

Key Financial Data: First half / second quarter 2010

Strong improvement in operating business – Outlook for 2010 raised again

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- Record EBITDA and EBIT
- Considerable improvement in net income
- Evonik achieved significant sales growth in the Greater China Region
- Outlook for 2010: significant rise in sales, EBITDA and EBIT expected

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Essen. "Following a strong start to the year, there has been a further clear improvement in our operating business," commented Klaus Engel, Chairman of the Executive Board of Evonik Industries AG, today, when the company published its key financial data for the first half of 2010. The Group's operating results were above the level reported in 2008, before the economic crisis. "That is an impressive hike in earnings in the wake of the crisis. We are on course for growth," said Engel. "For example, the MATCH production complex for high-performance plastics, which came on stream in Shanghai at the end of last year, is operating at full capacity," he reported. The successful start-up of additional capacity is enabling Evonik to benefit from global growth. Although a slight slowdown in the economic upswing is anticipated in the second half of this year, Engel is upbeat: "In view of the good business trend we are far more optimistic about the outlook for the year as a whole than we were at the start of the year and have raised our forecast again."

The Evonik Group grew sales 24 percent to €7,799 million in the first six months of 2010, principally due to a sharp rise in demand. EBITDA (earnings before interest, taxes, depreciation and amortization) surged 83 percent to €1,532 million in the first half of 2010 and the EBITDA margin was 19.6 percent, well above the prior year level of 13.4 percent. EBIT (earnings before interest and taxes) increased by 159 percent to €1,148 million, driven mainly by the pleasing development of the Chemicals and Energy Business Areas. Thanks to the clear increase in the operating result, the Group was able to raise the cash flow from operating activities by €101 million to €910 million in the first half of 2010, while capital expenditures amounted to €288 million.

All three business areas reported a very successful operating performance in the first six months of 2010. The Chemicals Business Area registered substantial volume growth in Asia, while demand picked up perceptibly in Europe and slightly in North America. Overall, sales advanced 34 percent to €6,275 million in the first half of 2010, driven by increased volumes (25 percentage points) and higher selling prices (7 percentage points). Currency effects and changes in the scope of consolidation each contributed 1 percentage point to the rise. EBITDA climbed 91 percent to €1,236 million. EBIT improved 180 percent to €925 million, principally due to a strong rise in demand and the related improvement in capacity utilization. So far, the clear rise in raw material costs has been offset largely by raising selling prices. Good progress is still being made with the On Track efficiency enhancement program carried out Group wide, which includes reviewing of all major cost positions in the Group and analyzing structures and processes.

Comparing to the Group wide sales growth, Evonik achieved more significant performance in the Greater China Region. In the first half of 2010, the Evonik Group in the region grew sales by around 50% to €592 million. The regional "Growth Path" initiative launched in the fall of 2008– a strategic development plan in the medium term–has achieved impressive results, with a number of investments are being under progress. In Nanning (China) Evonik started up a new production facility for pharmaceutical active ingredients. At the facility in Shanghai (China), production capacity for methacrylic acid was increased to 25,000 metric tons p.a. in response to high demand from the coatings and colorants sector. In addition, a new production facility for precious metal powder catalysts for pharmaceuticals, fine and industrial chemicals came into service.

The economy developed well in the first half of 2010. However, the economic upswing is expected to slow somewhat in the second half of the year. Nevertheless, slight growth in the global economy is expected over the year as a whole. Following its successful performance in the first six months, Evonik is far more optimistic about the outlook for the year as a whole than it was at the start of the year, although the improvement could be dampened by the continued significant rise in raw material costs. Thanks to far higher demand, the Group now anticipates that sales growth will be in the double-digit percentage range this year. Overall, both EBITDA and EBIT are expected to be far higher than last year. In the

Greater China region, it is expected to achieve over € 1 billion sales target in 2010.

About Evonik

Evonik Industries is the creative industrial group from Germany which operates in three business areas: Chemicals, Energy and Real Estate. Evonik is a global leader in specialty chemicals, an expert in power generation from hard coal and renewable energies, and one of the largest private residential real estate companies in Germany. Our strengths are creativity, specialization, continuous self-renewal, and reliability. Evonik is active in over 100 countries around the world. In its fiscal year 2009 about 39,000 employees generated sales of about €13.1 billion and an operating profit (EBITDA) of about €2 billion.

Evonik Industries has been producing specialty chemical products in China since the early 1990's; with wide-ranging trading relations already in place prior to this. The Group now has a total of 20 companies and 16 production sites in the Greater China region. Evonik regards China as one of the driving forces of the global economy, and we consequently intend to increase our business in Greater China to around €2 billion in the medium term.

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