

Financial press conference on fiscal 2010

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EVONIK
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2010 – An outstanding year for Evonik



In € billion	2008	2009	2010
Sales ¹⁾	12.4	10.5	13.3
EBITDA ¹⁾	1.6	1.6	2.4
EBITDA margin ¹⁾	13.2%	15.3%	17.8%
EBIT ¹⁾	0.9	0.9	1.6
Cash flow from operating activities	0.4	2.1	2.1

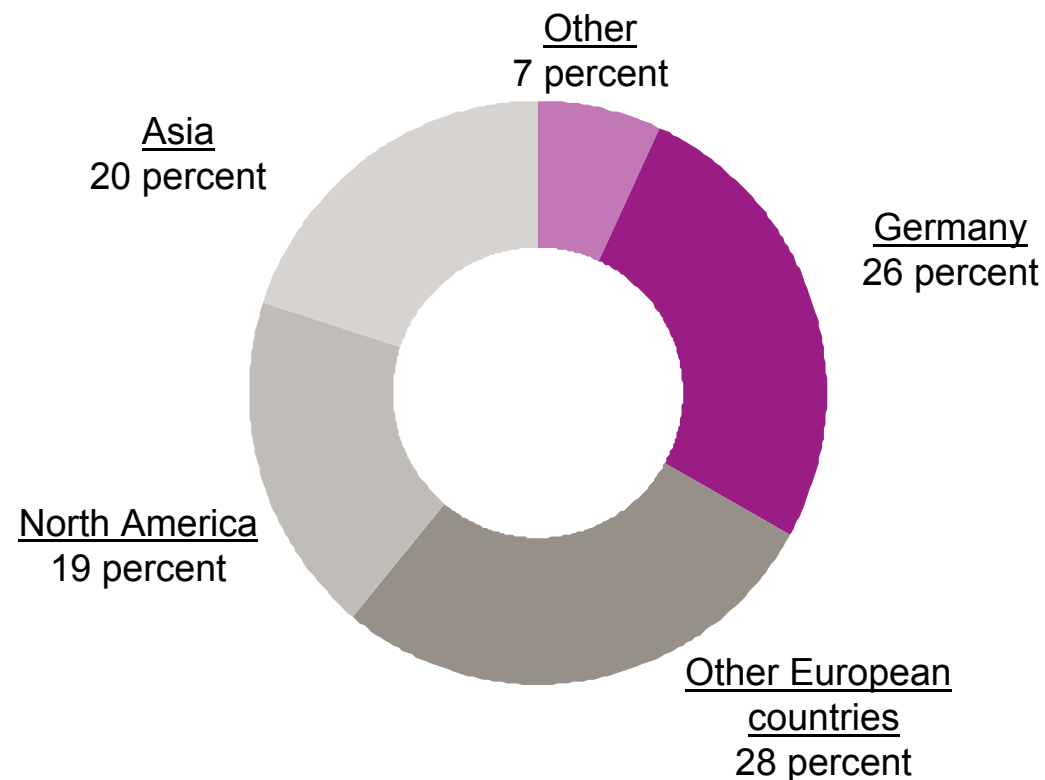
- Considerable improvement in sales, earnings and profitability
- Above pre-recession level
- Cash flow held at previous year's high level

1) Figures for 2008: pro forma without the Energy Business Area

Strong growth in all regions

Sales in € million	2009	2010	Δ in %
Germany	2,988	3,445	+15
Other European countries	2,942	3,713	+26
North America	1,886	2,521	+34
Asia	1,971	2,670	+35
Other	731	951	+30
Evonik Group	10,518	13,300	+26

Regional sales split



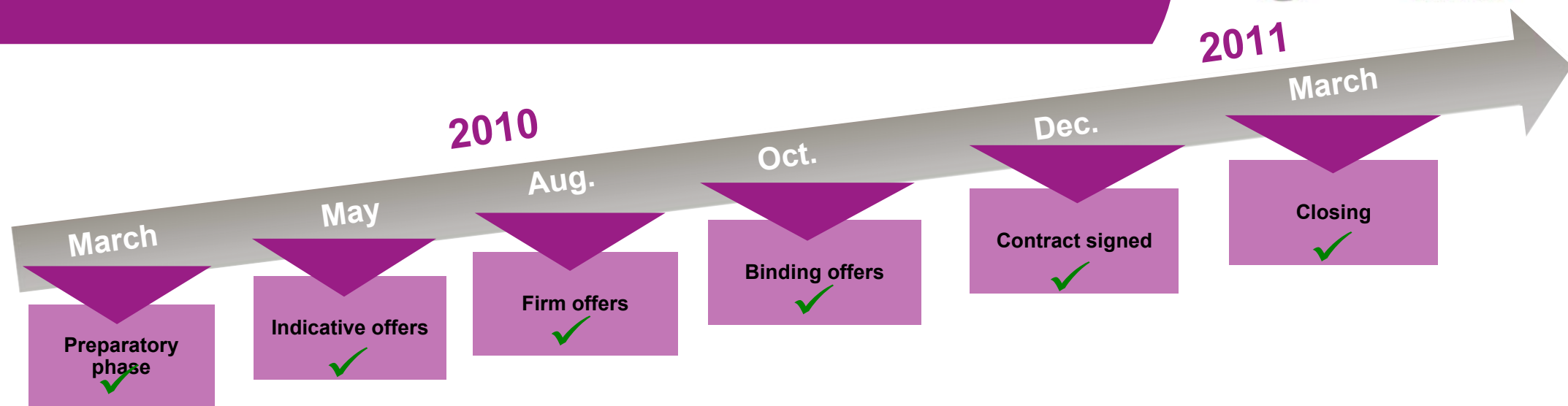
4th quarter: a very good operating performance but earnings held back by provisioning



In € million	2009	2010	Δ in%
Sales	2,776	3,390	+22
EBITDA	404	478	+18
EBIT	193	276	+43
Income before income taxes, continuing operations	-66	96	-
Income before income taxes, discontinued operations	110	-164	-
Income before income taxes (total)	44	-68	-
Net income	29	-56	-
Cash flow from operating activities	833	715	-14

- Sales growth remained strong
- EBITDA and EBIT affected by provisioning
- Net income negative due to one-off expenses of €251 million for a deconsolidation effect and possible guarantees arising from the agreement to divest the energy business
- Cash flow still high but down year-on-year due to earnings-related rise in income taxes

Divestment of majority stake in Evonik Steag GmbH



- “Good home” for Evonik Steag GmbH
- Enterprise value of Evonik Steag GmbH put at €3,770 million (7.5 x EBITDA)
- Purchase price for 51 percent of equity was €651 million; transaction closed on March 2, 2011
- Remaining 49 percent stake in Evonik Steag GmbH will probably be sold to the consortium for around €600 million in five years at the latest
- Energy business presented as discontinued operations in consolidated financial statements for 2010

Income statement: Very good earnings level in 2010



In € million	2009	2010	Δ in%
Sales	10,518	13,300	+26
EBITDA	1,607	2,365	+47
EBIT	868	1,639	+89
Non-operating loss	-282	-236	+16
Net interest expense	-397	-428	-8
Income before income taxes, continuing operations	189	975	+416
Income before income taxes, discontinued operations	223	73	-67
Income before income taxes (total)	412	1,048	+154
Net income	240	734	+206

- Non-operating loss includes expenses for restructuring, impairment losses and pensions
- Income before income taxes, discontinued operations, contains operating earnings from the energy business, one-off expenses in connection with the divestment of this business and expenses relating to divestments in previous years
- Significant increase in net income

Cash flow statement: Another strong cash flow



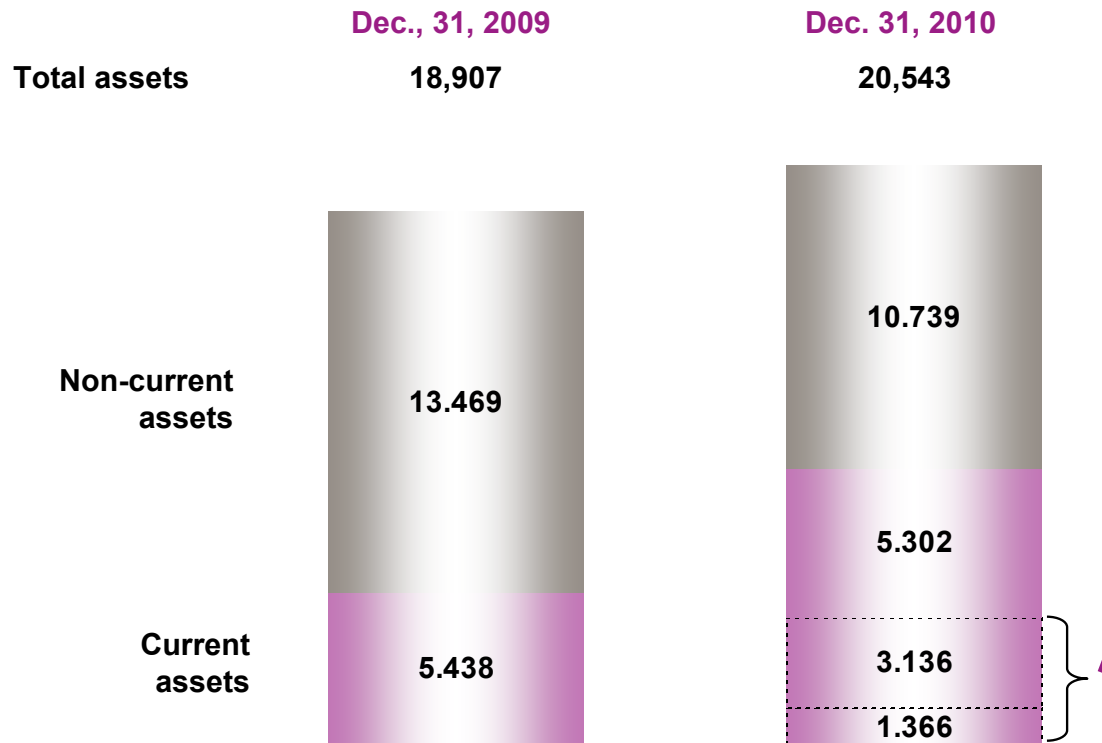
In € million	2009	2010
EBIT, continuing operations	525	1,339
Depreciation and amortization	820	799
Δ Net working capital	524	-186
Other	-480	-381
Cash flow, continuing operations	1,389	1,571
Cash flow, discontinued operations	703	504
Cash flow from operating activities	2,092	2,075
Dividend	320	400

- Far higher cash flow from operating business
- Effective management of net working capital
- Further increase in cash flow from continuing operations
- Financed investments, dividend, endowment of contractual trust arrangement (CTA) for pensions and reduction in net debt

Balance sheet - Assets: dominated by reclassification of the energy business and upturn in business

Assets

(in € million)

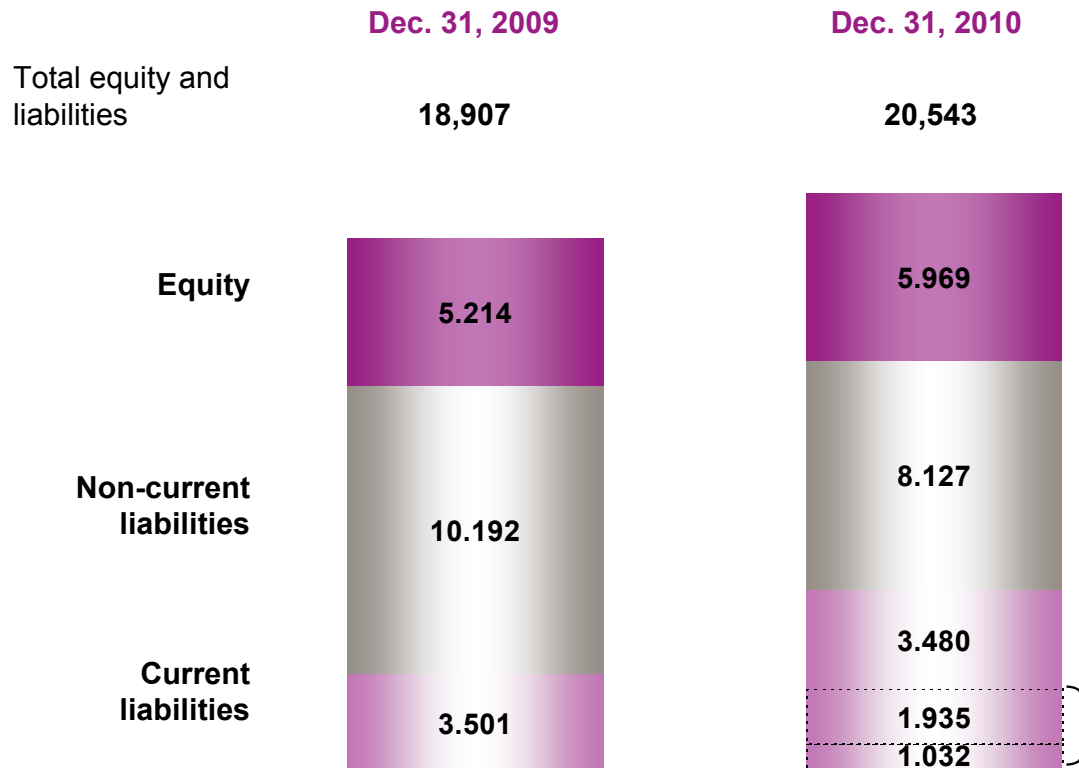


- Energy Business Area reclassified to discontinued operations in 2010 (€4,502 million)
- Increase in inventories, receivables and cash and cash equivalents due to substantial business upturn

Balance sheet - Equity and liabilities: Considerable improvement in equity ratio

Capital

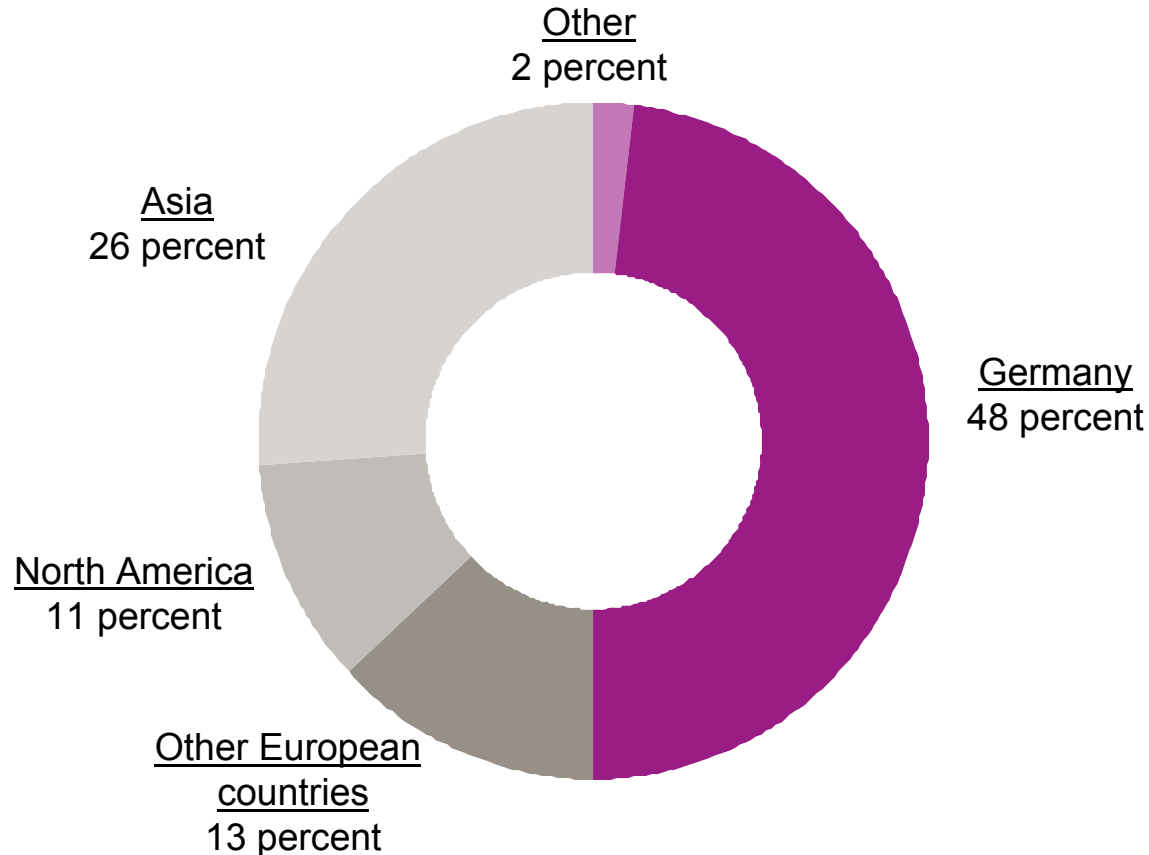
(in € million)



➤ Energy Business Area reclassified to discontinued operations in 2010 (€2,967 million)

➤ Equity ratio increased from 27.6 to 29.1 percent

Capital expenditures stepped up : Paving the way for growth in the chemicals business

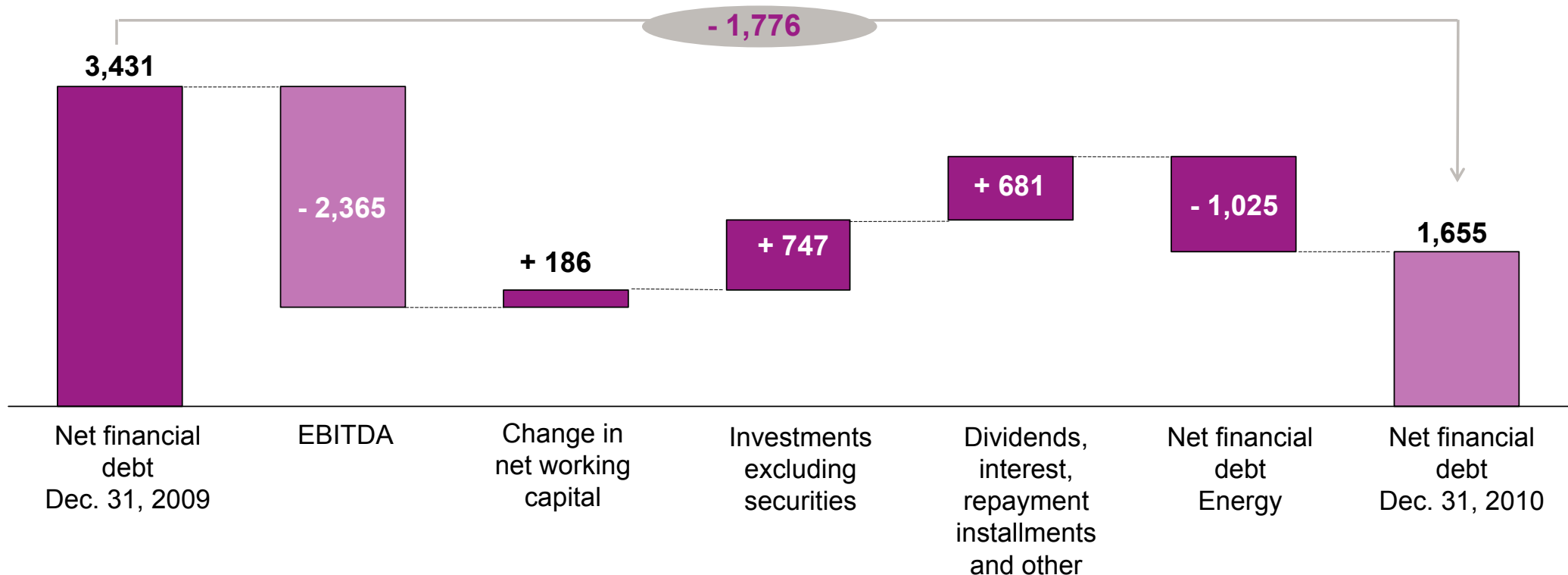


- Capital expenditures increased to €652 million (2009 excluding Energy: €569 million)
- Largest single project: Monosilane and Aerosil plant in Yokkaichi
- Growth-enhancing investment projects approved

Further substantial reduction in debt

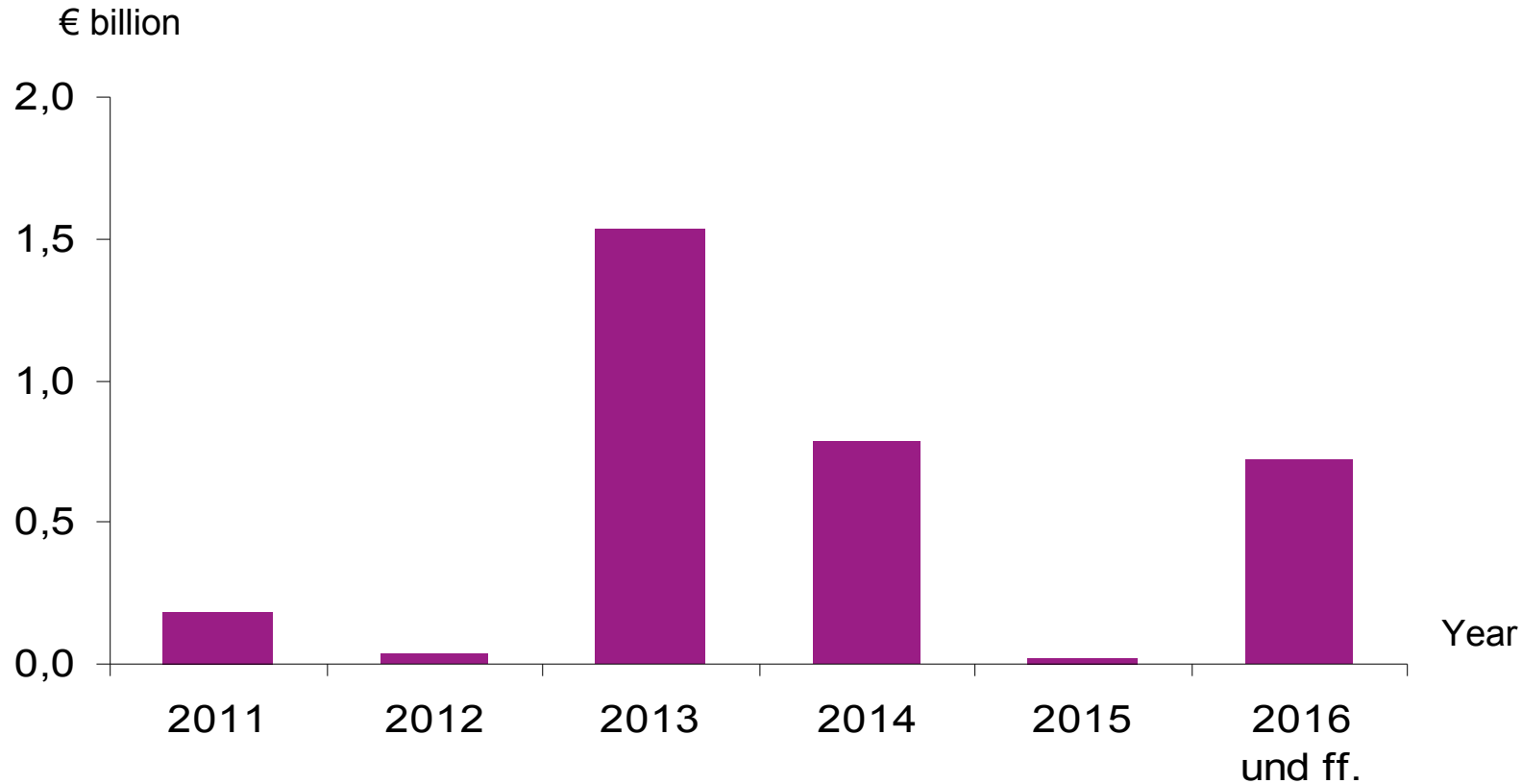
Development of net financial debt

€ million



Long-term financing of the Group secured

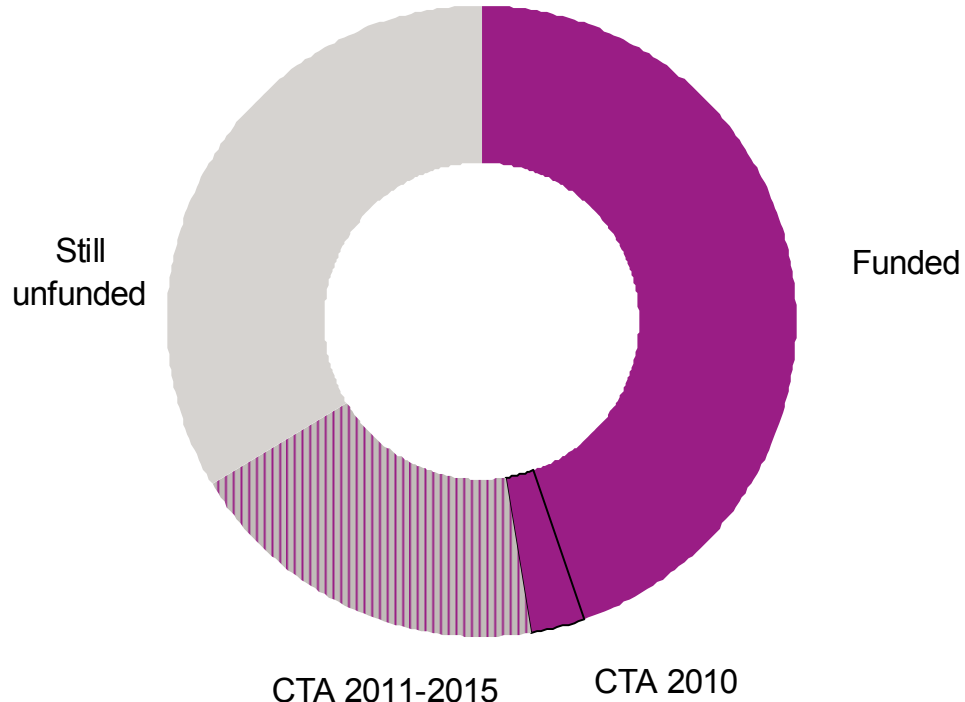
Maturity profile, continuing operations



CTA strengthens Evonik's financial profile and secures pension obligations

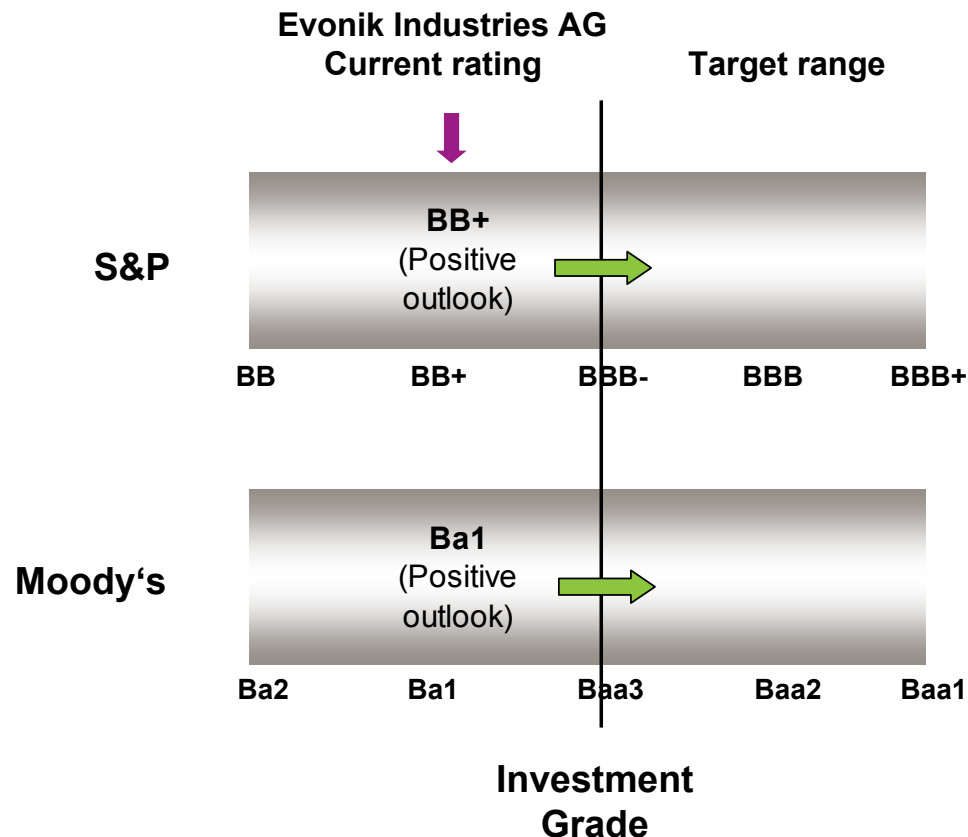


Unfunded pension obligations as of December 31, 2010: €3.9 billion



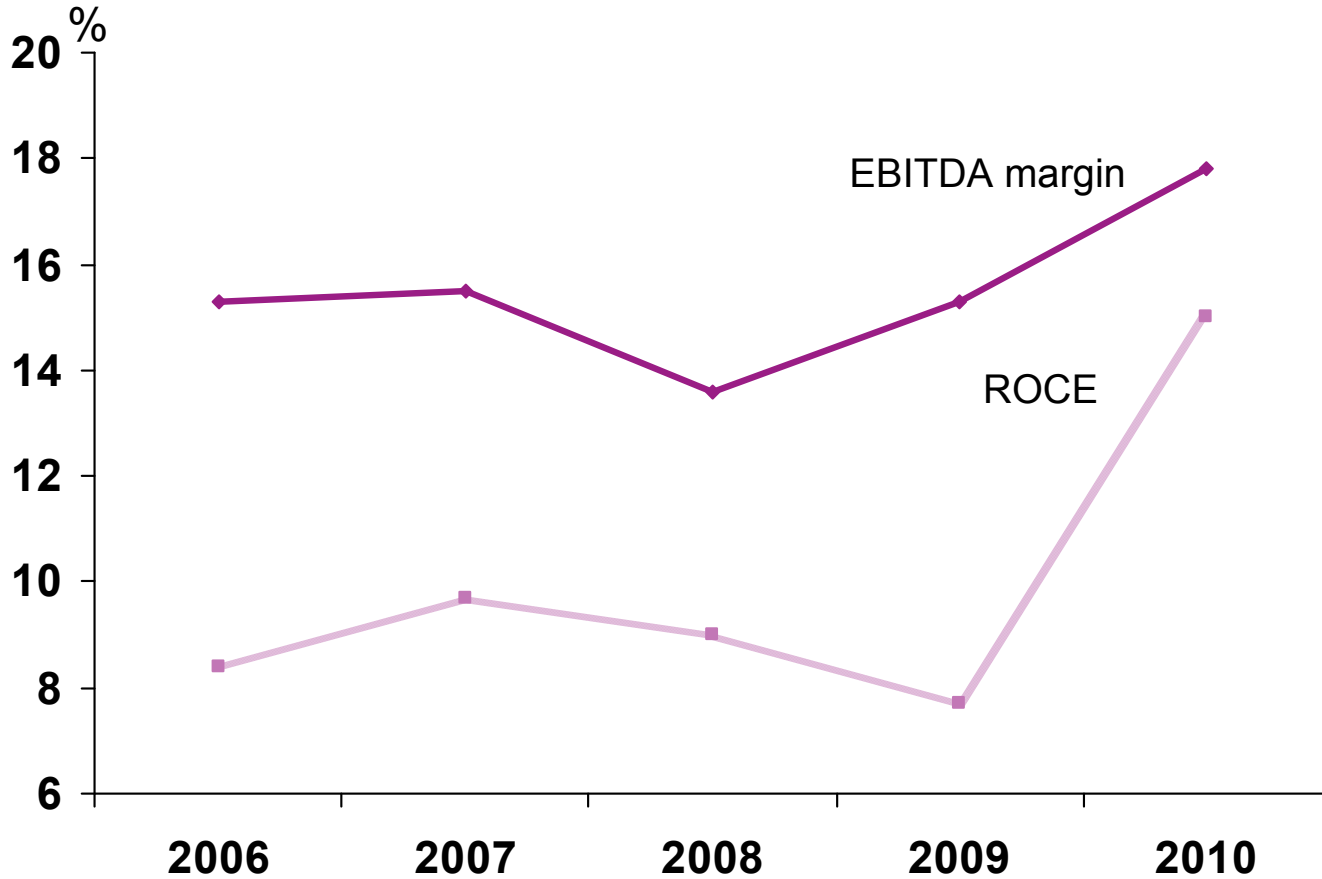
- CTA (Evonik Pensionstreuhand e. V.) established in 2010
- Endowed with €200 million in 2010, plans to allocate a further €400 million to the CTA in 2011
- Stepwise increase in funding up to 2015 planned

Evonik Industries AG rated for the first time



- First rating September 2010:
S&P: BB+, positive outlook
Moody's: Ba1, stable outlook
- In December 2010 **Moody's** raised its outlook from “stable” to “**positive**”
- Current ratings are only just below investment grade
- Goal: sound investment grade

Focus on markets and costs: Heading for the capital markets with top-class figures



Figures for 2010 and 2009 excluding Energy; 2006-2008 including Energy



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