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Quarterly Statement Q1 2024

NovaFlex SharkSkin
by BASF

Q1 | BASF Group 24 | Quarterly Statement

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On the cover and this page:

BASF has developed NovaFlex SharkSkin, a functional film that mimics the fine structure of sharkskin. This film optimizes the aerodynamics of the flow-relevant parts of an aircraft, which means it consumes less fuel and emits less CO₂. Applying the functional film to the fuselage of a Boeing 777-300 reduces aerodynamic drag by more than 1% and CO₂ emissions by 1,250 metric tons per aircraft per year. Employees at the BASF Coatings division in Münster, Germany, produce the film in a roll-to-roll process and check the quality of the structure.

Pictured:

Project manager Sebastian Hartwig (cover, left), Maike Schmidt and Marcel Schumacher



At a Glance

Sales

€17.6 billion

(Q1 2023: €20.0 billion)

EBITDA before special items

€2.7 billion

(Q1 2023: €2.9 billion)

Free cash flow

-€1.5 billion

(Q1 2023: -€1.9 billion)

EBITDA before special items by segment

Chemicals



€453 million

(Q1 2023: €426 million)

Materials



€508 million

(Q1 2023: €448 million)

Industrial Solutions



€332 million

(Q1 2023: €300 million)

Surface Technologies



€356 million

(Q1 2023: €402 million)

Nutrition & Care



€262 million

(Q1 2023: €192 million)

Agricultural Solutions



€1,361 million

(Q1 2023: €1,432 million)

Outlook for the 2024 business year unchanged (forecast published in the BASF Report 2023)

EBITDA before special items

€8.0 to €8.6 billion

Free cash flow

€0.1 to €0.6 billion

CO₂ emissions

16.7 to 17.7 million metric tons

Key Figures

BASF Group Q1 2024

		2024	2023	+/-
Sales	million €	17,553	19,991	-12.2%
EBITDA before special items	million €	2,712	2,864	-5.3%
EBITDA	million €	2,655	2,811	-5.6%
EBITDA margin before special items	%	15.4	14.3	–
Depreciation and amortization ^a	million €	965	944	2.3%
Income from operations (EBIT)	million €	1,689	1,867	-9.5%
Special items	million €	-64	-65	0.4%
EBIT before special items	million €	1,754	1,931	-9.2%
Income before income taxes	million €	1,772	1,930	-8.2%
Income after taxes	million €	1,411	1,604	-12.1%
Net income	million €	1,368	1,562	-12.4%
Earnings per share ^b	€	1.53	1.75	-12.4%
Adjusted earnings per share ^b	€	1.68	1.93	-12.9%
Research and development expenses	million €	490	538	-8.8%
Personnel expenses	million €	3,070	2,954	3.9%
Employees (March 31)		111,855	111,399	0.4%
Assets (March 31)	million €	81,740	86,139	-5.1%
Investments including acquisitions ^c	million €	1,205	999	20.7%
Equity ratio (March 31)	%	47.2	48.8	–
Net debt (March 31)	million €	18,175	17,820	2.0%
Cash flows from operating activities	million €	-513	-1,016	49.4%
Free cash flow	million €	-1,457	-1,882	22.6%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Due to the share buyback program terminated in February 2023, the weighted average number of outstanding shares in the first quarter of 2024 was 892,522,164 and 893,002,335 in the first quarter of 2023.

^c Additions to property, plant and equipment and intangible assets

Due to rounding, individual figures may not add up to the totals shown and percentages may not correspond exactly to the figures shown.

Business Review

BASF Group

Significant events

In accordance with the resolution of the Supervisory Board as of December 20, 2023, the following changes to the Board of Executive Directors of BASF SE came into effect at the beginning of 2024: Dr. Katja Scharpwinkel succeeded Dr. Melanie Maas-Brunner, effective as of February 1. Anup Kothari was appointed to the Board of Executive Directors, effective as of March 1. In addition, the contract of Michael Heinz was extended until the 2026 Annual Shareholders' Meeting. Furthermore, the Supervisory Board decided that Dr. Markus Kamieth will take over as Chairman of the Board of Executive Directors of BASF SE on conclusion of the Annual Shareholders' Meeting on April 25, 2024. He succeeds Dr. Martin Bruder Müller, whose mandate ends with the Annual Shareholders' Meeting.

The personnel changes were accompanied by a reallocation of responsibilities: As of January 1, Dr. Stephan Kothrade took over responsibility for research and development and assumed the role of Chief Technology Officer. He has also been responsible for the Asia Pacific region since March 1. Dr. Katja Scharpwinkel was named Industrial Relations Director and took over responsibility for the Europe region.

In addition, at the proposal of the Nomination Committee, the Supervisory Board nominated Tamara Weinert as a candidate for election as shareholder representative on the Supervisory Board. The election will take place at the Annual Shareholders' Meeting of BASF SE on April 25, 2024. Tamara Weinert is to succeed Dame Alison Carnwath, who is no longer standing for reelection to BASF's Supervisory Board.

Against the backdrop of the considerable downturn in earnings in Germany in the 2023 business year – particularly at the Ludwigshafen site – and the persistently challenging economic conditions in Europe as well as high production costs, BASF introduced an additional cost savings program in February 2024. It aims to reduce costs at the Ludwigshafen site by a further billion euros per year by the end of 2026. The program is set to save costs in both production and nonproduction areas. Fixed costs will be reduced by increasing the efficiency of corporate structures and adapting production capacities to market requirements. BASF is also aiming for a considerable cost reduction through process improvements.

This cost savings program is an addition to the package of measures from February 2023, with which BASF is aiming to achieve cost savings of around €1.1 billion, also by the end of 2026. Total annual savings of more than €2 billion are expected from the end of 2026.

Since the beginning of the 2024 financial year, we have been pursuing a Differentiated Steering concept. Industry-specific key performance indicators tailored to the respective business will enable us to increase the competitiveness of our business units and thus the profitability of the BASF Group. We have established two new most important financial key performance indicators for the BASF Group's short and medium-term steering: EBITDA before special items and free cash flow. Scope 1 and 2 CO₂ emissions remain the most important nonfinancial key performance indicator at Group level.

For more information on the new most important key performance indicators for the BASF Group, see Results of Operations on page 6 and Financial Position from page 7 onward of this quarterly statement

Events after March 31, 2024 (events after the reporting period)

Vattenfall and BASF have contractually agreed on the sale of 49% of the shares in Vattenfall's Nordlicht 1 and 2 wind farms to BASF. The Nordlicht wind farm projects are being built in the German North Sea without government subsidies and will have a total installed capacity of 1.6 gigawatts. BASF plans to use just under half of the electricity generated to supply its chemical production sites in Europe, particularly Ludwigshafen, Germany. Subject to the final investment decision, which is expected in 2025, construction of Nordlicht 1 and 2 is scheduled to begin in 2026. The wind farms are expected to be fully operational in 2028.

Results of operations

Sales amounted to €17,553 million, €2,439 million below the figure of the prior-year quarter (€19,991 million). This decline in sales was mainly driven by considerably reduced prices as a result of lower raw materials and energy prices in almost all segments as well as lower prices in precious metal trading in the Surface Technologies segment. Negative currency effects, mainly from the Chinese renminbi, contributed to the sales decrease in all segments. Slightly negative currency effects from the Turkish lira and the Argentine peso lowered sales in the Agricultural Solutions segment in particular. Considerable growth in sales volumes in the Chemicals, Materials, Nutrition & Care and Industrial Solutions segments had a positive impact on sales. This more than compensated for lower volumes in the Agricultural Solutions and Surface Technologies segments.

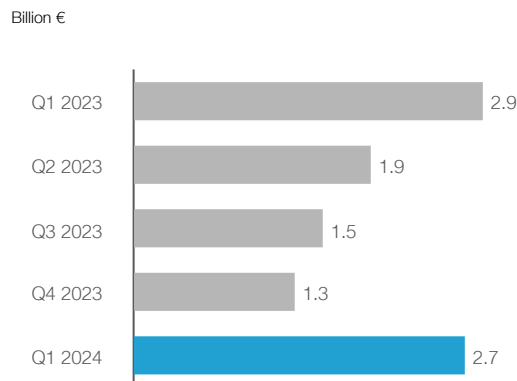
Factors influencing BASF Group sales in Q1 2024

Volumes	0.5%
Prices	-10.4%
Currencies	-2.2%
Portfolio	-0.1%
Sales	-12.2%

Compared with the first quarter of 2023, **income from operations before depreciation, amortization and special items (EBITDA before special items)¹** decreased by €153 million to €2,712 million. The Group's earnings development was driven in particular by the considerable decline in earnings of Other, which was primarily attributable to higher bonus provisions. The Agricultural Solutions and Surface Technologies segments also recorded lower EBITDA before special items. In the Agricultural Solutions segment, this was mainly due to the decline in volumes. The decline in earnings in the Surface Technologies segment was due to lower precious metal prices in the Catalysts division. The increase in earnings in the Coatings division only partially compensated for this. All other segments improved EBITDA before

special items, mainly due to reduced fixed costs as well as predominantly volume-related higher contribution margins. **EBITDA¹** amounted to €2,655 million compared with €2,811 million in the prior-year period. The **EBITDA margin before special items** was 15.4%, up from 14.3% in the prior-year quarter.

Sequential development of EBITDA before special items



Special items² in EBITDA amounted to -€57 million in the first quarter of 2024. Special charges resulted mainly from restructuring measures.

At €1,689 million, **EBIT³** was €177 million below the figure of the prior-year quarter. Depreciation and amortization amounted to €965 million (prior-year quarter: €944 million).

Net income from shareholdings increased by €47 million compared with the prior-year quarter to €229 million, mainly due to higher earnings from non-integral companies accounted for using the equity method. In the first quarter of 2024, net income from shareholdings included special income of €65 million in connection with the divestiture of shareholdings.

The **financial result** decreased by €28 million compared with the prior-year quarter, mainly due to higher net expenses in connection with bonds in foreign currency and related hedging instruments in the other financial result.

Overall, **income before income taxes** declined by €158 million compared with the prior-year quarter to €1,772 million in the first quarter of 2024. The tax rate was 20.4% (prior-year quarter: 16.9%).

Income after taxes declined by €193 million compared with the first quarter of 2023 to €1,411 million. Noncontrolling interests of €43 million were almost at prior-year level. As a result, net income amounted to €1,368 million.

Earnings per share amounted to €1.53 in the first quarter of 2024 (prior-year quarter: €1.75). **Earnings per share adjusted¹** for special items and amortization of intangible assets amounted to €1.68 (prior-year quarter: €1.93).

¹ For an explanation of this indicator, see Results of Operations from page 61 onward of the BASF Report 2023.

² Special items may arise from the integration of acquired businesses, from restructuring measures, gains or losses resulting from divestitures and sales of shareholdings, impairments and other expenses and income that arise outside of ordinary business activities.

³ The calculation of income from operations (EBIT) is shown in the Statement of Income on page 18 of this quarterly statement.

Net assets

Total assets amounted to €81,740 million as of March 31, 2024, €4,345 million above the 2023 year-end figure.

Noncurrent assets rose by €978 million. The increase in property, plant and equipment of €497 million was primarily driven by additions, which exceeded depreciation by €375 million, as well as currency effects. The carrying amounts of non-integral shareholdings accounted for using the equity method increased largely as a result of a €285 million increase in the carrying amount of Wintershall Dea AG. This resulted from the positive equity-accounted income and translation effects. Higher defined benefit assets were the main reason for the €176 million increase in other receivables and miscellaneous assets.

Current assets rose by €3,367 million to €34,839 million. This was mainly attributable to the €2,840 million increase in trade accounts receivable, which rose particularly in the Agricultural Solutions segment due to seasonal influences. In addition, inventories were €394 million above the figure as of December 31, 2023.

Financial position

Equity rose by €1,910 million compared with December 31, 2023, to €38,555 million. Retained earnings rose by €1,365 million, largely due to net income. The rise in **other comprehensive income** was mainly due to actuarial gains as well as positive currency effects. At 47.2%, the equity ratio was almost at prior year-end level (47.3%).

Noncurrent liabilities rose by €1.6 billion to €26,479 million, mainly due to the €1.9 billion increase in financial indebtedness. This resulted in particular from the issue of new private placements totaling around €1.2 billion and the utilization of the credit line of around €1 billion in China for the construction of the Verbund site in Zhanjiang. This was partially offset by the reclassification of a GBP bond with a carrying amount of around €350 million from noncurrent to current financial indebtedness. The €263 million decrease in provisions for pensions and similar obligations resulted mainly from higher interest rates.

Current liabilities were €835 million above the figure as of December 31, 2023. The €1,088 million increase in provisions contributed to this in particular, mainly due to higher discount provisions in the Agricultural Solutions segment and higher provisions for variable compensation components. Other liabilities had an offsetting effect, decreasing by €377 million, mainly due to lower advance payments received. Current financial indebtedness decreased by €150 million, predominantly as a result of the scheduled repayment of a bond with a carrying amount of €500 million. The reclassification of the aforementioned GBP bond from noncurrent to current financial indebtedness had an offsetting effect.

Net debt¹ rose by €1,585 million compared with December 31, 2023, to €18,175 million.

Net debt	March 31, 2024	Dec. 31, 2023
Million €		
Noncurrent financial indebtedness	18,986	17,085
+ Current financial indebtedness	2,032	2,182
Financial indebtedness	21,017	19,268
– Marketable securities	56	53
– Cash and cash equivalents	2,786	2,624
Net debt	18,175	16,590

¹ For an explanation of this indicator, see [Financial Position](#) from page 68 onward of the BASF Report 2023.

Cash flows from operating activities amounted to -€513 million, compared with -€1,016 million in the prior-year quarter. The improvement was primarily due to lower cash outflow from net working capital. Net income declined by €194 million compared with the prior-year quarter to €1,368 million. Depreciation and amortization of property, plant and equipment and intangible assets was €21 million above the prior-year figure. The non-cash-effective equity-accounted income improved by €8 million.

In the first quarter, dividends received from equity-accounted investments amounted to €13 million following €33 million in the prior-year quarter. In the first quarter of 2024, €127 million more cash was tied up in inventories compared with the prior-year period. The seasonal rise in trade accounts receivable led to cash tied up of €2,795 million, which was above the figure of the prior-year quarter. The cash outflow from the reduction in trade accounts payable amounted to €86 million and was therefore considerably lower than in the prior-year quarter (€1,123 million). Funds amounting to €120 million were tied up in other operating assets; in contrast, €228 million were released in the first quarter of the previous year. The change in other operating liabilities and pension provisions led to a cash outflow of €471 million, a decrease of €58 million compared with the prior-year period.

Cash flows from investing activities were -€862 million in the first quarter of 2024, following -€703 million in the prior-year quarter. Payments made for property, plant and equipment and intangible assets rose by €77 million to €943 million, mainly due to investments in the new Verbund site in Zhanjiang, China. Cash flows from investing activities included €34 million in payments made for acquisitions as well as €16 million in payments received from divestitures. In the prior-year quarter, payments received amounted to €22 million.

Cash flows from financing activities amounted to €1,539 million, a decline of €269 million compared with the first quarter of 2023. In the prior-year quarter, own shares amounting to around €70 million were repurchased. While there were no dividend payments in the prior-year period, around €37 million was distributed to minority

shareholders in the first quarter of 2024. In addition, there was lower net borrowing of financial and similar liabilities of €1,575 million (2023: €1,878 million).

Free cash flow,¹ which remains after deducting payments made for property, plant and equipment and intangible assets from cash flows from operating activities, represents the financial resources remaining after investments. Free cash flow seasonally impacted by the increase in receivables in the Agricultural Solutions segment improved to -€1,457 million in the first quarter of 2024 compared with -€1,882 million in the prior-year quarter.

Q1 free cash flow

Million €

	2024	2023
Cash flows from operating activities	-513	-1,016
- Payments made for property, plant and equipment and intangible assets	943	867
Free cash flow	-1,457	-1,882

BASF enjoys good **credit ratings**, especially compared with competitors in the chemical industry. Standard & Poor's maintained its rating of A-/A-2/outlook stable on April 18, 2024. Moody's rating of A3/P-2/outlook stable remained unchanged on April 17, 2024. Fitch confirmed its rating of A/F1/outlook stable on November 8, 2023.

¹ For an explanation of this indicator, see [Financial Position](#) from page 68 onward of the BASF Report 2023.

Outlook

The **development of the global economy** is still subject to great uncertainty. The global chemical industry recovered slightly in the first quarter of 2024. It grew considerably faster than overall industrial production because the customer industries somewhat restocked their very low inventories.

The assumptions regarding the global economic environment in 2024 from the BASF Report 2023 remain unchanged:

- Growth in gross domestic product: +2.3%
- Growth in industrial production: +2.2%
- Growth in chemical production: +2.7%
- Average euro/dollar exchange rate of \$1.10 per euro
- Average annual oil price (Brent crude) of \$80 per barrel

The BASF Group's **forecast** for the 2024 business year published in the BASF Report 2023 therefore also remains unchanged:

- EBITDA before special items of between €8.0 billion and €8.6 billion
- Free cash flow of between €0.1 billion and €0.6 billion
- CO₂ emissions of between 16.7 million metric tons and 17.7 million metric tons

Forecast risks from lower prices have partially materialized and contributed to the slight decline in earnings in the first quarter of 2024. There is still great uncertainty regarding volume and price trends.

For the remaining **opportunity and risk factors**, the statements made in the BASF Report 2023 mainly continue to apply. According to the company's assessment, neither existing individual risks nor the sum of individual risks pose a threat to the continued existence of the BASF Group.

[For more information on opportunities and risks, see page 173 onward of the BASF Report 2023](#)

Chemicals

Q1 2024

**EBITDA
before special items**

€453 million

(Q1 2023: €426 million)

Segment cash flow

-€556 million

(Q1 2023: -€187 million)

In the first quarter of 2024, **sales** in the Chemicals segment were slightly below the figure of the prior-year quarter due to a considerable decline in sales in the Intermediates division. In the Petrochemicals division, sales were slightly above the level of the prior-year period.

Factors influencing sales in Q1 2024 – Chemicals

	Chemicals	Petrochemicals	Intermediates
Volumes	9.5%	8.5%	12.1%
Prices	-10.9%	-7.0%	-20.1%
Currencies	-1.1%	-0.7%	-1.9%
Portfolio	–	–	–
Sales	-2.4%	0.8%	-10.0%

Lower prices in all business areas as a result of decreased raw materials and energy prices were the main driver of the decline in sales performance.

Negative currency effects, largely relating to the Chinese renminbi and the U.S. dollar, dampened sales performance.

A considerable increase in sales volumes had an offsetting effect. This was due in particular to our customers increasing their inventories and lower imports by competitors to Europe as a result of the conflict in the Red Sea. In this context, the Petrochemicals division increased volumes in almost all business areas. The

Intermediates division increased sales volumes in all business areas, but mainly in the amines as well as the acids and polyalcohols business.

EBITDA before special items¹ was slightly above the figure of the prior-year quarter. The Petrochemicals division considerably increased its earnings, primarily as a result of higher volumes and lower raw materials and energy prices. Fixed costs were slightly below the prior-year quarter, despite higher expenditure on the construction of the new Verbund site in Zhanjiang, China. In the Intermediates division, however, EBITDA before special items decreased considerably. A slight reduction in fixed costs was unable to offset a decline in the contribution margin and a lower contribution from shareholdings accounted for using the equity method.

Segment cash flow¹ decreased considerably compared with the first quarter of 2023. This was mainly due to a higher amount of cash tied up in working capital as well as increased investments in the construction of the Verbund site in China.

Segment data – Chemicals

Million €

	Q1		
	2024	2023	+/-
Sales to third parties	2,764	2,833	-2.4%
of which Petrochemicals	2,006	1,991	0.8%
Intermediates	758	842	-10.0%
EBITDA before special items	453	426	6.2%
EBITDA	453	425	6.6%
EBITDA margin before special items	% 16.4	15.1	–
Depreciation and amortization ^a	200	185	7.9%
Income from operations (EBIT)	253	240	5.5%
Special items	–	-1	.
EBIT before special items	253	241	4.9%
Investments including acquisitions ^b	560	382	46.4%
Segment cash flow	-556	-187	-197.8%
Assets (March 31)	12,345	10,866	13.6%
Research and development expenses	22	24	-5.5%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

¹ For EBITDA before special items and segment cash flow, "slight" means a change of 0.1%–10.0%, while "considerable" and its synonyms are used for changes of 10.1% and higher. "At prior-year level" indicates no change (+/-0.0%).

Materials

Q1 2024

**EBITDA
before special items**

€508 million

(Q1 2023: €448 million)

Segment cash flow

€85 million

(Q1 2023: €111 million)

Sales in both operating divisions of the Materials segment decreased considerably in the first quarter of 2024 compared with the prior-year quarter.

Factors influencing sales in Q1 2024 – Materials

	Materials	Performance Materials	Monomers
Volumes	5.7%	1.8%	9.7%
Prices	-14.1%	-9.3%	-18.9%
Currencies	-2.1%	-2.3%	-1.9%
Portfolio	–	–	–
Sales	-10.5%	-9.8%	-11.2%

This decline was mainly driven by lower prices in all business areas and regions due to a decrease in energy and raw materials prices compared with the prior-year period.

Negative currency effects, mainly relating to the Chinese renminbi, had a negative impact on sales.

This was offset by a considerable increase in volumes due to higher demand. Monomers increased sales volumes in almost all business areas and regions, but particularly for MDI globally and ammonia in Europe due to a strong recovery in demand compared with the weak prior-year quarter. The Performance Materials division increased volumes, particularly as a result of increased demand in Asia Pacific.

Compared with the prior-year quarter, the segment considerably improved **EBITDA before special items**, primarily as a result of strong earnings growth in the Performance Materials division. An increased contribution margin and reduced fixed costs due to positive currency effects and lower production costs, and as a consequence of cost-saving measures, contributed to the earnings growth of the Performance Materials division. Earnings in the Monomers division were slightly above the level of the first quarter of 2023. Positive effects resulting from lower raw materials costs, higher volumes and cost-saving measures were partially offset by a decline in prices.

EBITDA in the Materials segment included special income totaling €41 million, mainly due to a contractual one-time payment. This was partially offset by special charges, primarily for costs in connection with adjustments to the production structure at the Verbund site in Ludwigshafen, Germany.

Segment cash flow was considerably below the figure of the prior-year period. This was due to the significantly lower cash flow from the Monomers division as a result of a higher amount of cash tied up in receivables. The considerable increase in earnings and lower capital expenditures by the Performance Materials division were unable to compensate for the decline.

Segment data – Materials

Million €

	Q1		
	2024	2023	+/-
Sales to third parties	3,441	3,844	-10.5%
of which Performance Materials	1,758	1,950	-9.8%
Monomers	1,682	1,894	-11.2%
EBITDA before special items	508	448	13.5%
EBITDA	549	451	21.8%
EBITDA margin before special items	% 14.8	11.7	–
Depreciation and amortization ^a	204	205	-0.6%
Income from operations (EBIT)	346	246	40.6%
Special items	34	3	.
EBIT before special items	311	243	28.2%
Investments including acquisitions ^b	292	197	48.3%
Segment cash flow	85	111	-23.0%
Assets (March 31)	10,273	10,933	-6.0%
Research and development expenses	46	48	-3.4%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Industrial Solutions

Q1 2024

**EBITDA
before special items**

€332 million

(Q1 2023: €300 million)

Segment cash flow

€59 million

(Q1 2023: €148 million)

Sales in the Industrial Solutions segment decreased slightly compared with the prior-year period. While Dispersions & Resins recorded a slight decline in sales, sales in the Performance Chemicals division decreased considerably.

Factors influencing sales in Q1 2024 – Industrial Solutions

	Industrial Solutions	Dispersions & Resins	Performance Chemicals
Volumes	5.8%	5.9%	5.6%
Prices	-7.8%	-6.3%	-10.2%
Currencies	-2.0%	-2.1%	-1.9%
Portfolio	-	-	-
Sales	-4.0%	-2.5%	-6.4%

Lower prices due to lower raw materials prices in almost all business areas in both divisions were the main driver of the segment's sales performance.

Negative currency effects also contributed to the decline in sales. These largely related to the Chinese renminbi.

The positive effect of significant volume increases in both divisions was unable to compensate for price and currency developments. In the Dispersions & Resins division, sales volumes rose in all business areas. The Performance Chemicals division increased sales volumes, especially for plastic additives.

Compared with the first quarter of 2023, the segment increased **EBITDA before special items** considerably. This was attributable to considerable earnings growth in the Dispersions & Resins division due to a volume-related higher contribution margin and lower fixed costs. In contrast, there was slightly reduced EBITDA before special items in the Performance Chemicals division, primarily due to a lower contribution margin for plastic additives and negative currency effects. The **EBITDA margin before special items** rose to 16.1% as a result of the segment's earnings performance, compared with 14.0% in the prior-year period.

A higher amount of cash tied up in trade accounts receivable in both divisions was the main reason for a considerable decline in **segment cash flow** in the first quarter of 2024.

Segment data – Industrial Solutions

Million €

	Q1		
	2024	2023	+/-
Sales to third parties	2,057	2,143	-4.0%
of which Dispersions & Resins	1,275	1,308	-2.5%
Performance Chemicals	782	835	-6.4%
EBITDA before special items	332	300	10.6%
EBITDA	330	292	13.3%
EBITDA margin before special items	16.1	14.0	-
Depreciation and amortization ^a	84	95	-11.1%
Income from operations (EBIT)	246	197	25.0%
Special items	-2	-19	91.9%
EBIT before special items	248	216	14.6%
Investments including acquisitions ^b	47	53	-10.5%
Segment cash flow	59	148	-60.2%
Assets (March 31)	5,835	6,304	-7.4%
Research and development expenses	36	41	-11.1%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Surface Technologies

Q1 2024

EBITDA
before special items

€356 million

(Q1 2023: €402 million)

Segment cash flow

€292 million

(Q1 2023: €307 million)

Sales declined considerably in the Surface Technologies segment in the first quarter of 2024 compared with the prior-year quarter. This was mainly due to the decline in sales in the Catalysts division. Sales declined slightly in the Coatings division.

Factors influencing sales in Q1 2024 – Surface Technologies

	Surface Technologies	Catalysts	Coatings
Volumes	-6.3%	-8.8%	2.2%
Prices	-17.9%	-24.1%	3.2%
Currencies	-2.3%	-1.3%	-6.0%
Portfolio	-0.3%	-0.4%	–
Sales	-26.9%	-34.6%	-0.6%

Lower sales were mainly driven by lower prices and volumes in precious metal trading and mobile emissions catalysts in the Catalysts division. Sales in precious metal trading and precious metal sales in the mobile emissions catalysts business¹ decreased to €1,400 million (prior-year quarter: €2,504 million). A considerable increase in sales volumes in battery materials had an offsetting effect in the Catalysts division. The Coatings division raised prices slightly, mainly in the automotive OEM coatings and surface treatment businesses. In addition, the division increased volumes in the surface treatment and automotive refinish coatings businesses considerably.

Negative currency effects, largely relating to the Argentine peso and the Chinese renminbi, contributed to the decline in sales. Portfolio effects resulted from the divestiture of the production site in De Meern, Netherlands, as of August 31, 2023.

EBITDA before special items was considerably below the figure of the first quarter of 2023, mainly due to lower precious metal prices and one-time effects in the Catalysts division in the prior-year quarter. In the Coatings division, however, EBITDA before special items increased considerably. Here, a higher contribution margin more than compensated for the inflation-driven increase in fixed costs. The **EBITDA margin before special items** rose from 8.8% to 10.6% in the first quarter of 2024.

Special items in the **EBITDA** of the Surface Technologies segment were -€29 million in the first quarter of 2024, primarily due to special charges arising from measures to increase efficiency.

Segment cash flow decreased slightly compared with the first quarter of 2023, mainly attributable to a higher amount of cash tied up in working capital in the Coatings division. In the Catalysts division, a higher amount of cash tied up in inventories as well as earnings development were not fully offset by a significant amount of released cash from receivables and lower investment expenditure, resulting in a slight decline in cash flow.

Segment data – Surface Technologies

Million €

	Q1		
	2024	2023	+/-
Sales to third parties	3,347	4,578	-26.9%
of which Catalysts	2,314	3,539	-34.6%
Coatings	1,033	1,039	-0.6%
EBITDA before special items	356	402	-11.6%
EBITDA	327	369	-11.5%
EBITDA margin before special items	% 10.6	8.8	–
Depreciation and amortization ^a	145	139	4.3%
Income from operations (EBIT)	182	230	-21.1%
Special items	-29	-33	13.1%
EBIT before special items	211	263	-20.1%
Investments including acquisitions ^b	94	103	-8.9%
Segment cash flow	292	307	-5.0%
Assets (March 31)	12,527	14,217	-11.9%
Research and development expenses	83	82	0.8%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Nutrition & Care

Q1 2024

EBITDA
before special items

€262 million

(Q1 2023: €192 million)

Segment cash flow

-€64 million

(Q1 2023: €3 million)

Sales in the Nutrition & Care segment were considerably lower in the first quarter of 2024 compared with the prior-year period, mainly due to the negative sales performance of the Care Chemicals division. Nutrition & Health recorded a slight decline in sales.

Factors influencing sales in Q1 2024 – Nutrition & Care

	Nutrition & Care	Care Chemicals	Nutrition & Health
Volumes	8.2%	7.0%	11.4%
Prices	-11.4%	-11.1%	-11.9%
Currencies	-2.2%	-2.2%	-2.1%
Portfolio	–	–	–
Sales	-5.3%	-6.4%	-2.6%

The decline in sales resulted in particular from lower prices. In the Care Chemicals division, this particularly affected the home care, institutional and industrial cleaning and industrial formulators business area as well as the oleo surfactants and alcohols business. Prices decreased in all business areas in the Nutrition & Health division.

Currency effects also dampened sales performance.

Both operating divisions increased volumes in all business areas. The Care Chemicals division increased sales volumes mainly in the home care, institutional and industrial cleaning and industrial

formulators business. Volume growth in the Nutrition & Health division was mainly driven by the aroma business. However, higher volumes overall were unable to compensate for the lower prices and currency effects.

EBITDA before special items rose considerably compared with the prior-year quarter and was primarily attributable to a volume-related higher contribution margin in both operating divisions. Lower fixed costs in the Nutrition & Health division supported earnings performance. The **EBITDA margin before special items** increased to 15.2% as a result of the segment's earnings performance, compared with 10.5% in the first quarter of 2023.

Segment cash flow decreased compared with the figure of the prior-year period, primarily due to a higher amount of cash tied up in receivables in the Care Chemicals division. An increase in earnings in the division was unable to compensate for this. In contrast, the Nutrition & Health division improved cash flow considerably. This was primarily the result of earnings growth as well as a lower amount of cash tied up in inventories. A higher amount of cash tied up in receivables in the division had an offsetting effect.

Segment data - Nutrition & Care

Million €

	Q1		
	2024	2023	+/-
Sales to third parties	1,729	1,826	-5.3%
of which Care Chemicals	1,217	1,300	-6.4%
Nutrition & Health	512	525	-2.6%
EBITDA before special items	262	192	36.8%
EBITDA	261	190	37.0%
EBITDA margin before special items	15.2	10.5	–
Depreciation and amortization ^a	131	110	19.1%
Income from operations (EBIT)	130	80	61.4%
Special items	-1	-1	-8.3%
EBIT before special items	131	82	60.6%
Investments including acquisitions ^b	138	143	-3.6%
Segment cash flow	-64	3	.
Assets (March 31)	7,747	8,017	-3.4%
Research and development expenses	38	39	-1.6%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Agricultural Solutions

Q1 2024

EBITDA
before special items

€1,361 million

(Q1 2023: €1,432 million)

Segment cash flow

-€715 million

(Q1 2023: -€758 million)

In the Agricultural Solutions segment, **sales** in the first quarter of 2024 fell considerably compared with the prior-year quarter. This was in line with our expectations due to the above-average strength of the first quarter of 2023, as well as the persistently cautious purchasing behavior of distributors and the high channel inventories. Lower volumes of crop protection products and negative currency effects were the main reasons for the decline in sales. In contrast, prices increased slightly.

Factors influencing sales in Q1 2024 – Agricultural Solutions

Volumes	-9.3%
Prices	1.9%
Currencies	-3.2%
Portfolio	–
Sales	-10.6%

Sales in **Europe** declined considerably due to lower volumes of crop protection products and negative currency effects, particularly from the Turkish lira. Higher prices had a positive effect.

In **North America**, sales decreased considerably due to lower volumes of herbicides, negative currency effects, mainly from the U.S. dollar, and lower prices.

In **Asia**, a considerable decline in sales was recorded due to negative currency effects, particularly from the Chinese renminbi,

as well as lower sales volumes, predominantly in herbicides. Prices increased.

Sales in the region **South America, Africa, Middle East** fell considerably. Reduced volumes in fungicides, seed treatment and herbicides, negative currency effects, mainly from the Argentine peso, and lower prices were the main drivers of this development.

EBITDA before special items decreased slightly compared with the first quarter of 2023 due to lower volumes. The segment's **EBITDA margin before special items** rose to 39.1% as a result of the product mix, compared with 36.8% in the prior-year period.

Season-related negative **segment cash flow** improved slightly compared with the prior-year quarter. This was mainly due to lower receivables buildup as a result of lower sales.

Segment data – Agricultural Solutions

Million €

	Q1		
	2024	2023	+/-
Sales to third parties	3,478	3,891	-10.6%
EBITDA before special items	1,361	1,432	-4.9%
EBITDA	1,359	1,433	-5.2%
EBITDA margin before special items	% 39.1	36.8	–
Depreciation and amortization ^a	165	172	-3.9%
Income from operations (EBIT)	1,193	1,261	-5.4%
Special items	-3	2	.
EBIT before special items	1,196	1,260	-5.0%
Investments including acquisitions ^b	46	90	-48.3%
Segment cash flow	-715	-758	5.7%
Assets (March 31)	18,227	18,951	-3.8%
Research and development expenses	202	225	-10.0%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Other

Q1 2024

Sales

€736 million

(Q1 2023: 877 million)

EBITDA

before special items

-€560 million

(Q1 2023: -€336 million)

Lower sales in commodity and energy trading led to a considerable decline in **sales** in Other in the first quarter of 2024.

Compared with the prior-year quarter, **EBITDA before special items** in Other decreased significantly, in particular due to increased bonus provisions and higher expenses from the long-term incentive program and lower contributions from BASF's internal insurance companies.

Financial data – Other

Million €

	Q1		
	2024	2023	+/-
Sales	736	877	-16.0%
EBITDA before special items	-560	-336	-66.9%
of which costs for cross-divisional corporate research	-53	-59	9.3%
costs of corporate headquarters	-60	-60	0.3%
other businesses	10	17	-42.1%
foreign currency results, hedging and other measurement effects	-53	-37	-42.7%
miscellaneous income and expenses	-415	-196	-112.0%
EBITDA	-624	-350	-78.5%
Depreciation and amortization ^a	36	38	-5.0%
Income from operations (EBIT)	-660	-388	-70.4%
Special items	-64	-14	-352.4%
EBIT before special items	-596	-373	-59.6%
Investments including acquisitions ^b	28	31	-7.4%
Assets (March 31) ^c	14,786	16,852	-12.3%
Research and development expenses	61	79	-22.4%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

^c Includes assets of businesses recognized under Other and reconciliation to assets of the BASF Group

Regions

Q1 2024

Companies in **Europe** recorded a decline in sales of 13.8% compared with the first quarter of 2023. This development was mainly driven by lower prices and negative currency effects in almost all segments. Prices decreased, in particular in the Materials, Surface Technologies and Chemicals segments. In addition, negative portfolio effects in the Catalysts division as a result of the divestiture of the production site in De Meern, Netherlands, had a slightly negative impact on sales. Volumes were below the level of the prior-year quarter. The negative sales volume development in the Agricultural Solutions and Surface Technologies segments was almost completely offset by the in part strong volume growth in most segments, particularly in the Chemicals segment.

In **North America**, sales in euros were 9.4% below the figure of the prior-year quarter. In local currency terms, sales declined by 8.4%. Lower prices had a negative impact on sales in all segments. Negative currency effects contributed to the decline in sales. In addition, we recorded slightly lower sales volumes overall in North America due to lower volumes in the Surface Technologies and Agricultural Solutions segments. However, the increase in sales volumes in the other segments almost completely compensated for this decline.

Sales of the companies in the **Asia Pacific** region declined by 14.0% in euros compared with the prior-year quarter. In local currency terms, the decline in sales was 9.6%. In Greater China, sales in euros decreased by 9.0% to €2,102 million. Increased volumes in the Asia Pacific region had a positive impact on sales in

all segments except the Agricultural Solutions and Surface Technologies segments. However, lower precious metal prices in particular as well as currency effects had a negative impact on sales performance. This could not be offset by the increase in volumes.

Compared with the first quarter of 2023, companies located in the region **South America, Africa, Middle East** recorded a decrease in sales of 6.6% in euros and 0.3% in local currency terms. Negative price and currency effects also drove sales performance in this region. The significant increase in volumes in the Chemicals, Industrial Solutions, Nutrition & Care and Surface Technologies segments was unable to compensate for this.

Regions Q1

Million €

	Sales by location of company			Sales by location of customer		
	2024	2023	+/-	2024	2023	+/-
Europe	7,410	8,600	-13.8%	7,126	8,201	-13.1%
of which Germany	2,940	3,372	-12.8%	1,682	2,002	-16.0%
North America	5,375	5,933	-9.4%	5,232	5,921	-11.7%
Asia Pacific	3,830	4,455	-14.0%	3,924	4,514	-13.1%
of which Greater China	2,102	2,309	-9.0%	2,072	2,275	-8.9%
South America, Africa, Middle East	938	1,004	-6.6%	1,271	1,355	-6.2%
BASF Group	17,553	19,991	-12.2%	17,553	19,991	-12.2%

Selected Financial Data

Statement of Income

Statement of income

Million €

	Q1		
	2024	2023	+/-
Sales revenue	17,553	19,991	-12.2%
Cost of sales	-12,604	-14,744	14.5%
Gross profit on sales	4,949	5,247	-5.7%
Selling expenses	-2,122	-2,231	4.9%
General administrative expenses	-371	-366	-1.5%
Research and development expenses	-490	-538	8.8%
Other operating income	384	310	23.8%
Other operating expenses	-711	-636	-11.8%
Income from integral companies accounted for using the equity method	51	80	-36.1%
Income from operations (EBIT)	1,689	1,867	-9.5%
Income from non-integral companies accounted for using the equity method	216	179	20.8%
Income from other shareholdings	27	18	48.7%
Expenses from other shareholdings	-13	-14	6.1%
Net income from shareholdings	229	183	25.6%
Interest income	93	60	55.7%
Interest expenses	-219	-179	-22.4%
Interest result	-126	-119	-5.7%
Other financial income	40	33	19.9%
Other financial expenses	-60	-32	-84.8%
Other financial result	-20	1	.
Financial result	-146	-119	-23.3%
Income before income taxes	1,772	1,930	-8.2%
Income taxes	-362	-326	-10.8%
Income after taxes	1,411	1,604	-12.1%
of which attributable to shareholders of BASF SE (net income)	1,368	1,562	-12.4%
attributable to noncontrolling interests	43	42	1.5%
Basic earnings per share	€ 1.53	1.75	-12.4%
Diluted earnings per share	€ 1.53	1.75	-12.4%

Balance Sheet

Assets

Million €

	March 31, 2024	December 31, 2023	+/-	March 31, 2023	+/-
Intangible assets	12,196	12,216	-0.2%	13,022	-6.3%
Property, plant and equipment	24,577	24,080	2.1%	22,887	7.4%
Integral investments accounted for using the equity method	2,053	2,054	-0.1%	2,339	-12.2%
Non-integral investments accounted for using the equity method	4,805	4,518	6.4%	5,108	-5.9%
Other financial assets	1,083	1,099	-1.5%	1,158	-6.5%
Deferred tax assets	672	617	9.0%	919	-26.8%
Other receivables and miscellaneous assets	1,515	1,339	13.1%	1,568	-3.4%
Noncurrent assets	46,901	45,923	2.1%	47,001	-0.2%
Inventories	14,269	13,876	2.8%	16,079	-11.3%
Accounts receivable, trade	13,255	10,414	27.3%	14,251	-7.0%
Other receivables and miscellaneous assets	4,473	4,504	-0.7%	6,023	-25.7%
Marketable securities	56	53	5.8%	224	-74.9%
Cash and cash equivalents	2,786	2,624	6.2%	2,562	8.7%
Current assets	34,839	31,472	10.7%	39,138	-11.0%
Total assets	81,740	77,395	5.6%	86,139	-5.1%

Equity and liabilities

Million €

	March 31, 2024	December 31, 2023	+/-	March 31, 2023	+/-
Subscribed capital	1,142	1,142	0.0%	1,142	0.0%
Capital reserves	3,139	3,139	0.0%	3,147	-0.2%
Retained earnings	33,882	32,517	4.2%	36,945	-8.3%
Other comprehensive income	-997	-1,521	34.5%	-542	-83.8%
Equity attributable to shareholders of BASF SE	37,167	35,277	5.4%	40,692	-8.7%
Noncontrolling interests	1,389	1,368	1.5%	1,367	1.6%
Equity	38,555	36,646	5.2%	42,060	-8.3%
Provisions for pensions and similar obligations	2,634	2,896	-9.1%	2,754	-4.4%
Deferred tax liabilities	1,000	1,140	-12.3%	1,307	-23.5%
Tax provisions	372	335	11.0%	332	12.1%
Other provisions	1,752	1,684	4.0%	1,559	12.4%
Financial indebtedness	18,986	17,085	11.1%	16,809	13.0%
Other liabilities	1,736	1,739	-0.1%	1,625	6.8%
Noncurrent liabilities	26,479	24,879	6.4%	24,385	8.6%
Accounts payable, trade	6,687	6,741	-0.8%	7,244	-7.7%
Provisions	4,302	3,214	33.9%	4,562	-5.7%
Tax liabilities	1,130	801	41.0%	1,396	-19.0%
Financial indebtedness	2,032	2,182	-6.9%	3,797	-46.5%
Other liabilities	2,554	2,931	-12.9%	2,695	-5.2%
Current liabilities	16,705	15,871	5.3%	19,694	-15.2%
Total equity and liabilities	81,740	77,395	5.6%	86,139	-5.1%

Statement of Cash Flows

Statement of cash flows

Million €

	Q1	
	2024	2023
Net income	1,368	1,562
Depreciation and amortization of property, plant and equipment and intangible assets	965	944
Equity-accounted income	-267	-259
Other noncash items	71	-94
Gains (-) / losses (+) from the disposal of noncurrent assets and securities	-27	-14
Dividends received from equity-accounted investments	13	33
Changes in inventories	-317	-190
Changes in accounts receivable, trade	-2,795	-2,295
Changes in accounts payable, trade	-86	-1,123
Changes in provisions	1,152	722
Changes in other operating assets	-120	228
Changes in other operating liabilities and pension provisions	-471	-529
Cash flows from operating activities	-513	-1,016
Payments made for property, plant and equipment and intangible assets	-943	-867
Payments made for financial assets and securities	-165	-159
Payments made for acquisitions	-34	-
Payments received for divestitures	16	22
Payments received from the disposal of noncurrent assets and securities	264	301
Cash flows from investing activities	-862	-703
Capital increases/repayments and other equity transactions	-	-70
Additions to financial and similar liabilities	2,416	3,679
Repayment of financial and similar liabilities	-841	-1,802
Dividends paid	-37	-
Cash flows from financing activities	1,539	1,808
Cash-effective changes in cash and cash equivalents	163	89
Changes in cash and cash equivalents from foreign exchange rates and changes in the scope of consolidation	-1	-42
Cash and cash equivalents at the beginning of the period	2,624	2,516
Cash and cash equivalents at the end of the period	2,786	2,562

Q1 Reconciliation of segment cash flow to free cash flow

Million €

	2024	2023
Segment cash flow	-899	-376
+ Net income from shareholdings	229	183
+ Financial result	-146	-119
+ Income taxes	-362	-326
+ Cash flows not allocated to segments, changes in other balance sheet items and adjustment of other noncash effects	-279	-1,243
Free cash flow	-1,457	-1,882

Reconciliation Tables of Various Yield Ratios

Q1 EBITDA before special items

Million €	2024	2023
EBIT	1,689	1,867
– Special items	64	65
EBIT before special items	1,754	1,931
+ Depreciation and amortization before special items	947	927
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	11	6
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	958	933
EBITDA before special items	2,712	2,864
Sales revenue	17,553	19,991
EBITDA margin before special items %	15.4	14.3

Q1 EBITDA

Million €	2024	2023
EBIT	1,689	1,867
+ Depreciation and amortization	947	927
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets	19	17
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets	965	944
EBITDA	2,655	2,811

Q1 adjusted earnings per share

Million €	2024	2023
Income after taxes	1,411	1,604
– Special items ^a	0	-65
+ Amortization, impairments and reversals of impairments on intangible assets	153	154
– Amortization, impairments and reversals of impairments on intangible assets contained in special items	–	0
– Adjustments to income taxes	20	57
Adjusted income after taxes	1,543	1,766
– Adjusted noncontrolling interests	46	46
Adjusted net income	1,497	1,720
Weighted average number of outstanding shares ^b	in thousands 892,522	893,002
Adjusted earnings per share	€ 1.68	1.93

a Includes special items in net income from shareholdings of €65 million for the first quarter of 2024.

b Due to the share buyback program terminated in February 2023, the weighted average number of outstanding shares in the first quarter of 2024 was 892,522,164 and 893,002,335 in the first quarter of 2023.

Selected Key Figures Excluding Precious and Base Metals

The IFRS figures correspond to the amounts presented in the Consolidated Financial Statements. The adjusted figures exclude sales in precious metal trading as well as precious and base metal sales in the catalysts business.

BASF Group Q1

Million €

	2024		2023	
	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure
Sales	17,553	16,053	19,991	17,330
Volume growth %	0.5	2.1	-12.8	-12.0
EBITDA before special items	2,712	2,712	2,864	2,864
EBITDA margin before special items %	15.4	16.9	14.3	16.5

Surface Technologies Q1

Million €

	2024		2023	
	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure
Sales	3,347	1,847	4,578	1,916
Volume growth %	-6.3	-0.9	-12.9	-4.0
EBITDA before special items	356	356	402	402
EBITDA margin before special items %	10.6	19.3	8.8	21.0

Half-Year Financial Report 2024

July 26, 2024

Quarterly Statement Q3 2024

October 30, 2024

Reporting on 2024 Financial Year

February 28, 2025

Quarterly Statement Q1 2025 / Annual Shareholders' Meeting 2025

May 2, 2025

Half-Year Financial Report 2025

July 30, 2025

Further information

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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 173 to 183 of the BASF Report 2023](#). The BASF Report is available online at 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.