

Key Financial Data January 1 – September 30, 2008

November 13, 2008

Evonik reaffirms its outlook in a challenging business environment

- Dr. Werner Müller, Chairman of the Executive Board of Evonik Industries AG: “Evonik remains on a good course after the first nine months.”
- Sales rose by a strong 13 percent to around €12.1 billion
- EBITDA increased 6 percent to over €1.8 billion

Barbara Müller
Head of Corporate Press
Phone +49 201 177-3423
Fax +49 201 177-3030
barbara.mueller@evonik.com

Essen. “Evonik remains on a good course after the first nine months despite the difficult global economic conditions,” comments Dr. Werner Müller, Chairman of the Executive Board of Evonik Industries AG, which today published its results for the first three quarters of fiscal 2008. Evonik is facing increasing challenges, mainly as a result of the global economic slowdown triggered by the global financial markets crisis. Nevertheless, given the earnings performance so far the Group is cautiously optimistic about the outlook for the full year: “We are therefore reaffirming our guidance for this fiscal year,” says Müller. Sales growth is expected to be in the high single-digit percentage range in 2008, while EBITDA should rise slightly year-on-year.

The Evonik Group’s operating business continued to develop well in the first nine months of this year. **Sales** rose 13 percent to €12,062 million between January and September 2008 (9M 2007: €10,696 million).

Operating income before depreciation, amortization and the non-operating result (**EBITDA**) developed well in the reporting period, rising 6 percent to €1,808 million (9M 2007: €1,705 million). “That was a successful performance in these difficult times,” comments Müller. All three business areas contributed to the improvement in EBITDA.

EBIT before the non-operating result increased 12 percent in the reporting period to €1,194 (9M 2007: €1,069 million) as depreciation and amortization were lower.

Evonik Industries AG
Rellinghauser Strasse 1-11
45128 Essen
Germany
www.evonik.com

Chairman of the Supervisory Board
Wilhelm Bonse-Geuking
Management Board
Dr. Werner Müller, Chairman
Dr. Klaus Engel, Dr. Alfred Oberholz,
Dr. Peter Schörner, Dr. Alfred Tacke,
Heinz-Joachim Wagner, Ulrich Weber

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

Evonik recorded **net income** of €595 million in the first nine months of 2008. As expected, this was below the previous year's level of €951 million since this included high one-off proceeds from the divestment of the mining technology company DBT.

Sales growth in all three business areas

The Chemicals Business Area reported organic growth of 13 percent as a result of higher selling prices (9 percentage points) and an increase in volumes (4 percentage points). However, growth impetus resulting from changes in the scope of consolidation (plus 3 percentage points) was canceled out by adverse exchange rate movements (minus 3 percentage points). Overall, this business area grew sales 13 percent to €8,955 million (9M 2007: €7,934 million). Sales advanced 18 percent to €2,583 million in the Energy Business Area (9M 2007: €2,194 million), driven by a considerable rise in the price of coal and the resultant rise in the selling price of electricity. In the Real Estate Business Area sales edged up slightly to €261 million (9M 2007: €258 million).

Higher earnings contributions from all three business areas

The Chemicals Business Area lifted EBITDA 8 percent to €1,367 million, mainly due to higher volumes and improved capacity utilization. The strength of the euro had a negative impact. Appreciable improvements in some selling prices offset the substantial rise in raw material and energy costs. The internal raw material cost index, which shows the change in the price of major raw materials in the Chemicals Business Area, rose by 22 percent year-on-year. Energy costs increased by 17 percent.

The Energy Business Area increased EBITDA by 5 percent to €451 million (9M 2007: €428 million). The upward trend was driven by higher profit from foreign power plants, the power generating network in Germany and coal trading, but held back by the strength of the euro.

The Real Estate Business Area lifted EBITDA significantly from €112 million in the first nine months of 2007 to €151 million in the first nine months of 2008. This was due to earnings from THS, which has been

Evonik Industries AG
Rellinghauser Strasse 1-11
45128 Essen
Germany
www.evonik.com

Chairman of the Supervisory Board
Wilhelm Bonse-Geuking
Management Board
Dr. Werner Müller, Chairman
Dr. Klaus Engel, Dr. Alfred Oberholz,
Dr. Peter Schörner, Dr. Alfred Tacke,
Heinz-Joachim Wagner, Ulrich Weber

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

included in the financial statements at equity since December 2007, and gains from sales of commercial properties which were agreed last year and took place in the first quarter of this year.

Capital expenditures still high

The **cash flow from operating activities** for the continuing operations was just €326 million at the end of the first nine months, well below the prior-year figure of €788 million. The main reasons for this were higher income tax payments and a significant increase in net working capital, caused in part by the sharp rise in raw material costs and higher sales.

Capital expenditures for intangible assets, property, plant, equipment and investment property totaled €689 million, which was slightly above the year-back level of €673 million and 11 percent above depreciation, which amounted to €622 million in the first nine months of this year (9M 2007: €637 million).

Compared with year end 2007 there was also a slight reduction in **net financial debt**, which decreased by €0.1 billion to €4.5 billion.

Outlook for 2008 reaffirmed

The global financial markets crisis is already starting to dampen the real economy. Evonik anticipates that economic growth momentum will slow around the world and a recession seems very probable, particularly in North America. The growth forecasts for Germany and the euro zone have recently been revised downwards as well. The worst affected sectors at present are automotive and construction, which are important end-markets for Evonik.

Evonik expects the global economic downswing to have a perceptible effect in the fourth quarter of 2008, particularly in its Chemicals Business Area. Nevertheless, due to the good earnings situation in the first nine months, no change has been made to the guidance given after the first six months: Evonik expects year-on-year sales growth to be in the high single-digit percentage range, while EBITDA should rise slightly.

Evonik Industries AG
Rellinghauser Strasse 1-11
45128 Essen
Germany
www.evonik.com

Chairman of the Supervisory Board
Wilhelm Bonse-Geuking
Management Board
Dr. Werner Müller, Chairman
Dr. Klaus Engel, Dr. Alfred Oberholz,
Dr. Peter Schörner, Dr. Alfred Tacke,
Heinz-Joachim Wagner, Ulrich Weber

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

“Our business model as an integrated industrial group is proving sound. We have not put all our eggs in one basket. Alongside the growth potential in the Chemicals business, our Energy and Real Estate activities are stable earnings generators within our portfolio,” says Müller.

Evonik Group: Income Statement (excerpt)

(in € million)	Q1-Q3/ 2008	Q1-Q3/ 2007	Change in %
Sales	12,062	10,696	13
EBITDA	1,808	1,705	6
EBIT	1,194	1,069	12
Non-operating result, continuing operations	-78	-216	
= Operating income	1,116	853	31
Net interest expense	-386	-345	
= Income before income taxes, continuing operations	730	508	44
Income before income taxes, discontinued operations	169	556	
= Income before income taxes (total)	899	1,064	-16
Income taxes, continuing operations	-217	27	
Income taxes, discontinued operations	-19	-49	
= Income after taxes	663	1,042	-36
Minority interests	-68	-91	
= Net income	595	951	-37

Evonik Industries AG
Rellinghauser Strasse 1-11
45128 Essen
Germany
www.evonik.com

Chairman of the Supervisory Board
Wilhelm Bonse-Geuking
Management Board
Dr. Werner Müller, Chairman
Dr. Klaus Engel, Dr. Alfred Oberholz,
Dr. Peter Schörner, Dr. Alfred Tacke,
Heinz-Joachim Wagner, Ulrich Weber

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

Segment Information

January to September	Sales			EBITDA		
	2008 € million	2007 € million	Change in %	2008 € million	2007 € million	Change in %
Technology Specialties	4,195	3,445	22	594	555	7
Consumer Solutions	2,386	2,176	10	432	314	38
Specialty Materials	2,374	2,313	3	341	393	-13
Chemical Segments	8,955	7,934	13	1,367	1,262	8
Energy	2,583	2,194	18	451	428	5
Real Estate	261	258	1	151	112	35
Segments	11,799	10,386	14	1,969	1,802	9
Others	263	310	-16	-161	-97	-66
Total	12,062	10,696	13	1,808	1,705	6

Technology Specialties

The Technology Specialties segment grew sales 22 percent to €4,195 million (9M 2007: €3,445 million), driven by a perceptible volume growth and a significant improvement in prices. Further positive impetus came from the first-time consolidation of the US company Degussa Engineered Carbons in which we acquired the remaining shares at the end of October 2007. EBITDA increased 7 percent to €594 million (9M 2007: €555 million) due to far higher volume sales. However, the improvement in selling prices was not sufficient to compensate for the increase in raw material costs. In the Industrial Chemicals Business Unit, EBITDA was well above the year-back figure as a result of an appreciable improvement in demand and higher prices. Earnings slipped back in the Inorganic Materials Business Unit because price rises failed to keep pace with the renewed sharp hike in raw material and energy costs in the third quarter. Despite this, the dip in EBITDA was only slight thanks to higher volume sales.

Consumer Solutions

Sales in the Consumer Solutions segment increased 10 percent year-on-year to €2,386 million (9M 2007: €2,176 million). The main drivers here were clear price rises and higher volumes, but the strong euro exerted downward pressure. EBITDA was €432 million, 38 percent higher than in the prior-year period (9M 2007: €314 million), primarily because of

Evonik Industries AG
Rellinghauser Strasse 1-11
45128 Essen
Germany
www.evonik.com

Chairman of the Supervisory Board
Wilhelm Bonse-Geuking
Management Board
Dr. Werner Müller, Chairman
Dr. Klaus Engel, Dr. Alfred Oberholz,
Dr. Peter Schörner, Dr. Alfred Tacke,
Heinz-Joachim Wagner, Ulrich Weber

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

another excellent performance by the feed additive DL-methionine. The Health & Nutrition Business Unit therefore reported a significant rise in EBITDA. By contrast, spiraling raw material costs led to a drop in EBITDA in the Consumer Specialties Business Unit.

Specialty Materials

The Specialty Materials segment grew sales 3 percent year-on-year to €2,374 million (9M 2007: €2,313 million). Higher demand and improved selling prices provided upward momentum but this was clipped by the strength of the euro. EBITDA slipped 13 percent to €341 million (9M 2007: 393 million). Earnings were mainly impacted by a sharp increase in raw material costs, which the segment was not able to recoup in full by raising selling prices. The strength of the euro also had an adverse effect. Despite higher demand, EBITDA declined in the Coatings & Additives Business Unit, principally because of the adverse effects of raw material costs and exchange rate movements. In the Performance Polymers Business Unit the sharp rise in raw material costs, the weakness of the US dollar and the economic downswing in the USA all had a negative impact, resulting in lower EBITDA.

Energy

Sales rose 18 percent to €2,583 million in the Energy segment (9M 2007: €2,194 million), principally as a result of higher coal prices and the resultant rise in the selling price of electricity. EBITDA advanced 5 percent to €451 million (9M 2007: €428 million). EBITDA was considerably higher in the Power Business Line as earnings from the German power generating network increased and profits from the foreign power plants were boosted by higher electricity prices. In the Renewable Energies Business Line EBITDA decreased year-on-year, as expected, following the divestment of non-core operations. Sales grew 29 percent to €824 million in the Trading Business Line, principally in the wake of the rise in coal prices, and EBITDA climbed 21 percent to €25 million.

Real Estate

This segment's sales improved slightly to €261 million (9M 2007: €258 million) and EBITDA grew €39 million to €151 million (9M 2007: €112 million). This clear improvement was driven by two main factors. In the

Evonik Industries AG
Rellinghauser Strasse 1-11
45128 Essen
Germany
www.evonik.com

Chairman of the Supervisory Board
Wilhelm Bonse-Geuking
Management Board
Dr. Werner Müller, Chairman
Dr. Klaus Engel, Dr. Alfred Oberholz,
Dr. Peter Schörner, Dr. Alfred Tacke,
Heinz-Joachim Wagner, Ulrich Weber

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

first quarter, income was realized from the sale of commercial premises agreed in fiscal 2007. Moreover, the inclusion of THS at equity since December 2007 impacted the nine-month figures for the first time.

Evonik Group: Employees by segment

	Sep 30, 2008	Dec 31, 2007
Technology Specialties	15,973	15,932
Consumer Solutions	7,949	7,969
Specialty Materials	8,671	8,384
Chemical Segments	32,593	32,285
Energy	4,681	4,629
Real Estate	446	457
Others	3,949	4,179
Continuing Operations	41,669	41,550
Non-continuing Operations	246	1,507
Evonik Group	41,915	43,057

Evonik Industries AG
Rellinghauser Strasse 1-11
45128 Essen
Germany
www.evonik.com

Chairman of the Supervisory Board
Wilhelm Bonse-Geuking
Management Board
Dr. Werner Müller, Chairman
Dr. Klaus Engel, Dr. Alfred Oberholz,
Dr. Peter Schörner, Dr. Alfred Tacke,
Heinz-Joachim Wagner, Ulrich Weber

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

Company information

Evonik Industries is the creative industrial group from Germany which operates in three business areas: Chemicals, Energy and Real Estate. Evonik is a global leader in specialty chemicals, an expert in power generation from hard coal and renewable energies, and one of the largest private residential real estate companies in Germany. Our strengths are creativity, specialization, continuous self-renewal, and reliability. Evonik is active in over 100 countries around the world. In its fiscal year 2007 about 43,000 employees generated sales of about €14.4 billion and an operating profit (EBIT) of more than €1.3 billion.

Disclaimer

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.

Evonik Industries AG
Rellinghauser Strasse 1-11
45128 Essen
Germany
www.evonik.com

Chairman of the Supervisory Board
Wilhelm Bonse-Geuking
Management Board
Dr. Werner Müller, Chairman
Dr. Klaus Engel, Dr. Alfred Oberholz,
Dr. Peter Schörner, Dr. Alfred Tacke,
Heinz-Joachim Wagner, Ulrich Weber

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