

Press release

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Launch of an offering of EUR 400 million new bonds exchangeable into shares of Evonik Industries AG

Essen, 11 February 2015 – RAG-Stiftung (the "Issuer") announces today the launch of EUR 400 million senior unsecured bonds due 2021 (the "Bonds") exchangeable into ordinary registered shares of Evonik Industries AG ("Evonik"). The Bonds will be offered in an accelerated bookbuilding to institutional investors outside of the U.S. only.

The base offering size will be EUR 400 million. The base offering size may be increased by up to EUR 100 million at the Issuer's discretion before pricing. Based on an issue size of EUR 400 million, the number of underlying Evonik shares will initially be approx. 10 million, representing approx. 2.2% of the current share capital of Evonik.

The Bonds will be issued at 100% - 102% of their principal amount and will bear interest between 0.0% - 0.5% p.a., payable annually in arrear on 18 February in each year. The exchange price will be set at a premium of 32.5% - 37.5% above the VWAP (Volume Weighted Average Price) of the Evonik share on XETRA between launch and pricing. The Bonds are callable by the Issuer after 11 March 2019 if the Evonik share price (over a certain period) exceeds 130% of the then applicable exchange price. The Bonds will be redeemed at 100% of their principal amount on 18 February 2021, the final maturity date.

The final terms are expected to be determined and announced today and settlement is expected to take place on or about 18 February 2015. It is intended that an application will be made for the Bonds to be traded on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange.

The offering of the Bonds continues the RAG-Stiftung's asset diversification strategy. The Issuer will use the net proceeds of the offering to increase its existing financial assets and for the implementation of its investment strategy. After investing the proceeds of the previous exchangeable bonds due 2018, the total assets of the RAG-Stiftung increased to over EUR 13

billion as per year end 2014. The issuer does not have any financial debt other than the existing EUR 600 million exchangeable bonds due 2018 and today's announced offering of new Bonds.

In the context of the transaction, the Issuer has committed to a lock-up of 90 days in respect to Evonik shares.

BofA Merrill Lynch and UBS are acting as Joint Bookrunners in relation to the offering of the Bonds.

About the RAG-Stiftung

The private-law RAG-Stiftung was established in 2007. The purpose of the RAG-Stiftung is to build up foundation assets by the end of 2018 in order to finance the long-term financial burdens (*Ewigkeitslasten*) resulting from the coal mining in the German Ruhr and Saar regions.

For more details on the RAG-Stiftung, please visit www.rag-stiftung.de

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The date of admission of the exchangeable bonds to trading may be influenced by things such as market conditions. There is no guarantee that admission will occur and you should not base your financial decisions on RAG-Stiftung's intentions in relation to admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the exchangeable bond offering. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the exchangeable bonds offering for the person concerned.

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