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– Text as prepared for spoken delivery –

Ladies and Gentlemen,

Together with my colleagues on the Executive Board, I would like to welcome you to our Financial Press Conference here in Essen.

2016 was a successful year for our company, and we look forward to talking to you today about our performance and the highlights of the year.

While 2016 was a successful year for Evonik, it was also dominated by difficult global economic conditions and major political events.

Global growth remained weak, coming in at 2.3 percent, which was at the lower end of the forecasts made at the start of the year.

This was mainly due to softer growth in North America, with relatively weak industrial output and sluggish investment.

At the same time, economic activity slowed in the emerging markets, where industrial output actually declined compared with previous years, and the financial situation deteriorated as a consequence of exchange rate fluctuations and capital outflows.

The economy in Latin America remained in recession, although there were major regional differences. In Europe, the ECB's expansionary monetary policy generated something of an upturn, especially in consumer spending.

However, the risks in the banking system and the UK's decision to leave the EU gave rise to new uncertainty. Following our exceptionally strong performance in the previous year, we forecast that the company would report adjusted EBITDA of between € 2.0 billion and € 2.2 billion.

We clearly achieved this goal despite the difficult conditions, with operating earnings actually at the upper end of our forecast at € 2.165 billion.

Sales were around € 12.7 billion, which was below the prior-year level. This was mainly caused by lower raw material prices, which resulted in correspondingly lower revenue from our products.

Nevertheless, the decline in sales does not mean we sold less. Quite the contrary: demand for our products was still good worldwide in 2016. Volumes were once again higher than in the previous year. In view of the positive business development, at the Annual Shareholders' Meeting on May 23 the Executive Board and Supervisory Board will again be proposing an attractive dividend of € 1.15 per share.

We expect to see a slight improvement in global economic conditions in 2017, with global growth of 2.6 percent. That said, there is still considerable political and geopolitical uncertainty, which will determine whether the economic development is favorable.

Here I am talking, first and foremost, about:

- the crises and armed conflicts in the Middle East
- the uncertainty surrounding the refocusing of US security and trade policy
- and the urgent need to reform the EU following the Brexit decision.

Added to this, the parliamentary elections in the Netherlands, the presidential election in France, the election of the regional government in North Rhine-Westphalia, and the German general election, are still to come.

Despite the challenging conditions, we are still confident about Evonik's future. Our long-term investment in attractive future-oriented markets such as health, nutrition and resource efficiency, as well as our acquisitions, will continue to pay off this year. We therefore assume that our adjusted EBITDA will be higher than in 2016. In our current guidance, we assume earnings of between € 2.2 billion and € 2.4 billion. As always, Ms. Wolf will be giving you further details of our figures later.

This year, ladies and gentlemen,

we are celebrating ten years of Evonik Industries.

Some of you were present in summer 2007 when Werner Müller unveiled our headquarters and revealed our new name: Evonik Industries. Since then we have strengthened our company and driven forward its future-oriented development.

We have

- safely weathered the global financial and economic crisis
- successfully listed Evonik on the stock market
- divested our real estate and energy businesses
- and systematically focused our company on chemicals.

Simultaneously, we have driven forward our internationalization step by step and successfully started up state-of-the-art production facilities in attractive growth regions such as Singapore and China, as well as in North America and Brazil.

As I told you a couple of years ago, we have no intention of watching the consolidation of our sector from the sidelines. Since then we have considered carefully who or what would be a good fit with us and our existing business—and our intensive search has proven fruitful.

Acquiring the Air Products specialty additives business is a big and important step in the strategic development of our portfolio.

We are greatly extending our business activities in this field, which is highly attractive for Evonik, especially in the Americas and Asia, positioning us among the world's leading suppliers of specialty additives.

Integrating the business operations and new employees into our Resource Efficiency and Nutrition & Care growth segments has gone very smoothly so far and we are making rapid progress. Credit for that is due, in particular, to the excellent operational project work to date by the integration team led by Mr. Kaufmann.

Going forward, we are equally optimistic about our silica business, which we are also strengthening through an acquisition. Acquiring the silica division of the family-owned US company J. M. Huber extends our presence in this interesting growth business in North America and Asia, especially in the attractive consumer-related sector.

We assume that—following approval by all antitrust authorities—we will be able to successfully close this promising transaction in mid-year.

Our silica business is being further reinforced by the construction of a new production facility in the southern USA. The ground-breaking ceremony for this complex in South Carolina, which is located right next to important key account customers in the tire industry, was held in December. Production is scheduled to start in 2018.

We have also invested in the silica business in Brazil, where our new silica facility came into service in Americana last summer.

The markets for both specialty additives and silica are characterized by particularly close, innovation-driven collaboration with customers, correspondingly high entry barriers for new competitors, and attractive margins. Further expansion of these business activities will therefore continue to raise our profile as an attractive specialty chemicals company.

For many years, Evonik has enjoyed a world-leading technology and market position in methionine for animal nutrition.

To further enhance our growth prospects, last October we started construction of a further integrated production complex for methionine in Singapore because demand for feed additives for animal nutrition is still rising steadily, especially in Asia.

We have also continued to prepare for the future at our European sites. In the fall, we held the ground-breaking ceremony for our new plant for polyamide 12 powder in Marl (Germany). This investment totaling double-digit millions of euros will increase capacity for polyamide 12 by 50 percent.

We see high growth potential for polyamide 12 powder, especially in innovative 3D printing.

In Weiterstadt (Germany), we are building a new stretching and polishing plant for Plexiglas, which is scheduled to come into service in early 2018. It will enable us to produce far larger and more uniform sheets of Plexiglas—for example for the aviation industry. That will allow much larger windows in the future, giving a better view over the clouds.

At the same time, our membrane production in Schörfling (Austria) is being extended. The membranes business is one of our growth fields and is an outstanding example of how we use innovative products to gain access to new markets.

Because innovations, proximity to customers and creativity are key drivers of sustained profitable growth at Evonik. We intend to make a total of € 4 billion available for innovations up to 2025. In 2016, we spent € 438 million on research & development.

That pays off:

In 2016 alone, we submitted around 230 new patent applications. Around 10 percent of our total sales are generated with products that are less than five years old.

Over half of our global business is protected by patents held by us.

Pioneering innovations go hand in hand with what is being called the “fourth industrial revolution”. Digitalization is not by-passing the chemical industry. Alongside technological progress, it offers us considerable potential for new business models, supply-chain concepts and distribution channels. Moreover, we expect it to have a tangible impact on how we work. That includes changing the requirements profile of jobs, and further flexibilization of when and where people work. In line with this, timely and interdisciplinary organizational steps have been taken to allow early identification and utilization of the opportunities that the digital transition offers for Evonik.

Ladies and gentlemen,

Alongside our daily work and our enthusiasm for innovation, another aspect that remains very close to our hearts:

our social commitment.

In the year marking our tenth anniversary, the Evonik Foundation will therefore be stepping up its diverse activities to support education, science, the arts and sport. We will continue to focus especially on training refugees and underprivileged young people in Germany.

Ladies and gentlemen,

North America is a particularly important region for the Evonik Group because it now accounts for more than a quarter of our business. Evonik has more than 20 facilities in this region. That also means: We do not simply sell our products in the USA, we also produce in North America and are a large and important employer with around 4,000 employees in the region.

As in Europe, we work closely with our customers in the USA.

We feel very settled there; we invest in growth and want to continue to do so in the future. A reliable legal and economic basis is the prerequisite for such investment.

Together with all German and European companies in the USA, we fervently desire a good and stable transatlantic relationship. In times of political and economic uncertainty, that relationship is particularly important—and from many personal discussions, I get the impression that this view is widely shared in the USA.

Good market opportunities, skilled staff and a reliable legal framework provide a positive environment in which we are happy to work and invest.

Evonik has had a cross-border presence in more than 100 countries on all five continents for many years. Free trade, diversity and tolerance are therefore vital for our business and our growth prospects. That is equally true for the business of our customers and partners—regardless whether they operate in Europe, Asia or the Americas.

Politically, there is no doubt that US social and economic policy is undergoing sweeping change, and it is not easy to predict which direction it will take. We therefore want to strengthen all forces on both sides of the Atlantic that advocate a good and stable transatlantic relationship, and open and fair global trade for all sides.

I am firmly convinced that in the long run Americans would benefit from this, along with Europeans, Asians and the rest of the world.

And now, ladies and gentlemen, let us turn our attention from global politics back to our core business. Allow me to hand over to Ute Wolf, who will give you more details of the figures for the past fiscal year.