

**HERE WE ARE!** ● .....  
AND HOPEFULLY YOU  
ARE, TOO.

● Invitation to the Annual Shareholders' Meeting  
Grugahalle Essen, May 20, 2014



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WE HEREBY INVITE OUR  
SHAREHOLDERS TO THE  
ANNUAL SHAREHOLDERS'  
MEETING AT **10 A.M.**  
(CENTRAL EUROPEAN  
SUMMER TIME — CEST)  
ON **TUESDAY MAY 20, 2014**  
AT THE VENUE **GRUGAHALLE,**  
**NORBERTSTRASSE,**  
**45131 ESSEN, GERMANY.**

*Please notice: This English version of the Invitation to the Annual Shareholders' Meeting is a convenience translation only. In case of doubt, the German version shall prevail.*

## I. AGENDA

### 1. Provision of documents in accordance with Section 176 Paragraph 1 Sentence 1 of the German Stock Corporation Act (AktG)

Pursuant to Section 176 Paragraph 1 Sentence 1 AktG, the Executive Board provides access to the following documents to the Annual Shareholders' Meeting:

- the adopted annual financial statements of Evonik Industries AG as of December 31, 2013
- the approved consolidated financial statements of the Evonik Group as of December 31, 2013
- the combined management report for the Evonik Group and Evonik Industries AG, including the explanatory report of the Executive Board contained therein on the information set out in Section 289 Paragraph 4 and Paragraph 5, and Section 315 Paragraph 4 of the German Commercial Code (HGB).
- the report of the Supervisory Board of Evonik Industries AG, and
- the Executive Board's proposal for the allocation of the net profit.

All the above documents are available in the internet at

**[www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting)**

and may also be reviewed at the company's business premises at Evonik Industries AG, Rellinghauser Straße 1–11, 45128 Essen (Germany). Further, the documents will be available during the Annual Shareholders' Meeting.

Pursuant to Section 172 AktG, at its meeting on March 6, 2014, the Supervisory Board approved the annual financial statements of Evonik Industries AG and the consolidated financial statements for the Evonik Group as prepared by the Executive Board at its meeting on February 27, 2014. The approval of the financial statements constitutes their adoption. Pursuant to Section 173 Paragraph 1 AktG, the Annual Shareholders' Meeting is not required to adopt the financial statements of Evonik Industries AG or to approve the consolidated financial statements of the Evonik Group. Similarly, the other documents specified above only have to be made available at the Annual Shareholders' Meeting and explained at the Annual Shareholders' Meeting in accordance with Section 176 Paragraph 1 Sentence 2 AktG; no resolution is required in this regard, apart from a resolution on the allocation of the net profit.

### 2. Resolution on the allocation of the net profit

The Executive Board and Supervisory Board propose the following resolution:

The net profit of €907,500,000.00 stated in the annual financial statements of Evonik Industries AG for 2013 shall be allocated as follows:

- |   |                   |
|---|-------------------|
| – Payment of a dividend of €1.00<br>per no-par value share entitled to the dividend | = €466,000,000.00 |
| – Allocation to other revenue reserves  | = €441,500,000.00 |

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<b>Net profit</b>	<b>= €907,500,000.00</b>
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This proposal for the allocation of the net profit is based on the capital stock of €466,000,000.00 — divided into 466,000,000 no-par value shares — which is entitled to the dividend as of February 27, 2014 (date of the establishment of the annual financial statements). The acquisition of treasury stock could decrease the number of shares entitled to the dividend and thus the total dividend

in the period up to the date of the passing of the resolution on the allocation of the net profit. In this case, the Executive Board and Supervisory Board will submit an amended proposal for the allocation of the net profit, which will, however, propose an unchanged dividend of €1.00 per no-par value share entitled to the dividend, but increase the amount to be allocated to other revenue reserves.

### **3. Resolution on the formal ratification of the actions of the members of the Executive Board in the fiscal year 2013**

The Executive Board and Supervisory Board propose the following resolution:

The actions of the members of the Executive Board who held office in 2013 are hereby formally ratified for this period.

### **4. Resolution on the formal ratification of the actions of the members of the Supervisory Board in the fiscal year 2013**

The Executive Board and Supervisory Board propose the following resolution:

The actions of the members of the Supervisory Board who held office in 2013 are hereby formally ratified for this period.

### **5. Resolution on the election of a member of the Supervisory Board**

Dr. Dr. Peter Bettermann a shareholders' representative of the Supervisory Board will resign from his office with effect as of June 30, 2014, which requires the election of a new shareholders' representative of the Supervisory Board.

Pursuant to Sections 96 Paragraph 1, 101 Paragraph 1 AktG and Section 7 Paragraph 1 Sentence 1 No. 3 Codetermination Act 1976, the Supervisory Board comprises twenty members of which ten are shareholders' representative and ten are employees' representatives. The shareholders' representatives are elected by the Shareholders' Meeting. The Shareholders' Meeting is not bound by proposals for the election.

Pursuant to Section 8 Paragraph 5 of the Articles of Incorporation, in case a member of the Supervisory Board who was elected by the Shareholders' Meeting leaves the Supervisory Board prior to end of the term of its office and, as in this particular case, no appointed substitute member is available, a succeeding member of the Supervisory Board is elected for the remaining term of office of the leaving member, unless a shorter term of office has been determined.

Based upon the proposal of the Nomination Committee, the Supervisory Board proposes to elect

Prof. Dr. Barbara Ruth Albert,  
Darmstadt,

professor at Technische Universität Darmstadt, past president and vice-president of the Gesellschaft Deutscher Chemiker e.V.

as a shareholders' representative to the Supervisory Board subject to the condition that she will be appointed as of July 1, 2014 and, pursuant to Section 8 Paragraph 5 of the Articles of Incorporation for the remaining term of the office of Dr. Dr. Peter Bettermann, i.e. until the end of the Shareholders' Meeting which resolves on the formal ratification of the actions in the fiscal year 2017.

**Information pursuant to Section 125 Paragraph 1 Sentence 5 AktG regarding the candidate proposed by the Supervisory Board for the election as member of the Supervisory Board:**

Memberships in other supervisory boards to be established by law:  
None

Memberships in comparable domestic and foreign supervisory bodies responsible for supervising commercial enterprises:  
None

Pursuant to Section 5.4.1 Paragraphs 4 to 6 of the German Corporate Governance Codex the following is brought to attention: According to the assessment of the Supervisory Board there are no relevant personal or commercial relationships between Prof. Dr. Albert on the one hand and the entities of the Evonik Group, the corporate bodies of Evonik Industries AG or a shareholder holding directly or indirectly more than 10 percent of the shares of Evonik Industries AG with voting rights on the other hand.

**6. Resolution on the appointment of the auditor for the annual financial statements and consolidated annual financial statements for the fiscal year 2014 and the auditor for the review of the condensed financial statements and interim management report as of June 30, 2014 pursuant to Section 37w Paragraph 5 and Section 37y No. 2 of the German Securities Trading Act (WpHG)**

Based on a corresponding recommendation of the Audit Committee, the Supervisory Board proposes the following resolution:

- a) PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf (Germany), is hereby appointed as auditor of the annual financial statements and consolidated annual financial statements for the fiscal year 2014.
- b) PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf (Germany), is hereby also appointed to conduct a review of the condensed financial statements and interim management report as of June 30, 2014 pursuant to Section 37w Paragraph 5 and Section 37y No. 2 WpHG.

PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf (Germany), has declared vis-à-vis the Supervisory Board that there are no business, financial, personal or other relations between it, its corporate bodies and its lead auditors on the one hand, and the company and its corporate officers on the other hand, that could give rise to doubts about its independence.

**7. Resolution approving the remuneration system for members of the Executive Board**

Section 120 Paragraph 4 AktG, in the version of the law regarding the appropriateness of the remuneration of the Executive Board (VorstAG) dated July 31, 2009, provides for the possibility for the Annual Shareholders' Meeting to resolve on the approval the remuneration system for members of the Executive Board. Evonik wishes to utilize this possibility. The approval concerns the remuneration system for members of the Executive Board as adopted by the Supervisory Board of Evonik Industries AG on June 21, 2013, and which is applicable for all current members of the Executive Board with effect as of January 1, 2014.

The Executive Board and Supervisory Board propose the following resolution:

The Annual Shareholders' Meeting hereby approves the remuneration system adopted for the members of the Executive Board by the Supervisory Board of Evonik Industries AG with effect from January 1, 2014.

The remuneration system for the members of the Executive Board adopted by the Supervisory Board of Evonik Industries AG with effect from January 1, 2014 is outlined in the Remuneration Report in Section 10.1 which is printed as a part of the combined management report for the Evonik Group and Evonik Industries AG in the Annual Report 2013 on pages 124 et seq. of the Financial Report 2013. The Annual Report 2013 is available in the internet at

**[www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting)**

and will also be available for review at the Annual Shareholders' Meeting.

### **8. Resolution on the creation of Authorized Capital 2014 against cash contributions and/or contributions in kind and on the exclusion of subscription rights, the cancellation of the present Authorized Capital resolved under Item 11 of the Agenda for the Annual Shareholders' Meeting on March 11, 2013 and corresponding amendment of Section 4 of the Articles of Incorporation**

The Annual Shareholders' Meeting on March 11, 2013 authorized the Executive Board to increase the company's capital stock, subject to the approval of the Supervisory Board, by up to €4,660,000 (corresponding to 1 percent of the present capital stock) by issuing new no-par value registered shares in order to grant shares to employees of Evonik Industries AG and its subordinated affiliated companies. This authorization has not yet been utilized; it shall be cancelled and replaced by a new authorization (Authorized Capital 2014). With respect to the Authorized Capital 2014, the Executive Board shall also be authorized to exclude shareholders' subscription rights in certain circumstances. The company's Articles of Incorporation shall be amended accordingly.

The Executive Board and Supervisory Board propose the following resolution:

- a) The Authorized Capital resolved under Item 11 of the Agenda for the Annual Shareholders' Meeting of March 11, 2013 pursuant to Section 4 Paragraph 6 of the Articles of Incorporation shall be cancelled with effect from the date of the registration of the following Authorized Capital 2014 in the commercial register.
- b) The Executive Board is authorized until May 1, 2019, subject to the approval of the Supervisory Board, to increase the company's capital stock by up to €116,500,000.00 (corresponding to 25 percent of the present capital stock) by issuing new no-par value registered shares (Authorized Capital 2014). This authorization may be utilized in one or more issuances, but may not exceed a total of €116,500,000.00. The new shares may be issued against cash and/or contributions in kind. Except where subscription rights are excluded under the following provisions, the new shares shall be offered to the shareholders for subscription. An indirect subscription right within the meaning of Section 186 Paragraph 5 AktG shall also satisfy this condition.

The Executive Board is authorized, subject to the approval of the Supervisory Board, to exclude shareholders' statutory subscription rights when issuing new shares in the following cases:

- capital increases against contributions in kind, especially to grant new shares as a consideration in connection with business combinations, for the purpose of acquiring companies, parts of companies or interests in companies or other assets (including third party receivables due from the company or its subordinated affiliated companies within the meaning of Section 18 AktG) in connection with a business combination or acquisition,
- if the capital increase is against contributions in cash and the proportionate share of the capital stock attributable to the new shares for which subscription rights are excluded does not exceed 10 percent of the capital stock and the issue price of the new shares is not significantly below the stock market price of shares of the same class and with the same rights already listed on the stock exchange on the date of the final determination of the issue price by the Executive Board within the meaning of Section 203 Paragraphs 1 and 2, and Section 186 Para-

graph 3 Sentence 4 AktG; the calculation of the 10 percent threshold shall be based on the capital stock as of May 20, 2014, as of the date of registration of the authorization in the commercial register or the date of issuance of the new shares, depending on which of these amounts is the lowest; the issue volume, which is restricted to 10 percent of the capital stock, shall be reduced by the proportionate amount of the capital stock attributable to shares or to warrants and/or conversion rights or obligations relating to debt instruments issued or disposed of after May 20, 2014 under exclusion of shareholders' subscription rights under application — directly, analogously or mutatis mutandis — of Section 186 Paragraph 3 Sentence 4 AktG,

- to exclude fractional amounts arising from the subscription ratio,
- insofar as is necessary to grant holders and/or creditors of warrants or conversion rights or obligors of warrant and/or conversion obligations relating to debt instruments issued by the company or subordinated affiliated companies subscription rights to new shares to the extent that they would be entitled to them after exercise of their warrants and/or conversion rights or fulfillment of their warrant or conversion obligations,
- to grant shares to employees of the company or its subordinated affiliated companies (employee stock), provided that the new shares for which subscription rights are excluded do not in aggregate exceed a proportionate share of the capital stock of 1 percent,
- for the execution of a scrip dividend, where shareholders are offered the opportunity to use their claim to a dividend, in full or in part, as a contribution in kind to subscribe for new shares in the company.

However, the new shares for which subscription rights are excluded under this authorization, together with the proportionate amount of the capital stock attributable to treasury stock or to warrants and/or conversion rights and obligations relating to debt instruments disposed of or issued after May 20, 2014 under exclusion of subscription rights, shall not exceed 20 percent of the capital stock; the relevant reference figure shall be the capital stock as of May 20, 2014, as of the date of registration of the authorization in the commercial register or the date of issue of the new shares, whichever of these amounts is lower. If the disposal or issue takes place in application — analogously or mutatis mutandis — of Section 186 Paragraph 3 Sentence 4 AktG this shall also be deemed to constitute exclusion of subscription rights.

The Executive Board is authorized, subject to the approval of the Supervisory Board, to define further details of capital increases out of the Authorized Capital 2014.

c) Section 4 Paragraph 6 of the Articles of Incorporation shall be amended as follows:

“The Executive Board is authorized until May 1, 2019, subject to the approval of the Supervisory Board, to increase the company's capital stock by up to €116,500,000.00 by issuing new no-par value registered shares (Authorized Capital 2014). This authorization may be utilized in one or more issuances, but may not exceed a total of €116,500,000.00. The new shares may be issued against cash and/or contributions in kind. Except where subscription rights are excluded under the following provisions, the new shares shall be offered to the shareholders for subscription. An indirect subscription right within the meaning of Section 186 Paragraph 5 AktG shall also satisfy this condition. The Executive Board is authorized, subject to the approval of the Supervisory Board, to exclude shareholders' statutory subscription rights when issuing new shares in the following cases:

- capital increases against contributions in kind, especially to grant new shares as a consideration in connection with business combinations, for the purpose of acquiring companies, parts of companies or interests in companies or other assets (including third party's receivables due



from company or its subordinated affiliated companies within the meaning of Section 18 AktG) in connection with a business combination or acquisition,

- if the capital increase is against contributions in cash and the proportionate share of the capital stock attributable to the new shares for which subscription rights are excluded does not exceed 10 percent of the capital stock and the issue price of the new shares is not significantly below the stock market price of shares of the same class and with the same rights already listed on the date of the final determination of the issue price by the Executive Board within the meaning of Section 203 Paragraphs 1 and 2, and Section 186 Paragraph 3 Sentence 4 AktG; the calculation of the 10 percent threshold shall be based on the capital stock as of May 20, 2014, as of the date of registration of the authorization in the commercial register or the date of issuance of the new shares, depending on which of these amounts is lowest; the issue volume, which is restricted to 10 percent of the capital stock, shall be reduced by the proportionate amount of the capital stock attributable to shares or to warrants and/or conversion rights or obligations relating to debt instruments issued or disposed of after May 20, 2014 under exclusion of shareholders' subscription rights in application — directly, analogously or mutatis mutandis — of Section 186 Paragraph 3 Sentence 4 AktG,
- to exclude fractional amounts arising from the subscription ratio,
- insofar as is necessary to grant holders and/or creditors of warrants and/or conversion rights and obligors of warrant and/or conversion obligations relating to debt instruments issued by the company or a subordinated affiliated company subscription rights to new shares to the extent that they would be entitled to them after exercise of their warrants and/or conversion rights or fulfillment of their warrant or conversion obligations,
- to grant shares to employees of the company or its subordinated affiliated companies (employee stock), provided that the new shares, for which subscription rights are excluded, do not in aggregate account for a proportionate share of the capital stock in excess of 1 percent,
- for the execution of a scrip dividend, where shareholders are offered the opportunity to use their claim to a dividend, in full or in part, as a contribution in kind to subscribe for new shares in the company.

However, the new shares, for which subscription rights are excluded under this authorization, together with the proportionate amount of the capital stock attributable to treasury stock or to warrants and/or conversion rights and obligations related to debt instruments disposed of or issued after May 20, 2014 under exclusion of dividend rights shall not exceed 20 percent of the capital stock. The relevant reference figure shall be the capital stock as of May 20, 2014, as of the date of registration of the authorization in the commercial register or the date of issue of the new shares, whichever of these amounts is lowest. If the disposal or issue takes place in application — analogously or mutatis mutandis — of Section 186 Paragraph 3 Sentence 4 AktG this shall also be deemed to constitute exclusion of subscription rights.

The Executive Board is authorized, subject to the approval of the Supervisory Board, to determine further details of capital increases out of the Authorized Capital 2014."

- d) The Supervisory Board is authorized to amend Section 4 Paragraph 1 and Paragraph 6 of the Articles of Incorporation to reflect the utilization of the Authorized Capital 2014 or upon expiry of the authorization.

## Report to the Annual Shareholders' Meeting

With respect to Item 8 of the Agenda for the Annual Shareholders' Meeting on May 20, 2014, the Executive Board and Supervisory Board propose that new authorized capital (Authorized Capital 2014) shall be created.

The Executive Board hereby submits the following report pursuant to Section 203 Paragraph 2 in conjunction with Section 186 Paragraph 4 Sentence 2 AktG on the reasons for the authorization to exclude shareholders' subscription rights when issuing the new shares. As an integral part of this Invitation to the Shareholders' Meeting, this report is available in the internet at [www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting) and will be available for review at the Annual Shareholders Meeting.

Under Item 11 of the Agenda, the Annual Shareholders' Meeting on March 11, 2013 resolved to create authorized capital. The authorized capital resolved by the Annual Shareholders' Meeting on March 11, 2013 was registered in the commercial register on May 7, 2013, authorizing the Executive Board until March 10, 2018, subject to the approval of the Supervisory Board, to increase the company's capital stock by up to €4,660,600.00 by the issue of new no-par value shares in one or more issuances. So far, the Executive Board has not utilized this authorization.

The above authorization shall be revoked and replaced by new Authorized Capital 2014. Section 4, Paragraph 6 of the Articles of Incorporation shall therefore be amended accordingly.

The Executive Board and Supervisory Board propose that the Executive Board shall be authorized until May 1, 2019, subject to the approval of the Supervisory Board, to increase the company's capital stock by up to €116,500,000.00 by issuing new no-par value registered shares in one or more issuances against cash and/or contributions in kind (Authorized Capital 2014). The Authorized Capital 2014 corresponds to 25 percent of the present capital stock and thus half of the maximum statutory limit for authorized capital. In principle, shareholders have to be offered an opportunity to subscribe to the new shares. An indirect subscription right within the meaning of Section 186 Paragraph 5 AktG shall also satisfy this condition. However, the Executive Board shall be authorized, subject to the approval of the Supervisory Board, to exclude shareholders' statutory subscription rights when issuing new shares in certain cases.

While shareholders generally have a right to subscribe to the new shares issued as part of a capital increase, the Executive Board shall be authorized to exclude shareholders' subscription rights, subject to the approval of the Supervisory Board, in the case of capital increases against contributions in kind, in particular in order to issue new shares as a consideration in connection with business combinations, for the purpose of acquiring companies, parts of companies or interests in companies or other assets connected to such a business combination or acquisition; the above other assets include, in particular, third party's receivables due from the company or its subordinated affiliated companies. When acquiring companies, parts of companies or interests in companies or other assets, it is often necessary to offer shares in the acquiring company as consideration rather than cash. One reason for this is that for attractive acquisition targets, the acquiring company is often required to offer shares. Moreover, especially when larger entities are concerned, the granting of new shares as a consideration may be beneficial to reduce pressure on liquidity. In particular, the proposed authorization will give the company the necessary flexibility to utilize this type of consideration in order to make use of opportunities for business combinations, and for the acquisition of companies, parts of companies or interests in companies and other assets. The proposed authorization to exclude shareholders' subscription rights is necessary for this purpose. If subscription rights are granted, it is not generally possible to grant new shares as consideration for business combinations, the acquisition of companies, parts of companies, interests in companies and other assets so the associated benefits cannot be realized. Although the resolution authorizing the acquisition and use of treasury stock under Section db) of Item 7 of the Agenda for the Annual Shareholders' Meeting of March 11, 2013 essentially serves the same purpose, the company is, however, seeking the necessary flexibility to realize such objectives independently of the acquisition of its own shares. At present, there are no specific plans to utilize this authorization. If opportunities to acquire companies, parts of companies or interests in companies or other assets should materialize, the Executive Board will carefully exam-

ine whether it will utilize the possibility of a capital increase against contributions in kind and the possibility of excluding subscription rights. It will only do so if it comes to the conclusion that the acquisition of companies, parts of companies or interests in companies or other assets in return for new shares in Evonik is in the legitimate interest of the company. The Supervisory Board will only give its approval if it also reaches the same conclusion.

Further, the Executive Board shall be authorized to exclude shareholders' subscription rights, subject to the approval of the Supervisory Board, if the capital increase is against contributions in cash and the proportionate share of the capital stock attributable to the new shares for which subscription rights are excluded does not exceed 10 percent of the capital stock and the issue price of the new shares is not significantly below the stock market price of shares of the same class and with the same rights already listed on the date of the final determination of the issue price by the Executive Board within the meaning of Section 203 Paragraphs 1 and 2, in conjunction with Section 186 Paragraph 3 Sentence 4 AktG; The calculation of the 10 percent threshold shall be based on the capital stock as of May 20, 2014, as of the date of registration of the authorization in the commercial register or the date of issuance of the new shares, depending on which of these amounts is lowest. In other words, the determining factor is the date on which the capital stock is lowest. This clause in the resolution ensures that even in the event of a capital decrease, the 10 percent threshold will not be exceeded under any circumstances.

The legal basis for the exclusion of subscription rights is Section 203 Paragraphs 1 and 2 in conjunction with Section 186 Paragraphs 3 and 4 AktG. Any discount on the decisive stock market price will probably not exceed 3 percent, and will at most be 5 percent of the stock market price. This possibility of a so-called "simplified exclusion of subscription rights" serves the interests of the company in obtaining the best possible price for the issue of the new shares. In this way, the company will be placed in a position to utilize opportunities arising from the respective stock market situation quickly, flexibly and cost-effectively. The issue price obtainable by market-oriented determination of the issue price normally results in a far higher inflow of funds per share than if the new shares are placed under observation of subscription rights. Moreover, by excluding the time-consuming and expensive process of handling subscription rights, equity requirements can be satisfied quickly through opportunities arising on the market. Although Section 186 Paragraph 2 Sentence 2 AktG permits the publication of the issue price at the latest three days before expiration of the subscription period, in view of the volatility of the equity markets, even in this case there is a market risk, namely a risk of changes in prices over several days, which could lead to discounts as a safety margin when setting the issue price, and could thus result in conditions that are not market-oriented. Moreover, when granting subscription rights, the company cannot respond quickly to favorable market conditions as the statutory subscription period is at least two weeks. Although the resolution authorizing the acquisition and use of treasury stock under Section (d) of Item 7 of the Agenda for the Annual Shareholders' Meeting of March 11, 2013 essentially serves the same purpose, the company is, however, seeking the necessary flexibility to realize such objectives independently of the acquisition of its own shares. Further, the proposed clause providing for a reduction in the scope of the authorization in the event of other measures involving exclusion of subscription rights in application — directly, analogously or mutatis mutandis — of Section 186 Paragraph 3 Sentence 4 AktG is designed to ensure that the 10 percent threshold set forth in Section 186 Paragraph 3 Sentence 4 AktG is observed, taking into account all authorizations that permit the exclusion of subscription rights pursuant to Section 186 Paragraph 3 Sentence 4 AktG. The proposed authorization to exclude subscription rights is in the interests of the company and its shareholders for the reasons outlined. Since the issue price of the new shares has to be based on the stock market price and the scope of the authorization to exclude subscription rights is restricted, appropriate account is taken of the shareholders' interests. Shareholders have the possibility to maintain their relative stake by purchasing shares on the stock market.

The Executive Board shall also be authorized, subject to the approval of the Supervisory Board, to exclude subscription rights for fractional amounts. The purpose of excluding subscription rights for fractional amounts is to achieve a technically viable subscription ratio. The unallocated shares resulting from the exclusion of shareholders' subscription rights to fractional amounts will either be sold via the stock market or utilized in another way in the best interests of the company. The potential dilution effect is low due to the restriction to fractional amounts.

The Executive Board shall also be authorized, subject to the approval of the Supervisory Board, to exclude shareholders subscription rights insofar as is necessary to grant holders and/or creditors of warrants and/or conversion rights and obligors of warrants and/or conversion obligations relating to debt instruments issued by the company or a subordinated affiliated company, to the extent that they would be entitled to subscription rights to the new shares after exercise of the warrants and/or conversion rights or fulfillment of the warrant or conversion obligations. Warrant bonds and convertible bonds normally include protection against dilution to facilitate their placement on the capital market. Common methods of protection against dilution are cash compensations or the option of a discount on the warrant or conversion price or adjustments of the conversion ratio. In addition, warrant bonds and convertible bonds normally provide that, in particular in the event of a capital increase where shareholders are granted subscription rights, the holders or creditors of warrants or conversion rights and the obligors of warrant or conversion obligations are granted a subscription right to the new shares in the same way as shareholders, which applies instead of one of the above mechanisms to protect against dilution. In case the Executive Board utilizes this option, they are put in the same position they would have been in if they had already exercised their warrant or conversion rights or fulfilled their warrant or conversion obligations. Unlike protection against dilution involving a discount on the warrant or conversion price or adjustment of the conversion ratio, this has the advantage that the company can obtain a higher issue price for the shares which shall be issued in return for exercise of the warrant or conversion right/obligation and that no cash settlement will have to be made. The exclusion of subscription rights is necessary to achieve this.

Further, the Executive Board shall be authorized to exclude subscription rights, subject to the approval of the Supervisory Board, in order to grant shares — amounting to a proportionate share of the capital stock of no more than 1 percent — to employees of the company or subordinated affiliated companies. This is intended to provide the company with the opportunity to introduce share-based remuneration components through an employee stock program in order to offer employees incentives based on the performance of the company, as reflected in the stock market price of its shares.

Further, subject to the approval of the Supervisory Board, it should be possible to exclude subscription rights to optimize the terms of a scrip dividend. In case of a scrip dividend, shareholders will be offered the opportunity to contribute their claim to payment of a dividend resolved by the Annual Shareholders' Meeting, in full or in part, as a contribution in kind to subscribe to new shares in the company.

A scrip dividend may be executed as a genuine subscription rights issuance, especially in application of the provisions set forth in Section 186 Paragraph 1 AktG (minimum subscription period of 2 weeks) and Section 186 Paragraph 2 AktG (announcement of the issue price at the latest three days before the end of the subscription period). In this case, shareholders will only be offered the opportunity to subscribe to full shares; for the portion of the dividend claim that is below the subscription price for a full share (or exceeds this amount), shareholders shall have the right to a cash dividend and can thus not subscribe to shares; an offering of partial rights is not provided for, nor is the establishment of trading in subscription rights or fractional subscription rights. This appears legitimate and appropriate as the shareholders receive a cash dividend instead of new shares.

In specific cases, depending on the capital market situation, it may be in the interest of the company and its shareholders to offer and perform a scrip dividend without being bound by the restrictions pursuant to Section 186 Paragraphs 1 and 2 AktG. Instead of a scrip dividend involving the issuance of subscription rights, the Executive Board shall therefore be authorized, subject to the approval of the Supervisory Board, to offer a scrip dividend while excluding the general subscription rights of shareholders. Notwithstanding the comprehensive exclusion of subscription rights, in this case the Executive Board will also offer the new shares for subscription to all shareholders entitled to the dividend in return for their claim to a dividend. In view of the fact that the new shares would be offered to all shareholders and any remaining fractional amounts of the dividend would be settled by payment of a cash dividend, exclusion of subscription rights appears both legitimate and appropriate.

Further, the proportionate amount of the capital stock attributable to the new shares for which subscription rights are excluded under this authorization, together with the proportionate amount of the capital stock attributable to treasury stock or warrants and/or conversion rights and obligations related to debt

instruments sold or issued after May 20, 2014 under exclusion of subscription rights, shall not exceed 20 percent of the capital stock. The calculation of this 20 percent threshold shall be based on the capital stock as of May 20, 2014, as of the date of entry of the authorization in the commercial register or the date of issue of the new shares, depending on which of these amounts is lowest. If the sale or issue takes place in application — analogously or mutatis mutandis — of Section 186 Paragraph 3 Sentence 5 AktG this shall also be deemed to constitute exclusion of subscription rights.

After due consideration of all the circumstances outlined, the Executive Board and Supervisory Board consider the authorizations to exclude subscription rights in the cases specified to be objectively legitimate and appropriate for the shareholders for the reasons given, even taking into account the dilution effect to the detriment of the shareholders arising from utilization of the respective authorizations. The Executive Board will report to the next Shareholders' Meeting on the use of the authorization to exclude subscription rights.

### **9. Resolution on the authorization to issue warrant bonds and/or convertible bonds and exclude subscription rights, creation of conditional capital and the corresponding amendment of Section 4 of the Articles of Incorporation**

The Executive Board shall be authorized to issue warrant bonds and/or convertible bonds to enable Evonik Industries AG to extend the options to finance its activities and to enable the Executive Board, with the approval of the Supervisory Board, to obtain timely and flexible access to financing in the interests of the company, especially in the event of favorable capital market conditions. Warrant bonds and/or convertible bonds may also be issued, within certain limits, under exclusion of subscription rights. The proposed authorization to exclude subscription rights pursuant to Section 221 Paragraph 4 in conjunction with Section 186 Paragraph 3 Section 4 AktG may, by law, only relate to a proportionate amount of the capital stock not exceeding 10 percent of the capital stock. This 10 percent threshold shall include both new shares issued after May 20, 2014 under exclusion of subscription rights pursuant to Section 203 Paragraphs 1 and 2 in conjunction with Section 186 Paragraph 3 Sentence 4 AktG and treasury shares disposed of after May 20, 2014 under exclusion of subscription rights pursuant to Section 71 Paragraph 1 No. 8 Sentence 5 in conjunction with Section 186 Paragraph 3 Sentence 4 AktG. To satisfy the warrant bonds and/or convertible bonds, it is proposed that a conditional capital (Conditional Capital 2014) shall be established and that the company's Articles of Incorporation shall be amended accordingly.

The Executive Board and Supervisory Board propose the following resolution:

- a) Authorization to issue warrant bonds and/or convertible bonds and exclude subscription rights
  - aa) Authorization period, nominal amount, number of shares, currency, issue by Group companies, maturity, interest

The Executive Board is authorized up to May 1, 2019, subject to the approval of the Supervisory Board, to issue bearer or registered warrant bonds and/or convertible bonds or a combination of these instruments (referred to jointly as "debt instruments") with an aggregate nominal value of up to €1.25 billion in one or more issuances, and to grant the holders or creditors (referred to jointly as "holders") of these equally ranked debt instruments, warrants or conversion rights for registered no-par value shares in the company with a total proportionate share of the capital stock of up to €37,280,000.00 (corresponding to 8 percent of the present capital stock), as detailed in the terms and conditions of the warrant bond or convertible bond. The debt instruments may be denominated either in euros or in the legal currency of an OECD country — up to a maximum of the equivalent of €1.25 billion.

The debt instruments may also be issued by a subordinated affiliated company of Evonik Industries AG within the meaning of Section 18 AktG, provided that Evonik Industries holds at least 90 percent of the voting rights and the capital of this company. In this case, the Executive Board is authorized, subject to the approval of the Supervisory Board, to assume

the guarantee for the debt instruments on behalf of Evonik Industries AG and grant the holders of the debt instruments warrants and/or conversion rights for registered no-par value shares in Evonik Industries AG.

The debt instruments may be issued with or without a defined maturity. The debt instruments may have a fixed or variable interest rate. Further, as for income bonds, interest may be completely or partially dependent on the amount of the company's dividend.

bb) Granting of subscription rights, exclusion of subscription rights

The debt instruments shall be offered to the shareholders for subscription. They may also be issued to banks or companies within the meaning of Section 186 Section 5 Sentence 1 AktG in conjunction with an obligation to offer them to shareholders for subscription. If debt instruments are issued by a Group company of Evonik Industries AG, the company shall ensure that the statutory subscription rights are granted to the shareholders. The Executive Board is authorized, subject to the approval of the Supervisory Board, to exclude shareholders' statutory subscription rights when issuing debt instruments in the following cases:

- to issue debt instruments against cash payment insofar as the Executive Board reaches the conclusion, on the basis of a conscientious examination, that the issue price of the debt instruments is not significantly below their hypothetical market value calculated using recognized methods, in particular methods of financial mathematics; this authorization to exclude subscription rights applies for debt instruments with warrants and/or conversion rights or warrant and/or conversion obligations for shares with a proportionate interest in the capital stock that may not exceed 10 percent of the capital stock, neither at the time of the resolution, nor — insofar as such amount is lower — at the time of the registration of the underlying conditional capital in the commercial register or the exercise of this authorization; the above 10 percent threshold includes:
  - new shares issued after May 20, 2014 under exclusion of shareholders' subscription rights pursuant to Section 203 Paragraphs 1 and 2 in conjunction with Section 186 Paragraph 3 Sentence 4 AktG, and
  - treasury stock disposed of after May 20, 2014 under exclusion of shareholders' subscription rights pursuant to Section 71 Paragraph 1 No. 8 Sentence 5 in conjunction with Section 186 Paragraph 3 Sentence 4 AktG,
- fractional amounts arising from the subscription ratio,
- insofar as is necessary to grant holders of previously issued debt instruments with warrants and/or conversion rights or obligations subscription rights to the extent that they would be entitled to such rights as shareholders after exercise of the warrants and/or conversion rights or fulfillment of the warrant and/or conversion obligations.

However, the proportionate amount of the capital stock attributable to the shares to which the warrants and/or conversion rights or obligations attached to debt instruments relate to and for which subscription rights are excluded under this authorization, together with the proportionate amount of the capital stock attributable to treasury stock or new shares issued out of authorized capital, which are disposed or issued after May 20, 2014 under exclusion of subscription rights, shall not exceed 20 percent of the capital stock; this shall be determined by the capital stock either as of May 20, 2014, as of the date of registration of the underlying conditional capital in the commercial register or the capital stock at the date of exercise of this authorization, whichever of these amounts is lowest. If the sale or issue takes place in application — directly or mutatis mutandis — of Section 186 Paragraph 3 Sentence 4 AktG this shall also be deemed to constitute an exclusion of subscription rights.

cc) Warrant and/or conversion rights

If warrant bonds are issued, each bond shall have one or more warrants which entitle and/or obligate the holder to subscribe to registered no-par value shares in Evonik Industries AG on the terms and conditions of the warrant and/or grant Evonik Industries AG a right to tender shares. The warrants may be detached from the respective bond. The terms and conditions for warrant bonds issued by Evonik Industries AG may also provide for the warrant price to be settled by transfer of bonds and, where applicable, a cash payment. The proportionate interest in the capital stock attributable to the shares to be subscribed to under the bond may not exceed the nominal value of the bond. Insofar as this gives rise to fractional amounts of shares, provisions may be determined so that such fractions will be added together, possibly against payment, to allow subscription to full shares.

In the event of the issue of convertible bonds, the holders are granted the right to convert their bonds into registered no-par value shares in Evonik Industries AG under the terms and conditions of the convertible bond. The conversion ratio is calculated by dividing the nominal amount of the bond or the issue price if it is below the nominal amount by the conversion price set for one registered no-par value share in the company and can be rounded-off to a whole number; further, with regard to such fractional amounts which cannot be converted, a supplementary cash payment and a consolidation or a or compensation may be provided for. The terms and conditions of the bond may provide for a variable conversion ratio and the determination of the conversion price (subject to the minimum price provision set out below) within a predefined range depending on the development of the price of the company's no-par value shares in the period until the bond reaches maturity.

The terms and conditions for warrant bonds and convertible bonds may also impose an obligation on the holder to exercise the warrant or a conversion obligation and provide a tender right for the issuer to deliver no-par value shares in Evonik Industries AG (in any combination), at any time, even after the debt instrument has matured.

Section 9 Paragraph 1 in conjunction with Section 199 Paragraph 2 AktG shall respectively be observed.

dd) Warrant price, conversion price, adjustment of warrant price or conversion price to protect value

In the event of the issue of debt instruments that grant warrants and/or conversion rights, the warrant or conversion price to be set for one share — except in cases in which a conversion obligation is provided for (see ff) below) — must be at least 80 percent of the unweighted average closing price for no-par value shares in Evonik Industries AG in XETRA trading on the Frankfurt stock exchange or a corresponding successor system during the last ten trading days before the date of the resolution by the Executive Board to issue the debt instruments or — if subscription rights are granted — at least 80 percent of the unweighted average closing price of shares in Evonik Industries AG in XETRA trading on the Frankfurt stock exchange or a corresponding successor system from the start of the subscription period up to and including the day before announcement of the final conditions for the debt instrument pursuant to Section 186 Paragraph 2 AktG. This shall not affect Section 9 Paragraph 1 AktG and Section 199 Paragraph 2 AktG.

Notwithstanding Section 9 Paragraph 1 AktG, in the event of economic dilution of the value of the warrants or conversion rights or obligations, the warrant or conversion price can be adjusted on the basis of the details set forth in the terms and conditions for the debt instrument to protect its value, to the extent such adjustment is not already provided for by law or subscription rights are granted as compensation or a corresponding cash payment is made. This shall not affect Section 9 Paragraph 1 AktG and Section 199 Paragraph 2 AktG.

ee) Granting of new or existing shares, cash payment

The terms and conditions for the debt instrument may provide a right for the company to service warrants or conversion rights that are exercised not by granting new shares, but by making a cash payment corresponding to all or a partial amount of its value. The terms and conditions for the debt instrument may also provide that the debt instruments can be converted, at the company's discretion, into new shares issued out of the authorized capital, existing shares in the company or shares in another public listed company, rather than into new shares issued out of conditional capital, or that a warrant right or obligation may be settled by the delivery of such shares.

ff) Warrant and/or conversion obligations

Further, the conditions for the debt instrument may also include a duty to exercise the warrant or convert the debt instrument at maturity or at a different point in time (referred to as "final maturity" in both cases), or give the company the right to grant the holder of debt instruments shares in the company or in another public listed company instead of a full or partial settlement of the cash amount due at the final maturity of the debt instruments. In such cases, the warrant or conversion price for one share may correspond to the unweighted average closing price of shares in Evonik Industries AG in XETRA trading on the Frankfurt stock exchange (or a corresponding successor system) in the ten trading days before or after the date of final maturity, even if this is below the minimum price specified in dd). This shall not affect Section 9 Paragraph 1 and Section 199 Paragraph 2 AktG.

gg) Authorization to determine further details

The Executive Board is authorized, subject to the approval of the Supervisory Board, to determine the further details of the issue and terms of the debt instruments, in particular the interest rate, type of interest, issue price, maturity and denomination, and to determine the period for exercise of the warrant or conversion rights and a possible variation of the conversion ratio or to determine such terms in agreement with the corporate bodies of the Group company of Evonik Industries AG that issues the warrant bond or convertible bond.

b) Creation of new conditional capital

The capital stock is conditionally increased by up to €37,280,000.00 by the issue of up to 37,280,000.00 new registered no-par value shares representing a proportionate interest of the capital stock of €1.00 per share. The conditional capital increase serves the purpose to grant registered no-par value shares to holders of warrant bonds or convertible bonds (referred to jointly as "debt instruments") with warrants and/or conversion rights or obligations, which may be issued on the basis of the authorization resolved by the Annual Shareholders' Meeting on May 20, 2014 by Evonik Industries AG or a subordinated Group company of Evonik Industries AG within the meaning of Section 18 AktG until May 1, 2019. The new shares shall be issued at the warrant or conversion price to be set in accordance with the above provisions of the authorization resolution.

The conditional capital increase will only be implemented to the extent that use is made of the right to exercise warrants or conversion rights or the holders or creditors of debt instruments with an obligation to exercise warrants or conversion rights meet their obligation to exercise their warrants or conversion rights, and to the extent that other forms of settlement are not used. The new shares issued on the basis of the exercise of warrants or conversion rights or in fulfillment of obligations to exercise warrants or of conversion obligations shall be entitled to participate in the profits from the start of the fiscal year in which they are issued.

The Executive Board is authorized, subject to the approval of the Supervisory Board, to determine the further details of capital increases out of the conditional capital.



c) Amendment of the Articles of Incorporation

Section 4 of the Articles of Incorporation shall be supplemented by the insertion of a new Paragraph 7:

“The capital stock is conditionally increased by up to further €37,280,000.00 divided into up to 37,280,000 registered no-par value shares (Conditional Capital 2014). The conditional capital increase will only be implemented to the extent that holders or creditors of warrant or conversion rights or obligations to exercise warrants or conversion obligations arising from warrant bonds and/or convertible bonds of Evonik Industries AG or a subordinated Group company of Evonik Industries AG within the meaning of Section 18 AktG issued or guaranteed on the basis of the authorization resolved at the Annual Shareholders' Meeting of May 20, 2014, exercise their warrants or conversion rights or, to the extent they have an obligation to exercise the warrants or conversion obligations, meet the obligation to exercise the warrant or conversion obligations and other forms of settlement are not used. The new shares shall be issued at the warrant or conversion price to be set in accordance with the above provisions of this authorization.

The new shares are entitled to a share of the profit from the start of the fiscal year in which they are issued as a result of the exercise of warrants or conversion rights or the fulfillment of warrant exercise or conversion obligations. The Executive Board is authorized, subject to the approval of the Supervisory Board, to determine the further details of capital increases out of the conditional capital.”

d) Authorization to amend the Articles of Incorporation

The Supervisory Board is authorized to amend the Articles of Incorporation to reflect any issue of shares and to make all other associated amendments to the Articles of Incorporation provided that they are editorial only. This shall apply analogously in the event of non-utilization of the authorization to issue warrant bonds and/or convertible bonds after expiration of the authorization period and in the event of non-utilization of the conditional capital after expiration of the deadlines for the exercise of warrant and/or conversion rights or the settlement of warrant or conversion obligations.

### **Report to the Annual Shareholders' Meeting**

With respect to Item 9 of the Agenda for the Annual Shareholders' Meeting on May 20, 2014, the Executive Board and Supervisory Board propose authorizing the issue of warrant bonds and options bonds and to create conditional capital (Conditional Capital 2014).

The Executive Board hereby submits the following report pursuant to Section 221 Paragraph 4 Sentence 2 in conjunction with Section 186 Paragraph 4 Sentence 2 AktG on the reasons for the authorization to exclude shareholders' rights when issuing the new shares. As an integral part of the Invitation to the Annual Shareholders' Meeting, this report is available in the internet at [www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting) and will be available for review at the Annual Shareholders' Meeting.

The proposed authorization shall enable Evonik Industries AG to extend the possibilities of financing its activities and to enable the Executive Board, subject to the approval of the Supervisory Board, to obtain timely and flexible access to financing in the interests of the company, especially in the event of favorable capital market conditions. To this end, a new Paragraph 7 is to be inserted in Section 4 of our company's Articles of Incorporation.

In principle, the shareholders have a statutory subscription right to debt instruments. To simplify utilization, use should be made of the option to issue the debt instruments to a bank or member of a syndicate of banks or equivalent companies pursuant to Section 186 Paragraph 5 Sentence 1 AktG in conjunction with an obligation to offer the debt instruments to shareholders in accordance with their subscription rights (indirect subscription right within the meaning of Section 186 Paragraph 5 AktG).

The Executive Board shall be authorized, subject to the approval of the Supervisory Board, to exclude subscription rights for fractional amounts. The purpose of excluding subscription rights for fractional amounts is to achieve a technically viable subscription ratio. Without excluding subscription rights for fractional amounts, the issue of debt instruments for rounded amounts, the technical basis for implementation of the capital increase and the implementation of the capital increase would be considerably more difficult. The unallocated fractions resulting from the exclusion of shareholders' subscription rights to fractional amounts will either be sold via the stock market or utilized in another way in the best interests of the company. The potential dilution effect is low due to the restriction to fractional amounts.

Further, the Executive Board shall be authorized, subject to the approval of the Supervisory Board, to exclude the subscription right of shareholders to the benefit of the holders of previously issued debt instruments with warrants or conversion rights or obligations. The exclusion of the subscription observes the so-called protection against dilution which is normally granted by the terms and the conditions of debt instruments. This has the advantage that a discount does not have to be granted on the warrant or conversion price of previously issued warrants and conversion rights or obligations so the company can obtain a higher inflow of funds.

Finally, the Executive Board shall be authorized, subject to the approval of the Supervisory Board, to fully exclude the subscription right of shareholders if debt instruments with warrants or conversion rights or obligations are issued in return for cash at an issue price that is not significantly below the market value of these debt instruments. This gives the company the possibility to utilize favorable market situations promptly and at very short notice and thus to obtain better terms for the debt instruments by setting market-oriented conditions. Setting market-oriented conditions in this way and efficient placement would not be possible if the subscription rights were granted. Although Section 186 Paragraph 2 AktG permits the publication of the subscription price (and thus the terms and conditions of the debt instruments) at the latest three days before expiration of the subscription period, in view of the frequent volatility of the equity markets, there is a market risk over a period of several days, and this could lead to discounts as a safety margin when setting the terms and conditions for the debt instruments which may thus not be market-oriented. Further, in view of the uncertainty of their exercise, subscription rights could jeopardize successful placement with third parties or involve additional cost. Finally, due to the length of the subscription period, granting subscription rights could prevent the company from responding promptly and at short notice to favorable or unfavorable market conditions.

In the case of complete exclusion of subscription rights, under Section 221 Paragraph 3 Sentence 4 AktG the provision set forth in Section 186 Paragraph 3 Sentence 4 AktG shall apply analogously. Pursuant to the content of the resolution, the provision that the exclusion of subscription rights should not exceed 10 percent of the capital stock will be observed. The maximum amount of the conditional capital to be provided to secure warrant or conversion rights or obligations is less than 10 percent of the present capital stock. A provision in the resolution ensures that the 10 percent threshold will not be exceeded, even in the event of a capital decrease, as the authorization to exclude the subscription right explicitly may not exceed 10 percent of the capital stock, neither at the time of the resolution, nor — insofar as the amount is lower — as of the date of registration of the underlying conditional capital in the commercial register or the exercise of the authorization.

The aforementioned 10 percent threshold shall include both new shares issued after May 20, 2014 under exclusion of subscription rights pursuant to Section 203 Paragraphs 1 and 2 in conjunction with Section 186 Paragraph 3 Sentence 4 AktG as well as treasury shares disposed of after May 20, 2014 pursuant to Section 71 Paragraph 1 No. 8 Sentence 5 in conjunction with Section 186 Paragraph 3 Sentence 4 AktG under exclusion of subscription rights, up to the issue of the debt instruments with warrant and/or conversion rights or obligations under exclusion of subscription rights pursuant to Section 221 Paragraph 4 in conjunction with Section 186 Paragraph 3 Sentence 4 AktG.

Further, Section 221 Paragraph 4 in conjunction with Section 186 Section 3 Sentence 4 AktG provides that the issue price shall not be significantly below the stock market price. The intention here is to ensure that there is no significant economic dilution of the value of the shares. Whether a dilution effect of this type occurs in conjunction with the issue of debt instruments with warrants or conversion rights or obli-

gations under exclusion of subscription rights can be determined by calculating the hypothetical stock market price (market price) of the debt instruments using recognized methods, in particular methods of financial mathematics, and comparing this with the issue price. If, after a conscientious examination, the issue price is only negligibly below the hypothetical stock market price (market price) at the time of the issue of the debt instruments, exclusion of subscription rights is permitted, in accordance with the purpose and spirit of the provisions of Section 186 Paragraph 3 Sentence 4 AktG since the difference is negligible. The resolution therefore provides that before issuing debt instruments with warrants or conversion rights or obligations, the Executive Board must, following a conscientious examination, come to the conclusion that the proposed issue price will not result in a significant dilution of the value of the shares. In this case the arithmetic market value of a subscription right would be close to zero, in which case no significant economic disadvantage could arise for shareholders from the exclusion of subscription rights.

Further, shareholders have the possibility to maintain their stake in the company's capital stock even after the exercise of warrants or conversion rights or the exercise of warrant or conversion obligations by purchasing shares on the stock market. At the same time, the authorization to exclude subscription rights enables the company to set market-oriented conditions, achieve maximum security with regard to placement with third parties, and utilize favorable market situations at short notice.

Further, the proportionate amount of the capital stock relating to shares which are subject to a claim under warrants or conversion rights and obligations arising from debt instruments and for which subscription rights are excluded may not exceed 20 percent of the capital stock; this 20 percent threshold shall include the proportional interest in the capital stock attributable to treasury stock or new shares issued out of authorized capital that are issued or sold after May 20, 2014 under exclusion of subscription rights. The calculation of this 20 percent threshold shall be based either on the capital stock as of May 20, 2014, as of the date of registration of the underlying conditional capital in the commercial register or the date of exercise of this authorization, depending on which of these amounts is lowest. If the sale or issue takes place in application — directly or *mutatis mutandis* — of Section 186 Paragraph 3 Sentence 5 AktG this shall also be deemed to constitute exclusion of subscription rights.

After due consideration of all the circumstances outlined, the Executive Board and Supervisory Board consider the authorizations to exclude subscription rights in the cases specified to be objectively legitimate and appropriate for the shareholders for the reasons given, even taking into account the dilution effect to the detriment of the shareholders arising from utilization of the respective authorizations. The Executive Board will report to the next Shareholders' Meeting on the use of the authorization to exclude subscription rights.

## II. FURTHER INFORMATION AND DETAILS ON THE ANNUAL SHAREHOLDERS' MEETING

### 1. Conditions for attending the Annual Shareholders' Meeting and exercising voting rights

In accordance with Section 18 Paragraph 1 of the Articles of Incorporation, shareholders are entitled to attend the Annual Shareholders' Meeting and exercise their voting rights provided that they are registered in the share register and have filed an application to the company to attend the meeting by

#### **12.00 midnight CEST on Tuesday, May 13, 2014 at the latest**

in text form (Section 126b German Civil Code / BGB) in German or English at the following address

Evonik Industries AG  
c/o ADEUS Aktienregister-Service-GmbH  
Postfach 57 03 64  
22772 Hamburg,  
Germany  
Fax: +49 (0)69 25 62 70 49  
Email: hv-service.evonik@adeus.de

or submitted such application via the password-protected online service using the procedure provided for this purpose at

**[www.evonik.com/asm-services](http://www.evonik.com/asm-services).**

For the determination of a timely application, the day on which the application is received shall be decisive.

To apply via the password-protected online service a personal access password is required in addition to the shareholder number. Shareholders who are registered in the share register before the start of Tuesday May 6, 2014 will receive an access password with their invitation to the Annual Shareholders' Meeting. The procedure for registration via the password-protected online service requires that the shareholder is registered in the share register prior to the start of Tuesday May 6, 2014. The password-protected online service will be available from Thursday April 24, 2014. Further information on the procedure for registering via the password-protected online service can be found at the above internet address.

Pursuant to Section 67 Paragraph 2 Sentence 1 AktG, only those shareholders registered as such in the share register shall, vis-à-vis the company, be deemed to be shareholders of the company. Consequently, the right to attend the Annual Shareholders' Meeting and to exercise voting rights is subject to the shareholder still being registered in the share register on the date of the Annual Shareholders' Meeting. The number of voting rights to which a shareholder attending the Annual Shareholders' Meeting is entitled to will be determined by the number of shares registered in the share register on the date of the Annual Shareholders' Meeting. For technical reasons, however, the share register will not be amended between Wednesday May 14, 2014 and the date of the Annual Shareholders' Meeting, i.e. until Tuesday May 20, 2014 (inclusive in each case). Therefore, the status of entries in the share register on the date of the Annual Shareholders' Meeting will be the status of the last amendment on Tuesday May 13, 2014 (technical record date).

Banks, shareholders' associations and other persons and associations deemed to be equivalent to banks within the meaning of Section 135 Paragraph 8 AktG, together with institutions and companies deemed to be equivalent to banks within the meaning of Section 135 Paragraph 10 in conjunction with Section 125 Paragraph 5 AktG may only exercise voting rights for registered shares that do not belong

to them but for which they are registered in the share register as holder on the basis of a proxy authorization. Details of such authorization are set forth in Section 135 AktG.

## 2. Proxy voting procedure

### a) Appointment of proxies, forms

Shareholders may arrange for their voting rights to be exercised by a proxy, for example, a bank, a shareholders' association, a representative named by the company or another person of their choice. Correct application to the Annual Shareholders' Meeting (see Section 1 above (Conditions for attending the Annual Shareholders' Meeting and exercising voting rights)) is also necessary in such cases. Proxy authorizations may be granted either before or during the Annual Shareholders' Meeting and can be granted before applying to attend the Annual Shareholders' Meeting. They may be granted by issuing a declaration to the proxy or to the company.

In principle — in other words, insofar as no restrictions or other qualifications are imposed by law, the person appointing the proxy or the proxy — the proxy present at the Annual Shareholders' Meeting may exercise voting rights in the same way as the shareholder would be able to.

Neither the law nor the Articles of Incorporation require the use of a specific form to grant a proxy authorization and such specific form is also not required by the company. However, to ensure smooth process, we ask you to use the forms provided for granting a proxy authorization in case the authorization shall be granted by submitting a declaration to the company. Forms which shareholders can use to grant a proxy authorization in connection with their application are distributed together with the Invitation to the Annual Shareholders' Meeting. Namely the shareholders receive an application and proxy authorization form which can inter alia be used in connection with the ordering of entrance tickets for a proxy or to grant a proxy authorization and to issue instructions to the voting proxies designated by the company in accordance with Sections b) and d) below. The password-protected online service also contains (online) forms which can be used in accordance with Sections b) and d) below (to order entrance tickets for a proxy, grant a proxy authority or issue voting instructions to the voting proxies designated by the company to exercise voting rights) or to grant a proxy authorization and issue voting instructions in the cases set out either at the time of application or at a subsequent date. The entrance tickets issued in response to an order or self-generated via the password-protected online service contain a form to grant a proxy authorization. Moreover, the block of ballot cards issued to shareholders at the entrance to the Annual Shareholders' Meeting contains cards that can be used, if required, to grant a proxy authorization and issue voting instructions during the Annual Shareholders' Meeting. Further, a form that can be used to grant a proxy authorization and, if necessary, issue voting instructions can be found in the internet (see Section 4 (Documents for the Annual Shareholders' Meeting, internet site with information pursuant to Section 124a AktG)).

### b) Form of proxy authorization

The following shall apply if the granting of a proxy authorization does not fall within the scope of Section 135 AktG (in other words, if the proxy authority is not granted to a bank, a shareholders' association or other person or association deemed to be equivalent to a bank pursuant to Section 135 Paragraph 8 AktG or an institution or company deemed to be equivalent to a bank pursuant to Section 135 Paragraph 10 AktG in conjunction with Section 125 Paragraph 5 AktG and the granting of the proxy authority does not otherwise fall within the scope of Section 135 AktG): in accordance with Section 134 Paragraph 3 Sentence 3 AktG, the granting of the proxy authority, its revocation and the submission of evidence of the authorization vis-à-vis the company requires text form (Section 126b BGB). In case the granting of a proxy authorization or its revocation occurs via a declaration vis-à-vis the company it may be submitted to the postal address, fax number or email address set forth in Section 1 (Conditions for attending the Annual

Shareholders' Meeting and exercising voting rights). If the declaration is submitted by email, it is assured that — irrespective of the ability to grant a proxy authorization directly in the email — attachments in the following formats can be taken processed: Word, pdf, jpg, txt, and tif. Proxy authorizations submitted by email can only be clearly assigned to the correct application data if the email (or the attachment) states either the name, date of birth and address of the shareholder or the shareholder number. When granting proxy authorization to the voting proxies designated by the company, the criteria set forth in Section d) below shall apply.

**c) Special requirements for the granting of a proxy authority within the scope of Section 135 AktG**

If the granting of a proxy authority falls within the scope of Section 135 AktG (in other words, if a bank, a shareholders' association or other person or association deemed to be equivalent to a bank pursuant to Section 135 Paragraph 8 AktG or an institution or company deemed to be equivalent to a bank pursuant to Section 125 Paragraph 5 AktG is granted a proxy authority, or the granting of a proxy authority is subject in any other way to the scope of Section 135 AktG), neither the text form prescribed by Section 134 Paragraph 3 Sentence 3 AktG is applicable, nor do the Articles of Incorporation contain any special provisions for such cases. Therefore, the bank, shareholders' association or other person or association deemed to be equivalent to a bank pursuant to Section 135 Paragraph 8 AktG or institution or company deemed to be equivalent to a bank pursuant to Section 125 Paragraph 5 AktG may require a form for the granting of a proxy authority that merely has to meet the statutory provisions for the granting of proxy authorization in such cases, especially those set forth in Section 135 AktG. Attention is drawn to the special procedure set forth in Section 135 Paragraph 1 Sentence 5 AktG.

In particular, shareholders may grant a proxy authority to a bank or a shareholders' association and, if desired, issue voting instructions, via a password-protect online service provided at the internet address set out above ([www.evonik.com/asm-services](http://www.evonik.com/asm-services)). The precondition for this is that the respective bank or shareholders' association participates in this online service. To utilize the password-protected online service, the shareholder number and an access password are required. Shareholders who are registered in the share register before the start of Tuesday May 6, 2014 will receive an access password which can be used for this online service with their invitation to the Annual Shareholders' Meeting. The procedure for using the password-protected online service requires that the shareholder is registered in the share register prior to the start of Tuesday May 6, 2014. The password-protected online service will be available from Thursday April 24, 2014.

**d) Voting proxies designated by the company**

The information given in Section a) above also applies to voting proxies designated by the company, but the following special conditions apply: If a voting proxy designated by the company is granted a proxy authorization, he/she will only exercise voting rights if explicit voting instructions have been issued. Instructions may only be issued with regard to proposals announced by the company before the Annual Stockholders' Meeting, including any proposal for the allocation of the net profit as amended at the Annual Stockholders' Meeting and any counter-motions pursuant to Section 126 Paragraph 1 AktG proposed by shareholders and announced by the company before the Annual Shareholders' Meeting on the basis of a request from a minority of shareholders pursuant to Section 122 Paragraph 2 AktG or election proposal from shareholders with regard to announced resolution proposals pursuant to Section 127 AktG. The proxy authorization and voting instructions for proxies designated by the company must be received by the company by 12.00 midnight (CEST) on Monday May 19, 2014, unless they are to be issued at the Annual Shareholders' Meeting. This shall also apply analogously for changes to instructions already issued.

The voting proxies designated by the company will not utilize the proxy authorization issued to them, nor will they represent the shares concerned if the shares concerned are represented by another person present at the Annual Shareholders' Meeting (the shareholder or a representative of the shareholder).

**e) Evidence of proxy authorization**

If the proxy authorization is granted via a declaration vis-à-vis the company, no further evidence of the proxy authorization is required. By contrast, if the declaration is issued to the proxy, the company can demand evidence of such proxy authorization unless otherwise specified by Section 135 AktG, as set out in Section c) above. Evidence of proxy authorization may be provided by the proxy producing the formal proxy authorization at the entrance check on the day of the Annual Stockholders' Meeting or by submission of evidence of proxy authorization (by the shareholder or proxy) to the company before the Annual Shareholders' Meeting. This may be submitted to the postal address or fax number set out in Section 1 (Conditions for attending the Annual Shareholders' Meeting and exercising voting rights). For the submission of evidence of proxy authorization (by the shareholder or proxy) we offer the following electronic communications methods pursuant to Section 134 Paragraph 3 Sentence 4 AktG:

Evidence of granting a proxy authorization can be submitted to the company by sending an email to hv-service.evonik@adeus.de. In this regard it is ensured that an attachment to the email (regardless of the possibility of forwarding an existing email) can be accepted in the following formats: Word, pdf, jpg, txt and tif. Evidence of the granting of a proxy authority submitted by email can only be clearly assigned to the application data if the proxy or the email states either the name, date of birth and address of the shareholder or the shareholder number. Notwithstanding the above, the provision of evidence as well as declarations of relevance for proxy authority (granting, revocation) will be submitted vis-à-vis the company to the postal address or fax number given for application. For organizational reasons, except where evidence of authorization is to be provided at the Annual Shareholders' Meeting, it must be received by the company by 12.00 midnight (CEST) on Monday May 19, 2014.

**f) Several proxies**

If a shareholder appoints more than one proxy, under Section 134 Paragraph 3 Sentence 2 AktG, the company may reject one or more of the proxies.

**3. Information on shareholders' rights pursuant to Section 122 Paragraph 2, Section 126 Paragraph 1, Section 127 and Section 131 AktG**

**a) Request to add items to the agenda pursuant to Section 122 Paragraph 2 AktG**

Pursuant to Section 122 Paragraph 2 AktG, shareholders whose shareholdings together comprise one twentieth of the capital stock or a proportionate interest of €500,000 (corresponding to 500,000 shares) may request that items should be added to the agenda and announced. Every new item must be accompanied by reasons or a proposal for a resolution. The request must be addressed in writing to the company's Executive Board and must be received by the company by 12.00 midnight (CEST) on Saturday, April 19, 2014. It should be addressed to:

Evonik Industries AG  
Executive Board  
Rellinghauser Straße 1 – 11  
45128 Essen, Germany

Section 142 Paragraph 2 Sentence 2 AktG, which specifies that shareholders requesting additions to the agenda must have held shares in the company for at least three months prior to the Annual Shareholders' Meeting and that they continue to hold such shares until a decision on the motion is made, shall apply accordingly, i.e. in modified form. The company will be satisfied if evidence is provided that the shareholders putting forward such requests have held shares in the company at least since the start of February 20, 2014 and also hold these shares as of the start of the date on which the request to add items to the agenda is submitted. Specific shareholding periods for third parties shall be taken into account pursuant to Section 70 AktG.

Additions to the agenda that have to be announced — insofar as they have not already been announced with the notice convening the Meeting — shall be published immediately upon receipt by the company in the Federal Gazette and transmitted for publication to such media as it can be assumed will disseminate the information throughout the European Union. Further, any requests to add items to the agenda received by the company after it has issued the notice convening the Meeting and that the company is required to announce will be published promptly upon receipt by the company at the following internet address

**[www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting)**

and will be announced to the shareholders.

**b) Counter-motions and proposals for election pursuant to Section 126 Paragraph 1 and Section 127 AktG**

Shareholders may submit motions and, where appropriate, proposals for election relating to items on the agenda or the rules of procedure for the Annual Shareholders' Meeting at the Annual Shareholders' Meeting without the need for announcement, publication or any other specific action prior to the Annual Shareholders' Meeting.

Counter-motions within the meaning of Section 126 AktG and proposals for election within the meaning of Section 127 AktG will be made available with the name of the shareholder, the reason — although this is not necessary in the case of proposals for elections — and any statement by the management at the following internet address

**[www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting)**

in case they are received by the company

**at the latest by 12.00 midnight (CEST) on Monday May 5, 2014**

at the following **address**  
 Evonik Industries AG  
 Legal & Compliance  
 Rellinghauser Straße 1 – 11  
 45128 Essen  
 Germany

or by **fax** at +49 (0)201 17 72 20 6

or **email** at [hv-gegenantraege@evonik.com](mailto:hv-gegenantraege@evonik.com)

and the other requirements regarding the company's duty to make them available pursuant to Sections 126 and 127 AktG are met.



**c) Shareholders' rights to information pursuant to Section 131 Paragraph 1 AktG**

Under Section 131 Paragraph 1 AktG, every shareholder is entitled to request and receive information from the Executive Board at the Annual Shareholders' Meeting on matters affecting the company, including the company's legal and business relationships with affiliated companies, the situation of the Group and companies included in the consolidated financial statement, insofar as this is necessary for an objective assessment of items on the agenda and there is no right to refuse to disclose the information.

**d) Further explanations**

Further explanations of the rights of shareholders pursuant to Section 122 Paragraph 2, Section 126 Paragraph 1, Section 127 and Section 131 Paragraph 1 AktG, especially details of further requirements on meeting the necessary conditions can be found in the internet at

**[www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting)**

**4. Documents for the Annual Shareholders' Meeting, internet site with information pursuant to Section 124a AktG**

The content of the invitation to the Annual Shareholders' Meeting, an explanation as to why no resolution is required on Item 1 of the agenda, the documents to be made available at the Annual Shareholders' Meeting, the total number of shares and voting rights as of the date of the convening notice, a form that can be used to grant a proxy authority and, where appropriate, issue voting instructions, and any requests to add items to the agenda pursuant to Section 122 Paragraph 2 AktG are available in the internet at:

**[www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting)**

The notice convening the meeting together with the complete agenda and resolutions proposed by the Executive Board and Supervisory Board was published in the Federal Gazette (Bundesanzeiger) on April 7, 2014 and also submitted to those media that can be assumed to disseminate the information throughout the European Union.

**5. Partial transmission of the Annual Shareholders' Meeting via the internet**

All shareholders of Evonik Industries AG and the general public may follow the speeches given by the Chairman of the Supervisory Board and the Chairman of the Executive Board at the Annual Shareholders' Meeting live from around 10 a.m. (CEST) at the following internet address:

**[www.evonik.com/annual-shareholders-meeting](http://www.evonik.com/annual-shareholders-meeting)**

Employees of Evonik Industries AG and subordinated Group companies also have the possibility of following this part of the Annual Shareholders' Meeting on the company's intranet. There will be no further video or audio transmission of the Annual Shareholders' Meeting. The speeches given by the Chairman of the Supervisory Board and the Chairman of the Executive Board will be available at the above internet address as recordings after the Annual Shareholders' Meeting.

## **6. Total number of shares and voting rights**

The total number of shares issued, each of which confers one voting right, is 466,000,000 as of the date of convocation of the Annual Shareholders' Meeting (information pursuant to Section 30b Paragraph 1 Sentence 1 No. 12nd option WpHG).

**Essen, April 2014**  
**Evonik Industries AG**  
**The Executive Board**

## EVONIK IN FIGURES

## Key figures Evonik group

in € million	2009	2010	2011	2012	2013
Sales	10,518	13,300	14,540	13,365	12,874
Adjusted EBITDA <sup>a</sup>	1,607	2,365	2,768	2,467	2,007
Adjusted EBITDA margin in %	15.3	17.8	19.0	18.5	15.6
Adjusted EBIT <sup>b</sup>	868	1,639	2,099	1,887	1,424
ROCE <sup>c</sup> in %	7.7	15.0	18.7	20.4	14.5
Net income	240	734	1,011	1,165	2,054
Earnings per share in €	0.52	1.58	2.17	2.50	4.41
Adjusted earnings per share in €	–	2.09	2.70	2.31	1.78
Total assets as of December 31	18,907	20,543	16,944	17,166	15,898
Equity ratio as of December 31 in %	27.6	29.1	35.8	31.9	43.1
Cash flow from operating activities	2,092	2,075	1,309	1,420	1,083
Capital expenditures <sup>d</sup>	569	652	830	960	1,135
Depreciation and amortization <sup>d</sup>	712	694	647	580	577
Net financial assets/debt as of December 31	–3,431	–1,677	–843	–1,163	552
Employees as of December 31	33,861	34,407	33,556	33,298	33,650

Figures for 2009 and 2010 contain the former Energy segment as a discontinued operation.

Figures for 2012 and 2013 contain the former Real Estate segment as a discontinued operation.

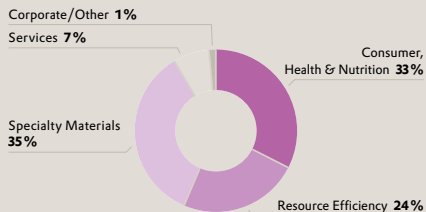
<sup>a</sup> Adjusted EBITDA = Earnings before interest, taxes, depreciation and amortization; after adjustments.

<sup>b</sup> Adjusted EBIT = Earnings before interest and taxes; after adjustments.

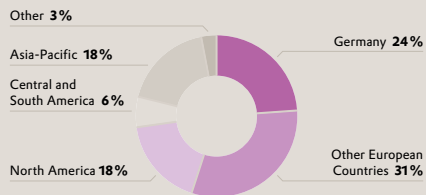
<sup>c</sup> Return on capital employed.

<sup>d</sup> Intangible assets, property, plant, equipment and investment property.

## Sales by segment



## Sales by region<sup>a</sup>



<sup>a</sup> By point of sale.

### Key figures Consumer, Health & Nutrition

in € million	2013	2012
External sales	4,207	4,204
Adjusted EBITDA	910	1,055
Adjusted EBITDA margin in %	21.6	25.1
Adjusted EBIT	767	929
ROCE in %	34.3	48.7
Employees	7,150	6,821

Prior-year figures restated.

### Key figures Resource Efficiency

in € million	2013	2012
External sales	3,084	3,131
Adjusted EBITDA	656	663
Adjusted EBITDA margin in %	21.3	21.2
Adjusted EBIT	540	526
ROCE in %	35.7	33.0
Employees	5,854	5,755

Prior-year figures restated.

### Key figures Specialty Materials

in € million	2013	2012
External sales	4,490	4,843
Adjusted EBITDA	552	853
Adjusted EBITDA margin in %	12.3	17.6
Adjusted EBIT	395	701
ROCE in %	19.6	38.7
Employees	6,268	6,134

Prior-year figures restated.

The Consumer, Health & Nutrition segment produces specialty chemicals, principally for applications in the consumer goods, animal nutrition and healthcare sectors. It comprises the Consumer Specialties and Health & Nutrition Business Units.

- Growth drivers: rising prosperity in emerging markets and the aging population in industrialized countries.
- Leading market positions in superabsorbents (# 1-2), DL-methionine (# 1), pharmaceutical polymers (# 2).

The Resource Efficiency segment provides environment-friendly and energy-efficient system solutions. It consists of the Inorganic Materials and Coatings & Additives Business Units.

- Growth drivers: trend to renewable energies and environment-friendly solutions.
- Leading market positions in silicas (# 1), isophorone chemistry (# 1), oil additives (# 1).

The heart of the Specialty Materials segment is the production of polymer materials and intermediates, mainly for the rubber and plastics industries. This segment is composed of the Performance Polymers and Advanced Intermediates Business Units.

- Growth drivers: rising mobility and urbanization.
- Leading market positions in polyamide 12 (# 1), high heat-resistant polymers (# 2), hydrogen peroxide (# 2).

**Balance sheet for the Evonik Group**

in € million	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Intangible assets	3,020	3,190	3,272
Property, plant and equipment	4,801	4,567	4,419
Investment property	10	1,550	1,545
Investments recognized at equity	960	1,122	1,056
Financial assets	150	197	255
Deferred tax assets	836	842	712
Other income tax assets	13	21	23
Other receivables	30	35	41
<b>Non-current assets</b>	<b>9,820</b>	<b>11,524</b>	<b>11,323</b>
Inventories	1,596	1,648	1,582
Other income tax assets	188	121	96
Trade accounts receivable	1,620	1,687	1,711
Other receivables	277	325	322
Financial assets	735	1,086	688
Cash and cash equivalents	1,518	741	1,409
	<b>5,934</b>	<b>5,608</b>	<b>5,808</b>
Assets held for sale	144	34	47
<b>Current assets</b>	<b>6,078</b>	<b>5,642</b>	<b>5,855</b>
<b>Total assets</b>	<b>15,898</b>	<b>17,166</b>	<b>17,178</b>

Prior-year figures restated.

in €million	Dec. 31, 2013	Dec. 31, 2012	Jan. 1, 2012
Issued capital	466	466	466
Reserves	6,303	4,892	4,862
<b>Equity attributable to shareholders of Evonik Industries AG</b>	<b>6,769</b>	<b>5,358</b>	<b>5,328</b>
Equity attributable to non-controlling interests	78	111	93
<b>Equity</b>	<b>6,847</b>	<b>5,469</b>	<b>5,421</b>
Provisions for pensions and other post-employment benefits	3,331	4,380	3,835
Other provisions	800	799	912
Deferred tax liabilities	410	413	440
Other income tax liabilities	148	115	70
Financial liabilities	627	1,464	2,745
Other payables	81	309	369
<b>Non-current liabilities</b>	<b>5,397</b>	<b>7,480</b>	<b>8,371</b>
Other provisions	979	1,130	1,174
Other income tax liabilities	155	223	352
Financial liabilities	1,033	1,483	402
Trade accounts payable	1,102	1,096	1,086
Other payables	282	272	284
	<b>3,551</b>	<b>4,204</b>	<b>3,298</b>
Liabilities associated with assets held for sale	103	13	88
<b>Current liabilities</b>	<b>3,654</b>	<b>4,217</b>	<b>3,386</b>
<b>Total equity and liabilities</b>	<b>15,898</b>	<b>17,166</b>	<b>17,178</b>

Prior-year figures restated.

**Cash flow statement for the Evonik Group**

in € million	2013	2012
Income before financial result and income taxes, continuing operations	1,021	1,815
Depreciation, amortization, impairment losses/reversal of impairment losses on non-current assets	630	745
Gains/losses on the disposal of non-current assets	–	27
Change in inventories	–101	–100
Change in trade accounts receivable	–24	–22
Change in trade accounts payable and current advance payments received from customers	–5	–25
Change in provisions for pensions and other post-employment benefits	–132	–207
Change in other provisions	–14	–142
Change in miscellaneous assets/liabilities	126	–169
Cash outflows for interest	–158	–143
Cash inflows from interest	13	29
Cash inflows from dividends	65	37
Cash inflows/outflows for income taxes	–335	–450
<b>Cash flow from operating activities, continuing operations</b>	<b>1,086</b>	<b>1,395</b>
Cash flow from operating activities, discontinued operations	–3	25
<b>Cash flow from operating activities</b>	<b>1,083</b>	<b>1,420</b>
Cash outflows for investments in intangible assets, property, plant and equipment, investment property	–1,078	–905
Cash outflows for investments in shareholdings	–21	–30
Cash inflows from divestments of intangible assets, property, plant and equipment, investment property	43	42
Cash inflows/outflows from divestment of shareholdings	1,072	59
Cash inflows/outflows relating to securities, deposits and loans	506	–238
Cash outflows to fund the contractual trust arrangement	–200	–400
<b>Cash flow from investing activities, continuing operations</b>	<b>322</b>	<b>–1,472</b>
Cash flow from investing activities, discontinued operations	59	–149
<b>Cash flow from investing activities</b>	<b>381</b>	<b>–1,621</b>



in € million	2013	2012
Cash inflows/outflows relating to capital contributions	2	–
Cash outflows for dividends to shareholders of Evonik Industries AG	–429	–425
Cash outflows for dividends to non-controlling interests	–6	–11
Cash inflows/outflows from changes in ownership interests in subsidiaries without loss of control	–2	–
Cash inflows from the addition of financial liabilities	720	135
Cash outflows for repayment of financial liabilities	–1,329	–187
<b>Cash flow from financing activities, continuing operations</b>	<b>–1,044</b>	<b>–488</b>
Cash flow from financing activities, discontinued operations	418	20
<b>Cash flow from financing activities</b>	<b>–626</b>	<b>–468</b>
<b>Change in cash and cash equivalents</b>	<b>838</b>	<b>–669</b>
<b>Cash and cash equivalents as of January 1</b>	<b>741</b>	<b>1,411</b>
Change in cash and cash equivalents	838	–669
Changes in exchange rates and other changes in cash and cash equivalents	–16	–1
<b>Cash and cash equivalents as of December 31</b>	<b>1,563</b>	<b>741</b>
Cash and cash equivalents included in assets held for sale	–45	–
<b>Cash and cash equivalents as on the balance sheet as of December 31</b>	<b>1,518</b>	<b>741</b>

Prior-year figures restated.

**Income statement for the Evonik Group**

in € million	2013	2012
Sales	12,874	13,365
Cost of sales	-9,310	-9,457
<b>Gross profit on sales</b>	<b>3,564</b>	<b>3,908</b>
Selling expenses	-1,294	-1,286
Research and development expenses	-394	-382
General administrative expenses	-631	-634
Other operating income	935	1,486
Other operating expense	-1,159	-1,277
<b>Income before financial result and income taxes, continuing operations</b>	<b>1,021</b>	<b>1,815</b>
Interest income	35	35
Interest expense	-290	-356
Result from investments recognized at equity	59	62
Other financial income	11	-
<b>Financial result</b>	<b>-185</b>	<b>-259</b>
<b>Income before income taxes, continuing operations</b>	<b>836</b>	<b>1,556</b>
Income taxes	-220	-453
<b>Income after taxes, continuing operations</b>	<b>616</b>	<b>1,103</b>
Income after taxes, discontinued operations	1,397	65
<b>Income after taxes</b>	<b>2,013</b>	<b>1,168</b>
thereof attributable to		
Non-controlling interests	-41	3
Shareholders of Evonik Industries AG (net income)	2,054	1,165
<b>Earnings per share in € (basic and diluted)</b>	<b>+ 4.41</b>	<b>+ 2.50</b>

Prior-year figures restated.

## FINANCIAL CALENDAR

Interim Report January – March 2014

**May 6, 2014**

Annual Shareholders' Meeting 2014

**May 20, 2014**

Interim Report January – June 2014

**July 31, 2014**

Interim Report January – September 2014

**October 31, 2014**

Annual Shareholders' Meeting 2015

**May 19, 2015**

As we cannot rule out changes of dates, we recommend checking them on the internet at [www.evonik.com/investor-relations](http://www.evonik.com/investor-relations).



**EVONIK**  
INDUSTRIES

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**Evonik. Power to create.**