|  |
| --- |
| June 28th, 2017Matthias RuchHead of External CommunicationsPhone +49 201 177 3348Mobile +49 174 325 9942Matthias.Ruch@evonik.com  |
| Sheenagh MatthewsExternal Communications Office Essen +49 201 177-3167Office Hanau +49 6181 59-4027Mobile +49-1520-9387321sheenagh.matthews@evonik.com |

**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

**Not for publication, distribution or transmission in the United States of America, Canada, Australia or Japan.**

**Evonik mandates four banks for planned issuance of a hybrid bond**

* Hybrid bond intended to finance planned acquisition of silica business of US company J.M. Huber

Essen. Evonik Industries AG has today mandated Deutsche Bank, Bank of America Merrill Lynch, Citi, and Credit Suisse for the planned issuance of a hybrid bond of €500 million. The bond will be issued directly by Evonik Industries AG. The proceeds are intended to finance the planned acquisition of the silica business of the US company, J.M. Huber. The purchase price for the transaction, which was signed in December 2016, is US$630 million.

This initial issuance of a hybrid bond supports Evonik’s solid investment grade rating because of its subordination to other financial liabilities and 50% valuation as equity capital by the ratings agencies. The bond also enables access to an additional source of finance for Evonik in 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 rating of the planned hybrid bond is expected to be two steps below the company rating, as is typical for this type of instrument, meaning it will also fall into the investment grade rating range (Baa3/BBB-).

Further information: [www.evonik.de](http://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.