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Good morning, ladies and gentlemen,

Together with my colleagues from the Executive Board, I would like to welcome you most warmly to the Financial Press Conference of Evonik Industries AG.

Those who know me will be aware that I like to compare our company with the Borussia Dortmund soccer team which we sponsor. Sometimes such comparisons are a perfect fit. In recent years Borussia Dortmund's reputation has improved significantly beyond the region. For a long time the club had a good product. It played in the national league, but limited financial resources seemed to prevent it moving beyond this level. But then Borussia Dortmund made a virtue out of necessity: Instead of buying expensive players, it invested in its own strengths. One could say that, as a first step, it restructured in order to concentrate on organic growth generated by its own research and development department.

And today? Today, Borussia Dortmund is a top-class team that is ready to move ahead—building on the foundations it has built on the basis of its own convictions. And that is exactly Evonik's philosophy as well. We go our own way, without role models, driven by our sense of independence and self-assurance. And analogously to Borussia Dortmund, that is starting to pay off. In recent years we have invested circumspectly in in-house projects geared to the future, strengthened the cornerstones of our portfolio and aligned our strategic focus increasingly clearly to our core chemicals business. Strategically, we have almost reached our goal of positioning ourselves operationally among the leaders in our sector. If you like, we are heading for the Champions League. We are one of the world's leading specialty chemicals players. And we are ready to convince the stock market with our sustained success and our growth story. We could well imagine an IPO within the next 15 months.

2010—Evonik takes off

Strategically, we achieved a number of key milestones in 2010:

- In December we successfully completed the search for a partner for our energy business: Following a demanding and lengthy process, we signed an agreement to sell 51 percent of the shares in Evonik Steag GmbH. This transaction was closed on March 2, 2011.
- We also took significant steps towards reorganizing our real estate business.
- In our core specialty chemicals business, we decided to divest the carbon black activities.
- At the same time, promising investment projects were initiated to ensure further value-enhancing growth of the chemicals business.

- We have therefore come a big leap closer to realizing our goal of positioning Evonik Industries as a global leader in specialty chemicals.

Operationally, 2010 was also well above our expectations:

- We recovered from the crisis faster and more clearly than most of our competitors. The key drivers here were our excellent market positions, high demand for our products, for which we were able to obtain attractive prices that enabled us to offset the rise in raw material costs, and the success of our "On Track" efficiency enhancement program.
- We considerably improved our operating results and tripled net income.
- The core chemicals business improved earnings significantly compared with previous years. Our EBITDA margin places us among the leaders in our sector.
- We have once again got off to a very good start in the new year.

Evonik is making good headway both business-wise and strategically. We are embarking on a new chapter in our journey to the stock market: sustained and profitable growth driven by innovative, market-oriented research and development and investment in high-margin businesses with attractive, in other words, above-average growth rates.

We are also laying the foundations for that within the Executive Board. Two years ago, when we established a strategic holding structure for our integrated industrial group, we reduced the size of the Executive Board to concentrate on three central areas and ran our business through independent operating companies. The goal we announced here last year has now been achieved: We have successfully focused our business on specialty chemicals, where we rank among the world leaders. And we have a clear alignment to the key global megatrends. That gives us the leeway we need to take the next step, which is also a step required by the capital markets. We are linking our operational chemicals business directly to the Executive Board. In the future, we will therefore manage our core business more directly, further improve our decision-making structures and give our business an even stronger market focus. In a nutshell: The management of our company will become sharper because our management structures will be clearer and decisions can be taken faster.

So what does that actually mean? In line with our concentration on specialty chemicals we are increasing the number of Executive Board members from within our organization. Alongside our CFO, Dr. Colberg, our Chief Human Resources Officer Mr. Blauth and myself, effective April 1 Evonik's Executive Board will include Mr. Patrik Wohlhauser, Dr. Thomas Haeberle and Dr. Dahai Yu. In the future, Mr. Wohlhauser's responsibilities on the Executive Board will comprise the Consumer, Health & Nutrition segment, Mr. Haeberle will be responsible for the Resource Efficiency segment and Mr. Yu for the Specialty Materials segment. Our business units will operate within this reporting framework.

The Evonik Group will continue to grow worldwide in the coming years. It therefore makes sense to increase the Executive Board's regional responsibilities as well. Mr. Wohlhauser will be responsible for the South America region, Mr. Haeberle for the Middle East and India and Mr. Yu for Asia. In addition to his present role, Dr. Colberg will take on responsibility for our investment in the energy business and for the North America region while Mr. Blauth will additionally assume responsibility for the real estate business and the Europe region.

I am convinced that this team will enable Evonik to score even more successfully against the global competition. We are putting our trust in top managers from within our organization, who know how we work and do not require a lengthy familiarization period. That is also a clear signal to our upcoming managers: commitment and hard work are worthwhile at Evonik.

Key figures for 2010

And now, ladies and gentlemen, I would like to look in detail at our figures for fiscal 2010.

- The Evonik Group grew sales 26 percent to €13.3 billion in 2010, chiefly due to volume and price trends.
- EBITDA (operating earnings before depreciation, amortization and the non-operating result) rose by nearly 50 percent to almost €2.4 billion. Alongside high demand resulting from our attractive portfolio of products, positive factors included high capacity utilization and improved margins.
- The Group's EBITDA margin rose strongly from 15.3 percent to 17.8 percent as a result of the substantial improvement in EBITDA. In our core chemicals business, we achieved EBITDA of nearly €2.4 billion and an attractive EBITDA margin of 18.3 percent, a new record for Evonik.
- Net income tripled to €734 million in 2010, up from €240 million in 2009. That means that on the bottom line we are highly profitable.
- The return on capital employed (ROCE) also doubled to nearly 15.0 percent (2009: 7.7 percent). That was well above the cost of capital. In the Chemicals Business Area ROCE was even higher at 18.4 percent (2009: 9.9 percent). Again, that was almost double the year-back level.
- The cash flow from operating activities was around €2.1 billion, in line with the prior-year's high level even though net working capital increased in the wake of the strong rise in business. In 2009, by comparison, working capital declined substantially as a result of the recession-driven drop in sales. The cash flow from continuing operations rose by a good €180 million to around €1.6 billion. Our liquidity position therefore improved further.
- We were able to use the solid operating cash flow, among other things, to pay the dividend of €320 million for 2009 and to fund capital expenditures of €652 million. In addition, we were able to reduce net financial debt further. On a like-for-like basis (including the energy business), net debt was reduced considerably to around €2.7 billion at year-end 2010, compared with €3.4 billion at the end of 2009.

After deducting the net financial debt of the energy operations, the Evonik Group's net debt was €1.7 billion at end-2010. Overall, therefore, our financial structure has become more attractive—as has Evonik as a whole.

Strategic development of the Group

We can be proud of how the Evonik Group has moved forward. The management, employees and representatives of the workforce have driven this truly exemplary progress. That applies to both our operating performance and the main framework of corporate strategy, which we have systematically developed, implemented and driven forward. We set ourselves three main goals for 2010:

- Aligning our chemicals portfolio even more clearly to the global economic and social megatrends—resource efficiency, health and nutrition and the globalization of technologies.
- Creating a competitive service organization and
- Running the energy and real estate businesses as separate investments in order to realize their growth potential with partners.

So where do we stand today?

Successful search for a partner for the energy business

Our energy activities, which are bundled at Evonik Steag GmbH, are to be given the opportunity to develop their growth potential to the full with a new majority shareholder. We signed an agreement on the sale of these operations to a consortium of municipal utilities from the Rhine-Ruhr region at the end of 2010. As a first step Evonik is divesting a 51 percent stake in the energy business to this consortium. This transaction values Evonik Steag GmbH at €3.770 billion. After deducting liabilities, Evonik received the provisional purchase price of €651 million for the 51 percent stake on March 2.

At the same time, we concluded an agreement to sell the remaining 49 percent stake to the consortium of municipal utilities within five years at an anticipated price of around €600 million.

We therefore brought the search for a partner for this business to a successful conclusion following intensive negotiations, which started with a wide range of interested parties in spring 2010. Ultimately, the consortium of municipal utilities was our first and best choice because

- we obtained an attractive price
- its concept for sustained and viable development of Steag in its entirety is logical and highly convincing
- and, above all, it offers good prospects for Steag's employees.

Alongside Germany's four major energy generators, a fifth major player is therefore about to emerge. Divesting a majority stake to this consortium also constitutes a clear economic signal: the creation of more competition in the electricity market. This view is shared by the Monopolies Commission, the German Federal Cartel Office, the German government and the regional government of North Rhine–Westphalia. In the coming years the new majority owner intends to expand Evonik Steag GmbH to form Germany's largest municipal generating platform.

We have therefore proven to the skeptics who speculated that Steag could only be sold—if at all—in parts that it was indeed possible to achieve a positive outcome for the market, Steag's employees and Evonik. I would like to take this opportunity to express my thanks once again to the German Mining, Chemical and Energy union (IG BCE) whose willingness to support the divestment of a majority stake in our energy business paved the way for this outcome. The union's intelligent approach helped us secure good future perspectives for Steag and its employees.

Real Estate—amalgamation with THS is making progress

We also aim to place our real estate business on a more independent basis in the future. This business, which is grouped at Evonik Immobilien GmbH, manages around 60,000 residential units. We also have a 50 percent stake in THS, which owns more than 70,000 residential units. The other 50 percent of THS is held by IG BCE.

Our aim is to merge Evonik Immobilien GmbH and THS. In June 2010 we reached agreement with IG BCE on the main principles of a possible merger. The first step comprised appointing an identical management team for the two companies from the start of 2011. An integration project comprising teams from both companies is currently analyzing and comparing business processes and developing structures for the planned new company, which is expected to start operating in 2012. Evonik and IG BCE are pursuing a sustainable business model that balances economic efficiency with responsibility for tenants, employees and the region. Evonik is committed to continuing this: In order to realize our goal of concentrating fully on specialty chemicals we intend to examine the possibility of divesting shares in our real estate business from 2013. Prospective future owners would have to have a long-term investment horizon and support our real estate activities' sustainable business model. Alongside economic interests, our decisions will take account of employees' and tenants' interests. Naturally, the selection process will also respect the interests of IG BCE.

Portfolio management in the chemicals business

In the future Evonik will be synonymous with specialty chemicals. We remain committed to profitable and sustainable growth. We will therefore be systematically divesting operations that do not fit our strategic growth profile—either because their competitiveness is limited at Evonik or because we cannot offer them growth potential within the Group. In view of this, we started to prepare for the divestment of our carbon blacks business in the fourth quarter of 2010. In addition, our mid-term objective is to divest the colorants activities. The aim is to find an ownership structure for each of these businesses that opens up new opportunities for them. However, we are under no compulsion to sell off these businesses. In other words, the selling price will have to be acceptable.

Further increase in Evonik's efficiency

At the start of 2009 we launched the "On Track" program to raise efficiency. To bring a lasting improvement in our competitiveness we aim to achieve a sustained reduction in costs of €500 million from 2012. We have pursued this goal energetically over the past two years. And today we can say that On Track has been very successful. Midway through this program we have already defined specific measures to achieve the full level of savings. In fact, more than three quarters of them have been implemented and savings of nearly €400 million resulting from this efficiency enhancement program are already having an impact.

That is a remarkable achievement because On Track was—and is not—simply a cost-cutting program. Achieving our goals is not solely dependent on the shutdown of plants or head-count reductions. The priority has always been raising efficiency. That means using the available resources more intelligently, defining goals more precisely and utilizing our knowledge better than our competitors. That is part of our understanding of what it means to be a creative industrial group. Through our "Operational Excellence" program alone we have leveraged savings of €180 million. That substantial amount is the result of many ideas, proposals and initiatives from within the company that have enabled us to improve our production processes.

Top of our agenda is improving the quality of our site services. As a first step we analyzed the competitiveness of industrial services such as logistics, supply and disposal, technology and site management at our German chemicals sites. To raise productivity and secure growth and employment on a sustained basis we have established a Site Services unit. This has some 7,000 employees and its role is to combine and coordinate site services. The new unit started operating as a profit center on October 1, 2010, initially at eight sites. We expect this alone to generate savings in the mid to high double-digit million euros range. It should also significantly enhance the competitiveness of our core specialty chemicals business.

Performance of the three business areas

Now I would like to look at the performance of our operating business.

In our core **chemicals** business 80 percent of sales come from areas where we rank among the market leaders. We are systematically expanding this position and thus steadily improving the quality of our portfolio. The spectrum of future-oriented activities and regional growth markets is very balanced: None of the end-markets for our products accounts for more than 20 percent of sales. Close collaboration with customers is another strength of our chemicals business. This enables us to develop and deliver optimal, often custom-tailored, products and system solutions.

To establish our competence as a solution provider even more clearly in the market and in our customers' minds we will be launching a new marketing campaign in three days time. For the next three years we will be presenting Evonik worldwide under the slogan "We love your problems." That may sound somewhat provocative. But we do love the problems and challenges posed by our customers. Because we take them seriously. And because they enable us to demonstrate what we can do. As a creative industrial group our role is to provide the right solutions. That is the basis for our present profitability and opens doors for future growth.

In 2010 we registered significant volume growth, mainly in Asia and Europe, but demand also picked up in North America.

- Overall, sales advanced 29 percent to about €12.9 billion in our Chemicals Business Area.
- EBITDA grew 47 percent to around €2.4 billion, while EBIT surged 83 percent to €1.7 billion. This performance, which was considerably better than in previous years, was driven by our lower cost base, far higher volumes, high capacity utilization and improved margins.
- The EBITDA margin increased to 18.3 percent, while capital expenditures rose 20 percent to €602 million.
- As a result of the significant improvement in earnings ROCE shot up to 18.4 percent.

As in previous years, our **real estate** business performed soundly. This business area grew sales 2 percent to €402 million. EBITDA was €190 million, 3 percent above the prior-year figure, and the EBITDA margin rose to 47.3 percent. ROCE was slightly higher at 7.7 percent. The demand-driven vacancy rate declined further to 2.2 percent, which is a very good level by sector standards.

I only wish to look briefly at our **energy** business today, partly because you reported extensively on it last year, and partly because we have divested a majority stake in this business so in future extensive reporting will be provided elsewhere. All in all, Steag developed in line

with expectations last year. Sales grew 8 percent to around €2.8 billion thanks to higher volumes, the improved exchange rate for the US dollar and the higher price of hard coal. EBITDA rose 26 percent to €525 million, giving an EBITDA margin of 19 percent.

Ready for growth

The Evonik Group has undergone an extremely rapid development in recent years:

- The Group was ring-fenced from joint liability for the German hard coal industry, which is now borne by RAG
- and renamed Evonik Industries.
- We have repositioned the Group to focus on the core specialty chemicals business.
- Structures and processes have been placed on a far more efficient basis.
- Our profitability has improved considerably.
- And we have now paved the way for our most important tasks: growth and value creation. That is the starting point for the next steps in our development.

As you can see, the only constant in our corporate development has been—and will remain—change. That means Evonik in 2011 is merely a snapshot. Naturally, a good and positive one. We have achieved a good deal and now we can build on our strong position. That is why we held R&D spending constant during the crisis and actually raised it by 13 percent to €338 million last year. Like our capital expenditures, we are concentrating our R&D resources on chemicals businesses which we expect to generate attractive returns in long-term growth markets. That is why 40 percent of our R&D spending is allocated to the development of new products and around 20 percent goes on fundamental research into new key technologies.

We expect our strategic research activities, which are bundled at Creavis in Marl (Germany), to generate additional annual sales of around €600 million from 2015. The role model for this is our lithium-ion technology, which forms the backbone for German-made electric drives.

Our achievements can be demonstrated in many ways. The statistics include a total of 20,000 patents, and 300 new patent applications a year. Business indicators include advanced technologies, market leadership and high profitability. Our market positions facilitate sound organic growth. We have a wide range of opportunities that enable us to achieve value-enhancing growth. To support this, we have earmarked €6 billion for investment up to 2015. We intend to allocate these funds on the basis of very clear criteria:

- High-margin businesses
- Markets with above-average growth rates

- The goal of generating the best possible benefit for our customers.
- And our objective of offering an attractive growth story that promises – and delivers – additional value for our present and future shareholders.

Our story is convincing: Evonik is growing along the global megatrends.

One example is **resource efficiency**. In recent years we have established ourselves as a leading supplier of key components for the electronics and photovoltaic industries. These days, silanes and ultrapure silicon are vital for thin-layer photovoltaics, flat screens and semiconductors. We are convinced by the market potential. In 2009, at the height of the economic crisis, we therefore started to build a new facility in Yokkaichi in southern Japan at a total cost of €150 million. Construction work has been completed and the plant has not been damaged. However, in view of the environmental disaster in Japan, we have halted all work on this facility until further notice. Our prime concern at present is not the preparations to start up this plant but the safety and protection of our employees. Depending on how the situation in Japan develops, we hope that this facility will start producing monosilane and the AEROSIL® brand of silica this summer. In the first quarter of this year we will be starting up a new plant to produce chlorosilanes in Merano (Italy). The aim of both facilities is to strengthen our market leadership in this future-oriented sector.

An exciting part of Evonik's future is currently emerging in Kamenz (Germany): In partnership with Daimler we are poised to become one of the first battery cell producers to start serial production. That means we are setting global industrial standards for large-scale lithium-ion batteries.

Daimler first tested our technology thoroughly against global competitors. On the basis of this benchmarking process, it concluded that our technology, which centers on a ceramic separator, offers the best performance, service life and safety.

We will be proud when the first e-smarts with "Evonik inside" roll off the production line in 2012. Our mid-term aim is to build up globally competitive, automated serial production of large-scale lithium-ion battery cells. As a first step we are raising capacity for battery cells tenfold from 300,000 a year to around 3 million a year by 2013. At the same time we are stepping up production of the ceramic separator and electrodes. At the same time, the headcount at our subsidiary Li-Tec Battery GmbH in Kamenz will rise considerably to 450 employees.

Following extensive investment, which has given us a clear competitive edge, we are now poised for market launch of our technology, which will trigger a new growth phase. The market for electric vehicles is expected to increase significantly. The German government forecasts that there will be one million electric vehicles on the road here by 2020, while a report by Boston Consulting Group (BCG) predicts 14 million electric vehicles worldwide in the same year. Li-Tec therefore has excellent prospects. Initially it will supply products to

our joint-venture partner Daimler. There is further considerable potential for growth both in conjunction with Daimler's strategic organization and as a supplier to third parties.

Health and nutrition is another example. Here, expansion of our exclusive synthesis business is bearing fruit. At the start of 2010 we increased our business by acquiring Eli Lilly's Tippecanoe site in Lafayette (USA). This site produces pharmaceutical active ingredients and intermediates for Eli Lilly, but we also intend to expand our customer base considerably in order to benefit from growth in the global pharmaceutical market. Just twelve months after this acquisition the results are clear and integration of this site into our global production and marketing network is right on schedule. We have gained our first new customers, including Merck, from the top league of pharmaceutical companies.

Evonik is the world's only producer of all four essential amino acids for economical, environment-friendly animal nutrition. Our four plants in Wesseling, Mobile and Antwerp make us the global market leader in methionine. Sales are well over €1 billion p.a. and margins are attractive. Demand for amino acids is continuing to rise and market volume is expected to double by 2020. Alongside demand, quality is becoming an increasingly important factor. The recent debate about animal feeds in Germany has highlighted the importance of reliable producers and high-quality products in this market segment.

In the light of this we will be stepping up production of methionine significantly in the coming years. Capacity at our present sites is to be increased stepwise by around 25 percent to 430,000 metric tons a year by 2013. In addition, we started planning a world-scale facility in Singapore last year. A further 150,000 metric tons a year will be produced there from 2014, mainly for the fast-growing Asian market. Investment in this facility will be around €500 million. In Singapore we are therefore preparing for the largest single investment in the history of our chemicals business.

To strengthen our profitable core business we are also expanding capacity for precipitated silicas and isophorone chemicals. Silica is used, for example, to produce tires with low rolling resistance. As the market leader, we intend to benefit from rising demand. Capacity at our sites in Europe and Asia will therefore be raised by 25 percent by 2014.

Our capacity for isophorone chemicals is to be expanded further by building a new world-scale facility, which is scheduled to start operating in 2013. These products are used, for example, in the manufacture of artificial leather, paints and colorants and high-performance composites. As the technology leader, Evonik is therefore responding to rising demand in its core business.

Our main growth projects highlight the global positioning of our Group. We want to benefit from the enormous growth opportunities in future markets and are therefore investing significantly in Asia, where demand is rising extremely fast. At the same time, growing in foreign markets supports our home markets. More than 60 percent of the roughly 31,000

employees in our chemicals business are in Germany. They work in fields with a future, as exemplified by the new jobs currently being created in Kamenz. Last year, Germany accounted for around half of our capital expenditures. And by far the largest proportion of our strategic research still takes place in Germany.

Evonik on the capital markets

Evonik proved increasingly convincing on the capital markets in 2010: Standard & Poor's give us a BB+ rating with a positive outlook while our rating from Moody's is Ba1, also with a positive outlook. Both rating agencies are very positive about our focus on the chemicals business. In conjunction with our alignment to specialty chemicals, our goal is to obtain investment-grade ratings. We are making good progress towards this.

Pension obligations are another area where we are moving forward. Company pension commitments across the Evonik Group amount to around €7.4 billion. These are obligations to present and former employees. At the end of 2009 only 43 percent of the total amount was funded. That is far too low in our view and we will therefore be steadily improving the ratio in the future. To achieve this, we endowed a contractual trust arrangement with €200 million at the end of 2010. Further substantial amounts will be allocated to this CTA in the coming years. Within four years our aim is to achieve a funded ratio that is at least in line with the present average for DAX companies of around 66 percent. As well as considerably improving our debt profile, that will make an important contribution to securing the company pensions of present, former and future employees, irrespective of economic crises.

New credit facility increases flexibility

The capital markets have clear confidence in Evonik. Following successful placement of our €750 million bond in fall 2009, we achieved a further improvement in our liquidity arrangements in 2010. At the start of June we concluded a new €1.5 billion credit facility with a group of around two dozen national and international banks. This is divided into three €500 million tranches with different maturities, giving us high flexibility. Both the bond and the credit facility were heavily oversubscribed. For us, that is the best evidence of market confidence.

Outlook for 2011

We aim to retain and strengthen that trust by presenting another convincing performance and good figures next year. Evonik's management and employees are working hard to continue the successes of recent years. The economic situation gives us reason to be confident. The economy is back at a high level and the first months of this year have been convincing. Demand is very robust, especially in major growth areas such as Asia. Nevertheless, it is far too early to derive a clear trend.

Overall, the outlook for 2011 remains uncertain, partly because of the political unrest in the Arab countries and high levels of government debt. Moreover, no assessment can yet be made of the impact of the dreadful natural disaster in Japan. We expect demand for our products to continue to rise, especially in the growth regions. The continued rise in raw material costs could prove a downside factor. For example, the political situation in the Arab world has already led to a sharp rise in the oil price.

Overall, we anticipate a slight rise in sales this year, and expect EBITDA and EBIT to remain at the record levels reported for 2010.

Capital expenditures will rise considerably in the coming years as part of our growth strategy and the related investments and will be financed fully out of our cash flow.

Ladies and gentlemen,

Evonik has created value for its owners in the past two years. The Group is now worth far more than just two or three years ago. Our exact value will have to be determined by the market in the future. We can offer an exciting growth story and a clear strategy, with an attractive portfolio of current and future products which will drive organic growth. We can also offer a very profitable business and creditable figures. Net income is around 260 percent higher than in 2008. Our EBITDA margin has risen by more than four percentage points, ROCE has increased by six percentage points, our cash flow has increased more than five-fold, net financial debt has been scaled back by roughly €3 billion and our equity ratio has improved by 3.5 percentage points. These figures are clear evidence that Evonik is moving in the right direction. In short, an IPO would be possible within the next 15 months if our owners, the politicians and the union reach agreement on that. We, at any rate, have done our homework.

Evonik is well positioned as an innovation driver.

You can find a good example of this in the first part of our annual report. And here in the foyer you can view the Wind Explorer, a lightweight electric vehicle built with our high-performance plastic ROHACELL, and equipped with lithium-ion technology and tires with low rolling resistance courtesy of Evonik. Dirk Gion and Stefan Simmerer crossed Australia in this vehicle in just 18 days. They traveled around 5,000 km with batteries with up to 8 kW wind power, enough to drive a good 400 kilometers. An exceptionally resource-efficient pioneering trip in my view. And a project that clearly demonstrates what can be achieved by a combination of pioneering spirit and German high-technology, developed by the chemical industry in general and Evonik in particular.

Ladies and gentlemen,

I have just presented strong figures for 2010 and a good outlook. Within Evonik, our pleasure is overshadowed by the dramatic situation in Japan. We have all seen the devastating pictures and they cannot leave us cold. Together with our colleagues in Japan, we hope and pray that the authorities, the many courageous rescue workers and helpers in the disaster

area will be able to bring the situation on the north-east coast of the country under control and give the many hundreds of thousands of people directly and indirectly affected new hope for the future.

Evonik's sites in Japan were not affected by the earthquake or the tsunami and as far as we are aware our employees are all unharmed. However, given its proximity to the damaged nuclear power stations, we have closed our Tsukuba facility, around 50 kilometers north of Tokyo, where we produce catalysts. The roughly 30 employees at this site are free to evacuate to the south of the country. As a further precaution, the same applies to our staff in Tokyo, where we have also shut our office. Until further notice, some staff will be performing the necessary tasks from our facilities in the south of the country. We are currently repatriating German and other non-Japanese workers who had been working temporarily on our projects. Our hope is that they will be able to return in the not all-too-distant future. We will continue to evaluate the situation in Japan from a corporate viewpoint in the coming days, and decide what action we can take to alleviate the difficult situation.

Thank you for your attention.