

## Evonik successfully completes acquisition of Air Products specialty additives business

January 3, 2017

- Transaction approved by antitrust authorities
- Integration process underway
- Synergies of US\$80 million and tax benefits with net present value exceeding US\$500 million over the coming years
- Expected to increase adjusted earnings per share in the 2017 business year

**Economic press contact**

**Jörg Wagner**

External Communications

Phone +49 201 177-3408

Fax +49 201 177-3053

joerg2.wagner@evonik.com

Essen, 03. January 2017 – Evonik Industries AG has completed the activities to acquire the specialty additives business (Performance Materials Division) of the US company Air Products, Inc. for US\$3.8 billion (approx. €3.5 billion) by the end of the year as planned. The closing is scheduled for January 03, 2017. All relevant antitrust authorities have approved the transaction and the integration of the acquired business is underway. The transaction financing was completed successfully in September and will consist of the company's own funds in the amount €1.6 billion, with the other half to be financed by bonds with a nominal value of €1.9 billion.

“The successful completion of the acquisition paves the way for swiftly merging the activities of Evonik and the acquired units of the Air Products Performance Materials business,” said Klaus Engel, Chairman of the Executive Board of Evonik Industries AG. “It puts Evonik in an excellent position for further profitable growth in the attractive specialty additives market.”

“We are well prepared to ensure a smooth business transition and a successful integration. To this end, we have worked intensively with Air Products over the past few months to develop integration plans,” confirmed Ralph Sven Kaufmann, Chief Operating Officer and Executive Board member responsible for the integration.

### Positive EPS in the 2017 business year

The annual synergy effects in the amount of US\$80 million can be confirmed at this time and should be fully realized by 2020 at 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**

Dr. Klaus Engel, Chairman

Christian Kullmann, Deputy Chairman

Dr. Ralph Sven Kaufmann

Thomas Wessel

Ute Wolf

Registered Office is Essen

Register Court Essen Local Court

Commercial Registry B 19474

latest. Evonik expects to leverage synergies in the amount of €10 to 20 million in the year 2017.

The acquisition is expected to increase the adjusted earnings per share (EPS) of Evonik in the 2017 business year.

Since the transaction is partly structured as an asset deal, it will lead to tax benefits as a consequence of write-offs which are typical for transactions of this nature. These benefits amount to a net present value of more than US\$500 million, which can be used on a prorated basis in the 2017 business year.

***Additional information on the Air Products Specialty & Coating Additives business***

*The Specialty & Coating Additives business of Air Products is the Performance Materials Division within the Materials Technologies Segment of Air Products and Chemicals, Inc. It has around 1,100 employees at 11 production and development locations and offers local customer support in all key global regions.*

**Company information**

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Evonik benefits specifically from its innovative prowess and integrated technology platforms.

Evonik is active in over 100 countries around the world. In fiscal 2015 more than 33,500 employees generated sales of around €13.5 billion and an operating profit (adjusted EBITDA) of about €2.47 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.