



We create chemistry

## Quarterly Statement Q1 2021

### **BASF with strong start to 2021 business year**

- Sales growth of 16% to €19.4 billion
- EBIT before special items increases 42% to €2.3 billion
- 2021 outlook for EBIT before special items raised to between €5.0 billion and €5.8 billion (previously: between €4.1 billion and €5.0 billion)



# Contents

## On the cover:

The new acetylene plant at the Ludwigshafen site in Germany has an annual capacity of 90,000 metric tons. Around 20 plants at the site use acetylene as a chemical building block and starting material for manufacturing many everyday products, including pharmaceuticals, plastics, solvents, electronic chemicals and highly elastic textile fibers. BASF customers use these products in the automotive, pharmaceutical, construction, consumer goods and textile industries. The integration of the plant into BASF's Verbund system offers advantages such as efficient use of resources, excellent production synergies and short supply routes.

|  |           |
|--|-----------|
| <b>Key Figures: BASF Group Q1 2021</b> | <b>3</b>  |
| <b>Business Review</b>                 | <b>4</b>  |
| BASF Group                             | 4         |
| Significant events                     | 4         |
| Results of operations                  | 4         |
| Net assets                             | 5         |
| Financial position                     | 5         |
| Outlook                                | 7         |
| Chemicals                              | 8         |
| Materials                              | 9         |
| Industrial Solutions                   | 10        |
| Surface Technologies                   | 11        |
| Nutrition & Care                       | 12        |
| Agricultural Solutions                 | 13        |
| Other                                  | 14        |
| Regions                                | 15        |
| <b>Selected Financial Data</b>         | <b>16</b> |
| Statement of Income                    | 16        |
| Balance Sheet                          | 17        |
| Statement of Cash Flows                | 19        |

# Key Figures

## BASF Group Q1 2021

|  |           | Q1      |         |      |
|--|-----------|---------|---------|------|
|  |           | 2021    | 2020    | +/-  |
| Sales  | million € | 19,400  | 16,753  | 16%  |
| Income from operations before depreciation, amortization and special items | million € | 3,181   | 2,579   | 23%  |
| Income from operations before depreciation and amortization (EBITDA)       | million € | 3,176   | 2,428   | 31%  |
| EBITDA margin  | %         | 16.4    | 14.5    | –    |
| Depreciation and amortization <sup>a</sup>                                 | million € | 865     | 972     | –11% |
| Income from operations (EBIT)  | million € | 2,311   | 1,456   | 59%  |
| Special items  | million € | –10     | –184    | 95%  |
| EBIT before special items  | million € | 2,321   | 1,640   | 42%  |
| Income before income taxes   | million € | 2,247   | 1,200   | 87%  |
| Income after taxes from continuing operations                              | million € | 1,810   | 881     | 105% |
| Income after taxes from discontinued operations                            | million € | –       | 22      | –    |
| Net income   | million € | 1,718   | 885     | 94%  |
| Earnings per share   | €         | 1.87    | 0.97    | 93%  |
| Adjusted earnings per share  | €         | 2.00    | 1.26    | 59%  |
| Research and development expenses  | million € | 511     | 494     | 3%   |
| Personnel expenses   | million € | 2,947   | 2,826   | 4%   |
| Employees (March 31)   |           | 110,261 | 118,276 | –7%  |
| Assets (March 31)  | million € | 84,833  | 92,355  | –8%  |
| Investments including acquisitions <sup>b</sup>                            | million € | 545     | 2,136   | –74% |
| Equity ratio (March 31)  | %         | 46.0    | 47.0    | –    |
| Net debt (March 31)  | million € | 15,962  | 18,794  | –15% |
| Cash flows from operating activities                                       | million € | –525    | –1,030  | 49%  |
| Free cash flow   | million € | –981    | –1,599  | 39%  |

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Additions to property, plant and equipment and intangible assets

# Business Review

## BASF Group

### Significant events

At a Capital Markets Day on March 26, 2021, BASF presented its roadmap to climate neutrality: BASF is setting itself even more ambitious goals than in the past and wants to achieve net zero emissions by 2050. Based on the most recent progress in developing low-emission and CO<sub>2</sub>-free technologies, the company is also significantly raising its medium-term 2030 target for reductions in greenhouse gas emissions: BASF now wants to reduce its greenhouse gas emissions worldwide by 25% compared with 2018 – and to achieve this despite targeted growth and the construction of an integrated Verbund site in Zhanjiang, China. Excluding the effects of the planned growth, this means cutting CO<sub>2</sub> emissions in half in the current business by the end of this decade. Overall, BASF plans to invest up to €1 billion by 2025 to reach its new climate target and a further €2 billion to €3 billion by 2030.

### Results of operations

**Sales** rose by €2,647 million compared with the first quarter of 2020 to €19,400 million. This was mainly due to higher prices and volume growth. Prices rose significantly in the Surface Technologies, Chemicals and Materials segments. All segments increased sales volumes. Negative currency effects had an offsetting impact.

#### Factors influencing BASF Group sales in Q1 2021

| Volumes      | 9%         |  |
|--------------|------------|--|
| Prices       | 13%        |  |
| Portfolio    | 0%         |  |
| Currencies   | –6%        |  |
| <b>Sales</b> | <b>16%</b> |  |

Compared with the prior-year quarter, **EBIT before special items**<sup>1</sup> rose by €681 million to €2,321 million. This was primarily attributable to considerably higher earnings contributions from the Materials and Chemicals segments. The Surface Technologies segment also recorded considerable growth in EBIT before special items. By contrast, EBIT before special items declined considerably in Other and in the Nutrition & Care segment, and decreased slightly in the Industrial Solutions segment. In the Agricultural Solutions segment, EBIT before special items was on a level with the prior-year quarter.

**Special items** in EBIT amounted to –€10 million in the first quarter of 2021, compared with –€184 million in the prior-year quarter.

**EBIT**<sup>2</sup> rose by €855 million compared with the first quarter of 2020 to €2,311 million. **Income from operations before depreciation, amortization and special items (EBITDA before special items)**<sup>3</sup> increased by €602 million to €3,181 million and **EBITDA**<sup>3</sup> rose by €748 million to €3,176 million in the same period.

#### Q1 EBITDA before special items

| Million €   | 2021         | 2020         |
|---|--------------|--------------|
| EBIT  | 2,311        | 1,456        |
| – Special items   | –10          | –184         |
| <b>EBIT before special items</b>  | <b>2,321</b> | <b>1,640</b> |
| + Depreciation and amortization before special items  | 859          | 934          |
| + Impairments and reversals of impairments on property, plant and equipment and intangible assets before special items                                  | 1            | 5            |
| <b>Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets before special items</b> | <b>860</b>   | <b>939</b>   |
| <b>EBITDA before special items</b>  | <b>3,181</b> | <b>2,579</b> |

#### Q1 EBITDA

| Million €  | 2021         | 2020         |
|--|--------------|--------------|
| EBIT   | 2,311        | 1,456        |
| + Depreciation and amortization  | 859          | 960          |
| + Impairments and reversals of impairments on property, plant and equipment and intangible assets                                  | 6            | 12           |
| <b>Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets</b> | <b>865</b>   | <b>972</b>   |
| <b>EBITDA</b>  | <b>3,176</b> | <b>2,428</b> |

<sup>1</sup> For an explanation of this indicator, see page 34 of the BASF Report 2020, Value-Based Management

<sup>2</sup> The calculation of income from operations (EBIT) is shown in the Statement of Income on page 16 of this quarterly statement.

<sup>3</sup> For an explanation of this indicator, see page 58 of the BASF Report 2020, Results of Operations

At €68 million, **net income from shareholdings** improved by €236 million compared with the prior-year quarter. This is primarily attributable to the positive earnings contribution of €51 million from Wintershall Dea GmbH, after –€165 million in the first quarter of 2020. The non-integral equity-accounted shareholding in Solenis also contributed to the increase in net income from shareholdings, with €28 million (Q1 2020: –€1 million).

The **financial result** declined by €44 million to –€132 million, mainly from a lower other financial result due to expenses in connection with bonds in foreign currency and the corresponding hedging instruments. In the prior-year period, income arose from this item. This was partially offset by an improved interest result due to lower interest expenses for financial indebtedness.

**Income before income taxes** rose to €2,247 million, compared with €1,200 million in the first quarter of 2020. The tax rate decreased from 26.6% to 19.4%, due among other factors to the higher earnings contribution from equity-accounted shareholdings.

Compared with the first quarter of 2020, **income after taxes** increased by €907 million to €1,810 million. Of this amount, €1,718 million was attributable to shareholders of BASF SE. Non-controlling interests accounted for €92 million after €18 million in the prior-year quarter, primarily as a result of improved earnings contributions from BASF PETRONAS Chemicals Sdn. Bhd., Kuala Lumpur, Malaysia; Shanghai BASF Polyurethane Company Ltd., Shanghai, China; and BASF TOTAL Petrochemicals LLC, Port Arthur, Texas.

**Earnings per share** in the first quarter of the year were €1.87, compared with €0.97 in the prior-year quarter. **Earnings per share adjusted<sup>1</sup>** for special items and amortization of intangible assets amounted to €2.00 (Q1 2020: €1.26).

#### Q1 adjusted earnings per share

| Million €  | 2021          | 2020         |
|--|---------------|--------------|
| <b>Income after taxes</b>  | <b>1,810</b>  | <b>903</b>   |
| – Special items  | –10           | –184         |
| + Amortization, impairments and reversals of impairments on intangible assets                            | 157           | 171          |
| – Amortization, impairments and reversals of impairments on intangible assets contained in special items | –             | 26           |
| – Adjustments to income taxes  | 46            | 74           |
| – Adjustments to income after taxes from discontinued operations   | –             | –19          |
| <b>Adjusted income after taxes</b>   | <b>1,931</b>  | <b>1,177</b> |
| – Adjusted noncontrolling interests  | 92            | 17           |
| <b>Adjusted net income</b>   | <b>1,839</b>  | <b>1,160</b> |
| Weighted average number of outstanding shares in thousands   | 918,479       | 918,479      |
| <b>Adjusted earnings per share</b>   | <b>€ 2.00</b> | <b>1.26</b>  |

#### Net assets

At €84,833 million, **total assets** increased by €4,541 million compared with December 31, 2020, and declined by €7,522 million compared with March 31, 2020.

**Noncurrent assets** remained at the 2020 year-end level. The slight increase in property, plant and equipment and intangible assets primarily resulted from currency effects. Other receivables and miscellaneous assets rose compared with December 31, 2020, largely due to the increase in defined benefit assets. Offsetting effects were the decline in deferred taxes due to lower pension provisions, as well as the lower carrying amounts of non-integral investments accounted for using the equity method, mainly as a result of dividends at Wintershall Dea GmbH in the amount of €488 million.

**Current assets** rose by €4,756 million to €34,624 million. This was primarily due to the €3,056 million increase in trade accounts receivable. All segments contributed to the increase, especially the Agricultural Solutions segment as a result of seasonal effects. At €5,932 million, other receivables and miscellaneous assets were €1,259 million above the prior year-end figure, mainly due to higher precious metal trading items and higher fair values of derivatives. Cash and cash equivalents declined by €203 million.

#### Financial position

**Equity** rose by €4,636 million compared with December 31, 2020, to €39,034 million. This was driven by net income and higher other comprehensive income.

<sup>1</sup> For an explanation of this indicator, see page 59 of the BASF Report 2020, Results of Operations

The increase in other comprehensive income was mainly due to actuarial gains and translation effects. The equity ratio rose from 42.8% to 46.0%.

**Noncurrent liabilities** decreased by €2,926 million compared with the 2020 year-end to €26,688 million, primarily due to lower pension provisions as a result of higher interest rates in relevant currency zones. The decline in noncurrent financial indebtedness mainly reflected the reclassification of a eurobond with a carrying amount of €426 million from noncurrent to current financial indebtedness. Negative currency effects had an offsetting impact. Lower tax provisions also contributed to the decline in noncurrent liabilities.

**Current liabilities** rose by €2,831 million to €19,111 million, mainly as a result of the €1,317 million increase in current financial indebtedness compared with the 2020 year-end figure. This was largely attributable to the above-mentioned reclassification of a bond with a carrying amount of €426 million, as well as new short-term bank loans taken out for approximately €2 billion. The repayment of a €1 billion bond and the reduction in commercial paper at BASF SE had an offsetting effect. The €1,008 million increase in current provisions to €3,833 million was primarily due to higher provisions for discounts and bonuses.

**Net debt<sup>1</sup>** rose by €1,285 million compared with the 2020 year-end, mainly as a result of the €1,082 million increase in financial indebtedness.

#### Net debt

| Million €                         | Mar. 31, 2021 | Dec. 31, 2020 |
|-----------------------------------|---------------|---------------|
| Noncurrent financial indebtedness | 15,584        | 15,819        |
| + Current financial indebtedness  | 4,712         | 3,395         |
| <b>Financial indebtedness</b>     | <b>20,296</b> | <b>19,214</b> |
| – Marketable securities           | 207           | 207           |
| – Cash and cash equivalents       | 4,127         | 4,330         |
| <b>Net debt</b>                   | <b>15,962</b> | <b>14,677</b> |

**Cash flows from operating activities** amounted to –€525 million, an improvement of €505 million compared with the prior-year quarter. This development was mainly driven by the €833 million increase in net income. The increase in net working capital led to cash tied up of €2,773 million. This was largely attributable to trade accounts receivable, which rose by €2,852 million as a result of seasonal factors. In the prior-year quarter, cash of €3 billion was tied up, also primarily due to higher trade accounts receivable and the reduction in trade accounts payable.

**Cash flows from investing activities** amounted to –€435 million. Cash outflows were therefore €1,385 million lower than in the prior-year period. In the first quarter of 2020, the acquisition of Solvay's integrated polyamide business led to payments of €1,245 million. Payments made for property, plant and equipment and intangible assets amounted to €456 million in the first quarter of 2021, down €113 million from the prior-year figure.

**Cash flows from financing activities** amounted to €710 million, mainly from the increase in financial and similar liabilities. Cash inflows rose more strongly in the prior-year quarter, by around €3.6 billion.

**Free cash flow<sup>2</sup>** improved by €618 million to –€981 million as a result of higher cash flows from operating activities in conjunction with lower payments made for property, plant and equipment and intangible assets.

#### Q1 free cash flow

| Million €   | 2021        | 2020          |
|---|-------------|---------------|
| Cash flows from operating activities                                    | –525        | –1,030        |
| – Payments made for property, plant and equipment and intangible assets | 456         | 569           |
| <b>Free cash flow</b>   | <b>–981</b> | <b>–1,599</b> |

BASF enjoys good **credit ratings**, especially compared with competitors in the chemical industry. On March 4, 2021, Standard & Poor's confirmed its long and short-term ratings for BASF of A/A-1/ outlook negative. Fitch confirmed its rating of A/F1/outlook stable on February 12, 2021. Moody's confirmed its rating of A3/P-2/ outlook stable on February 12, 2021, as well.

<sup>1</sup> For an explanation of this indicator, see page 64 of the BASF Report 2020, Financial Position

<sup>2</sup> For an explanation of this indicator, see page 65 of the BASF Report 2020, Financial Position

## Outlook

Early economic indicators have risen over the past few months, signaling a stronger recovery in macroeconomic activity than we previously assumed. However, the renewed rise in infection rates in many countries and ongoing restrictions on economic activity mean that the economic situation is still extremely fragile. In addition, disruptions to global supply chains could temporarily impact industry growth. Against this background, the assumptions presented in the BASF Report 2020 for growth in **global gross domestic product** and **industrial** and **chemical production** have been raised moderately. Expectations for **oil prices** have also been revised.

The assessment of the **global economic environment** in 2021 has been adjusted as follows (previous forecast from the BASF Report 2020 in parentheses):

- Growth in gross domestic product: 5.0% (4.3%)
- Growth in industrial production: 5.0% (4.4%)
- Growth in chemical production: 5.0% (4.4%)
- Average euro/dollar exchange rate of \$1.18 per euro (unchanged)
- Average annual oil price (Brent crude) of \$60 per barrel (\$50 per barrel)

Some of the opportunities for higher volumes and margins presented in the BASF Report 2020 have materialized and led to considerable year-on-year earnings growth in the first quarter of 2021, especially in the Materials, Chemicals and Surface Technologies segments. These were offset in part by risks that materialized as a result of higher raw materials prices.

Based on the development of sales and earnings in the first quarter of 2021, the stronger-than-expected recovery of the global economy and much higher raw materials prices than planned, the **forecast** for the BASF Group presented in the BASF Report 2020 was revised as follows (previous forecast from the BASF Report 2020 in parentheses):

- Sales growth to between €68 billion and €71 billion (between €61 billion and €64 billion)
- EBIT before special items of between €5.0 billion and €5.8 billion (between €4.1 billion and €5.0 billion)
- Return on capital employed (ROCE) of between 9.2% and 11.0% (between 8.0% and 9.2%)
- Increase in Accelerator sales to between €19.0 billion and €20.0 billion (between €18.0 billion and €19.0 billion)
- Stabilization of CO<sub>2</sub> emissions at between 20.5 million metric tons and 21.5 million metric tons (unchanged)

[For more information, see the outlook for 2021 on page 155 onward of the BASF Report 2020](#)

However, the market environment continues to be dominated by a high level of uncertainty. Risks could arise if restrictions on macroeconomic activity continue for longer than expected as a result of measures to fight the coronavirus pandemic. Opportunities could arise from a faster vaccination rate and a more rapid recovery of the economy as a whole, as well as a continuation of the positive margin trend.

For the remaining opportunity and risk factors, the statements made in the BASF Report 2020 continue to apply overall.

According to the company's assessment, there continue to be no individual risks that pose a threat to the continued existence of the BASF Group. The same applies to the sum of individual risks, even in the case of another or an intensification of the global economic crisis.

[For more information, see Opportunities and Risks on page 158 onward of the BASF Report 2020](#)

## Chemicals

### Q1 2021

Compared with the first quarter of 2020, **sales<sup>1</sup>** in the Chemicals segment rose considerably as a result of sales growth in both divisions.

#### Factors influencing sales in Q1 2021 – Chemicals

|              | Chemicals  | Petrochemicals | Intermediates |
|--------------|------------|----------------|---------------|
| Volumes      | 7%         | 6%             | 9%            |
| Prices       | 15%        | 19%            | 7%            |
| Portfolio    | –1%        | –1%            | 0%            |
| Currencies   | –5%        | –6%            | –4%           |
| <b>Sales</b> | <b>16%</b> | <b>18%</b>     | <b>12%</b>    |

The sales increase was primarily due to significantly higher price levels. The Petrochemicals division increased prices for steam cracker products, styrene monomers, acrylics and oxo alcohols in particular. This mainly reflected the passing on of higher raw materials prices. The Intermediates division also achieved higher prices, especially in Asia, mostly in the butanediol and derivatives and the acids and polyalcohols businesses.

Sales volumes increased significantly as well due to a recovery in demand. In the Petrochemicals division, volumes were higher for steam cracker products and acrylic monomers in particular. Volumes rose significantly in the Intermediates division, especially in the butanediol and derivatives business. In both divisions, sales volumes were negatively impacted by plant shutdowns in North America due to the cold weather as well as production outages and raw material bottlenecks.

### Segment data – Chemicals

Million €

|  | Q1     |       |      |
|--|--------|-------|------|
|  | 2021   | 2020  | +/-  |
| Sales to third parties   | 2,736  | 2,350 | 16%  |
| of which Petrochemicals  | 1,937  | 1,639 | 18%  |
| Intermediates  | 799    | 711   | 12%  |
| Income from operations before depreciation, amortization and special items | 737    | 391   | 88%  |
| Income from operations before depreciation and amortization (EBITDA)       | 784    | 386   | 103% |
| EBITDA margin  | % 28.7 | 16.4  | –    |
| Depreciation and amortization <sup>a</sup>                                 | 179    | 216   | –17% |
| Income from operations (EBIT)  | 605    | 170   | 256% |
| Special items  | 47     | –4    | .    |
| EBIT before special items  | 558    | 174   | 221% |
| Assets (March 31)  | 8,400  | 9,226 | –9%  |
| Investments including acquisitions <sup>b</sup>                            | 128    | 360   | –64% |
| Research and development expenses  | 26     | 25    | 4%   |

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Additions to property, plant and equipment and intangible assets

Sales performance was weighed down by negative currency effects, mainly relating to the U.S. dollar.

**Income from operations (EBIT) before special items<sup>1</sup>** rose considerably compared with the first quarter of 2020 in both divisions, especially in the Petrochemicals division. Earnings development in both divisions was driven by higher margins as a result of a recovery in demand, an improvement in income from equity-accounted companies, and lower fixed costs.

EBIT included special income from the sale of the condensate splitter in Port Arthur, Texas, to Total Petrochemicals & Refining USA, Inc. in the first quarter of 2021.

<sup>1</sup> For sales, "slight" represents a change of 1%–5%, while "considerable" applies to changes of 6% and higher. "At prior-year level" indicates no change (+/–0%). For earnings, "slight" means a change of 1%–10%, while "considerable" is used for changes of 11% and higher. "At prior-year level" indicates no change (+/–0%).



## Materials

### Q1 2021

In the Materials segment, **sales** in both divisions were considerably higher than in the prior-year quarter.

#### Factors influencing sales in Q1 2021 – Materials

|              | Materials  | Performance Materials | Monomers   |
|--------------|------------|-----------------------|------------|
| Volumes      | 9%         | 12%                   | 6%         |
| Prices       | 12%        | 4%                    | 22%        |
| Portfolio    | 3%         | 2%                    | 3%         |
| Currencies   | –4%        | –5%                   | –3%        |
| <b>Sales</b> | <b>20%</b> | <b>13%</b>            | <b>28%</b> |

The sales increase was mainly attributable to significantly higher prices and volumes.

In the Monomers division, price levels rose for isocyanates in particular. The Performance Materials division recorded higher prices, especially for polyurethane systems, due to higher raw materials prices.

Volume growth was primarily driven by a recovery in demand. The Performance Materials division increased volumes in Asia in particular. Here, the prior-year quarter was negatively impacted by a collapse in demand as a result of the pandemic, especially in China. Sales volumes also rose in Europe compared with the prior-year quarter, largely due to stronger demand from the transportation and construction industries. Volumes also rose in the Monomers division, particularly for methylene diphenyl diisocyanate (MDI). Plant shut-downs in North America due to the cold weather led to significant

### Segment data – Materials

Million €

|  | Q1     |        |      |
|--|--------|--------|------|
|  | 2021   | 2020   | +/-  |
| Sales to third parties   | 3,447  | 2,874  | 20%  |
| of which Performance Materials   | 1,732  | 1,531  | 13%  |
| Monomers   | 1,715  | 1,343  | 28%  |
| Income from operations before depreciation, amortization and special items | 863    | 415    | 108% |
| Income from operations before depreciation and amortization (EBITDA)       | 843    | 325    | 159% |
| EBITDA margin  | % 24.5 | 11.3   | –    |
| Depreciation and amortization <sup>a</sup>                                 | 195    | 206    | –5%  |
| Income from operations (EBIT)  | 648    | 119    | 445% |
| Special items  | –24    | –90    | 73%  |
| EBIT before special items  | 672    | 209    | 222% |
| Assets (March 31)  | 9,696  | 10,642 | –9%  |
| Investments including acquisitions <sup>b</sup>                            | 105    | 1,419  | –93% |
| Research and development expenses  | 42     | 45     | –7%  |

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Additions to property, plant and equipment and intangible assets

production outages and raw material bottlenecks, which dampened sales performance in both divisions.

Portfolio effects from the acquisition of the integrated polyamide business from Solvay, which closed as of January 31, 2020, had a positive impact on sales.

Sales performance in both divisions was weighed down by currency effects.

**Income from operations (EBIT) before special items** rose considerably. This was mainly driven by a considerably higher earnings contribution from the Monomers division due to improved isocyanate margins on the back of higher prices. EBIT before special items rose slightly in the Performance Materials division. Volume growth more than offset lower margins from higher raw materials prices.

As in the prior-year quarter, EBIT included special charges from the integration of the polyamide business acquired from Solvay.

## Industrial Solutions

### Q1 2021

**Sales** in the Industrial Solutions segment were at the level of the prior-year quarter. Slightly higher sales in the Dispersions & Pigments division were offset by a slight decrease in the Performance Chemicals division.

#### Factors influencing sales in Q1 2021 – Industrial Solutions

|              | Industrial Solutions | Dispersions & Pigments | Performance Chemicals |
|--------------|----------------------|------------------------|-----------------------|
| Volumes      | 5%                   | 8%                     | 3%                    |
| Prices       | –1%                  | 0%                     | –3%                   |
| Portfolio    | 0%                   | 0%                     | 0%                    |
| Currencies   | –4%                  | –4%                    | –5%                   |
| <b>Sales</b> | <b>0%</b>            | <b>4%</b>              | <b>–5%</b>            |

The segment's sales were positively impacted by higher volumes. In the Dispersions & Pigments division, sales volumes rose in almost all business areas. In the Performance Chemicals division, volume growth was mainly driven by the plastic additives business.

Sales performance was weighed down by negative currency effects, mainly relating to the U.S. dollar.

Sales were also reduced by lower prices in the Performance Chemicals division, especially in the fuel and lubricant solutions business and in the plastic additives business. Prices in the Dispersions & Pigments division were on a level with the prior-year quarter.

#### Segment data – Industrial Solutions

Million €

|  | Q1     |       |      |
|--|--------|-------|------|
|  | 2021   | 2020  | +/-  |
| Sales to third parties   | 2,108  | 2,098 | 0%   |
| of which Dispersions & Pigments  | 1,349  | 1,301 | 4%   |
| Performance Chemicals  | 759    | 797   | –5%  |
| Income from operations before depreciation, amortization and special items | 350    | 343   | 2%   |
| Income from operations before depreciation and amortization (EBITDA)       | 343    | 335   | 2%   |
| EBITDA margin  | % 16.3 | 16.0  | –    |
| Depreciation and amortization <sup>a</sup>                                 | 84     | 95    | –12% |
| Income from operations (EBIT)  | 259    | 240   | 8%   |
| Special items  | –7     | –33   | 79%  |
| EBIT before special items  | 266    | 273   | –3%  |
| Assets (March 31)  | 6,855  | 7,202 | –5%  |
| Investments including acquisitions <sup>b</sup>                            | 62     | 67    | –7%  |
| Research and development expenses  | 44     | 45    | –2%  |

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Additions to property, plant and equipment and intangible assets

**Income from operations (EBIT) before special items** was slightly below the prior-year quarter. Considerably higher earnings in the Dispersions & Pigments division were unable to completely offset the significantly lower earnings contribution from the Performance Chemicals division. This was mainly due to lower margins as a result of increased raw materials prices and negative currency effects.

The increase in earnings in the Dispersions & Pigments division was primarily attributable to lower fixed costs and volume growth. The division's earnings were weighed down by negative currency effects.

## Surface Technologies

### Q1 2021

**Sales** in the Surface Technologies segment rose considerably compared with the first quarter of 2020. The Catalysts division recorded considerable sales growth, while the Coatings division saw a slight increase.

#### Factors influencing sales in Q1 2021 – Surface Technologies

|              | Surface Technologies | Catalysts  | Coatings  |
|--------------|----------------------|------------|-----------|
| Volumes      | 16%                  | 18%        | 12%       |
| Prices       | 31%                  | 37%        | 1%        |
| Portfolio    | 0%                   | 0%         | 0%        |
| Currencies   | –10%                 | –10%       | –8%       |
| <b>Sales</b> | <b>37%</b>           | <b>45%</b> | <b>5%</b> |

The sales increase was largely attributable to higher price levels in the Catalysts division as a result of higher precious metal prices. This led to a considerable increase in sales in precious metal trading to €2,904 million (Q1 2020: €2,278 million). In the Coatings division, prices were above the prior-year quarter in almost all business areas.

Significantly higher volumes in both divisions also contributed to the development of sales. In the Catalysts division, higher sales volumes for mobile emissions and chemical catalysts more than compensated for lower volumes in the refining catalysts business. Volume growth in the Coatings division was primarily driven by a recovery in automotive production in Asia following the pandemic-related

#### Segment data – Surface Technologies

Million €

|  | Q1     |        |      |
|--|--------|--------|------|
|  | 2021   | 2020   | +/-  |
| Sales to third parties   | 5,947  | 4,328  | 37%  |
| of which Catalysts   | 5,110  | 3,532  | 45%  |
| Coatings   | 837    | 796    | 5%   |
| Income from operations before depreciation, amortization and special items | 470    | 338    | 39%  |
| Income from operations before depreciation and amortization (EBITDA)       | 466    | 334    | 40%  |
| EBITDA margin  | % 7.8  | 7.7    | –    |
| Depreciation and amortization <sup>a</sup>                                 | 110    | 117    | –6%  |
| Income from operations (EBIT)  | 356    | 217    | 64%  |
| Special items  | –4     | –3     | –33% |
| EBIT before special items  | 360    | 220    | 64%  |
| Assets (March 31)  | 13,349 | 12,403 | 8%   |
| Investments including acquisitions <sup>b</sup>                            | 73     | 83     | –12% |
| Research and development expenses  | 67     | 55     | 22%  |

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Additions to property, plant and equipment and intangible assets

collapse in the prior-year quarter. This resulted in significantly higher volumes, especially in the automotive OEM coatings business. Sales volumes of decorative paints and automotive refinish coatings also rose considerably in response to stronger demand. Volumes rose slightly in the surface treatment business.

This was partially offset by currency effects, mainly in North America and Europe.

**Income from operations (EBIT) before special items** rose considerably compared with the first quarter of 2020. This was largely driven by volume growth in both divisions. The positive development in earnings was supported by lower fixed costs, especially in the Catalysts division.

## Nutrition & Care

### Q1 2021

**Sales** in both divisions of the Nutrition & Care segment declined slightly compared with the prior-year quarter.

#### Factors influencing sales in Q1 2021 – Nutrition & Care

|              | Nutrition & Care | Care Chemicals | Nutrition & Health |
|--------------|------------------|----------------|--------------------|
| Volumes      | 3%               | 2%             | 4%                 |
| Prices       | –1%              | 0%             | –3%                |
| Portfolio    | 0%               | 0%             | 0%                 |
| Currencies   | –5%              | –5%            | –5%                |
| <b>Sales</b> | <b>–3%</b>       | <b>–3%</b>     | <b>–4%</b>         |

The development of sales primarily reflected negative currency effects, mainly relating to the U.S. dollar.

Sales were negatively impacted by slightly lower price levels overall. This mainly resulted from lower prices in the Nutrition & Health division, especially in the aroma ingredients and animal nutrition businesses. In the Care Chemicals division, prices were on a level with the prior-year quarter. Higher prices in the oleo surfactants and fatty alcohols business compensated for lower prices in the other business areas.

Sales volumes were slightly above the prior-year quarter in both divisions. In the Care Chemicals division, higher volumes in the home care, industrial and institutional cleaning and industrial formulators business more than compensated for lower volumes in the other business areas. The Nutrition & Health division recorded significantly higher volumes in the aroma ingredients and pharmaceutical businesses. This was partially offset by significantly lower sales volumes in the animal nutrition business.

### Segment data – Nutrition & Care

Million €

|  | Q1     |       |      |
|--|--------|-------|------|
|  | 2021   | 2020  | +/-  |
| Sales to third parties   | 1,533  | 1,582 | –3%  |
| of which Care Chemicals  | 1,059  | 1,088 | –3%  |
| Nutrition & Health   | 474    | 494   | –4%  |
| Income from operations before depreciation, amortization and special items | 316    | 357   | –11% |
| Income from operations before depreciation and amortization (EBITDA)       | 313    | 352   | –11% |
| EBITDA margin  | % 20.4 | 22.3  | –    |
| Depreciation and amortization <sup>a</sup>                                 | 98     | 108   | –9%  |
| Income from operations (EBIT)  | 215    | 244   | –12% |
| Special items  | –3     | –10   | 70%  |
| EBIT before special items  | 218    | 254   | –14% |
| Assets (March 31)  | 6,579  | 6,546 | 1%   |
| Investments including acquisitions <sup>b</sup>                            | 100    | 102   | –2%  |
| Research and development expenses  | 40     | 37    | 8%   |

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Additions to property, plant and equipment and intangible assets

**Income from operations (EBIT) before special items** decreased considerably compared with the prior-year quarter. The decline in earnings impacted both divisions and primarily reflected lower margins as a result of lower sales.



## Agricultural Solutions

### Q1 2021

**Sales** in the Agricultural Solutions segment rose slightly compared with the first quarter of 2020. Volumes were above the prior-year quarter in all regions. Higher price levels also contributed to sales growth. Significantly negative currency effects had an offsetting impact.

#### Factors influencing sales in Q1 2021 – Agricultural Solutions

|              |           |
|--------------|-----------|
| Volumes      | 7%        |
| Prices       | 2%        |
| Portfolio    | 0%        |
| Currencies   | –8%       |
| <b>Sales</b> | <b>1%</b> |

Sales in **Europe** declined slightly as a result of negative currency effects, especially in eastern Europe. By contrast, higher price levels had a positive impact on sales. Volumes were slightly above the prior-year quarter, especially for fungicides.

Sales in **North America** decreased slightly due to negative currency effects. Volumes rose, especially for field crop seeds and in particular for canola (oilseed rape) in Canada. Fungicide volumes also increased. Prices were on a level with the prior-year quarter.

In **Asia**, sales rose considerably as a result of higher sales volumes, especially of fungicides, primarily in China, India and Korea. Negative currency effects had an offsetting impact.

### Segment data – Agricultural Solutions

Million €

|  | Q1     |        |      |
|--|--------|--------|------|
|  | 2021   | 2020   | +/-  |
| Sales to third parties   | 2,846  | 2,819  | 1%   |
| Income from operations before depreciation, amortization and special items | 971    | 989    | –2%  |
| Income from operations before depreciation and amortization (EBITDA)       | 968    | 967    | 0%   |
| EBITDA margin  | % 34.0 | 34.3   | –    |
| Depreciation and amortization <sup>a</sup>                                 | 164    | 180    | –9%  |
| Income from operations (EBIT)  | 804    | 787    | 2%   |
| Special items  | –3     | –22    | 86%  |
| EBIT before special items  | 807    | 809    | 0%   |
| Assets (March 31)  | 16,546 | 17,997 | –8%  |
| Investments including acquisitions <sup>b</sup>                            | 48     | 65     | –26% |
| Research and development expenses  | 216    | 207    | 4%   |

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Additions to property, plant and equipment and intangible assets

Sales rose considerably in the region **South America, Africa, Middle East**. This was mainly driven by increased volumes resulting from a late season. Higher price levels also had a positive impact on sales. Sales development was weighed down by significantly negative currency effects, mainly from the Brazilian real.

**Income from operations (EBIT) before special items** was on a level with the first quarter of 2020. Strong volume growth and lower fixed costs compensated for the negative currency effects.

## Other

### Q1 2021

**Sales** in Other rose considerably compared with the first quarter of 2020. This was primarily the result of considerable sales growth in commodity trading.

**Income from operations (EBIT) before special items** declined considerably. This was mainly due to higher additions to provisions for variable compensation components (bonus) as a result of the strong first quarter. Expenses for the long-term incentive program also contributed to the decline in earnings, after positive valuation effects from the program in the prior-year quarter.

### Financial data – Other

Million €

|  | Q1     |        |       |
|--|--------|--------|-------|
|  | 2021   | 2020   | +/-   |
| Sales  | 783    | 702    | 12%   |
| Income from operations before depreciation, amortization and special items | -526   | -254   | .     |
| Income from operations before depreciation and amortization (EBITDA)       | -541   | -271   | -100% |
| Depreciation and amortization <sup>a</sup>                                 | 35     | 50     | -30%  |
| Income from operations (EBIT)  | -576   | -321   | -79%  |
| Special items  | -16    | -22    | 27%   |
| EBIT before special items  | -560   | -299   | -87%  |
| of which costs for cross-divisional corporate research                     | -69    | -75    | 8%    |
| costs of corporate headquarters  | -58    | -54    | -7%   |
| other businesses   | 30     | 27     | 11%   |
| foreign currency results, hedging and other measurement effects            | -53    | 54     | .     |
| miscellaneous income and expenses  | -410   | -251   | -63%  |
| Assets (March 31) <sup>b</sup>   | 23,408 | 28,339 | -17%  |
| Investments including acquisitions <sup>c</sup>                            | 29     | 40     | -28%  |
| Research and development expenses  | 76     | 80     | -5%   |

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Contains assets of businesses recognized under Other as well as reconciliation to assets of the BASF Group

<sup>c</sup> Additions to property, plant and equipment and intangible assets

## Regions

### Regions

Million €

|                                    | Sales<br>Location of company |               |            | Sales<br>Location of customer |               |            | Income from operations<br>Location of company |              |            |
|------------------------------------|------------------------------|---------------|------------|-------------------------------|---------------|------------|---|--------------|------------|
|                                    | 2021                         | 2020          | +/-        | 2021                          | 2020          | +/-        | 2021  | 2020         | +/-        |
| <b>Q1</b>                          |                              |               |            |                               |               |            |   |              |            |
| Europe                             | 8,129                        | 7,520         | 8%         | 7,831                         | 7,211         | 9%         | 792   | 681          | 16%        |
| of which Germany                   | 3,109                        | 3,273         | -5%        | 1,814                         | 1,688         | 7%         | 254   | 198          | 28%        |
| North America                      | 5,790                        | 5,246         | 10%        | 5,558                         | 4,985         | 11%        | 713   | 474          | 50%        |
| Asia Pacific                       | 4,722                        | 3,295         | 43%        | 4,857                         | 3,473         | 40%        | 770   | 286          | 169%       |
| South America, Africa, Middle East | 759                          | 692           | 10%        | 1,154                         | 1,084         | 6%         | 36  | 15           | 140%       |
| <b>BASF Group</b>                  | <b>19,400</b>                | <b>16,753</b> | <b>16%</b> | <b>19,400</b>                 | <b>16,753</b> | <b>16%</b> | <b>2,311</b>                                  | <b>1,456</b> | <b>59%</b> |

### Q1 2021

Sales at companies located in **Europe** rose by 8% compared with the first quarter of 2020. This was primarily driven by higher prices, especially in the Surface Technologies and Materials segments. Sales were lifted by volume growth in almost all segments. By contrast, sales performance was reduced by currency effects. Income from operations (EBIT) improved by €111 million to €792 million. This was the result of significantly higher contributions from the Materials and Chemicals segments. By contrast, EBIT declined in Other and in the remaining segments.

In **North America**, sales rose by 10% in euros and 20% in local currency terms compared with the prior-year quarter. The sales increase was primarily attributable to higher price levels, mainly from higher precious metal prices in the Surface Technologies segment.

Higher volumes, especially in the Agricultural Solutions and Surface Technologies segments, also supported the sales performance. Currency effects had an offsetting impact in all segments. EBIT rose by €239 million to €713 million. All segments recorded an improvement in earnings, especially the Chemicals segment.

Sales in **Asia Pacific** rose by 43% in euros and 49% in local currency terms. The development of sales was mainly driven by significantly higher volumes in all segments, especially the Surface Technologies segment. Sales were boosted by higher prices, particularly in the Surface Technologies and Materials segments. Portfolio effects in the Materials segment from the acquisition of Solvay's integrated polyamide business had a positive impact on sales. Negative currency effects had an offsetting impact. EBIT rose by €484 million to €770 million. All segments recorded a considerable increase in EBIT, especially the Materials and Chemicals segments.

In the region **South America, Africa, Middle East**, sales rose by 10% in euros and 38% in local currency terms. This was largely attributable to higher prices and volumes in all segments. Portfolio effects from the acquisition of Solvay's integrated polyamide business had a positive impact on sales development. Currency effects had an offsetting impact. At €36 million, EBIT was up €21 million from the first quarter of 2020. This resulted from a considerable improvement in earnings contributions from the Agricultural Solutions, Materials, Surface Technologies and Chemicals segments.

# Selected Financial Data

## Statement of Income

### Statement of income

Million €

|  | Q1            |               |             |
|--|---------------|---------------|-------------|
|  | 2021          | 2020          | +/-         |
| <b>Sales revenue</b>   | <b>19,400</b> | <b>16,753</b> | <b>16%</b>  |
| Cost of sales  | -14,302       | -12,226       | -17%        |
| <b>Gross profit on sales</b>   | <b>5,098</b>  | <b>4,527</b>  | <b>13%</b>  |
| Selling expenses   | -1,908        | -1,971        | 3%          |
| General administrative expenses  | -326          | -324          | -1%         |
| Research and development expenses  | -511          | -494          | -3%         |
| Other operating income   | 336           | 500           | -33%        |
| Other operating expenses   | -516          | -788          | 35%         |
| Income from integral companies accounted for using the equity method     | 138           | 6             | .           |
| <b>Income from operations (EBIT)</b>                                     | <b>2,311</b>  | <b>1,456</b>  | <b>59%</b>  |
| Income from non-integral companies accounted for using the equity method | 82            | -166          | .           |
| Income from other shareholdings  | 12            | 12            | -           |
| Expenses from other shareholdings  | -26           | -14           | -86%        |
| <b>Net income from shareholdings</b>                                     | <b>68</b>     | <b>-168</b>   | <b>.</b>    |
| Interest income  | 38            | 46            | -17%        |
| Interest expenses  | -123          | -150          | 18%         |
| <b>Interest result</b>   | <b>-85</b>    | <b>-104</b>   | <b>18%</b>  |
| Other financial income   | 15            | 88            | -83%        |
| Other financial expenses   | -62           | -72           | 14%         |
| <b>Other financial result</b>  | <b>-47</b>    | <b>16</b>     | <b>.</b>    |
| <b>Financial result</b>  | <b>-132</b>   | <b>-88</b>    | <b>-50%</b> |
| <b>Income before income taxes</b>  | <b>2,247</b>  | <b>1,200</b>  | <b>87%</b>  |
| Income taxes   | -437          | -319          | -37%        |
| <b>Income after taxes from continuing operations</b>                     | <b>1,810</b>  | <b>881</b>    | <b>105%</b> |
| <b>Income after taxes from discontinued operations</b>                   | <b>-</b>      | <b>22</b>     | <b>-</b>    |
| <b>Income after taxes</b>  | <b>1,810</b>  | <b>903</b>    | <b>100%</b> |
| of which attributable to shareholders of BASF SE (net income)            | 1,718         | 885           | 94%         |
| attributable to noncontrolling interests                                 | 92            | 18            | 411%        |
| <b>Earnings per share from continuing operations</b>                     | <b>€ 1.87</b> | <b>0.95</b>   | <b>97%</b>  |
| <b>Earnings per share from discontinued operations</b>                   | <b>€ -</b>    | <b>0.02</b>   | <b>-</b>    |
| <b>Basic earnings per share</b>  | <b>€ 1.87</b> | <b>0.97</b>   | <b>93%</b>  |
| Diluted earnings per share   | € 1.87        | 0.97          | 93%         |



## Balance Sheet

### Assets

| Million €  | March 31, 2021 | December 31, 2020 | +/-        | March 31, 2020 | +/-         |
|--|----------------|-------------------|------------|----------------|-------------|
| Intangible assets  | 13,299         | 13,145            | 1%         | 15,245         | -13%        |
| Property, plant and equipment                                  | 19,814         | 19,647            | 1%         | 22,203         | -11%        |
| Integral investments accounted for using the equity method     | 2,031          | 1,878             | 8%         | 1,873          | 8%          |
| Non-integral investments accounted for using the equity method | 10,555         | 10,874            | -3%        | 12,894         | -18%        |
| Other financial assets   | 557            | 582               | -4%        | 655            | -15%        |
| Deferred tax assets  | 2,826          | 3,386             | -17%       | 2,223          | 27%         |
| Other receivables and miscellaneous assets                     | 1,127          | 912               | 24%        | 1,254          | -10%        |
| <b>Noncurrent assets</b>                                       | <b>50,209</b>  | <b>50,424</b>     | <b>0%</b>  | <b>56,347</b>  | <b>-11%</b> |
| Inventories  | 10,596         | 10,010            | 6%         | 11,233         | -6%         |
| Accounts receivable, trade                                     | 12,531         | 9,466             | 32%        | 11,390         | 10%         |
| Other receivables and miscellaneous assets                     | 5,932          | 4,673             | 27%        | 5,056          | 17%         |
| Marketable securities  | 207            | 207               | -          | 343            | -40%        |
| Cash and cash equivalents <sup>a</sup>                         | 4,127          | 4,330             | -5%        | 3,829          | 8%          |
| Assets of disposal groups                                      | 1,231          | 1,182             | 4%         | 4,157          | -70%        |
| <b>Current assets</b>  | <b>34,624</b>  | <b>29,868</b>     | <b>16%</b> | <b>36,008</b>  | <b>-4%</b>  |
| <b>Total assets</b>  | <b>84,833</b>  | <b>80,292</b>     | <b>6%</b>  | <b>92,355</b>  | <b>-8%</b>  |

a For a reconciliation of the amounts in the statement of cash flows with the balance sheet item cash and cash equivalents, see page 19 of this quarterly statement.

## Equity and liabilities

| Million €   | March 31, 2021 | December 31, 2020 | +/-         | March 31, 2020 | +/-         |
|---|----------------|-------------------|-------------|----------------|-------------|
| Subscribed capital                                    | 1,176          | 1,176             | –           | 1,176          | –           |
| Capital reserves                                      | 3,115          | 3,115             | –           | 3,115          | –           |
| Retained earnings                                     | 39,628         | 37,911            | 5%          | 42,940         | –8%         |
| Other comprehensive income                            | –5,678         | –8,474            | 33%         | –4,709         | –21%        |
| <b>Equity attributable to shareholders of BASF SE</b> | <b>38,241</b>  | <b>33,728</b>     | <b>13%</b>  | <b>42,522</b>  | <b>–10%</b> |
| Noncontrolling interests                              | 793            | 670               | 18%         | 848            | –6%         |
| <b>Equity</b>   | <b>39,034</b>  | <b>34,398</b>     | <b>13%</b>  | <b>43,370</b>  | <b>–10%</b> |
| Provisions for pensions and similar obligations       | 6,016          | 8,566             | –30%        | 7,066          | –15%        |
| Deferred tax liabilities                              | 1,534          | 1,447             | 6%          | 1,647          | –7%         |
| Tax provisions  | 385            | 587               | –34%        | 519            | –26%        |
| Other provisions                                      | 1,517          | 1,484             | 2%          | 1,239          | 22%         |
| Financial indebtedness                                | 15,584         | 15,819            | –1%         | 14,394         | 8%          |
| Other liabilities                                     | 1,652          | 1,711             | –3%         | 1,862          | –11%        |
| <b>Noncurrent liabilities</b>                         | <b>26,688</b>  | <b>29,614</b>     | <b>–10%</b> | <b>26,727</b>  | <b>0%</b>   |
| Accounts payable, trade                               | 5,354          | 5,291             | 1%          | 4,750          | 13%         |
| Provisions  | 3,833          | 2,825             | 36%         | 3,335          | 15%         |
| Tax liabilities                                       | 1,246          | 988               | 26%         | 963            | 29%         |
| Financial indebtedness                                | 4,712          | 3,395             | 39%         | 8,572          | –45%        |
| Other liabilities                                     | 3,599          | 3,440             | 5%          | 3,509          | 3%          |
| Liabilities of disposal groups                        | 367            | 341               | 8%          | 1,129          | –67%        |
| <b>Current liabilities</b>                            | <b>19,111</b>  | <b>16,280</b>     | <b>17%</b>  | <b>22,258</b>  | <b>–14%</b> |
| <b>Total equity and liabilities</b>                   | <b>84,833</b>  | <b>80,292</b>     | <b>6%</b>   | <b>92,355</b>  | <b>–8%</b>  |

## Statement of Cash Flows

### Statement of cash flows

Million €

|   | Q1           |               |
|---|--------------|---------------|
|   | 2021         | 2020          |
| Net income  | 1,718        | 885           |
| Depreciation and amortization of property, plant and equipment and intangible assets    | 865          | 999           |
| Changes in net working capital  | -2,773       | -3,000        |
| Miscellaneous items   | -335         | 86            |
| <b>Cash flows from operating activities</b>   | <b>-525</b>  | <b>-1,030</b> |
| Payments made for property, plant and equipment and intangible assets                   | -456         | -569          |
| Acquisitions/divestitures   | -7           | -1,245        |
| Changes in financial assets and miscellaneous items                                     | 28           | -6            |
| <b>Cash flows from investing activities</b>   | <b>-435</b>  | <b>-1,820</b> |
| Capital increases/repayments and other equity transactions                              | -            | 1             |
| Changes in financial and similar liabilities  | 717          | 4,329         |
| Dividends   | -7           | -36           |
| <b>Cash flows from financing activities</b>   | <b>710</b>   | <b>4,294</b>  |
| Cash-effective changes in cash and cash equivalents <sup>a</sup>                        | -250         | 1,444         |
| Cash and cash equivalents at the beginning of the period and other changes <sup>b</sup> | 4,382        | 2,421         |
| <b>Cash and cash equivalents at the end of the period<sup>b</sup></b>                   | <b>4,132</b> | <b>3,865</b>  |

<sup>a</sup> In the first quarter of 2020, BASF SE transferred securities in the amount of €80 million to BASF Pensionstreuhand e.V., Ludwigshafen am Rhein, Germany. This transfer was not cash effective and therefore had no effect on the statement of cash flows.

<sup>b</sup> In 2021 and 2020, cash and cash equivalents presented in the statement of cash flows deviate from the figures in the balance sheet, as the relevant amounts were reclassified in the balance sheet to assets of disposal groups. The disposal group for the pigments business contained cash and cash equivalents of €5 million as of January 1, 2021, and March 31, 2021. As of January 1, 2020, cash and cash equivalents deviate from the figure in the balance sheet due to the reclassification of cash and cash equivalents to the disposal groups for the construction chemicals business (€21 million) and the pigments business (€7 million). As of March 31, 2020, €24 million was reclassified in the balance sheet to the disposal group for the construction chemicals business, and €12 million to the disposal group for the pigments business.

Half-Year Financial Report 2021

# July 28, 2021

---

Quarterly Statement Q3 2021

# October 27, 2021

---

BASF Report 2021

# February 25, 2022

---

Quarterly Statement Q1 2022 / Annual Shareholders' Meeting 2022

# April 29, 2022

---

Half-Year Financial Report 2022

# July 27, 2022

---

## Further information

### Published on April 29, 2021

You can find this and other BASF publications online at [basf.com/publications](https://basf.com/publications)

## Contact

### General inquiries

Phone: +49 621 60-0, email: [global.info@basf.com](mailto:global.info@basf.com)

### Media Relations

Jens Fey, phone: +49 621 60-99123

### Investor Relations

Dr. Stefanie Wettberg, phone: +49 621 60-48002

### Internet

[basf.com](https://basf.com)

## Forward-looking statements and forecasts

This quarterly statement contains forward-looking statements. These statements are based on current estimates and projections of the Board of Executive Directors and currently available information. Forward-looking statements are not guarantees of the future developments and results outlined therein. These are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. Such risk factors include those discussed in Opportunities and Risks on pages 158 to 166 of the BASF Report 2020. The BASF Report is available online at [basf.com/report](https://basf.com/report). We do not assume any obligation to update the forward-looking statements contained in this quarterly statement above and beyond the legal requirements.



BASF supports the chemical industry's global Responsible Care initiative.

COMC 2106 E