

Not for publication, distribution or transmission in the United States of America, Canada, Australia or Japan.

June 29th, 2017

Evonik successfully issues €500 million hybrid bond

- Issue ensures long-term financing for acquisition of silica business of US company J.M. Huber
- Hybrid bond supports solid investment grade rating
- Volume of €500 million with first redemption right in 2022 fits very well into the current maturity profile
- Lowest coupon of 2.125% for a euro corporate hybrid issuance ever

Matthias Ruch
Head of External Communications
Phone +49 201 177 3348
Mobile +49 174 325 9942
Matthias.Ruch@evonik.com

Sheenagh Matthews
External Communications
Office Essen +49 201 177-3167
Office Hanau +49 6181 59-4027
Mobile +49-1520-9387321
sheenagh.matthews@evonik.com

Essen. Evonik Industries AG has today successfully issued for the first time a hybrid bond with a nominal value of €500 million in the debt capital market. The bond proceeds are intended to finance the planned acquisition of the silica business of US company J.M. Huber. The purchase price for the transaction, which was signed in December 2016, is US\$630 million.

The hybrid bond has a formal lifetime of 60 years. Evonik has a first redemption right in 2022. It is subordinated to other financial liabilities. The coupon rate of 2.125% p.a. is the lowest coupon for a euro corporate hybrid issuance ever. The issue yield is 2.250% p.a.

“With the issue of this hybrid bond, we are ensuring long term financing for the acquisition of the silica business of J.M. Huber and we are supporting our solid investment grade rating,” said Ute Wolf, Chief Financial Officer of Evonik.

The bond was significantly oversubscribed and generated strong interest among institutional investors such as fund managers, insurance companies, pension funds, and banks. Evonik benefited from its solid investment grade rating and the current favorable market environment.

Evonik Industries AG is rated by the agencies Moody’s and S&P with Baa1 and BBB+ respectively, both with stable outlook. The

Evonik Industries AG
Rellinghauser Straße 1-11
45128 Essen
Germany
Phone +49 201 177-01
Fax +49 201 177-3475
www.evonik.com

Supervisory Board
Dr. Werner Müller, Chairman
Executive Board
Christian Kullmann, Chairman
Dr. Ralph Sven Kaufmann
Thomas Wessel
Ute Wolf

Registered Office is Essen
Register Court Essen Local Court
Commercial Registry B 19474

ratings for the hybrid bond of Baa3/BBB- are, as is typical for these instruments, two steps below the company rating and are also in the investment grade rating range. The hybrid bond is structured in such a way that both rating agencies have valued 50% as equity capital.

The placement was supported by the Deutsche Bank as the structuring bank and bookrunner, and also by Bank of America Merrill Lynch, Citi and Credit Suisse as further bookrunners. It was placed with approx. 200 institutional investors from Germany and abroad.

The intended takeover of the silica business of the US company J.M. Huber is approved by the responsible antitrust authorities with divestiture obligations from the EU commission which are not significant for the total transaction. The transaction is expected to be concluded in the second half of 2017.

Further information: www.evonik.de.

Company information

Evonik is one of the world leaders in specialty chemicals. The focus on more specialty businesses, customer-orientated innovative prowess and a trustful and performance-oriented corporate culture form the heart of Evonik's corporate strategy. They are the lever for profitable growth and a sustained increase in the value of the company. Evonik benefits specifically from its customer proximity and leading market positions. Evonik is active in over 100 countries around the world with more than 35,000 employees. In fiscal 2016, the enterprise generated sales of around €12.7 billion and an operating profit (adjusted EBITDA) of about €2.165 billion.

Disclaimer

This publication constitutes neither an offer to sell nor a solicitation of an offer to buy securities. In particular, this document constitutes neither an offer to sell nor a solicitation of an offer to purchase securities in the United States. The securities of Evonik Industries AG described above (the "Securities") may not be offered or sold in the United States or to or for the account or benefit of "U.S. persons" (as such term is defined in Regulation S under the U. S. Securities Act of 1933, as amended (the "Securities Act")) absent registration or an exemption from registration under the Securities Act. The Securities have not been and will not be registered under the Securities Act or the securities laws of any State of the United States. There will be no public offering of the Securities in the United States.

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