

# News Release

P308/24e  
October 30, 2024

## BASF Group in third quarter 2024:

### **EBITDA before special items increased compared with Q3 2023 due to considerably higher earnings of core businesses**

- **Sales in third quarter 2024: €15.7 billion**  
(prior-year quarter: €15.7 billion)
- **EBITDA before special items in third quarter 2024: €1.6 billion**  
(prior-year quarter: €1.5 billion)

Thanks to significantly higher contributions from the core businesses, BASF Group's **EBITDA before special items** (income from operations before depreciation, amortization and special items) increased in the third quarter by €77 million to €1.6 billion. "The positive earnings momentum in our core businesses was already visible in the first half of 2024 and continued in the third quarter, driven by higher volumes and margins," said Dr. Markus Kamieth, Chairman of the Board of Executive Directors of BASF SE. This increase was partially offset by a considerable earnings decline in the standalone businesses as well as in Other.

Under its new strategy announced in late September 2024, BASF differentiates between its core businesses (Chemicals, Materials, Industrial Solutions and Nutrition & Care) and the standalone businesses that serve distinct industries. The standalone businesses are reported in the Surface Technologies and Agricultural Solutions segments.

At €15.7 billion, **sales** were on a level with the prior-year period. Volume growth in almost all segments compared with the third quarter of 2023 had a positive impact

on sales performance. Volumes increased in the core businesses as well as in Agricultural Solutions. Only the Surface Technologies segment recorded a decline in volumes in the Catalysts division due to weak demand in the automotive market. Negative currency effects, mainly relating to the Argentine peso and Brazilian real, burdened sales. Lower prices in nearly all segments, particularly for precious and base metals in the Surface Technologies segment, also hindered sales performance.

The **EBITDA margin before special items** was 10.3 percent, following 9.8 percent in the prior-year quarter. In the core businesses, the EBITDA margin before special items improved by 3.6 percentage points to 13.4 percent in the third quarter of 2024 versus 9.8 percent in the prior-year quarter.

**EBITDA** amounted to €1.3 billion, following €1.4 billion in the prior-year period. EBITDA included special items in the amount of minus €345 million. Special charges resulted in particular in the Agricultural Solutions division from provisions in connection with the closure of the production plants for glufosinate-ammonium and the associated site closures that were announced in July 2024.

At €250 million, **EBIT** was €144 million below the figure of the prior-year quarter. Depreciation and amortization amounted to €1 billion, compared with €969 million in the prior-year period.

**Net income** was €287 million (prior-year quarter: minus €249 million). This significant increase resulted mainly from higher net income from shareholdings, primarily due to special income of €398 million in connection with the transfer of Wintershall Dea assets to Harbour Energy plc. In the prior-year quarter, special items in the amount of minus €291 million arose at Wintershall Dea.

**Cash flows from operating activities** amounted to €2.1 billion in the third quarter of 2024, €633 million below the figure of the prior-year period. The €674 million higher reduction in trade accounts payable was the primary reason for this decrease. At the same time, cash released from inventories decreased by €339 million compared with the third quarter of 2023. **Free cash flow** amounted to €569 million in the third quarter of 2024, compared with €1.5 billion in the prior-year period.

## Cost savings programs on track

Chief Financial Officer Dr. Dirk Elvermann provided an update on the cost savings programs currently underway: “We are on track to achieve the targeted €2.1 billion annual cost savings by the end of 2026. The implementation of the cost savings programs announced in February 2023 is in full swing.” As of the end of September 2024, BASF has already achieved a cost reduction run rate of around €800 million. The associated one-time costs were around €500 million. By the end of this year, the company expects to achieve a cost reduction run rate of more than €800 million, with associated one-time costs of around €550 million.

BASF is also moving forward as planned with the additional cost savings program launched in 2024 that focuses on improving the competitiveness of the Ludwigshafen site. The units at the site have recently been informed about the contributions they are expected to deliver by the end of 2026.

## Changes in BASF reporting

In 2022, the European Union adopted the Corporate Sustainability Reporting Directive (CSRD). Due to the extended sustainability reporting requirements under this Directive, BASF will have two publication dates going forward.

On **February 28, 2025**, BASF will initially publish the results for the 2024 business year as an online report in unaudited form. This will contain all important financial and non-financial figures for 2024 as well as the outlook for 2025.

The audited BASF Report 2024 will be published on **March 21, 2025**. It will contain all legally required financial and ESG information and will be provided in the form of an online report and as a clickable PDF. A print version will no longer be provided.

## BASF Group’s outlook for 2024 unchanged

BASF’s assumptions for the full year 2024 remain unchanged:

- Growth in gross domestic product: +2.3 percent
- Growth in industrial production: +2.2 percent
- Growth in chemical production: +2.7 percent
- 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 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
- CO<sub>2</sub> emissions of between 16.7 million metric tons and 17.7 million metric tons

Based on current information, BASF expects to reach the low end of the EBITDA before special items forecast range for the full year 2024. For the fourth quarter of 2024, there are risks from potential declines in prices and lower volume growth than expected. Opportunities may arise from a positive development in demand and margins.

#### **About BASF**

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. Around 112,000 employees in the BASF Group contribute to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio comprises six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of €68.9 billion in 2023. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the United States. Further information at [www.basf.com](http://www.basf.com).

On October 30, 2024, you can obtain further information from the internet at the following addresses:

#### **Quarterly Statement (from 7.00 a.m. CET)**

[basf.com/quarterlystatement](http://basf.com/quarterlystatement)

(English)

[basf.com/quartalsmitteilung](http://basf.com/quartalsmitteilung)

(German)

#### **News Release (from 7.00 a.m. CET)**

[basf.com/pressrelease](http://basf.com/pressrelease)

(English)

[basf.com/pressemitteilungen](http://basf.com/pressemitteilungen)

(German)

#### **Live Transmission – Telephone Conference for analysts and investors (from 8.30 a.m. CET)**

[basf.com/share/conferencecall](http://basf.com/share/conferencecall)

(English)

[basf.com/aktie/telefonkonferenz](http://basf.com/aktie/telefonkonferenz)

(German)

#### **Live Transmission (from 10.00 a.m. CET)**

[basf.com/pcon](http://basf.com/pcon)

(English)

[basf.com/pressekonferenz](http://basf.com/pressekonferenz)

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**Speech (from 10.00 a.m. CET)**[basf.com/pcon](https://basf.com/pcon)

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**Current TV footage**[tvservice.basf.com/en](https://tvservice.basf.com/en)

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**Forward-looking statements and forecasts**

This release 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. BASF does not assume any obligation to update the forward-looking statements contained in this release above and beyond the legal requirements.