

**Pleasing operating performance is continuing—
Evonik still doing well despite the economic slowdown**

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- Klaus Engel, Chairman of the Executive Board: "We are still doing well in difficult conditions."
- Pleasing operating performance in the first nine months of 2012:
 - Sales were €10.4 billion and organically virtually stable—8 percent decline year-on-year mainly due to divestment of the carbon black business
 - Adjusted EBITDA and adjusted EBIT were again very high at €2,097 million and €1,617 million respectively
 - Adjusted EBITDA margin improved slightly to 20.2 percent
- Capital expenditures increased 37 percent—groundbreaking ceremony held in Singapore for biggest single specialty chemicals investment to date
- Outlook*) confirmed: Sales expected to be slightly higher in fiscal 2012, while the operating results should be in line with or slightly above the excellent 2011 level

Essen. "Evonik is still doing well, even in the difficult conditions," commented Klaus Engel, Chairman of the Executive Board of Evonik Industries AG today, when the Group published its key financial figures for the third quarter and first nine months of 2012. After adjustment for the impact of the carbon black business, which was divested in July 2011, at the end of the first nine months of 2012 both sales and the operating results were almost in line with the record levels reported for the same period of 2011. However, the global economic framework is challenging and demand has weakened since the summer, especially in Europe. "Nevertheless, we remain confident about our specialty chemicals business," said Engel. By the end of the third quarter, Evonik had made good progress with the On Track 2.0 efficiency enhancement program introduced in spring 2012. "We will continue to systematically work towards our goal of sustained annual cost savings of around €500 million by the end of 2016. Our ambitious growth targets and the combination of strict cost management and a further improvement in efficiency are two sides of the same coin," stressed Engel.

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*) The comparative figures for 2011 exclude the carbon black business

Business performance in the first nine months of 2012

Evonik's operating performance in the first nine months of 2012 was good although demand has slowed since the end of the second quarter, especially in Europe.

Sales were €10,356 million and organically virtually stable. The 2 percentage point drop in volumes was partly offset by price rises (+1 percentage point). As a result of other effects totaling minus 9 percentage points—principally due to the deconsolidation of the carbon black business—and positive currency effects (+2 percentage points), overall sales were 8 percent lower than in the first nine months of 2011 (€11,210 million).

Adjusted EBITDA was €2,097 million, 7 percent lower than in the first nine months of 2011 (€2,246 million), when the figure still included an earnings contribution from the carbon black business. The adjusted EBITDA margin was 20.2 percent, slightly above the very good level reported for the first nine months of 2011 (20.0 percent). Adjusted EBIT dropped 8 percent to €1,617 million (9M 2011: €1,752 million).

Growth projects progressing fast

Evonik made rapid progress with its ambitious growth strategy in the first nine months of this year. It aims to raise sales in Asia to €4 billion by 2016. Various investment projects amounting to triple-digit millions of euros have been initiated this year to realize this goal. The biggest investment project is construction of a world-scale facility for the feed additive DL-methionine in Singapore. In August 2012 Evonik held the groundbreaking ceremony for this over €500 million project, its biggest individual investment in specialty chemicals to date. In addition, groundbreaking ceremonies were held for a new hydrogen peroxide plant and a new isophorone production facility in China and for a new production plant in Marl (Germany) to produce liquid polybutadiene, which will be marketed as POLYVEST® HT. At Evonik's site in Mobile (Alabama, USA), basic planning for a methyl methacrylate (MMA) production facility has started. From 2015 Evonik plans to produce MMA there using a completely new, highly efficient and environment-friendly process. Evonik intends to lift sales in South America above the €1 billion threshold by 2016. Around €200 million has already been earmarked for new plants in Brazil and Argentina. These will produce starting products for cosmetics, catalysts for biodiesel and the amino acid feed additive

Biolys®. Biotechnology is one of Evonik's growth drivers. Biolys® is produced by fermentation, in other words, using a biotechnological process. Capacity for this product has been increased in Blair (USA) and start-up is planned for 2012. Sales of products manufactured using biotechnological methods are expected to rise to €1 billion by 2020 in the Health & Nutrition Business Unit alone.

Outlook for fiscal 2012

When assessing the outlook for 2012 it should be noted that in 2011 the figures for the carbon black business were included in the financial results until its divestment at the end of July 2011. To improve comparability, the outlook is based on figures after stripping out the carbon black business.

The slight slowdown in global economic growth will probably continue in the fourth quarter. The risks relating to the European sovereign debt crisis are continuing unabated and could adversely affect the economic situation in Europe. In addition, growth prospects have deteriorated in some emerging markets. Overall, Evonik expects global economic growth to be lower than in 2011.

Although the risks are increasing, Evonik is still optimistic about its specialty chemicals business. The Group will continue to systematically implement the measures initiated under the On Track 2.0 efficiency enhancement program and pursue its cost management and growth targets. Overall, Evonik expects to report slightly higher sales for fiscal 2012. The operating results will probably be in line with or slightly above the excellent 2011 level.

About Evonik

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Evonik benefits specifically from its innovative prowess and integrated technology platforms. Evonik is active in over 100 countries around the world. In fiscal 2011 more than 33,000 employees generated sales of around €14.5 billion and an operating profit (EBITDA) of about €2.8 billion.

Evonik Industries has been producing specialty chemical products in the Greater China region (Mainland China, Hong Kong and Taiwan) since the late 1970's; with wide-ranging trading relations already in place prior to this in the region. Evonik regards Greater China as one of the driving forces of the global economy and we consequently endeavour to grow our business in the region. The company now has around 3,500 employees in the Greater China region, the regional sales reached over 1.2 billion in 2011.

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