Evonik.
Power to create.

Company presentation
## Table of contents

<table>
<thead>
<tr>
<th></th>
<th>Evonik at a glance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Acquisition of Air Products Performance Materials</td>
</tr>
<tr>
<td>3</td>
<td>Financials Q1 2016</td>
</tr>
<tr>
<td>4</td>
<td>Appendix</td>
</tr>
</tbody>
</table>
Leading in Specialty Chemicals

- **Market leader**: Leading market positions in 80% of our businesses

- **Customer proximity**: Strong customer intimacy and tailor-made solutions with almost 90% of direct sales

- **Value proposition**: Most products with small volumes but big impact in customers’ end products

- **Innovation power**: ~500 R&D projects driving future sales potential

- **Growth profile**: Average volume growth from 2010 until 2015 of more than 4% in our growth segments

---

1 Sales with top 1-3 market position by sales, production volume or capacity (depending on available data)

2 Nutrition & Care and Resource Efficiency
2015 financials

June 2016 | Evonik company presentation | Evonik at a glance
Growth strategy based on three strong pillars

**Investments**

- Expansion of global production footprint
- Strengthen leading market positions worldwide
- 7 world-scale production plants erected and currently in ramp-up\(^1\)

**Innovation**

- Market- and customer-oriented R&D approach
- Product and process innovation
- ~2,700 R&D employees drive our innovation efforts across the group

**M&A**

- Sharpening of specialty chemicals portfolio
- Additional route for growth and value creation
- ~€200 m spent on four bolt-on acquisitions in the last two years\(^2\)

---

\(^1\) Construction between 2012 and 2015
\(^2\) Since February 2014
Strong business fundamentals

Almost 90% of earnings generated in growth segments with little cyclicality\(^1\)

Profitability significantly above average in European Chemicals

Largest exposure to defensive end markets; no dependency on any single industry\(^2\)

Strong European heritage and selected exposure to emerging markets\(^2\)

---

\(^1\) Based on specialty chemicals segments’ 2015 adj. EBITDA

\(^2\) Consolidated Group sales 2015

June 2016 | Evonik company presentation | Evonik at a glance
Reliable and attractive dividend policy

- Sustainable dividend growth over the last years: 10% CAGR between 2008 and 2015
- Substantial dividend increase of 15% for fiscal 2015 on the back of strong operating performance
- Attractive dividend yield ~ 4%
- Reliable dividend policy targeting:
  - dividend continuity
  - a payout ratio of ~40% of adjusted net income
Ownership structure

Free float development

- CVC with exit in several steps throughout 2015 and 2016 (initial stake: ~25%)
  
  Free float increased to 32.1%

RAG-Stiftung

- Obligation to finance the perpetual liabilities arising from the cessation of hard-coal mining in Germany
- Intention to retain a strategic shareholding of at least 25.1% in the long term

1 Average in H2 2015

June 2016 | Evonik company presentation | Evonik at a glance
## Table of contents

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Evonik at a glance</td>
</tr>
<tr>
<td>2</td>
<td><strong>Acquisition of Air Products Performance Materials</strong></td>
</tr>
<tr>
<td>3</td>
<td>Financials Q1 2016</td>
</tr>
<tr>
<td>4</td>
<td>Appendix</td>
</tr>
</tbody>
</table>

**June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials**
**APD Performance Materials** provides an excellent fit with Evonik

| Leadership position | Creating a global leader in Specialty & Coating Additives  
|                     | Leading market positions in performance-critical additives |
| Specialty product portfolio | Strengthening of growth segments Nutrition & Care and Resource Efficiency  
|                     | Excellent fit of all acquired businesses with Evonik’s growth segments |
| Customer and innovation focus | Combining complementary chemistry, manufacturing processes and formulation know-how  
|                     | Customer- and solution-oriented businesses with complementary innovation pipeline |
| Truly global footprint | Expanding global footprint  
|                     | Strengthening presence in North America and Asia |
| Enhanced financial performance | High margin and resilient business with low capital intensity and strong cash generation  
|                     | High synergy potential due to exceptional business and regional complementarity |

---

1 APD Performance Materials is the Specialty & Coating Additives business of Air Products’ Materials Technologies Segment

June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials
Transaction overview

Structure
- 100% acquisition of the Specialty & Coating Additives business of Air Products for cash
- Cash and debt free
- Acquisition is structured as a mix of assets and shares

Financial impact
- Sustainable synergy level of ~$80 m p.a.
- Asset step-up and accordingly higher D&A leading to ~$520 m NPV of tax benefits
- EPS accretive in the first full year

Transaction value
- Acquisition price of $3.8 bn representing 9.9x Enterprise Value / 2016E\(^1\) EBITDA multiple including tax benefits and sustainable synergies
- Excluding tax benefits and sustainable synergies: 15.2x EV / 2016\(^1\) EBITDA multiple

Financing
- Financing secured with half cash and half committed credit facility
- Rating upgrade from Moody’s and rating confirmation from Standard and Poor’s

Timing
- Approved by Air Products’ Board of Directors and Evonik’s Supervisory Board
- Aiming for closing by the end of 2016, subject to regulatory approvals

\(^1\) 2016E FY EBITDA of $250 m
APD Performance Materials
A leader in Specialty & Coating Additives

- Global leadership positions in all three divisions
- Performance-critical, highly specialised solutions
- Represent only small portion of total end product costs
- Strong innovation power for unique technologies
- In-depth knowledge of customer-specific requirements
- Diverse customer base and end-market exposure
- Best-in-class production and supply network
- Strong presence in North America and Asia
- Global customer service and R&D network
- High and resilient margin profile
- Low capital intensity and high cash generation

Note: APD Performance Materials’ fiscal year 2015 is September year-end

1 Sales from products introduced within the last 5 years historically in 15-20% range
2 Includes Pasadena (Texas, USA) site currently under construction

June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials
APD Performance Materials focuses on differentiated products in high value markets

Strong positioning of APD Performance Materials in high value additives market

- Targeting growing specialty additive markets with resilient growth profile and unique portfolio of chemistries
- Sector with high degree of differentiation through technology and application know-how
- Highly specialised and performance-critical products
- Breadth of portfolio combined with formulation expertise and strong innovation pipeline
- Loyal customer base driven by intensive interaction and customer-focused innovation and product offering

Focus on performance critical products, which are essential for customers but comprise only a very small portion of total application costs
### Polyurethane Additives

- **2015 Sales:** $350 m
- **Global leadership positions in:**
  - Amine Catalysts
  - Low/Non-emissive Amine Catalysts
  - Polyurethane Metal Catalysts
- **Applications:**
  - Additives for PU foams used in bedding, furniture, automotive, construction and insulation
  - Enhances cell structure, strength, uniformity and visual appearance
  - Reduces impact on environment
- **Value drivers:**
  - ~$1.4 bn
- **Target market size:** GDP++

### Specialty Additives

- **2015 Sales:** $297 m
- **Global leadership positions in:**
  - Specialty Wetting Agents
- **Applications:**
  - Specialty wetting agents for coatings and industrial applications
  - Functional additives for industrial & institutional cleaning and mining
- **Value drivers:**
  - ~$5.5 bn
- **Target market size:** GDP+

### Curing Agents

- **2015 Sales:** $431 m
- **Global leadership positions in:**
  - Epoxy Curing Agents
- **Applications:**
  - Curing agents for flooring, adhesives, marine and protective coatings
  - Epoxy curatives for filament wound composites, e.g. pipes, tanks
- **Value drivers:**
  - ~$3.1 bn
- **Target market size:** GDP+

---

**Growth driven by environmental and regulatory requirements as well as enhanced functionality and performance of end products**

---

Note: APD Performance Materials 2015 financials are September year-end

June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials
Resilient and attractive margin profile with strong cash generation

Adjusted EBITDA\(^1\)

\[
\text{in $ m} \quad \text{% margin}
\]

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITDA</th>
<th>% margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>203</td>
<td>20%</td>
</tr>
<tr>
<td>2014</td>
<td>224</td>
<td>20%</td>
</tr>
<tr>
<td>2015</td>
<td>242</td>
<td>22%</td>
</tr>
</tbody>
</table>

CAGR: 9.2%

Low capital intensity

<table>
<thead>
<tr>
<th>Year</th>
<th>D&amp;A as % of sales</th>
<th>D&amp;A in $ m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2.7%</td>
<td>27</td>
</tr>
<tr>
<td>2014</td>
<td>2.4%</td>
<td>27</td>
</tr>
<tr>
<td>2015</td>
<td>2.6%</td>
<td>28</td>
</tr>
</tbody>
</table>

- Growing demand of specialty
- Earnings driven by innovation and unique technologies
- High and stable margins

Note: APD Performance Materials’ 2015 financials are September year-end

\(^1\) Adjusted EBITDA before restructuring charges and corporate allocations, includes equity affiliates income

\(^2\) Depreciation & amortization

June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials
Combining complementary companies in the specialty additives market

<table>
<thead>
<tr>
<th>Evonik</th>
<th>Target industries</th>
<th>APD Performance Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>• PU foam stabilizers</td>
<td>High value additives for PU foam</td>
<td>• PU foam catalysts</td>
</tr>
<tr>
<td>• Isophorone-based crosslinkers</td>
<td>Additives/Ingredients for Coatings &amp; Adhesives</td>
<td>• Amine-based crosslinkers</td>
</tr>
<tr>
<td>• Coating additives and adhesives resins</td>
<td></td>
<td>• Epoxy curing agents</td>
</tr>
<tr>
<td>• Specialty surfactants for care and industrial applications</td>
<td>Specialty surfactants for Industrial &amp; Institutional Cleaning</td>
<td>• Specialty wetting agents</td>
</tr>
<tr>
<td>~€2.5 bn</td>
<td>2015 Sales in Specialty and Coating Additives</td>
<td>~€1 bn¹</td>
</tr>
</tbody>
</table>

Creation of a global leader in Specialty and Coating Additives with ~€3.5 bn in sales

¹ APD Performance Materials’ sales calendarised to December year-end and translated at EUR/USD FX rate of 1.11 as of average 2015
Global leading portfolio of PU foam additives

Benefits of combination to customers

- Full range of differentiating additives for polyurethane (PU) foams
- Preferred solution partner for customers
  - Closer proximity and strengthened presence in all regions
- Multiple key technology platforms from a single source
- Extensive applications know-how
  - Increased innovation capabilities for future generation of superior PU foams
Enhanced innovation platform to better fulfill customer needs

The combination enables Evonik to better fulfill customer needs through enhanced innovation

---

1 VOC: Volatile organic compound

June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials
Creating a globally leading solution provider for the Coating & Adhesive Industry

Coating Additives

- Defoamers
- Dispersants
- Matting agents
- Specialty fillers (Silica)
- Wetting agents

Crosslinkers / Curing Agents

- Isophorone- and silanes-based crosslinkers
- Broad amine portfolio for curing agents

Specialty Resins

- Nano resins
- Silicone resins
- Specialty resins
- Epoxy resins

Coating & Adhesive End-Markets

- Composites
- Decorative Coatings
- Marine Coatings
- Flooring
- Marine Coatings
- Flooring
- Automotive Coatings
- Industrial Coatings

Comprehensive and differentiated product portfolio to address customers’ needs

Evonik | APD Performance Materials
APD Performance Materials offers unique products and access to new markets

- Global leader for formulations enabling environmentally-friendly / waterborne coatings
- Access to complementary APD Performance Materials’ wetting agent technology with
  - Market-leading position
  - New end markets (automotive)
  - Additional customers to create cross-selling opportunities
- Expanded toolkit and solutions expertise
- Truly global set-up
  - Leveraging APD Performance Materials’ position in North American coatings market

The unique APD Performance Materials product line complements Evonik’s existing coating additives portfolio
Expansion along the curing agents value chain for Coatings & Adhesives

**Crosslinkers**
- Supplier of isophorone diamine based crosslinkers for epoxy and polyurethane applications
- Differentiating crosslinker portfolio based on modified amines for epoxy applications

**Curing Agents**
- Strong in formulated epoxy curing agents
- Broad but highly specialized product offering

**Customer Industries**
- Automotive
- Construction
- Flooring
- Renewable Energy

**Rationale**
- Creating a fully-fledged specialty amine portfolio with global production platform
- Synergies from similar technology platforms

**Benefits to Customers**
- Combine technologies and chemistries to further innovate
- Broader offering and increased know-how and formulation expertise to key customer end markets

**Target Market:** Additives/Ingredients for Coatings & Adhesives ▍ Crosslinkers/Curing Agents
Creating a leader in Industrial & Institutional Cleaning additives

### Application and Technology fit

<table>
<thead>
<tr>
<th>Key market</th>
<th>Evonik</th>
<th>APD PM</th>
<th>Combo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial &amp; Institutional cleaning</td>
<td><img src="image1" alt="Graph" /></td>
<td><img src="image2" alt="Graph" /></td>
<td><img src="image3" alt="Graph" /></td>
</tr>
</tbody>
</table>

### Key value drivers

- **Wider product offering in focused additives portfolio**
- **Complementary technologies to better serve customers**
- **Combining amine- and oleo-based know-how and innovation capabilities to offer wider range of products**
- **Geographically advantaged in-region manufacturing and supply network**
- **Significant cross-selling opportunities**
- **Local technical support**
Complementary regional setup leading to balanced geographic footprint

- Balancing global footprint with increased presence in North America
- Strong presence in every region matching the global set-up of customers
- Close customer relationships driving global growth via cross-selling opportunities
- Close geographic proximity of manufacturing sites for seamless integration

---

1 Relates to affected Evonik Specialty & Coating Additives business lines
2 APD Performance Materials’ sales calendarised to December year-end and translated at EUR/USD FX rate of 1.11 as of average 2015

June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials
Creating a global leader in Specialty & Coating Additives

Impacted Evonik businesses
- Comfort & Insulation
- Personal Care
- Household Care
- Interface & Performance
- Nutrition & Care
- Crosslinkers
- Coating Additives
- Coating & Adhesive Resins

Creating a global leader in Specialty & Coating Additives

~€3.5 bn of sales

>20% Adj. EBITDA margin

APD Performance Materials
- Polyurethane Additives
- Specialty Additives
- Curing Agents

Integration of APD Performance Materials businesses into existing Evonik business lines
Post merger integration team in place to guarantee seamless integration
Superior financial metrics expected to enhance Evonik’s financial profile

Accelerating growth in Specialty & Coating Additives business

Improving quality of earnings through better resilience, higher margins and synergies

Enhancing capital efficiency from low capital intensity and strong cash conversion
Excellent strategic and operational fit leading to significant synergies

- **Excellent strategic fit**
- **Complementary product portfolio**
- **Strong supply chains and manufacturing base**

### Cost synergies

- **Overhead efficiencies**
- **Production optimization**
- **Procurement savings**

**Expected sustainable level**: ~$60 m

### Revenue synergies

- **Leveraging each other’s customer base**: ~$20 m
- **Broader product and application portfolio**:

**Total annual synergies of ~$80 m**

---

1 Based on current assumptions and market conditions; ramp-up period of 3-4 years with cumulative implementation costs of ~$80 m

June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials
Strengthening of growth segments
Nutrition & Care and Resource Efficiency

Significantly increased sales of growth segments

Note: APD Performance Materials’ 2015 financials are September year-end
1 APD Performance Materials’ sales calendarised to December year-end and translated at EUR/USD FX rate of 1.11 as of average 2015

June 2016 | Evonik company presentation | Acquisition of Air Products Performance Materials
Synergy potential and tax benefits leading to an attractive price

Enterprise Value (in $ m)

<table>
<thead>
<tr>
<th>Incl. tax benefits</th>
<th>NPV of tax benefits</th>
<th>Excl. tax benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>~3,800</td>
<td>~520</td>
<td>~3,280</td>
</tr>
</tbody>
</table>

EV / EBITDA 2016E

- 9.9x incl. synergies and tax benefits
- 15.2x excl. synergies and tax benefits

EPS accretive from year one

Adjusted EBITDA\(^2\) (in $ m)

<table>
<thead>
<tr>
<th>Incl. synergies</th>
<th>Sustainable synergies</th>
<th>EBITDA 2016E</th>
</tr>
</thead>
<tbody>
<tr>
<td>~330</td>
<td>~80</td>
<td>250</td>
</tr>
</tbody>
</table>

\(^1\) By purchasing assets, tax benefits from higher D&A after asset step-up will reduce future cash tax burden

\(^2\) Adjusted EBITDA before restructuring charges and corporate allocations
Financing secured with half cash and half committed credit facility consisting of bridge and term loans provided by bank consortium

Final financing structure to consist of mix of cash, term loans and bonds

Moody’s rating upgraded from Baa2 (positive outlook) to Baa1 (stable outlook)
Standard and Poor’s rating confirmed at BBB+, outlook stable
Key takeaways

✓ Creating a global leader in Specialty and Coating Additives

✓ Strengthening of growth businesses Nutrition & Care and Resource Efficiency

✓ Excellent fit with Evonik’s existing businesses

✓ Substantial synergy potential and tax benefits

✓ Fully aligned with M&A strategy

✓ Enhanced rating profile after announcement
## Table of contents

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Evonik at a glance</td>
</tr>
<tr>
<td>2</td>
<td>Acquisition of Air Products Performance Materials</td>
</tr>
<tr>
<td>3</td>
<td>Financials Q1 2016</td>
</tr>
<tr>
<td>4</td>
<td>Appendix</td>
</tr>
</tbody>
</table>
Highlights Q1 2016
A solid first quarter

Adj. EBITDA
€565 m (-13%)

Good earnings growth in Resource Efficiency
Normalization in Nutrition & Care

Adj. EBITDA margin
18.2% (-0.8 pp)

High level of profitability maintained

Free cash flow
€161 m (-€18 m)

Free cash flow almost on prior year level due to solid operating cash flow and lower capex

Outlook
Confirmed

Slightly lower sales
Adj. EBITDA between €2.0 and 2.2 bn
Solid volume growth

Solid volume growth in Resource Efficiency and Performance Materials

EBITDA margins in growth segments >20%

Nutrition & Care and Resource Efficiency delivering adj. EBITDA margins well above 20% in Q1

Disciplined use of funds

Focus on selective, smaller investments projects leading to further reduction in capex in Q1 (-15% yoy)

Positive free cash flow

Free cash flow almost on prior year level due to solid operating cash flow and lower capex
### Highlights Q1 2016

Growth segments move on as expected

#### Nutrition & Care

- Adj. EBITDA: €293 m
- Adj. EBITDA margin: 28.0%

- Expected gradual normalization of market situation in methionine
- Good start into the year for Personal Care, Health Care and Comfort & Insulation

#### Resource Efficiency

- Adj. EBITDA: €256 m
- Adj. EBITDA margin: 22.9%

- Good start into 2016 with 5% earnings growth yoy, partly supported by positive effect from lower raw material costs
- Strong performance in Silica, Crosslinkers and Oil Additives

---

**Sustainable and industry-leading EBITDA margin levels (%) of 20+**
Financial highlights Q1 2016

### Sales (in € m)

<table>
<thead>
<tr>
<th></th>
<th>Q1 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>3,425</td>
<td>3,106</td>
</tr>
</tbody>
</table>

Q1 16 vs. Q1 15

<table>
<thead>
<tr>
<th></th>
<th>Volume</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>0%</td>
<td>-7%</td>
</tr>
<tr>
<td>Price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FX</td>
<td>-1%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>-1%</td>
<td></td>
</tr>
</tbody>
</table>

### Adj. EBITDA (in € m) / margin

<table>
<thead>
<tr>
<th></th>
<th>Q1 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adj. EBITDA</td>
<td>650</td>
<td>565</td>
</tr>
<tr>
<td>margin</td>
<td>19.0%</td>
<td>18.2%</td>
</tr>
</tbody>
</table>

### Adj. EPS (in €)

<table>
<thead>
<tr>
<th></th>
<th>Q1 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adj. EPS</td>
<td>0.69</td>
<td>0.55</td>
</tr>
</tbody>
</table>

Q1 16 vs. Q1 15

<table>
<thead>
<tr>
<th></th>
<th>Volume</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>0%</td>
<td>-21%</td>
</tr>
<tr>
<td>Price</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Net financial position (in € m)

<table>
<thead>
<tr>
<th></th>
<th>Q4 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net financial position</td>
<td>1,098</td>
<td>1,177</td>
</tr>
</tbody>
</table>

Q1 16 vs. Q4 15

<table>
<thead>
<tr>
<th></th>
<th>Q4 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>+79%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Nutrition & Care

Expected normalization in Animal Nutrition

### Sales (in € m)

<table>
<thead>
<tr>
<th>Q1 16 vs. Q1 15</th>
<th>Volume</th>
<th>Price</th>
<th>FX</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 16</td>
<td>-5%</td>
<td>-8%</td>
<td>-2%</td>
<td>0%</td>
</tr>
</tbody>
</table>

- Declining volumes in methionine due to very strong comparables and temporarily slower market growth
- Also lower volumes in Baby Care in competitive market environment
- Lower prices esp. in Baby Care due to lower propylene prices (formula prices) and competitive situation; gradual normalization in Methionine expected to continue into Q2

### Adj. EBITDA (in € m) / margin (in %)

<table>
<thead>
<tr>
<th>Q1 15</th>
<th>Q2 15</th>
<th>Q3 15</th>
<th>Q4 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>353</td>
<td>381</td>
<td>382</td>
<td>319</td>
<td>293</td>
</tr>
</tbody>
</table>

- Declining volumes in methionine
- Also lower volumes in Baby Care
- Lower prices esp. in Baby Care due to lower propylene prices (formula prices) and competitive situation; gradual normalization in Methionine expected to continue into Q2

<table>
<thead>
<tr>
<th>in %</th>
<th>28.7</th>
<th>30.5</th>
<th>30.8</th>
<th>26.4</th>
<th>28.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q1</td>
<td></td>
</tr>
</tbody>
</table>
**Resource Efficiency**

**Volume and earnings growth**

### Sales (in € m)

<table>
<thead>
<tr>
<th></th>
<th>Q1 15</th>
<th>Q2 15</th>
<th>Q3 15</th>
<th>Q4 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>1,124</td>
<td>1,110</td>
<td>1,044</td>
<td>1,001</td>
<td>1,120</td>
</tr>
</tbody>
</table>

**Q1 16 vs. Q1 15**

<table>
<thead>
<tr>
<th></th>
<th>Volume</th>
<th>Price</th>
<th>FX</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 16</td>
<td>+2%</td>
<td>-3%</td>
<td>0%</td>
<td>+1%</td>
</tr>
</tbody>
</table>

- Good volume growth
- Prices slightly declining as a result of the sustained low raw material prices

### Adj. EBITDA (in € m) / margin (in %)

<table>
<thead>
<tr>
<th></th>
<th>Adj. EBITDA</th>
<th>margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 15</td>
<td>244</td>
<td>21.7</td>
</tr>
<tr>
<td>Q2 15</td>
<td>254</td>
<td>22.9</td>
</tr>
<tr>
<td>Q3 15</td>
<td>216</td>
<td>20.7</td>
</tr>
<tr>
<td>Q4 15</td>
<td>182</td>
<td>18.2</td>
</tr>
<tr>
<td>Q1 16</td>
<td>256</td>
<td>22.9</td>
</tr>
</tbody>
</table>

in %
Performance Materials
Lower prices driving earnings down

Sales (in € m)

<table>
<thead>
<tr>
<th>Q1 15</th>
<th>Q2 15</th>
<th>Q3 15</th>
<th>Q4 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>851</td>
<td>938</td>
<td>858</td>
<td>789</td>
<td>772</td>
</tr>
</tbody>
</table>

Q1 16 vs. Q1 15

<table>
<thead>
<tr>
<th>Volume</th>
<th>Price</th>
<th>FX</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>+5%</td>
<td>-14%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

- Increasing volumes mainly from C4 expansion in Marl and Antwerp
- Prices in C4 chain driven down further by lower raw material prices
- MMA with tough comparables, market environment more challenging vs. prior-year

Adj. EBITDA (in € m) / margin (in %)

<table>
<thead>
<tr>
<th>Q1 15</th>
<th>Q2 15</th>
<th>Q3 15</th>
<th>Q4 15</th>
<th>Q1 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>72</td>
<td>82</td>
<td>94</td>
<td>62</td>
<td>64</td>
</tr>
</tbody>
</table>

-9% -11%

<table>
<thead>
<tr>
<th>in %</th>
<th>in %</th>
<th>in %</th>
<th>in %</th>
<th>in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.5</td>
<td>8.7</td>
<td>11.0</td>
<td>7.9</td>
<td>8.3</td>
</tr>
</tbody>
</table>

Outlook for 2016 confirmed
Adj. EBITDA between €2.0 and 2.2 bn expected

Slightly lower sales
(2015: €13,507 m)
Adj. EBITDA between €2.0 and 2.2 bn
(2015: €2,465 m)

Our future success continues to be built on strong business fundamentals

- Continued volume growth
- EBITDA margins in Nutrition & Care and Resource Efficiency >20%
- Selective, smaller investments to drive future growth
- Discipline in use of funds (capex, M&A)
- Strong balance sheet enabling strategic flexibility and ensuring financial stability in volatile markets
- Positive free cash flow generation
- Consistent execution of efficiency programs
### Additional indications for 2016

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR/USD sensitivity¹</td>
<td>+/- 1 USD cent = -/+ ~€5 m adj. EBITDA (FY basis)</td>
</tr>
<tr>
<td>Adj. EBITDA Services²</td>
<td>Slightly below 2015 (2015: €159 m)</td>
</tr>
<tr>
<td>Adj. EBITDA Corporate / Others²</td>
<td>Slight improvement (i.e. less negative) (2015: - €334 m)</td>
</tr>
<tr>
<td>Adj. D&amp;A</td>
<td>Around the level of 2015 (2015: €713 m)</td>
</tr>
<tr>
<td>Adj. net financial result³</td>
<td>Slight improvement (previously: “around the level of 2015”; 2015: - €179 m)</td>
</tr>
<tr>
<td>Adj. tax rate</td>
<td>~29% (2015: 29.3%)</td>
</tr>
<tr>
<td>Capex</td>
<td>Around the level of 2015</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>Positive (2015: €1,052 m)</td>
</tr>
</tbody>
</table>

¹ Including transaction effects (after hedging) and translation effects; before secondary / market effects
² 2015 figures restated for restructuring between Services and Corporate / Others segments (€4 m adj. EBITDA re-allocated; neutral on Group level)
³ Guidance for “Adj. net financial result” (incl. “Adj. interest income/expense” and “Other financial income/expense”)
Segment outlook for 2016

**Nutrition & Care**
- Stable or slightly positive business performance in majority of businesses (vs. prior year)
- Animal Nutrition: expected gradual normalization of tight supply / demand situation experienced in 2015; market demand to remain robust
- Baby Care: very competitive market environment to persist

**Resource Efficiency**
- Continuation of prior years’ successful business performance, despite weaker global economic growth

**Performance Materials**
- Further declining oil price (vs. 2015 average) continues to pressure prices and margins of C4 products
- Ample supply and weaker demand weigh on Acrylic Monomers
Diese Markierung nach erfolgreicher Anwendung dieser Master löschen.
<table>
<thead>
<tr>
<th></th>
<th>Appendix to Acquisition of APD Performance Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Segment overview</td>
</tr>
<tr>
<td>B</td>
<td>Financials</td>
</tr>
<tr>
<td>C</td>
<td>Investor Relations contact</td>
</tr>
</tbody>
</table>

Table of contents
Exemplary purchase price allocation in asset deals

Allocated purchase price to the assets

Asset book value

Excess purchase price

Asset Value Step-Up

Depreciation & Amortization over remaining useful life of the respective asset

Goodwill

Amortized up to 15 years in tax accounts

D&A reduces taxable income

1 In countries where applicable
Scope of acquisition

Materials Technologies

- Performance Materials
  - Epoxy Curing Agents
  - Polyurethane Additives
  - Specialty Additives
- Electronic Materials

Transaction scope

June 2016 | Evonik company presentation | Appendix
Financial overview
APD Performance Materials

### Sales (in $ m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,017</td>
</tr>
<tr>
<td>2014</td>
<td>1,123</td>
</tr>
<tr>
<td>2015</td>
<td>1,078</td>
</tr>
</tbody>
</table>

### Adj. EBITDA\(^1\) (in $ m) / margin\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted EBITDA</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>203</td>
<td>19.9%</td>
</tr>
<tr>
<td>2014</td>
<td>224</td>
<td>20.0%</td>
</tr>
<tr>
<td>2015</td>
<td>242</td>
<td>22.4%</td>
</tr>
</tbody>
</table>

### Adj. Operating Income (in $ m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>176</td>
</tr>
<tr>
<td>2014</td>
<td>197</td>
</tr>
<tr>
<td>2015</td>
<td>214</td>
</tr>
</tbody>
</table>

### End market split

- **Construction**
- **Automotive, Transportation & Machinery**
- **Coatings, Paint & Printing**
- **Home, Lifestyle, Personal Care**
- **Other**

Note: APD Performance Materials’ 2015 financials are September year-end
\(^1\) Adjusted EBITDA before restructuring charges and corporate allocations, includes equity affiliates income

June 2016 | Evonik company presentation | Appendix
Strong fit in Evonik’s Growth Segments

Nutrition & Care
- Animal Nutrition
- Baby Care
- Health Care
- Personal Care
- Comfort & Insulation
- Household Care
- Interface & Performance

Resource Efficiency
- Silica
- Silanes
- Catalysts
- Active Oxygens
- High Performance Polymers

- Coating Additives
- Crosslinkers
- Coating & Adhesive Resins
- Oil Additives
- High Performance Polymers

Performance Materials
- Acrylic Polymers
- Acrylic Monomers
- Functional Solutions
- Agrochemicals & Polymer Additives
- CyPlus Technologies

Evonik business lines

June 2016 | Evonik company presentation | Appendix
Enhanced innovation capabilities to better fulfil customer needs

Trends
- Environmentally friendly coatings & inks
- Modular coating manufacturing
- Coatings with increased durability

Growth rates\(^1\)
- 5% for waterborne paints
- 7% for UV cured coatings
- 7 – 8% for universal grinding systems
- 6% for high solid anti corrosion coatings

Solution
New Coating Additives offers innovative solutions to address current trends in the coatings industry
- High performance foam control agents
- Dispersants for universal pigment concentrates
- Ultra high solid Si-hybrid resins for long-lasting coatings

Customer offering
- Expanded toolkit and solutions’ expertise
- Increased new product development capabilities (e.g. intelligent mixing of the components)
- Enhance problem-solving, consulting and innovation strengths
- Movement towards modular production concepts
- Minimization of the number of formulations and material savings

\(^1\) Source: Company estimates
Joint development projects as key element of innovation partnership approach

Target Market: Additives/Ingredients for Coatings & Adhesives  │  Coating Additives

Activities

Phase 1: Initiation
- Regular dialogue with customers; discussion of future projects
- Excl. development agreements
- Kick-off development project

Phase 2: Development
- Discussion of performance and other specifications
- Development of new structures and products based on specifications

Phase 3: Application testing
- Lab and field performance tests
- Detailed feedback and discussion of test results
- Tests at end customers

Phase 4: Business
- Final approval
- Final negotiations
- Start of production
- Delivery to the customer

Activities: Iterative, multi step process

Customer functions
- Purchasing; Management
- R&D; technical service
- Purchasing; Management

Evonik functions
- Key Account Mgmt.; BL Management
- R&D; technical service
- Key Account Mgmt.; BL Management

June 2016 | Evonik company presentation | Appendix
Growth drivers of our markets and applications

Target Market: High value additives for PU foam

Additives market growth: ~ 5% p.a.

Key market trends:
- Cold Chain Development
- Automotive Lightweight
- Building Insulation
- Improvement of living standards

Environmental Regulation

Rising income middleclass

Energy Efficiency

June 2016 | Evonik company presentation | Appendix
## Industry trends drive growth in major applications

<table>
<thead>
<tr>
<th>Market trend</th>
<th>End Market</th>
<th>Key application functionalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cold Chain Development</td>
<td>Appliance</td>
<td>Lower energy consumption due to excellent cell nucleation, emulsification and surface appearance</td>
</tr>
<tr>
<td>Automotive Lightweight</td>
<td>Automotive</td>
<td>Comfort, protection, durability, energy conservation, reduce fogging and meet VOC requirements</td>
</tr>
<tr>
<td>Building Insulation</td>
<td>Construction</td>
<td>Energy efficiency management through maximum insulation efficiency, dimensional stability, uniform density, and fine cell structure</td>
</tr>
<tr>
<td>Improvement of living standards</td>
<td>Furniture &amp; Bedding</td>
<td>Extremely broad processing latitude, phthalate free products, good cell regulation properties</td>
</tr>
</tbody>
</table>
Additives with small quantity, but decisive impact in PU foam formulation

Quantities being required to produce 1 $\text{m}^3$ of flexible foam with a density of 24 kg/$\text{m}^3$

<table>
<thead>
<tr>
<th>Component</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Polyol</td>
<td>16.4 kg</td>
</tr>
<tr>
<td>Isocyanate (TDI)</td>
<td>8.3 kg</td>
</tr>
<tr>
<td>Water</td>
<td>0.66 kg</td>
</tr>
<tr>
<td>Surfactants/Stabilizers</td>
<td>0.16 kg</td>
</tr>
<tr>
<td>Catalysts</td>
<td>0.066 kg</td>
</tr>
</tbody>
</table>

Target Market: High value additives for PU foam

June 2016 | Evonik company presentation | Appendix
<table>
<thead>
<tr>
<th></th>
<th>Appendix to Acquisition of APD Performance Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td><strong>Segment overview</strong></td>
</tr>
<tr>
<td>C</td>
<td>Financials</td>
</tr>
<tr>
<td>D</td>
<td>Investor Relations contact</td>
</tr>
</tbody>
</table>
## Evonik Group
22 Business Lines grouped in 3 segments

<table>
<thead>
<tr>
<th>Nutrition &amp; Care</th>
<th>Resource Efficiency</th>
<th>Performance Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>€4,924 m</td>
<td>€4,279 m</td>
</tr>
<tr>
<td><strong>Adj. EBITDA / Margin</strong></td>
<td>€1,435 m / 29.1%</td>
<td>€896 m / 20.9%</td>
</tr>
</tbody>
</table>

### Nutrition & Care
- Animal Nutrition
- Baby Care
- Health Care
- Personal Care
- Household Care
- Comfort & Insulation
- Interface & Performance

### Resource Efficiency
- Silica
- Crosslinkers
- Oil Additives
- Coating & Adhesive Resins
- High Performance Polymers
- Active Oxygens
- Silanes
- Coating Additives
- Catalysts

### Performance Materials
- Performance Intermediates
- Acrylic Polymers
- Acrylic Monomers
- Functional Solutions
- Agrochemicals & Polymer Additives
- CyPlus Technologies

2015 financials; Business Lines ranked by turnover
Key characteristics

- High degree of customer intimacy and market know-how
- Enabling our customers to deliver differentiating solutions in their markets
- Excellent technology platforms
- Sustainability as major growth driver

Key products

- Amino acids for professional animal nutrition
- Active ingredients for cosmetic products
- Superabsorbents for baby diapers
- Drug delivery systems for controlled drug release

Adj. EBITDA (€ m) and margin (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA (€ m)</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>976</td>
<td>27.0</td>
</tr>
<tr>
<td>2011</td>
<td>1,034</td>
<td>25.8</td>
</tr>
<tr>
<td>2012</td>
<td>1,028</td>
<td>25.0</td>
</tr>
<tr>
<td>2013</td>
<td>901</td>
<td>22.1</td>
</tr>
<tr>
<td>2014</td>
<td>847</td>
<td>20.8</td>
</tr>
<tr>
<td>2015</td>
<td>1,435</td>
<td>29.1</td>
</tr>
</tbody>
</table>

End market split

- Pharma and health care
- Consumer goods and personal care
- Food and feed
- Other
### Nutrition & Care
#### Business Line overview (1/2)

<table>
<thead>
<tr>
<th>Nutrition &amp; Care</th>
<th>Animal Nutrition</th>
<th>Baby Care</th>
<th>Personal Care</th>
<th>Household Care</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Key products</strong></td>
<td>Methionine, Lysine, Threonine, Tryptophan</td>
<td>Superabsorbents</td>
<td>Actives, Emulsifiers, Conditioners</td>
<td>Fabric conditioners, Specialty surfactants</td>
</tr>
<tr>
<td><strong>Main Applications</strong></td>
<td>Feed additives and services for animal nutrition</td>
<td>Baby Care, Female Care, Adult Care</td>
<td>Personal Care</td>
<td>Laundry care, Home care, Car care</td>
</tr>
<tr>
<td><strong>Market position</strong></td>
<td># 1 in Feed Amino Acids</td>
<td># 2-3 in superabsorbents</td>
<td># 4 in cosmetic ingredients</td>
<td># 1 in fabric softeners</td>
</tr>
<tr>
<td><strong>Main competitors</strong></td>
<td>Chem China/Adisseo, Novus, Ajinomoto, Cheil Jedang</td>
<td>BASF, Nippon Shokubai</td>
<td>Ashland, BASF, Croda</td>
<td>AkzoNobel, BASF, Solvay, Stepan</td>
</tr>
</tbody>
</table>

---

1 Company estimates for relevant markets based on multiple research reports

June 2016 | Evonik company presentation | Appendix
# Nutrition & Care
## Business Line overview (2/2)

### Health Care
- **Key products**
  - Active pharma ingredients
  - Pharma grade amino acids
  - Pharmaceutical coatings
- **Main Applications**
  - Drug delivery systems for oral and parenteral dosage
  - Tailor-made pharmaceutical syntheses
  - Pharma Amino Acids
- **Market position**
  - # 1 Functional Polymers for Controlled Release
  - # 2 Exclusive Synthesis
  - # 3 Pharma Amino Acids
- **Main competitors**
  - BASF
  - DSM
  - Lonza
  - Ajinomoto

### Comfort & Insulation
- **Main Applications**
  - Foam stabilizers
  - Catalysts
  - Release agents
  - Furniture / appliances
  - Construction
  - Automotive
- **Market position**
  - # 1 in polyurethane foam additives
- **Main competitors**
  - Maysta
  - Momentive

### Interface & Performance
- **Main Applications**
  - Release coatings
  - Super spreading additives
  - Packaging / tapes
  - Agrochemicals
  - Plastic additives
- **Market position**
  - # 1-2 in release coatings
- **Main competitors**
  - Clariant
  - Dow Corning
  - Momentive
  - Wacker

---

1 Company estimates for relevant markets based on multiple research reports

June 2016 | Evonik company presentation | Appendix
**Resource Efficiency**
Innovative products for resource-efficient solutions

---

**Key characteristics**

- Focus on **performance-impacting** and value-driving components
- **Minor share of cost** in most end products
- Strong focus on **technical service**
- **Low risk of substitution**
- High pricing power (**value-based pricing**)

---

**Key products**

- Precipitated and fumed silica as flow property enhancers
- Crosslinkers for composite materials and coatings
- Viscosity modifiers for oils and hydraulic fluids

---

**Adj. EBITDA (€ m) and margin (%)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA (€ m)</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>685</td>
<td>18.4</td>
</tr>
<tr>
<td>2011</td>
<td>826</td>
<td>19.9</td>
</tr>
<tr>
<td>2012</td>
<td>822</td>
<td>21.4</td>
</tr>
<tr>
<td>2013</td>
<td>818</td>
<td>21.3</td>
</tr>
<tr>
<td>2014</td>
<td>836</td>
<td>20.7</td>
</tr>
<tr>
<td>2015</td>
<td>896</td>
<td>20.9</td>
</tr>
</tbody>
</table>

---

**End market split**

- Automotive, transportation and machinery
- Coatings, paintings & printing
- Construction
- Other

---
### Resource Efficiency

**Business Line overview (1/3)**

<table>
<thead>
<tr>
<th>Key products</th>
<th>Main Applications</th>
<th>Market position¹</th>
<th>Main competitors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Silica</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Precipitated silica</td>
<td>Fumed silica</td>
<td>Special oxides</td>
<td>Cabot</td>
</tr>
<tr>
<td>Silicone rubber</td>
<td>Tires, green tires &amp; rubber</td>
<td>Paints &amp; coatings</td>
<td>JM Huber</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Adhesives &amp; sealants</td>
<td>Solvay</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Wacker</td>
</tr>
<tr>
<td># 1 in siliconas (precipitated, fumed, special oxides, matting agents and specialty fillers)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| **Oil Additives** |                   |                   |                  |
|                   |                   |                   |                  |
| Lubricant additives (viscosity modifiers) | Fuel additives |                   |                  |
| Auto & industrials | Hydraulic systems | Refinery processing |                   |
|                   |                   | Biofuels |                  |
| # 1 in viscosity modifiers for lubricants |                   |                   |                  |
| Infineum | Lubrizol | NewMarket (Afton) | Oronite |

| **Crosslinkers** |                   |                   |                  |
|                   |                   |                   |                  |
| Crosslinkers for composites, elastomers and non-solvent coatings |                   |                   |                  |
| Composites | Coatings & paints | Flooring | Automotive interior |
| # 1 in isophorone chemicals |                   |                   |                  |
| Arkema | BASF | Covestro |                  |

¹ Company estimates for relevant markets based on multiple research reports

June 2016 | Evonik company presentation | Appendix
### Active Oxygens
- Hydrogen peroxide
- Oxidising agent in chemical reactions
- Pulp & paper bleaching
- # 2 in hydrogen peroxide

### Main Applications
- Automotive components
- Medical
- Oil & gas pipes
- Road marking

### Market position
- # 1 in PA12

### Main competitors
- Arkema
- Solvay

---

### High Performance Polymers
- High perf. polyamide (PA12)
- Polyetheretherketone (PEEK)
- Membranes and Polyimide fibres
- Automotive components
- Medical
- Oil & gas pipes
- # 1 in PA12

### Main Applications
- Protected components
- Medical
- Oil & gas pipes
- Road marking

### Market position
- # 1 in PA12

### Main competitors
- Arkema
- EMS
- Solvay
- Victrex

---

### Coating & Adhesive Resins
- Functional resins
- Adhesive hot melts
- Heat sealants
- Polybutadiene
- Hot melt
- Pre coated metal
- Protective coatings
- Road marking

### Main Applications
- # 1 in polyester resins

### Market position
- # 1 in polyester resins

### Main competitors
- Dow
- DSM
- Mitsubishi Chemical

---

1 Company estimates for relevant markets based on multiple research reports

June 2016 | Evonik company presentation | Appendix
**Resource Efficiency**

**Business Line overview (3/3)**

<table>
<thead>
<tr>
<th>Key products</th>
<th>Main Applications</th>
<th>Market position¹</th>
<th>Main competitors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Silanes</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Chlorosilanes</td>
<td></td>
<td></td>
<td>Dow Corning</td>
</tr>
<tr>
<td>- Organofunctional silanes</td>
<td></td>
<td></td>
<td>Momentive</td>
</tr>
<tr>
<td>- Rubber silanes</td>
<td></td>
<td></td>
<td>Shin Etsu</td>
</tr>
<tr>
<td>- Fumed silica</td>
<td></td>
<td></td>
<td>Tokuyama</td>
</tr>
<tr>
<td>- Optical fibres</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Adhesive &amp; sealants</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Building protection</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># 1 in chlorosilanes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td># 1 in organofunctional and rubber silanes</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Coating Additives</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Additives for eco-friendly and highly solid industrial coatings</td>
<td></td>
</tr>
<tr>
<td>- Eco-friendly coatings (low VOC, water based)</td>
<td></td>
</tr>
<tr>
<td># 2 in high performance additives for coatings and inks</td>
<td></td>
</tr>
<tr>
<td># 1-2 in silicone resins for special applications</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Catalysts</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Activated base metal catalysts</td>
<td></td>
</tr>
<tr>
<td>- Precious metal catalysts</td>
<td></td>
</tr>
<tr>
<td>- Catalysts for industrial &amp; petrochemicals</td>
<td></td>
</tr>
<tr>
<td>- Catalysts for chemical processes</td>
<td></td>
</tr>
<tr>
<td>- Enabler for process efficiency / innovation</td>
<td></td>
</tr>
<tr>
<td>#1 in precious metal powder catalysts</td>
<td></td>
</tr>
<tr>
<td>#3 in activated base metal catalysts</td>
<td></td>
</tr>
<tr>
<td>BASF</td>
<td></td>
</tr>
<tr>
<td>Clariant</td>
<td></td>
</tr>
<tr>
<td>Johnson Matthey</td>
<td></td>
</tr>
<tr>
<td>WR Grace</td>
<td></td>
</tr>
</tbody>
</table>

¹ Company estimates for relevant markets based on multiple research reports

June 2016 | Evonik company presentation | Appendix
Performance Materials
Integrated production platforms for efficient production of rubber and plastic intermediates

Key characteristics
- Strong integrated production platforms
- Leading cost positions
- Favorable raw material access
- Focus on continuous efficiency improvements
- High degree of supply reliability

Key products
- Acrylic sheets, molding compounds (PMMA) and its precursors (MMA), e.g. for LED and touch screens
- Butadiene for synthetic rubber
- MTBE as fuel additive

Adj. EBITDA (€ m) and margin (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA (€ m)</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>539</td>
<td>15.8</td>
</tr>
<tr>
<td>2011</td>
<td>761</td>
<td>18.8</td>
</tr>
<tr>
<td>2012</td>
<td>712</td>
<td>16.9</td>
</tr>
<tr>
<td>2013</td>
<td>404</td>
<td>10.6</td>
</tr>
<tr>
<td>2014</td>
<td>325</td>
<td>8.5</td>
</tr>
<tr>
<td>2015</td>
<td>309</td>
<td>9.0</td>
</tr>
</tbody>
</table>

End market split
- Automotive, transportation and machinery
- Construction
- Other
- Plastics and rubber
Performance Intermediates
- Butadiene
- MTBE
- Butene-1
- Plasticizers (INA&DINP)

Acrylic Monomers
- Methylmethacrylate (MMA) & application monomers
- Methacrylic acid

Acrylic Polymers
- Molding compounds
- Acrylic sheets (Plexiglas / Acrylite)
- PMMA systems

Main Applications
- Plastics
- Styrene-Butadiene-Rubber
- High performance polymers

Market position
- # 1 in butene-1

Main competitors
- BASF
- Sabic
- LyondellBasell

Key products
- # 1 in butene-1

Market position

Main competitors
- BASF
- Sabic
- LyondellBasell

1 Company estimates for relevant markets based on multiple research reports

June 2016 | Evonik company presentation | Appendix
### Performance Materials

**Business Line overview (2/2)**

<table>
<thead>
<tr>
<th><strong>Agrochemicals</strong></th>
<th><strong>Functional Solutions</strong></th>
<th><strong>CyPlus Technologies</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Triacetonamine</td>
<td>• Alkoxides (e.g. sodium methyleate)</td>
<td>• Sodium cyanide</td>
</tr>
<tr>
<td>• Crosslinkers</td>
<td>• Catalysts for biodiesel production</td>
<td>• Potassium cyanide</td>
</tr>
<tr>
<td>• Precursors of glyphosates</td>
<td>• # 1 in alkoxides</td>
<td>• Precious metals mining</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Fine chemicals</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• n.a.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• AGR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• DuPont</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Orica</td>
</tr>
<tr>
<td>• Polymer additives</td>
<td></td>
<td>• Lanxess</td>
</tr>
<tr>
<td>• Optical brighteners</td>
<td></td>
<td>• Weylchem</td>
</tr>
<tr>
<td>• Photovoltaic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Agro chemicals</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Key products**
- AGR
- DuPont
- Orica

**Main Applications**
- Agro chemicals
- Functional Solutions
- CyPlus Technologies

**Market position**
- n.a.

**Main competitors**
- Evonik
- BASF

**Company estimates for relevant markets based on multiple research reports**

June 2016 | Evonik company presentation | Appendix
## Table of contents

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td>Appendix to Acquisition of APD Performance Materials</td>
</tr>
<tr>
<td><strong>B</strong></td>
<td>Segment overview</td>
</tr>
<tr>
<td><strong>C</strong></td>
<td>Financials</td>
</tr>
<tr>
<td><strong>D</strong></td>
<td>Investor Relations contact</td>
</tr>
</tbody>
</table>
Investments
Capex brought down to sustainable level

Capex spending (in € m)

- Declining capex since 2013
- Notable decline in 2015 after completion of major projects
  ➔ sustainable capex level of €800 - 900 m already reached
- Selective, smaller growth investments going forward with a clear focus on the two growth segments¹:

¹ Sustainable level 2016 ff.
Investments
Selective, smaller projects announced for 2017/18

Major projects successfully completed in 2015….

C4 expansion
Germany, Belgium
Rationale: feedstock diversification

Oil Additives exp.
Singapore
Rationale: enable growth in Asia

Personal Care plant
Brazil
Rationale: establish local production

… and selective, smaller projects with start-up planned for 2017/18

Polyimide membrane exp.
Austria
Start-up: 2017
Volume: <50 m

PA12 powder exp.
Germany
Start-up: 2017
Volume: <50 m

Copolyester plant
Germany
Start-up: 2018
Volume: <50 m
Efficiency
Cost improvement integral part of Evonik’s DNA

Operating Excellence
- On Track: €500 m
  - Measures with savings potential >€500 m already in implementation
  - By end of 2016

Administration Excellence
- Admin Ex.: €230 m
  - Measures with savings potential >€100 m already in implementation
  - By end of 2016

Ongoing optimization
- Ongoing optimization in operating businesses
  - E.g.: re-organization of Silanes activities into one Business Line
  - E.g.: alignment of businesses in Performance Materials to current market environment

Timeline:
- 2009
- 2010
- 2011
- 2012
- 2013
- 2014
- 2015
- 2016
Maintaining a solid investment grade rating is a central element of our financial strategy.

- Rating affirmed at BBB+
- Outlook remains stable
- Evonik's business risk profile will be enhanced
- Resilient combined performance expected

- Rating upgraded to Baa1 from Baa2
- Outlook revised to stable
- Specialty chemicals franchise will be improved
- Further strengthening by adding scale and diversity

BBB+ (stable)

Baa1 (stable)

June 2016 | Evonik company presentation | Appendix
• Maturity of syndicated revolving credit facility (RCF) extended by one year to 2018/20 (€875 m each); fully undrawn

• Issuance of new €750 m 1% bond in January 2015 (8yrs to 2023); achieved lowest ever 8-year spread and coupon for a BBB (+/-/flat) rated corporate issuer
Pensions very long-term, patient debt (>16 years) with no funding obligations in Germany

- DBO level of €10.5 bn stable in 2015 vs. prior year
- Cash contribution plan of in total €1.6 bn (2010-2015) completed with final cash injection of €200 in Q4 15
- Funding ratio increased to >65%

Funding level increased to >65%
# Pensions
## Breakdown of P&L and cash flow effects

<table>
<thead>
<tr>
<th>in € m</th>
<th>P&amp;L item / KPI</th>
<th>2014</th>
<th>2015</th>
<th>Annual report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current service costs</td>
<td>Adj. EBITDA</td>
<td>-172</td>
<td>-191</td>
<td>p. 182</td>
</tr>
<tr>
<td>Interest costs</td>
<td>Net interest expense</td>
<td>-341</td>
<td>-281</td>
<td>p. 182</td>
</tr>
<tr>
<td>Exp. return on plan assets</td>
<td>Net interest expense</td>
<td>+221</td>
<td>+185</td>
<td>p. 183/184</td>
</tr>
<tr>
<td>Other</td>
<td>Adj. EBITDA</td>
<td>-38</td>
<td>-40</td>
<td>p. 184</td>
</tr>
<tr>
<td>Total pension expense</td>
<td></td>
<td>-330</td>
<td>-327</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>in € m</th>
<th>2014</th>
<th>2015</th>
<th>Annual report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits paid</td>
<td>-404</td>
<td>-433</td>
<td>p. 182</td>
</tr>
<tr>
<td>Benefits paid from plan assets</td>
<td>From defined benefit plans</td>
<td>+163</td>
<td>+185</td>
</tr>
<tr>
<td>Contribution to plan assets (excl. CTA)</td>
<td></td>
<td>-135</td>
<td>-145</td>
</tr>
<tr>
<td>Payments under defined contribution plans</td>
<td></td>
<td>-144</td>
<td>-156</td>
</tr>
<tr>
<td>Total cash out for pensions (excl. CTA)</td>
<td></td>
<td>-520</td>
<td>-549</td>
</tr>
</tbody>
</table>
Sensitivity analysis¹:
Increase (decrease) in discount rate by 100 bp in year x

Impact in year x:
- **Personnel costs:** no impact
- **Finance costs:** no impact
- **Cash flow:** no impact
- **Balance sheet:** decrease (increase) of pension provision by -€1.5 bn (+€1.9 bn) against equity and deferred tax liabilities (assets)

Impact in year x+1:
- **Personnel costs:** decrease (increase) due to lower (higher) service costs
- **Finance costs:** increase (decrease) due to higher (lower) pension interest
- **Cash flow:** no impact
- **Balance sheet:** no impact

¹ Excluding any effects from potential actuarial changes and changes in the valuation of plan assets
### Net debt development (in € m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net financial debt</th>
<th>Pension provisions</th>
<th>Total leverage</th>
<th>Net debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3,331</td>
<td>-571</td>
<td>1.4x</td>
<td>2,760</td>
</tr>
<tr>
<td>2014</td>
<td>3,953</td>
<td>-400</td>
<td>1.9x</td>
<td>3,553</td>
</tr>
<tr>
<td>2015</td>
<td>3,349</td>
<td>-1,098</td>
<td>0.9x</td>
<td>2,251</td>
</tr>
<tr>
<td>Q1 2016</td>
<td>3,528</td>
<td>-1,177</td>
<td>1.0x</td>
<td>2,351</td>
</tr>
</tbody>
</table>

- Majority of debt consists of long-dated pension obligations; average life of DBO exceeds 15 years
- Discount rate slightly lowered in Q1 2016, leading to around €200 m increase in pension provisions

<table>
<thead>
<tr>
<th>Year</th>
<th>Evonik Group global discount rate</th>
<th>Evonik discount rate for Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>3.84</td>
<td>3.75</td>
</tr>
<tr>
<td>2014</td>
<td>2.65</td>
<td>2.50</td>
</tr>
<tr>
<td>2015</td>
<td>2.91</td>
<td>2.75</td>
</tr>
<tr>
<td>Q1 2016</td>
<td>-</td>
<td>2.50</td>
</tr>
</tbody>
</table>

1. Total leverage defined as (net financial debt + pension provisions) / adj. EBITDA LTM
2. Calculated annually
## Financial track record

### Sales (in € m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>10,518</td>
</tr>
<tr>
<td>2010</td>
<td>13,300</td>
</tr>
<tr>
<td>2011</td>
<td>14,540</td>
</tr>
<tr>
<td>2012</td>
<td>13,365</td>
</tr>
<tr>
<td>2013</td>
<td>12,708</td>
</tr>
<tr>
<td>2014</td>
<td>12,917</td>
</tr>
<tr>
<td>2015</td>
<td>13,507</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Carbon Black/Real Estate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>9,267</td>
</tr>
<tr>
<td>2010</td>
<td>11,701</td>
</tr>
<tr>
<td>2011</td>
<td>13,316</td>
</tr>
<tr>
<td>2012</td>
<td>13,365</td>
</tr>
<tr>
<td>2013</td>
<td>12,708</td>
</tr>
<tr>
<td>2014</td>
<td>12,917</td>
</tr>
<tr>
<td>2015</td>
<td>13,507</td>
</tr>
</tbody>
</table>

### Adj. EBITDA (in € m) / margin\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>1,607</td>
<td>16.1%</td>
</tr>
<tr>
<td>2010</td>
<td>2,365</td>
<td>18.3%</td>
</tr>
<tr>
<td>2011</td>
<td>2,768</td>
<td>19.0%</td>
</tr>
<tr>
<td>2012</td>
<td>2,467</td>
<td>18.5%</td>
</tr>
<tr>
<td>2013</td>
<td>1,989</td>
<td>15.7%</td>
</tr>
<tr>
<td>2014</td>
<td>1,882</td>
<td>14.6%</td>
</tr>
<tr>
<td>2015</td>
<td>2,465</td>
<td>18.2%</td>
</tr>
</tbody>
</table>

### Adj. net income (in € m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. net income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>360</td>
</tr>
<tr>
<td>2010</td>
<td>935</td>
</tr>
<tr>
<td>2011</td>
<td>1,256</td>
</tr>
<tr>
<td>2012</td>
<td>1,076</td>
</tr>
<tr>
<td>2013</td>
<td>864</td>
</tr>
<tr>
<td>2014</td>
<td>782</td>
</tr>
<tr>
<td>2015</td>
<td>1,128</td>
</tr>
</tbody>
</table>

### ROCE (in %)

<table>
<thead>
<tr>
<th>Year</th>
<th>ROCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>7.7</td>
</tr>
<tr>
<td>2010</td>
<td>15.0</td>
</tr>
<tr>
<td>2011</td>
<td>18.7</td>
</tr>
<tr>
<td>2012</td>
<td>20.4</td>
</tr>
<tr>
<td>2013</td>
<td>15.1</td>
</tr>
<tr>
<td>2014</td>
<td>12.5</td>
</tr>
<tr>
<td>2015</td>
<td>16.6</td>
</tr>
</tbody>
</table>

\(^1\) Excluding Carbon Black

June 2016 | Evonik company presentation | Appendix
Raw material split

Total procurement volume 2015 (in € m)

- Logistics & packaging
- Energy (incl. natural gas)
- Machinery & equipment
- Raw material spend

~€8.3 bn

Oil price link of raw material spend\(^1\) (examples)

- Sodium silicate (Silica)
- Sugar (Animal Nutrition)
- Fatty acids (Personal Care)

No oil price link

- CC4 (Performance Intermediates)
- Propylene (Baby Care, Animal Nutrition)

Direct oil price link

~€4.9 bn

Indirect oil price link

- Acrylic acid (Baby Care)
- Acetone (Coatings & Additives, Acrylic Monomers)
- Methanol (Acrylic Monomers, Performance Intermediates)

\(^1\) Raw material spend 59% of total procurement volume in 2015

June 2016 | Evonik company presentation | Appendix
### Management compensation

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed salary</strong></td>
<td>• To be paid in cash for each financial year on a monthly basis</td>
</tr>
<tr>
<td>~1/3</td>
<td></td>
</tr>
</tbody>
</table>
| **Bonus**                       | • To be paid out in cash annually  
• Pay-out calculated on the basis of the achievement of certain, primarily value creation focused KPIs (e.g. ROCE, adj. net income, adj. EBITDA) and accident performance  
• Factor of between 0.8 and 1.2 to take into account the achievement of further individual targets  
• Bonus capped at 200% of initial target |
| ~1/3                            |                                                                                                                                              |
| **Long-term incentive plan**    | • Granted LTI target amount is calculated in virtual shares (4-year lock-up)  
• Value of LTI to mirror the development of Evonik’s share price (incl. dividends)  
• Amount payable is determined by two performance elements:  
  • Absolute performance: Real price of the Evonik share  
  • Relative performance against external index benchmark (MSCI Chemicals)  
• Bonus capped at 300% of initial amount  
• To be paid out in cash after lock-up period |
<p>| ~1/3                            |                                                                                                                                              |</p>
<table>
<thead>
<tr>
<th></th>
<th>Table of contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Appendix to Acquisition of APD Performance Materials</td>
</tr>
<tr>
<td>B</td>
<td>Segment overview</td>
</tr>
<tr>
<td>C</td>
<td>Financials</td>
</tr>
<tr>
<td>D</td>
<td>Investor Relations contact</td>
</tr>
</tbody>
</table>
Disclaimer

In so far as forecasts or expectations are expressed in this presentation or where our statements concern the future, these forecasts, expectations or statements may involve known or unknown risks and uncertainties. Actual results or developments may vary, depending on changes in the operating environment. Neither Evonik Industries AG nor its group companies assume an obligation to update the forecasts, expectations or statements contained in this release.
Diese Markierung nach erfolgreicher Anwendung dieser Master löschen.