2	1
Organic sales growth	**2**	**3**	**1**	**2**
Exchange rates	6	6	3	5
Other effects	−1	−1	0	−1
Total	**7**	**8**	**4**	**6**

Adjusted EBITDA by quarters



Prior-year figures restated.

Adjusted EBITDA grew 31 percent to €653 million. The adjusted EBITDA margin improved from 15.4 percent to an excellent level of 19.4 percent. Adjusted EBIT rose 36 percent to €473 million.

Statement of income

in € million	3rd quarter 2015	3rd quarter 2014	Change in %	1st nine months 2015	1st nine months 2014	Change in %
Sales	**3,365**	**3,243**	**4**	**10,309**	**9,691**	**6**
Adjusted EBITDA	**653**	**500**	**31**	**1,964**	**1,436**	**37**
Depreciation and amortization	–180	–151		–520	–448	
Adjusted EBIT	**473**	**349**	**36**	**1,444**	**988**	**46**
Adjustments	–91	–54		–6	–144	
thereof attributable to						
Restructuring	*–20*	*–32*		*–41*	*–58*	
Impairment losses/reversals of impairment losses	*–24*	*–13*		*–47*	*–36*	
Acquisition/divestment of shareholdings	*–*	*2*		*142*	*2*	
Other	*–47*	*–11*		*–60*	*–52*	
Financial result	–86	–63		–200	–211	
Income before income taxes, continuing operations	**296**	**232**	**28**	**1,238**	**633**	**96**
Income taxes	–105	–64		–354	–196	
Income after taxes, continuing operations	**191**	**168**	**14**	**884**	**437**	**102**
Income after taxes, discontinued operations	–	–54		–15	–11	
Income after taxes	**191**	**114**	**68**	**869**	**426**	**104**
thereof attributable to non-controlling interests	3	3		7	10	
Net income	**188**	**111**	**69**	**862**	**416**	**107**
Earnings per share in €	**0.40**	**0.24**	**–**	**1.85**	**0.89**	**–**

Prior-year figures restated.

The **adjustments** of –€91 million include restructuring expenses of €20 million, mainly in connection with the optimization of the product portfolio in the Performance Materials segment. The impairment losses/reversals of impairment losses amounting to –€24 million related principally to an equity investment in the Nutrition & Care segment and a production plant in the Performance Materials segment. Other adjustments chiefly comprise risk provisioning relating to a contract with a raw materials supplier, and expenses for an increase in provisions for the phased early retirement program to comply with IAS 19.

The **financial result** of –€86 million contains one-off factors of –€28 million for interest expense in connection with the establishment of provisions. Excluding this effect, more favorable financing led to an improvement in the financial result. **Income before income taxes, continuing operations** was 28 percent higher at €296 million. Income taxes therefore rose to €105 million.

The **income after taxes, discontinued operations** of –€54 million in the prior-year period related to the stake in STEAG, which was divested in September 2014.

Overall, the Evonik Group's **net income** advanced 69 percent to €188 million.

Adjusted net income should reflect the operating performance of the continuing operations. In the third quarter of 2015 it increased 36 percent to €296 million. **Adjusted earnings per share** rose from €0.47 to €0.64.

Reconciliation to adjusted net income

	3rd quarter			1st nine months		
in € million	**2015**	2014	Change in %	**2015**	2014	Change in %
Income before financial result and income taxes (EBIT)[a]	**382**	**295**	**29**	**1,438**	**844**	**70**
Adjustments	91	54		6	144	
Adjusted EBIT	**473**	**349**	**36**	**1,444**	**988**	**46**
Adjusted financial result	–58	–62		–157	–186	
Amortization and impairment losses on intangible assets	10	10		29	47	
Adjusted income before income taxes[a]	**425**	**297**	**43**	**1,316**	**849**	**55**
Adjusted income taxes	–126	–77		–386	–248	
Adjusted income after taxes[a]	**299**	**220**	**36**	**930**	**601**	**55**
thereof adjusted income attributable to non-controlling interests	3	3		7	8	
Adjusted net income[a]	**296**	**217**	**36**	**923**	**593**	**56**
Adjusted earnings per share[a] in €	**0.64**	**0.47**	**–**	**1.98**	**1.27**	**–**

Prior-year figures restated.

[a] Continuing operations.

Business performance in the first nine months of 2015

Sales rose 6 percent to €10,309 million. We posted organic sales growth of 2 percent, with higher volumes and the rise in selling prices each contributing 1 percentage point. A further 5 percentage points came from exchange rates, while the other effects had a slight downward impact (-1 percentage point).

Adjusted EBITDA grew 37 percent to €1,964 million. Alongside positive currency effects, this was principally due to the sustained good volume trend, partly as a result of the new capacity, and to higher selling prices and slightly lower raw material costs. The adjusted EBITDA margin increased from 14.8 percent in the prior-year period to a very good level of 19.1 percent. Adjusted EBIT rose 46 percent to €1,444 million.

The **adjustments** of –€6 million include restructuring expenses of €41 million, mainly in connection with the optimization of the product portfolio in the Performance Materials segment and the new Group structure. The impairment losses/reversals of impairment losses amounting to –€47 million related to capitalized costs for a project in the Resource Efficiency and Performance Materials segments that was terminated following a routine review of investment projects, an equity investment in the Nutrition & Care segment, and a production plant in the Performance Materials segment. Income of €142 million from the divestment of shareholdings mainly comprised the divestment of the 10.3 percent stake in Vivawest. Other adjustments chiefly comprise risk provisioning relating to a contract with a raw materials supplier, and expenses for an increase in provisions for the phased early retirement program to comply with IAS 19.

The **financial result** of –€200 million contains one-off factors of –€43 million, principally interest expense in connection with the establishment of provisions. In the previous year, these amounted to –€25 million. Excluding the one-off factors, the financial result improved significantly, mainly because refinancing was far more favorable. **Income before income taxes, continuing operations** was 96 percent higher at €1,238 million. The income tax rate was 29 percent, in line with the expected Group tax rate.

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 –€11 million contains operating income from the lithium-ion business and the stake in STEAG, which was divested in September 2014.

The Evonik Group's **net income** advanced 107 percent to €862 million.

Adjusted net income increased 56 percent to €923 million, while **adjusted earnings per share** rose from €1.27 to €1.98.

1.3 Segment performance

Nutrition & Care segment

Key data for the Nutrition & Care segment

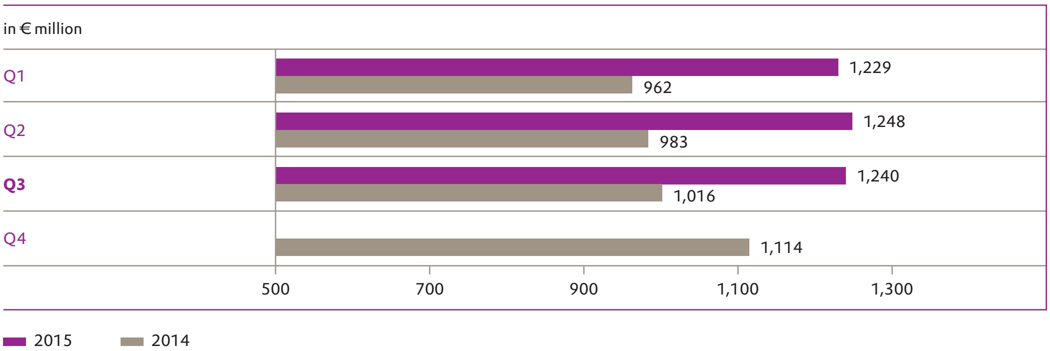
	3rd quarter			1st nine months		
in € million	**2015**	2014	Change in %	**2015**	2014	Change in %
External sales	1,240	1,016	22	3,716	2,961	25
Adjusted EBITDA	382	206	85	1,116	578	93
Adjusted EBITDA margin in %	30.8	20.3	–	30.0	19.5	–
Adjusted EBIT	328	168	95	954	465	105
Capital expenditures	64	124	–48	177	330	–46
Employees as of September 30	–	–	–	7,062	6,931	2

Prior-year figures restated.

The successful business development in the Nutrition & Care segment continued in the **third quarter of 2015,** with sales rising 22 percent to €1,240 million. While volumes increased slightly, the main drivers were far higher selling prices and positive currency effects.

Essential amino acids for animal nutrition continued to benefit from the strong growth in demand for our methionine products, which we were able to meet thanks to the new production facility in Singapore that came into service at the end of 2014. Selling prices also remained at a very attractive level. Moreover, business with healthcare products generated considerably higher sales, with both pharmaceutical polymers for smart drug delivery systems and exclusive synthesis developing positively. Personal care products posted higher sales, especially in North America and the Asia-Pacific region, aided by the new capacity in China.

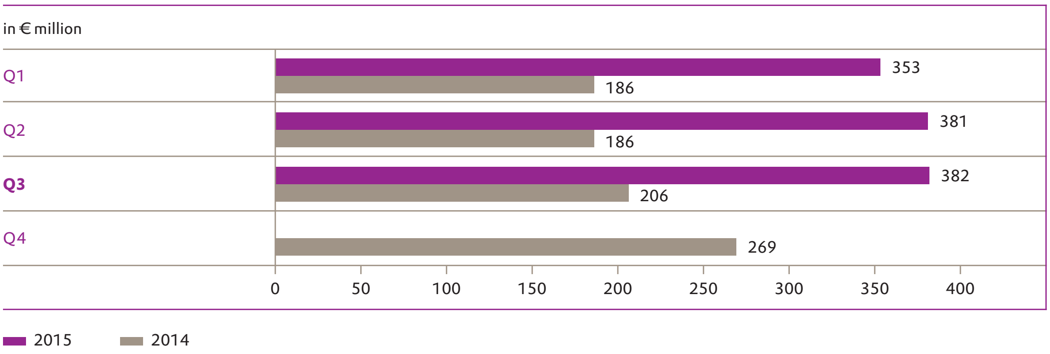
Sales Nutrition & Care segment



Prior-year figures restated.

Adjusted EBITDA rose 85 percent to €382 million, mainly because of higher selling prices and lower raw material costs. The adjusted EBITDA margin was 30.8 percent, up from 20.3 percent in the third quarter of 2014.

Adjusted EBITDA Nutrition & Care segment



Prior-year figures restated.

Sales in the Nutrition & Care segment grew 25 percent to €3,716 million in the **first nine months of 2015,** buoyed by a slight rise in volumes and, above all, higher selling prices and positive currency effects. Adjusted EBITDA increased 93 percent to €1,116 million, mainly because of higher selling prices and lower raw material costs. The adjusted EBITDA margin improved considerably to 30.0 percent.

Resource Efficiency segment

Key data for the Resource Efficiency segment

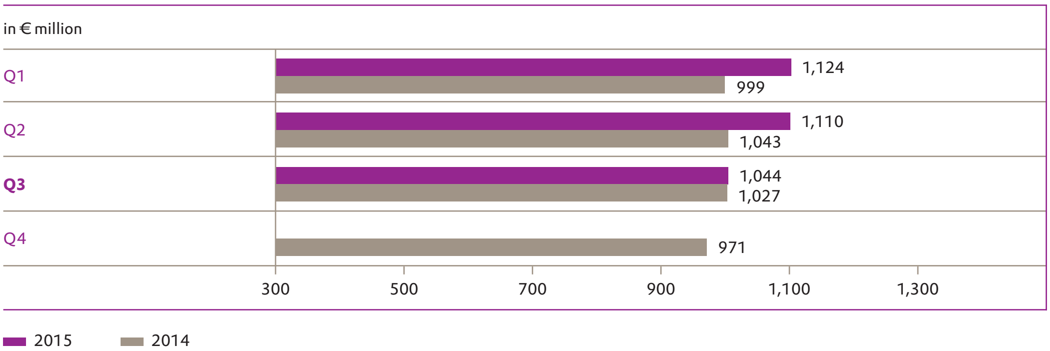
	3rd quarter			1st nine months		
in € million	**2015**	2014	Change in %	**2015**	2014	Change in %
External sales	1,044	1,027	2	3,278	3,069	7
Adjusted EBITDA	216	214	1	714	661	8
Adjusted EBITDA margin in %	20.7	20.8	–	21.8	21.5	–
Adjusted EBIT	161	164	–2	553	522	6
Capital expenditures	63	60	5	160	187	–14
Employees as of September 30	–	–	–	8,549	7,910	8

Prior-year figures restated.

In the **third quarter of 2015,** sales in the Resource Efficiency segment increased 2 percent to €1,044 million. This was principally attributable to slightly higher selling prices and positive currency effects, while volumes declined slightly overall due to routine maintenance work at some production plants.

Strong demand for crosslinkers was driven mainly by the construction sector, and by their increasing use in composites, for example, for lightweight structures and wind power. There was also a considerable improvement in sales of oil additives, which improve the performance of engines and gears. The catalysts business was boosted by the first-time consolidation of the Indian catalyst producer Monarch Catalyst Pvt. Ltd., which was acquired in June 2015. The development of sales and volumes was countered by maintenance-induced shutdowns, especially at production plants for high performance polymers. In China, rising uncertainty about the economic development of some sectors such as the automotive and coatings industries led to a slight drop in growth momentum.

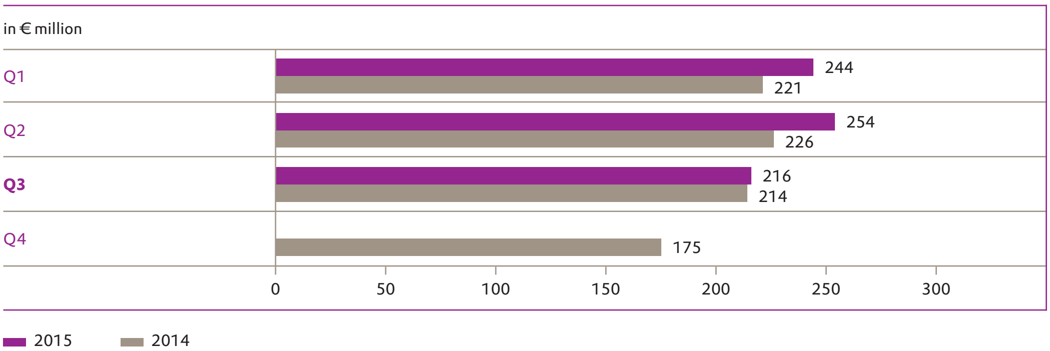
Sales Resource Efficiency segment



Prior-year figures restated.

Adjusted EBITDA increased slightly to €216 million. The adjusted EBITDA margin was around the prior-year level at 20.7 percent.

Adjusted EBITDA Resource Efficiency segment



Prior-year figures restated.

In the **first nine months** of the year, sales in the Resource Efficiency segment rose 7 percent to €3,278 million. The principal factors here were higher volumes and positive currency effects, while selling prices were in line with the previous year. Adjusted EBITDA increased 8 percent to €714 million, driven mainly by volume growth, high capacity utilization and lower raw material costs. The adjusted EBITDA margin improved from 21.5 percent to 21.8 percent.

On September 3, 2015, Evonik signed an agreement to purchase PeroxyChem Netherlands B.V., Amsterdam (Netherlands). Subject to approval by the antitrust authorities, the production facilities in Delfzijl, 47 employees and the customer portfolio will be integrated into the Resource Efficiency segment. This will expand its production network for **hydrogen peroxide** in Europe. Closing is scheduled for the fourth quarter of 2015.

Performance Materials segment

Key data for the Performance Materials segment

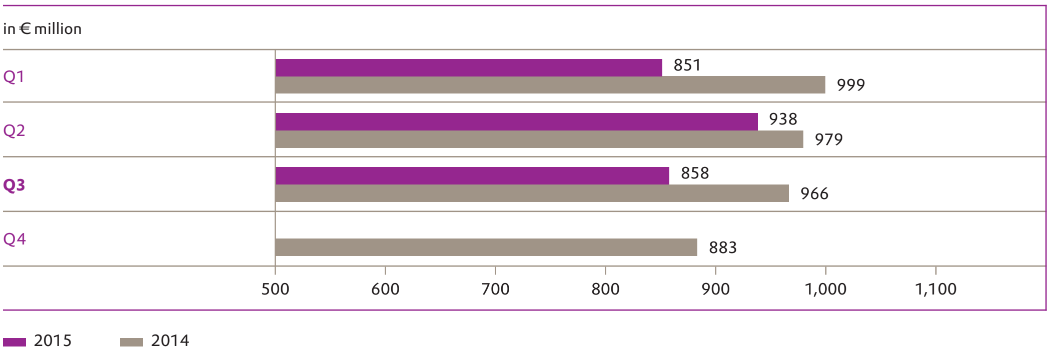
	3rd quarter			1st nine months		
in € million	2015	2014	Change in %	2015	2014	Change in %
External sales	858	966	–11	2,646	2,944	–10
Adjusted EBITDA	94	90	4	247	253	–2
Adjusted EBITDA margin in %	11.0	9.3	–	9.3	8.6	–
Adjusted EBIT	57	59	–3	150	169	–11
Capital expenditures	34	54	–37	123	140	–12
Employees as of September 30	–	–	–	4,387	4,394	–

Prior-year figures restated.

In the **third quarter of 2015,** sales declined 11 percent to €858 million in the Performance Materials segment. Volumes in the two most important businesses, methacrylates and performance intermediates, were held back by production shutdowns for routine plant maintenance. Moreover, selling prices for performance intermediates were once again far lower than in the previous year, mainly due to the lower price of crude oil.

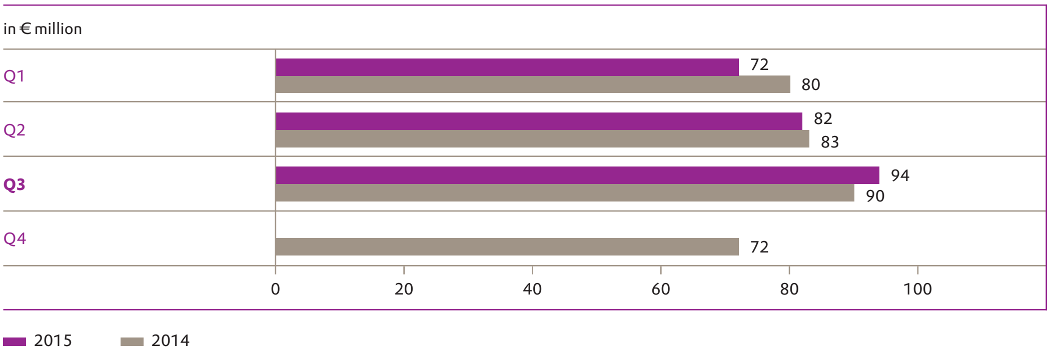
On the earnings side, however, this price effect was more than offset by a temporary margin advantage in the third quarter as a result of the reduction in the cost of oil-based feedstocks. In view of this trend and a more favorable product mix in the methacrylates business, adjusted EBITDA rose 4 percent to €94 million. The adjusted EBITDA margin was 11.0 percent, up from 9.3 percent in the third quarter of 2014.

Sales Performance Materials segment



Prior-year figures restated.

Adjusted EBITDA Performance Materials segment



Prior-year figures restated.

In the **first nine months** of the year, sales in the Performance Materials segment fell 10 percent to €2,646 million. This was caused mainly by lower selling prices, while positive currency effects had a counter-effect. Adjusted EBITDA dropped 2 percent to €247 million, mainly on price grounds. The adjusted EBITDA margin increased to 9.3 percent.

Services segment

Key data for the Services segment

	3rd quarter			1st nine months		
in € million	**2015**	2014	Change in %	**2015**	2014	Change in %
External sales	207	217	–5	626	671	–7
Adjusted EBITDA	46	47	–2	123	135	–9
Adjusted EBITDA margin in %	22.2	21.7	–	19.6	20.1	–
Adjusted EBIT	19	22	–14	43	61	–30
Capital expenditures	40	34	18	110	81	36
Employees as of September 30	–	–	–	12,747	13,130	–3

Prior-year figures restated.

Sales declined 5 percent to €207 million in the **third quarter.** This was mainly attributable to the reduction in energy prices which the segment charges to external customers at our sites. Adjusted EBITDA was virtually unchanged year-on-year at €46 million.

Sales fell 7 percent to €626 million in the **first nine months.** Adjusted EBITDA was €123 million, down from the prior-year period, partly because of an increase in variable personnel expenses.

2. Earnings, financial and asset position

2.1 Earnings position

Sales grew 6 percent to €10,309 million. The cost of sales was €6,907 million, 1 percent below the level in the prior-year period despite higher volumes and the upward pressure on costs coming from exchange rates. The **gross profit on sales** improved 25 percent to €3,402 million. Selling expenses increased by 11 percent to €1,063 million. The main reasons for this were currency effects and the increase in business driven by the new production facilities. Research and development expenses were 1 percent higher at €307 million. The 13 percent increase in general administrative expenses to €509 million was principally due to currency effects, higher provisions for long-term incentive programs for executives (LTI Plans) as a result of the positive price performance of Evonik shares, and changes in the cross-charging system for Group-wide services.

Since 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 increase in other operating income from €163 million to €326 million was mainly due to higher income from the disposal of assets. The rise of €55 million in other operating expenses to €397 million was driven principally by risk provisioning relating to a contract with a raw material supplier, and higher net expenses for currency hedging for operating business. **Income before financial result and income taxes, continuing operations** increased 70 percent to €1,438 million.

The **financial result** improved to –€200 million. This includes one-off factors of –€43 million for interest expense in connection with the establishment of provisions and an impairment loss on an investment. The prior-year figure of –€25 million also comprised interest expense in connection with the establishment of provisions. Without taking these one-off factors into account, the financial result improved considerably, mainly due to far more favorable refinancing. **Income before income taxes, continuing operations** was 96 percent higher at €1,238 million. The income tax rate was 29 percent, and thus roughly in line with the expected Group tax rate. **Income after taxes, continuing operations** doubled to €884 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 –€11 million contains operating income from the lithium-ion business and the stake in STEAG, which was divested in September 2014. **Net income** rose by 107 percent to €862 million.

2.2 Financial and asset position

Financial debt increased by €753 million compared with year-end 2014 to €1,682 million as a result of the bond issued in January 2015. In the same period, financial assets increased by €1,316 million to €2,645 million, mainly because of the good operating cash flow, proceeds from the new bond issue, and the proceeds from the stake in Vivawest (€428 million), which was divested at the end of June. The dividend of €466 million for fiscal 2014 was paid in May 2015. **Net financial assets** increased to €963 million, a rise of €563 million compared with December 31, 2014.

Net financial assets

in € million	Sept. 30, 2015	Dec. 31, 2014
Non-current financial liabilities [a]	–1,382	–639
Current financial liabilities [a]	–300	–290
Financial debt	**–1,682**	**–929**
Cash and cash equivalents	2,342	921
Current securities	286	387
Other financial investments	17	21
Financial assets	**2,645**	**1,329**
Net financial assets as stated on the balance sheet	**963**	**400**

[a] Excluding derivatives.

Cash flow statement (excerpt)

	1st nine months	
in € million	2015	2014
Cash flow from operating activities, continuing operations	1,329	591
Cash flow from operating activities, discontinued operations	3	31
Cash flow from operating activities	**1,332**	**622**
Cash flow from investing activities, continuing operations	–180	–293
Cash flow from investing activities, discontinued operations	–	–1
Cash flow from investing activities	**–180**	**–294**
Cash flow from financing activities, continuing operations	269	–421
Cash flow from financing activities, discontinued operations	–	–
Cash flow from financing activities	**269**	**–421**
Change in cash and cash equivalents	**1,421**	**–93**

Prior-year figures restated.

The **cash flow from operating activities, continuing operations** was high at €1,329 million. The year-on-year increase of €738 million mainly reflects the pleasing operating performance. The cash flow from discontinued operations was €3 million, compared with €31 million in the prior-year period. Overall, the cash flow from operating activities increased by €710 million to €1,332 million.

The cash outflow for **investing activities** was €180 million (9M 2014: €294 million). Outflows for property, plant and equipment were €109 million lower at €655 million. New production capacities were 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 the fourth expansion phase of a plant that produces an exclusive intermediate for the agricultural industry. Capacity expansion for the C_4-based products isononanol, butadiene and the fuel additive MTBE came on stream in Antwerp (Belgium) and Marl (Germany), where a new process was introduced.

There was an outflow of €42 million for investments in shareholdings (9M 2014: €107 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.

The main counter-effects were cash inflows from the divestment of equity stakes and securities.

The cash inflow from **financing activities,** continuing operations was €269 million. This principally reflects 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 total cash outflow of €421 million for financing activities for the continuing operations, mainly due the dividend payment for 2013.

Total assets were €17.1 billion as of September 30, 2015, €1.4 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 €1.5 billion to €6.9 billion. Contributory factors were the considerable increase in cash and cash equivalents resulting from the bond issue in January 2015, and the good operating performance. Equity increased by €0.7 billion to €7.2 billion. The equity ratio rose from 41.6 percent to 42.1 percent.

3. Research & development

Research and development (R&D) expenses increased to €307 million in the first nine months of 2015. Focal areas were new products for animal nutrition applications, components for environment-friendly coating systems, and composites for lightweight structures.

Our Nutrition & Care segment has entered into a cooperation with DSM Nutrition Products (Switzerland) to develop **algae-based omega-3 fatty acid products** for animal nutrition, especially aquaculture and pet food applications. They will be produced from algae by biotechnological processes, rather than from fish oil as in the past. The aim is to meet the rising demand for omega-3 fatty acids resource-efficiently using renewable resources as a contribution to improving the sustainability of aquaculture.

SILIKOPHEN® AC 950 from our Resource Efficiency segment is a further component for eco-friendly coatings systems. This low-toxic **silicone resin** does not contain aromatics and allows the production of coatings with only small amounts of volatile organic compounds (VOC). Since it cures at ambient temperature with the aid of a catalyst, it uses far less energy than conventional bake-cure systems, making the process more economical.

The Society of Plastic Engineers has honored the first serial application of our **CoverForm® process:** The Grand Award in the category Electronic/Optical Parts was presented to the Mercedes Touchpad, which has an extremely scratch-resistant surface. CoverForm®, which was developed jointly by our Performance Materials segment and KraussMaffei, applies a highly crosslinked scratch-resistant acrylate coating in the injection molding process. Continental manufactures the Touchpad for the Mercedes C, S, V, GLE, GLC and GT classes and the Maybach. Output of CoverForm® faceplates is expected to exceed one million in 2016.

We drove forward the **internationalization** of our R&D activities by opening two new innovation centers for the cosmetics industry in Midrand (South Africa) and Singapore. At these innovation centers our Nutrition & Care segment will be developing product solutions for skin and hair care geared specifically to the needs of local customers and consumers.

4. Employees

As of September 30, 2015, the Evonik Group had 33,650 employees. The headcount in the continuing operations increased by 409 compared with year-end 2014, mainly due to the acquisition of Monarch in June 2015 and expansion of our business, which included the start-up of new capacity. The remaining lithium-ion activities, which were recognized as discontinued operations as of December 31, 2014, were divested at the end of April 2015.

Employees by segment

	Sept. 30, 2015	Dec. 31, 2014
Nutrition & Care	7,062	6,943
Resource Efficiency	8,549	7,835
Performance Materials	4,387	4,353
Services	12,747	13,173
Other operations	905	937
Continuing operations	**33,650**	**33,241**
Discontinued operations	–	171
Evonik	**33,650**	**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 to be dominated by differing regional growth trends: The slowdown in the emerging markets should be more than offset by the cyclical upturn in the developed economies, especially the USA.

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, the short-term growth prospects for the global economy have deteriorated slightly owing to the economic risks relating to China and the higher volatility of the global financial markets. While the risks in the emerging markets have increased as a result of the present challenges, growth momentum in the developed economies will only weaken slightly up to year-end.

Therefore, we now assume global growth of 2.9 percent (previously 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: 2.9 percent (previously: 3.0 percent)
- Euro/US dollar exchange rate: US$1.13 (unchanged)
- Internal raw material cost index lower than in the prior year (unchanged)

The positive business trend in the first half of the year remained equally strong in the third quarter.

In view of this, we are confirming the outlook for fiscal 2015 which we published after the end of the first six months: We still 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 strong performance in the first two quarters we already raised our guidance twice.

We expect the positive development of our markets and pleasing demand for our products to continue in the remainder of the year. As in previous years, the customary seasonal slowdown in the fourth quarter is likely to have a greater impact on the Resource Efficiency and Performance Materials segments than on the Nutrition & Care segment.

Alongside the high profitability of our operating businesses, the On Track 2.0 and Administration Excellence efficiency enhancement programs will continue to make a perceptible contribution to the earnings increase.

Consolidated interim financial statements as of September 30, 2015

Income statement

Income statement for the Evonik Group

	3rd quarter		1st nine months	
in € million	**2015**	2014	**2015**	2014
Sales	3,365	3,243	10,309	9,691
Cost of sales	−2,245	−2,322	−6,907	−6,971
Gross profit on sales	**1,120**	**921**	**3,402**	**2,720**
Selling expenses	−352	−324	−1,063	−957
Research and development expenses	−102	−102	−307	−304
General administrative expenses	−166	−149	−509	−449
Other operating income	41	73	326	163
Other operating expenses	−143	−129	−397	−342
Result from investments recognized at equity	−16	5	−14	13
Income before financial result and income taxes, continuing operations	**382**	**295**	**1,438**	**844**
Interest income	1	3	15	14
Interest expense	−82	−67	−192	−214
Other financial income/expense	−5	1	−23	−11
Financial result	**−86**	**−63**	**−200**	**−211**
Income before income taxes, continuing operations	**296**	**232**	**1,238**	**633**
Income taxes	−105	−64	−354	−196
Income after taxes, continuing operations	**191**	**168**	**884**	**437**
Income after taxes, discontinued operations	–	−54	−15	−11
Income after taxes	**191**	**114**	**869**	**426**
thereof attributable to				
Non-controlling interests	3	3	7	10
Shareholders of Evonik Industries AG (net income)	188	111	862	416
Earnings per share in € (basic and diluted)	**0.40**	**0.24**	**1.85**	**0.89**

Prior-year figures restated.

Statement of comprehensive income

Statement of comprehensive income for the Evonik Group

	3rd quarter		1st nine months	
in € million	**2015**	2014	**2015**	2014
Income after taxes	**191**	**114**	**869**	**426**
Gains/losses on available-for-sale securities	10	–4	21	–2
Gains/losses on hedging instruments	45	–73	26	–110
Currency translation adjustment	–89	201	143	243
Attributable to the equity method (after income taxes)	4	–	6	–
Deferred taxes	–18	23	–16	33
Comprehensive income that will be reclassified subsequently to profit or loss	**–48**	**147**	**180**	**164**
Remeasurement of the net defined benefit liability for defined benefit pension plans	–336	–548	128	–1,095
Attributable to the equity method (after income taxes)	–	–	–4	–
Deferred taxes	99	166	–40	330
Comprehensive income that will not be reclassified subsequently to profit or loss	**–237**	**–382**	**84**	**–765**
Other comprehensive income after taxes	**–285**	**–235**	**264**	**–601**
Total comprehensive income	**–94**	**–121**	**1,133**	**–175**
thereof attributable to				
Non-controlling interests	–1	8	10	16
Shareholders of Evonik Industries AG	–93	–129	1,123	–191
Total comprehensive income attributable to shareholders of Evonik Industries AG	**–93**	**–129**	**1,123**	**–191**
thereof attributable to				
Continuing operations	–93	–75	1,138	–178
Discontinued operations	–	–54	–15	–13

Balance sheet

Balance sheet for the Evonik Group

in € million	Sept. 30, 2015	Dec. 31, 2014
Intangible assets	3,164	3,100
Property, plant and equipment	5,632	5,515
Investments recognized at equity	47	357
Financial assets	114	83
Deferred tax assets	1,110	1,127
Other income tax assets	14	11
Other receivables	56	58
Non-current assets	**10,137**	**10,251**
Inventories	1,780	1,778
Other income tax assets	112	211
Trade accounts receivable	1,964	1,720
Other receivables	306	303
Financial assets	388	449
Cash and cash equivalents	2,342	921
	6,892	**5,382**
Assets held for sale	33	52
Current assets	**6,925**	**5,434**
Total assets	**17,062**	**15,685**

Prior-year figures restated.

in € million	Sept. 30, 2015	Dec. 31, 2014
Issued capital	466	466
Capital reserve	1,166	1,165
Accumulated income	5,522	5,040
Accumulated other comprehensive income	−69	−244
Equity attributable to shareholders of Evonik Industries AG	**7,085**	**6,427**
Equity attributable to non-controlling interests	96	95
Equity	**7,181**	**6,522**
Provisions for pensions and other post-employment benefits	3,784	3,953
Other provisions	922	903
Deferred tax liabilities	449	449
Other income tax liabilities	226	199
Financial liabilities	1,422	666
Other payables	103	71
Non-current liabilities	**6,906**	**6,241**
Other provisions	1,017	957
Other income tax liabilities	188	105
Financial liabilities	412	469
Trade accounts payable	980	1,126
Other payables	370	247
	2,967	**2,904**
Liabilities associated with assets held for sale	8	18
Current liabilities	**2,975**	**2,922**
Total equity and liabilities	**17,062**	**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	–	–	416
Other comprehensive income after taxes	–	–	−765
Total comprehensive income	–	–	−349
Other changes	–	–	−3
As of September 30, 2014	**466**	**1,165**	**4,729**
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	–	–	862
Other comprehensive income after taxes	–	–	84
Total comprehensive income	–	–	946
Other changes	–	–	2
As of September 30, 2015	**466**	**1,166**	**5,522**

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
–	–	416	10	426
–	158	–607	6	–601
–	158	–191	16	–175
–	–2	–5	3	–2
–	**–264**	**6,096**	**92**	**6,188**
–	**–244**	**6,427**	**95**	**6,522**
–	–	–	1	1
–	–	–466	–10	–476
–14	–	–14	–	–14
–	–	3	–	3
14	–	12	–	12
–	–	862	7	869
–	177	261	3	264
–	177	1,123	10	1,133
–	–2	–	–	–
–	**–69**	**7,085**	**96**	**7,181**

Cash flow statement

Cash flow statement for the Evonik Group

in € million	3rd quarter 2015	3rd quarter 2014	1st nine months 2015	1st nine months 2014
Income before financial result and income taxes, continuing operations	382	295	1,438	844
Depreciation, amortization, impairment losses/ reversal of impairment losses on non-current assets	188	164	556	484
Result from investments recognized at equity	16	–5	14	–13
Gains/losses on the disposal of non-current assets	2	–7	–145	–
Change in inventories	–42	–62	16	–108
Change in trade accounts receivable	82	36	–216	–132
Change in trade accounts payable and current advance payments received from customers	–30	–100	–104	–51
Change in provisions for pensions and other post-employment benefits	–57	–55	–117	–122
Change in other provisions	147	75	19	–111
Change in miscellaneous assets/liabilities	47	38	92	–8
Cash outflows for interest	–13	–12	–56	–41
Cash inflows from interest	3	2	9	10
Cash inflows from dividends	–	–	18	16
Cash inflows/outflows for income taxes	–8	–57	–195	–177
Cash flow from operating activities, continuing operations	**717**	**312**	**1,329**	**591**
Cash flow from operating activities, discontinued operations	–	2	3	31
Cash flow from operating activities	**717**	**314**	**1,332**	**622**
Cash outflows for investments in intangible assets, property, plant and equipment	–209	–243	–655	–764
Cash outflows for investments in shareholdings	–2	–65	–42	–107
Cash inflows from divestments of intangible assets, property, plant and equipment	5	–	13	2
Cash inflows/outflows from divestment of shareholdings	–3	581	420	559
Cash inflows/outflows relating to securities, deposits and loans	72	19	102	17
Transfers to the pension trust fund (CTA)	–8	–	–18	–
Cash flow from investing activities, continuing operations	**–145**	**292**	**–180**	**–293**
Cash flow from investing activities, discontinued operations	–	–	–	–1
Cash flow from investing activities	**–145**	**292**	**–180**	**–294**

	3rd quarter		1st nine months	
in € million	**2015**	2014	**2015**	2014
Cash inflows/outflows relating to capital contributions	1	–	1	–
Cash outflows for dividends to shareholders of Evonik Industries AG	–	–	–466	–466
Cash outflows for dividends to non-controlling interests	–	–	–10	–3
Cash outflows for the purchase of treasury shares	–	–	–14	–13
Cash inflows from the sale of treasury shares	–	–	15	13
Cash inflows from the addition of financial liabilities	29	9	854	148
Cash outflows for repayment of financial liabilities	–25	–13	–111	–100
Cash flow from financing activities, continuing operations	**5**	**–4**	**269**	**–421**
Cash flow from financing activities, discontinued operations	–	–	–	–
Cash flow from financing activities	**5**	**–4**	**269**	**–421**
Change in cash and cash equivalents	**577**	**602**	**1,421**	**–93**
Cash and cash equivalents as of July 1/January 1	**1,778**	**881**	**921**	**1,572**
Change in cash and cash equivalents	577	602	1,421	–93
Changes in exchange rates and other changes in cash and cash equivalents	–12	12	1	16
Cash and cash equivalents as of September 30	**2,343**	**1,495**	**2,343**	**1,495**
Cash and cash equivalents included in assets held for sale	–1	–	–1	–
Cash and cash equivalents as on the balance sheet as of September 30	**2,342**	**1,495**	**2,342**	**1,495**

Prior-year figures restated.

Notes

1. Segment report

Segment report by operating segments—3rd quarter

	Nutrition & Care		Resource Efficiency		Performance Materials	
in € million	2015	2014	2015	2014	2015	2014
External sales	1,240	1,016	1,044	1,027	858	966
Internal sales	8	6	12	20	33	36
Total sales	1,248	1,022	1,056	1,047	891	1,002
Adjusted EBITDA	382	206	216	214	94	90
Adjusted EBITDA margin in %	30.8	20.3	20.7	20.8	11.0	9.3
Adjusted EBIT	328	168	161	164	57	59
Capital expenditures	64	124	63	60	34	54
Financial investments	–	1	–	–	–	–

Prior-year figures restated.

Segment report by regions—3rd quarter

	Germany		Other European countries		North America	
in € million	2015	2014	2015	2014	2015	2014
External sales	622	699	1,057	1,051	660	579
Capital expenditures	97	99	16	33	51	33

Prior-year figures restated.

	Services		Other operations		Corporate, consolidation		**Total Group (continuing operations)**	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	207	217	16	28	–	–11	3,365	3,243
	466	465	22	20	–541	–547	–	–
	673	682	38	48	–541	–558	3,365	3,243
	46	47	–25	–7	–60	–50	653	500
	22.2	21.7	–	–	–	–	19.4	15.4
	19	22	–29	–11	–63	–53	473	349
	40	34	5	4	–	–	206	276
	–	4	1	62	–	–1	1	66

	Central and South America		Asia-Pacific		Middle East, Africa		**Total Group (continuing operations)**	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	240	203	673	621	113	90	3,365	3,243
	18	25	24	85	–	1	206	276

Segment report by operating segments—1st nine months

in € million	Nutrition & Care 2015	Nutrition & Care 2014	Resource Efficiency 2015	Resource Efficiency 2014	Performance Materials 2015	Performance Materials 2014
External sales	3,716	2,961	3,278	3,069	2,646	2,944
Internal sales	24	20	42	66	99	120
Total sales	3,741	2,981	3,319	3,135	2,745	3,064
Adjusted EBITDA	1,116	578	714	661	247	253
Adjusted EBITDA margin in %	30.0	19.5	21.8	21.5	9.3	8.6
Adjusted EBIT	954	465	553	522	150	169
Capital expenditures	177	330	160	187	123	140
Financial investments	–	2	32	41	12	–
No. of employees as of September 30	7,062	6,931	8,549	7,910	4,387	4,394

Prior-year figures restated.

Segment report by regions—1st nine months

in € million	Germany 2015	Germany 2014	Other European countries 2015	Other European countries 2014	North America 2015	North America 2014
External sales	1,864	2,168	3,183	3,235	2,010	1,690
Goodwill as of September 30[a]	1,542	1,541	546	544	359	319
Other intangible assets, capital expenditures as of September 30[a]	2,777	2,748	539	499	972	799
Capital expenditures	277	262	65	80	125	84
No. of employees as of September 30	21,572	21,483	2,643	2,749	3,761	3,683

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
	626	671	54	77	−11	−31	10,309	9,691
	1,382	1,386	64	53	−1,611	−1,645	–	–
	2,008	2,057	118	130	−1,622	−1,676	10,309	9,691
	123	135	−49	−21	−187	−170	1,964	1,436
	19.6	20.1	–	–	–	–	19.1	14.8
	43	61	−61	−32	−195	−197	1,444	988
	110	81	14	14	1	1	585	753
	4	5	2	64	–	−1	50	111
	12,747	13,130	583	772	322	159	33,650	33,296

	Central and South America		Asia-Pacific		Middle East, Africa		**Total Group (continuing operations)**	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	730	565	2,182	1,784	340	249	10,309	9,691
	32	28	270	251	–	1	2,749	2,684
	170	151	1,580	1,503	9	10	6,047	5,710
	57	79	60	247	1	1	585	753
	627	601	4,893	4,655	154	125	33,650	33,296

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 September 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 September 30, 2015 are presented in euros. The reporting period is January 1 to September 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 to better reflect the reorganized responsibilities. Further, this improves comparability with competitors. The following changes have been made to the presentation:

- 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)

	3rd quarter 2014	1st nine months 2014
in € million	Impact of change	Impact of change
Other operating income	–148	–330
Other operating expenses	147	341
Result from investments recognized at equity	5	13
Income before financial result and income taxes, continuing operations	**4**	**24**
Result from investments recognized at equity	–5	–13
Other financial income/expense	1	–11
Financial result	**–4**	**–24**
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 present 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 €11 million lower as of September 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
Intragroup mergers	–2	–	–2
As of September 30, 2015	**39**	**100**	**139**
Joint operations			
As of December 31, 2014	**2**	**2**	**4**
Other companies consolidated for the first time	1	–	1
As of September 30, 2015	**3**	**2**	**5**
Investments recognized at equity			
As of December 31, 2014	**5**	**9**	**14**
Divestments	–1	–	–1
Other companies deconsolidated	–1	–1	–2
As of September 30, 2015	**3**	**8**	**11**
	45	**110**	**155**

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 on 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	Fair value recognized
Non-current assets	37
Current assets	10
thereof receivables	7
thereof cash and cash equivalents	–
Non-current liabilities	–13
Current liabilities	–8
Net assets	**26**
Goodwill	6
Cost of acquisition (purchase price)	**32**

With regard to the purchase price allocation, the main change was that a larger portion of the purchase price was allocated to non-current assets than in the second quarter of 2015. There was a corresponding increase in the deferred tax liabilities recognized in non-current liabilities. Goodwill therefore declined by €16 million. The purchase price was settled out of cash and cash equivalents. Transaction costs of €1 million relating to this acquisition are included in other operating expenses. The goodwill is not tax-deductible and mainly comprises the expected future benefits of assets that were not individually identifiable or for which recognition is not permitted, for example, anticipated synergies and the workforce.

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. The company was renamed Evonik Catalysts India Pvt. Ltd. in the third quarter of 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), which had been recognized at equity, 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 third quarter

	Operating income after taxes		Divestment gains/losses after taxes		Income after taxes, discontinued operations	
	3rd quarter		3rd quarter		3rd quarter	
in € million	**2015**	2014	**2015**	2014	**2015**	2014
Lithium-ion business	–	–1	–	–	–	–1
Former Energy Business Area	–	–52	–	–	–	–52
Other discontinued operations	–	–	–	–1	–	–1
Total	**–**	**–53**	**–**	**–1**	**–**	**–54**

Impact of discontinued operations on the income statement in the first nine months

	Operating income after taxes		Divestment gains/losses after taxes		Income after taxes, discontinued operations	
	1st nine months		1st nine months		1st nine months	
in € million	**2015**	2014	**2015**	2014	**2015**	2014
Lithium-ion business	–8	21	–3	–1	–11	20
Former Energy Business Area	–	–30	–2	–	–2	–30
Other discontinued operations	–	–	–2	–1	–2	–1
Total	**–8**	**–9**	**–7**	**–2**	**–15**	**–11**

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

Breakdown of operating income from the discontinued operations:

Operating income, discontinued operations

	3rd quarter		1st nine months	
in € million	**2015**	2014	**2015**	2014
Lithium-ion business	–	9	10	81
Former Energy Business Area	–	115	–	145
Income	**–**	**124**	**10**	**226**
Lithium-ion business	–	–10	–18	–52
Former Energy Business Area	–	–167	–	–175
Expenses	**–**	**–177**	**–18**	**–227**
Lithium-ion business	–	–1	–8	29
Former Energy Business Area	–	–52	–	–30
Operating income before income taxes, discontinued operations	**–**	**–53**	**–8**	**–1**
Lithium-ion business	–	–	–	–8
Former Energy Business Area	–	–	–	–
Income taxes	**–**	**–**	**–**	**–8**
Lithium-ion business	–	–1	–8	21
Former Energy Business Area	–	–52	–	–30
Operating income after taxes, discontinued operations	**–**	**–53**	**–8**	**–9**

In the first nine months 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	**Sept. 30, 2015**	Dec. 31, 2014
Property, plant and equipment	4	5
Deferred tax assets	2	3
Inventories	5	17
Trade accounts receivable	19	26
Other receivables	2	1
Cash and cash equivalents	1	–
Assets held for sale	**33**	**52**
Provisions for pensions and other post-employment benefits	–	1
Other provisions	1	4
Deferred tax liabilities	2	2
Other income tax liabilities	2	1
Financial liabilities	–	7
Trade accounts payable	3	3
Liabilities associated with assets held for sale	**8**	**18**

The net value of the assets held for sale and associated liabilities amounting to €25 million as of September 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	3rd quarter 2015	3rd quarter 2014	1st nine months 2015	1st nine months 2014
Income from the disposal of assets	2	10	152	12
Net income from currency translation of operating monetary assets and liabilities	–	26	36	28
Income from the reversal of provisions	6	3	28	15
Income from the write-up of assets	–	1	6	4
Income from restructuring measures	–	1	3	1
Other income	33	32	101	103
Other operating income	**41**	**73**	**326**	**163**
thereof adjustments	4	4	159	10

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 €152 million (9M 2014: €12 million) mainly comprises income from the divestment of the shares in Vivawest.

Alongside income from the reversal of provisions totaling €28 million (9M 2014: €15 million), further reversals of provisions amounting to €3 million (9M 2014: none) are recognized in income from restructuring measures.

The other income of €101 million (9M 2014: €103 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	3rd quarter 2015	3rd quarter 2014	1st nine months 2015	1st nine months 2014
Net expenses for operational currency hedging	5	29	59	31
Expenses for restructuring measures	20	33	44	59
Impairment losses	14	15	43	43
Losses on the disposal of assets	3	3	7	12
Expenses relating to the REACH Regulation	2	1	6	4
Net expenses for currency translation of operating monetary assets and liabilities	5	–	–	–
Other expense	94	48	238	193
Other operating expenses	**143**	**129**	**397**	**342**
thereof adjustments	81	58	151	154

The impairment losses totaling €43 million (9M 2014: €43 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, and to a plant in the Performance Materials segment affected by a change in market development.

The expenses for restructuring measures amounting to €44 million (9M 2014: €59 million) mainly comprise expenses relating to optimization of the product portfolio in the Performance Materials segment and in connection with the new Group structure.

The other expense of €238 million (9M 2014: €193 million) includes provisions for risks relating to a contract with a raw material supplier, expenses for outsourcing, environmental protection, non-core business and legal and consultancy fees.

5.3 Result from investments recognized at equity

The result from investments recognized at equity was –€14 million (9M 2014: €13 million) and mainly comprises an impairment loss, which is contained in adjustments. The prior-period figure includes income of €8 million from the at-equity valuation of the shares in Vivawest GmbH, which were divested in the second quarter of 2015.

5.4 Financial result

Interest expense declined by €22 million year-on-year to €192 million in the first nine months of 2015, mainly because of far more favorable refinancing and lower interest expense from the addition of accrued interest for non-current provisions. The reduction in capitalized borrowing costs for construction in progress had a counter-effect.

The other financial income/expense comprises the following items:

Other financial income/expense

	3rd quarter		1st nine months	
in € million	**2015**	2014	**2015**	2014
Net income from currency translation of financing-related monetary assets and liabilities	–93	–13	–8	–22
Net income from financing-related currency hedging	90	15	3	11
Miscellaneous financial expense	–2	–1	–18	–
Other financial income/expense	**–5**	**1**	**–23**	**–11**

The miscellaneous financial expense of –€18 million mainly 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 of Evonik Industries AG 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 September 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 €169 million to €3,784 million as of September 30, 2015. This figure includes €128 million recognized in equity with no impact on income after taxes. The reduction was mainly attributable to the development of the market value of the plan assets, which was better than expected as of September 30, 2015. The €128 million change in provisions for pensions and other post-employment benefits, which had no impact on income, and the change of €40 million in the related deferred tax assets are reflected in an increase of €88 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 €756 million to €1,422 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 Group's internal reporting and management structure (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 of 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

	3rd quarter		1st nine months	
in € million	**2015**	2014	**2015**	2014
Adjusted EBITDA, reporting segments	**738**	**557**	**2,200**	**1,627**
Adjusted EBITDA, other operations	−25	−7	−49	−21
Adjusted EBITDA, Corporate	−61	−47	−196	−153
Consolidation	1	−3	1	−9
Less discontinued operations	–	–	8	−8
Adjusted EBITDA, Corporate, other operations, consolidation	**−85**	**−57**	**−236**	**−191**
Adjusted EBITDA	**653**	**500**	**1,964**	**1,436**
Depreciation, amortization, impairment losses/ reversal of impairment losses	−204	−167	−570	−489
Depreciation, amortization, impairment losses/ reversal of impairment losses included in adjustments	24	16	50	41
Adjusted EBIT	**473**	**349**	**1,444**	**988**
Adjustments	−91	−54	−6	−144
Financial result	−86	−63	−200	−211
Income before income taxes, continuing operations	**296**	**232**	**1,238**	**633**

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 September 30, 2015

	Carrying amounts by valuation category				Sept. 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	**363**	**42**	**36**	**61**	**502**	**502**
Other investments	73	–	–	–	73	73
Loans	–	18	–	–	18	18
Securities and similar claims	290	–	–	–	290	290
Receivables from derivatives	–	–	36	61	97	97
Other financial assets	–	24	–	–	24	24
Trade accounts receivable	**–**	**1,964**	**–**	**–**	**1,964**	**1,964**
Cash and cash equivalents	**–**	**2,342**	**–**	**–**	**2,342**	**2,342**
	363	**4,348**	**36**	**61**	**4,808**	**4,808**

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 September 30, 2015

	Carrying amounts by valuation category			Sept. 30, 2015	
in € million	Liabilities held for trading	Liabilities at amortized cost	Not allocated to any category	Carrying amount	Fair value
Financial liabilities	**71**	**1,682**	**81**	**1,834**	**1,839**
Bonds	–	1,240	–	1,240	1,247
Liabilities to banks	–	413	–	413	411
Liabilities from derivatives	71	–	81	152	152
Other financial liabilities	–	29	–	29	29
Trade accounts payable	**–**	**980**	**–**	**980**	**980**
	71	**2,662**	**81**	**2,814**	**2,819**

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

	Carrying amounts by valuation category			Dec. 31, 2014	
in € million	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

in € million	Fair value based on Level 1	Level 2	Level 3	Sept. 30, 2015
Financial assets	**345**	**97**	**–**	**442**
Other investments	55	–	–	55
Securities and similar claims	290	–	–	290
Receivables from derivatives	–	97	–	97
Financial liabilities	**–**	**–152**	**–**	**–152**
Liabilities from derivatives	–	–152	–	–152

Financial instruments recognized at fair value

in € million	Fair value based on Level 1	Level 2	Level 3	Dec. 31, 2014
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 on the basis of 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 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 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

	3rd quarter		1st nine months	
in € million	**2015**	2014	**2015**	2014
From operating currency exposure and associated hedging instruments				
Gross income from currency translation	28	46	148	96
Gross expenses for currency translation	–33	–20	–112	–68
Net result from currency translation of operating monetary assets and liabilities	**–5**	**26**	**36**	**28**
Gross income from currency hedging	91	26	237	108
Gross expenses for currency hedging	–96	–55	–296	–139
Net result from operational currency hedging	**–5**	**–29**	**–59**	**–31**
From financing-related currency exposure and associated hedging instruments				
Gross income from currency translation	6	61	182	70
Gross expenses for currency translation	–99	–74	–190	–92
Net result from currency translation of financing-related monetary assets and liabilities	**–93**	**–13**	**–8**	**–22**
Gross income from currency hedging	99	64	162	84
Gross expenses for currency hedging	–9	–49	–159	–73
Net result from financing-related currency hedging	**90**	**15**	**3**	**11**
Net currency result (operational and financing-related)	**–13**	**–1**	**–28**	**–14**

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 agreed 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 September 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 September 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.

Essen, October 28, 2015

Evonik Industries AG
The Executive Board

Dr. Engel Dr. Kaufmann Kullmann

Wessel Wolf

Financial calendar

Financial calendar 2016

Event	Date
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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