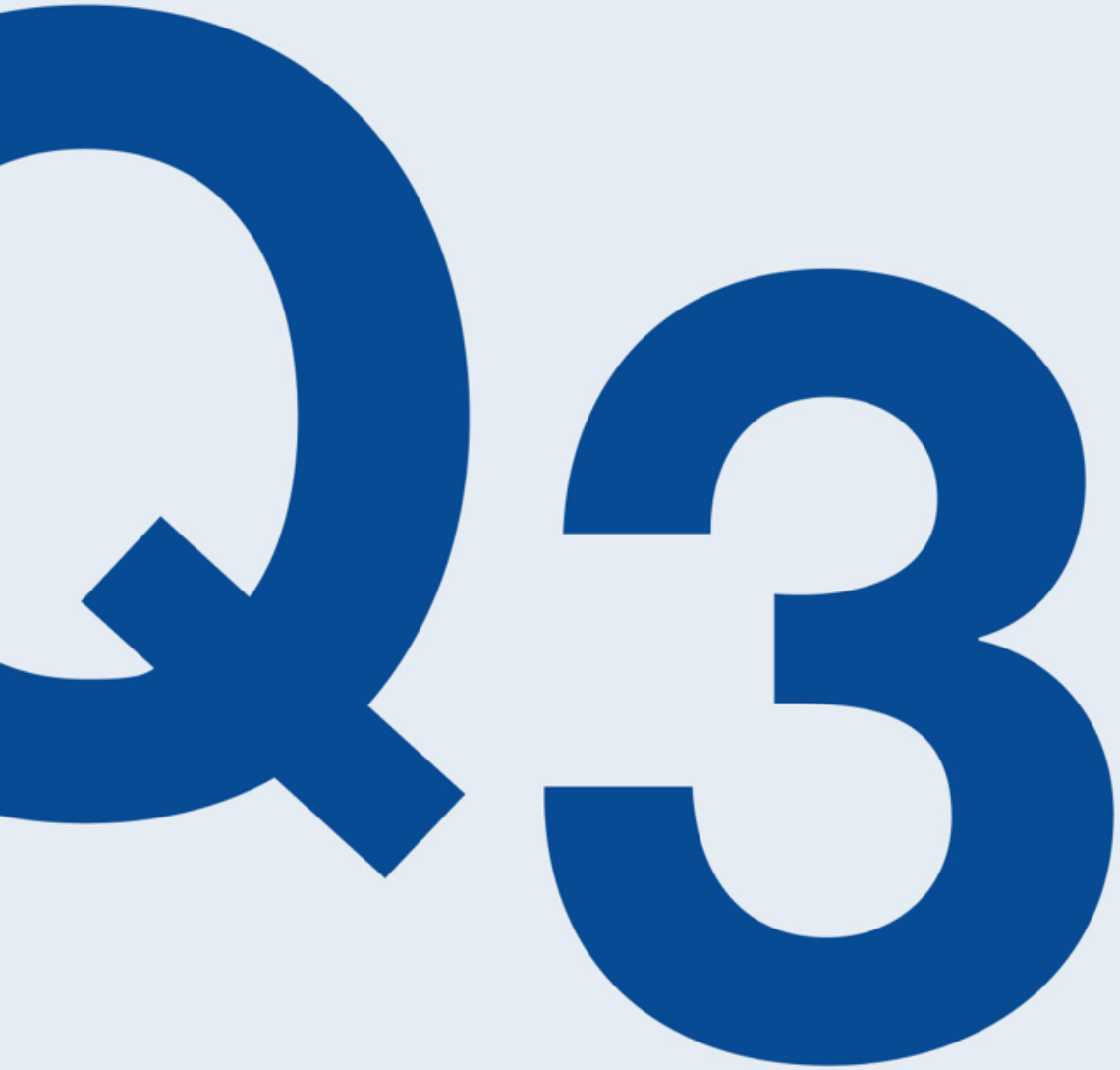

Press Conference: Q3 2025

Ludwigshafen, October 29, 2025

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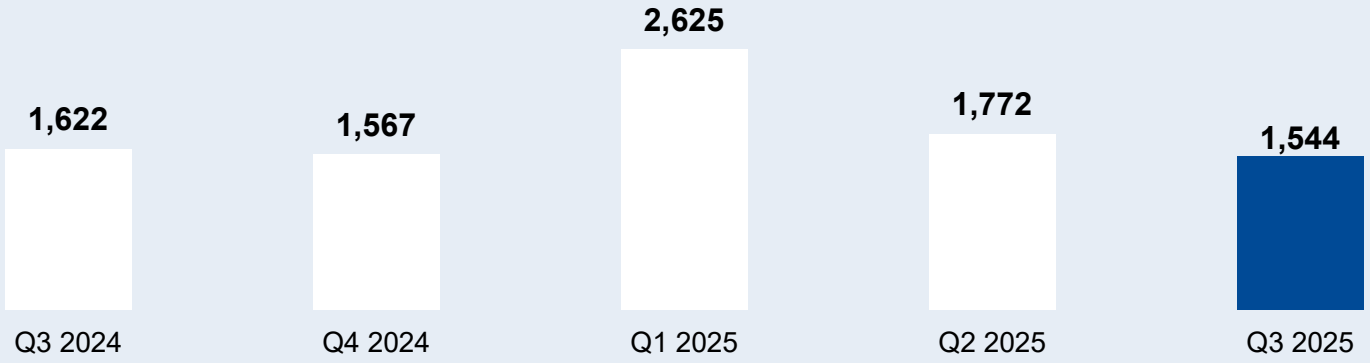
BASF Group sales declined due to currency headwinds and lower prices

Sales development

Q3 2025 vs. Q3 2024	Total	Volumes	Prices	Currency	Portfolio
Pro forma figures[1]	▼ -3.2%	▲ 1.5%	▼ -1.7%	▼ -3.9%	▲ 0.9%
Pro forma figures (excluding metals)[2]	▼ -6.1%	▲ 0.9%	▼ -4.3%	▼ -3.6%	▲ 1.0%

EBITDA before special items (million €)[1]



- **Volumes** increased overall due to growth in the Surface Technologies, Chemicals and Materials segments
- **Prices** declined, particularly in the Chemicals segment
- **Currency effects** burdened sales development in all divisions
- **Portfolio effects** supported sales slightly

[1] The pro forma figures include discontinued operations (automotive OEM coatings, automotive refinish coatings and surface treatment businesses).
[2] The pro forma figures (excluding metals) exclude sales from precious and base metal services as well as precious and base metal sales in the Battery Materials and Environmental Catalyst and Metal Solutions divisions.

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Q3 2025 snapshot: Market development and BASF's performance

		Market environment	Volume development	Specific margin
Core businesses	Chemicals	↘	→	↓
	Materials	↘	→	→
	Industrial Solutions	→	→	↘
	Nutrition & Care	↘	→	↘
Standalone businesses	Surface Technologies[1]	↗	↗	→
	Agricultural Solutions	→	→	↑

Impact on BASF's EBITDA before special items in Q3 2025 vs. Q3 2024

[1] Including discontinued operations (automotive OEM coatings, automotive refinish coatings and surface treatment businesses).

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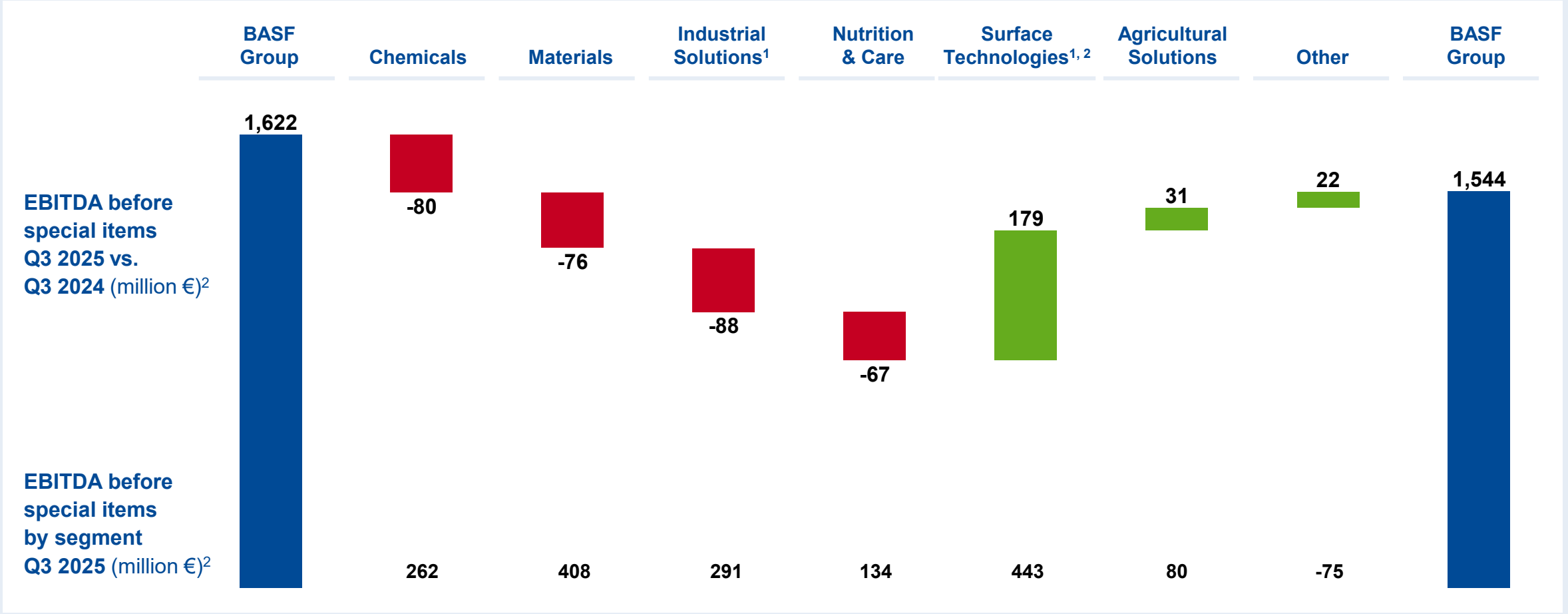
Q3 2025: EBITDA before special items only slightly below prior-year quarter, despite strong market and currency headwinds



[1] Since January 1, 2025, the chemical and refining catalysts business has been reported as part of the Performance Chemicals division in the Industrial Solutions segment. It was previously part of the former Catalysts division in the Surface Technologies segment. The prior-year figures have been restated accordingly.
[2] Including discontinued operations (automotive OEM coatings, automotive refinish coatings and surface treatment businesses)

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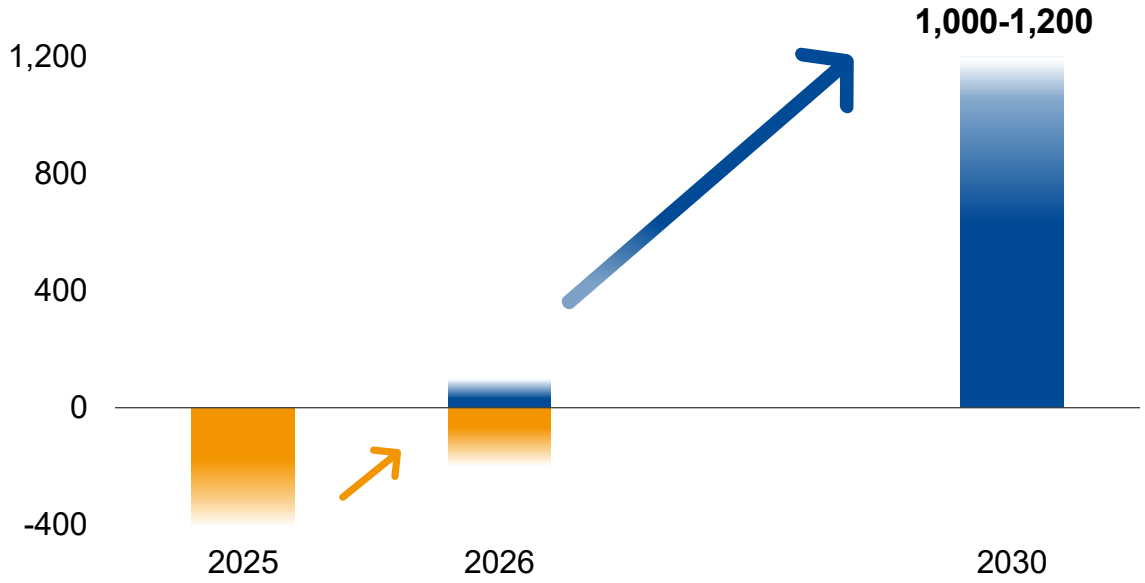
We are on track with the stepwise startup of our Zhanjiang Verbund site

- **Mechanical completion of steam cracker** achieved in October 2025
- Tight budgetary discipline, scope changes and excellence in procurement led to **capex reduction by €1.3 billion to €8.7 billion** for the entire project from 2019 to 2028
- Due to currently long markets, **increase in earnings contribution will be slower** than initially assumed

Expected EBITDA before special items (million €)



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Zhanjiang Verbund site: We are now focusing on commissioning and the handover to operations

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BASF and Carlyle reach binding transaction agreement on coatings business to create a leading standalone company

Ownership structure post closing

CARLYLE [1]

60% share

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40% share

Coatings[2]

- **Significant step in unlocking the value of BASF's standalone businesses**, as we swiftly execute our "Winning Ways" strategy
- **Enterprise value of the transaction[2]** amounts to **€7.7 billion**
- **At closing**, which is **expected in Q2 2026:**
  - BASF will **hold a 40% equity stake in the coatings business**
  - BASF will receive **pre-tax cash proceeds of approx. €5.8 billion**
- Significant **future value creation potential** by **accelerating growth** and **unlocking the full potential** of the business in a standalone entity

[1] Funds managed by global investment firm Carlyle (NASDAQ: CG), in partnership with Qatar Investment Authority (QIA)
[2] Automotive OEM coatings, automotive refinish coatings and surface treatment businesses (excluding decorative paints)

Implications of the coatings transaction agreed with Carlyle on BASF's statement of income and statement of cash flows

Until closing

P&L

- BASF will report the business of the transaction as **discontinued operations** as of September 30, 2025
- Sales and earnings of the business are no longer included in sales and EBIT(DA) of BASF Group – retroactively as of January 1, 2025; prior-year figures have been restated
- Income after taxes of the business is presented in the income after taxes from discontinued operations; between signing and closing, depreciation is suspended

Cash flows

- Cash flows of the business will be considered in the respective line items of BASF's statement of cash flows (no change)

As of closing

P&L

- BASF's minority stake will be accounted for as a **financial investment under the equity method** and will be reported in the EBIT(DA) before special items of Other

Cash flows

- The cash inflow from the transaction will be reported in cash flows from investing activities in the line item "payments received from divestitures"
- After closing, dividend payments from the business to BASF Group will be reported in BASF's cash flows from operating activities; within BASF's cash flows from operating activities, the equity result of the business will be eliminated

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Figures including and excluding discontinued operations

Financial figures Q3

Million €	2025 pro forma[1]	2024 reported[1]	+/- %	2025[2]	2024 restated[2]	+/- %
Sales	15,230	15,739	-3.2	14,328	14,816	-3.3
EBITDA before special items	1,544	1,622	-4.8	1,430	1,478	-3.2
EBITDA	1,307	1,277	2.4	1,207	1,163	3.8
Depreciation and amortization[3]	1,029	1,027	0.2	976	971	0.4
Income from operations (EBIT)	278	250	11.4	232	191	21.1
Special items in EBIT	-315	-385	18.1	-301	-354	14.8
EBIT before special items	594	635	-6.5	533	545	-2.2
Income before income taxes	184	570	-67.7	140	516	-72.8
Income after taxes from continuing operations	202	343	-41.2	169	302	-43.9
Income after taxes from discontinued operations	-	-	.	32	41	-21.4
Income after taxes	202	343	-41.2	202	343	-41.2
Net income	172	287	-39.9	172	287	-39.9

[1] Pro forma 2025 figures include discontinued operations; prior-year figures correspond to the figures reported in 2024 reporting.
[2] The sales and earnings figures listed until income before income taxes for 2025 show values excluding discontinued operations. The prior-year values were restated.
[3] Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

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Our successful portfolio measures enable us to strengthen our balance sheet and bring forward share buybacks

Cash contributions

- **Sale of food and health performance ingredients business** (closed Sept. 30, 2025) and of Brazilian **decorative paints business** (closed Oct. 1, 2025)
- BASF and Carlyle reached **binding transaction agreement on coatings business** (announced on Oct. 10, 2025)
- **Further monetization of oil and gas:** Proceeds from divestment of Harbour Energy shares over time; first payments from Wintershall Dea related to federal investment guarantees already in 2025
- Cash inflow from **potential IPO of minority share in Agricultural Solutions**

Cash allocations

- **Confirmed ordinary dividend** of at least €2.25 per share annually
- **Deleveraging** to support balance sheet and single A credit rating
- **Share buyback program starts earlier** than announced at Capital Markets Day in 2024[1]
- **Large acquisitions currently not in focus,** small to mid-sized M&A possible
- **Capex** (including intangibles) **below depreciation** as of 2026

[1] Announcement at CMD in September 2024: Share buybacks of at least €4 billion between 2027 and 2028

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BASF to begin share buyback in November 2025

- At the CMD in September 2024, BASF had announced **share buybacks of at least €4 billion between 2027 and 2028**
- Given the **considerable cash proceeds** already received and further proceeds expected, BASF will **begin buying back shares significantly earlier** than originally scheduled
- **Volume of up to €1.5 billion** to be repurchased **by the end of June 2026**

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BASF Group
Q1-Q3 2025:
Key financial figures[1]

Q1-Q3 2025 vs. Q1-Q3 2024

EBITDA before special items

€5,941m

-€350m

EBITDA margin bsi (excl. metals)[2]

13.6%

-0.3ppt

EBIT before special items

€3,067m

-€290m

Net income

€1,059m

-€1,025m

Operating cash flow

€1,974m

-€1,515m

Free cash flow

-€868m

-€450m

[1] Pro forma figures including discontinued operations (automotive OEM coatings, automotive refinish coatings and surface treatment businesses)
[2] EBITDA margin before special items excluding sales from precious and base metal services as well as precious and base metal sales in the Battery Materials and Environmental Catalyst and Metal Solutions businesses

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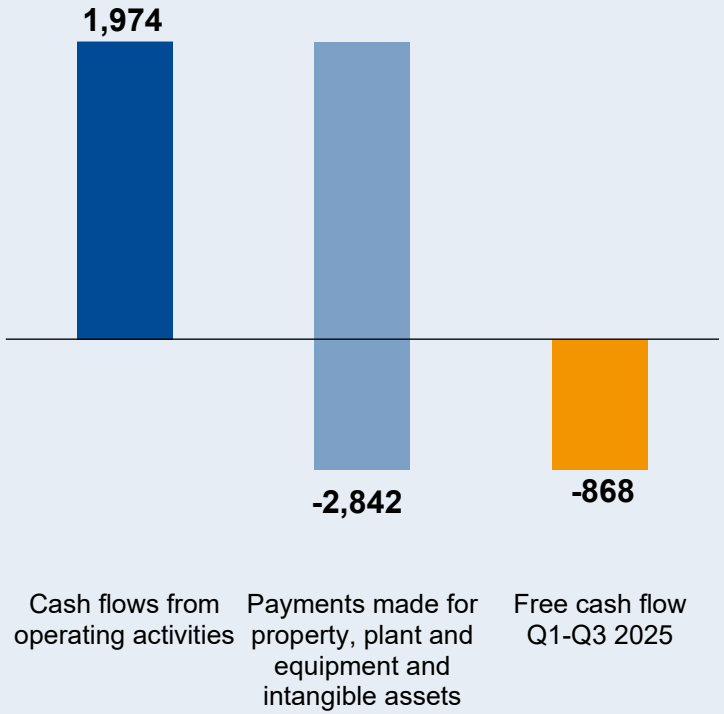
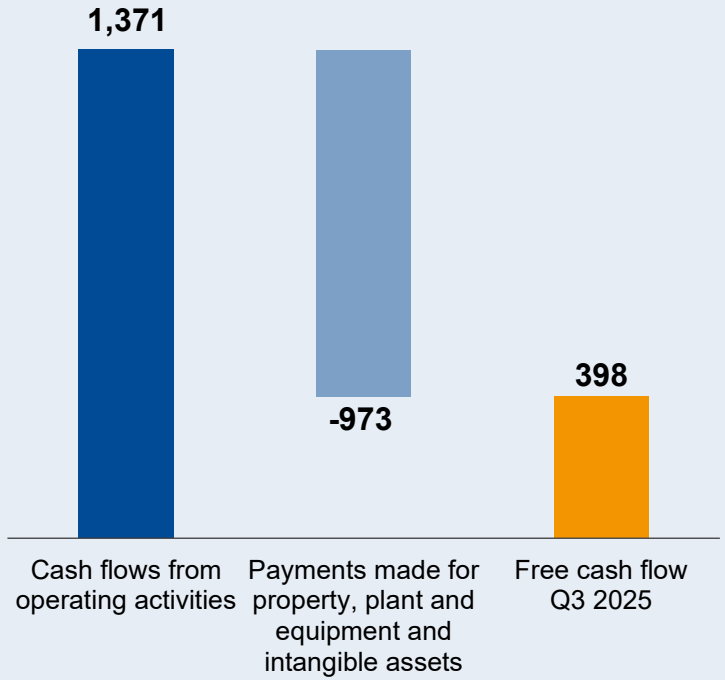
Cash flow development in Q1-Q3 2025 and Q3 2025

Q1-Q3 2025 (million €)



Q3 2025 (million €)



Q3 2025 vs. Q3 2024

- **Cash flows from operating activities** decreased by €681 million to €1.4 billion, mainly due to cash tied up in other operating assets
- **Payments made for property, plant and equipment and intangible assets** declined by €510 million to €973 million
- **Free cash flow** came in at €398 million compared with €569 million in Q3 2024

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Outlook 2025 for BASF Group – confirmed but technically adjusted

	Previous forecast[1]	Technically adjusted forecast[2]	Zhanjiang startup impact 2025[3]
EBITDA before special items (billion €)	7.3 – 7.7	6.7 – 7.1	minus ~0.4
Free cash flow (billion €)	0.4 – 0.8	0.4 – 0.8 (unchanged)	minus ~0.8
CO_2 emissions[4] (million metric tons)	16.7 – 17.7	16.7 – 17.7 (unchanged)	

Underlying assumptions unchanged

Growth in gross domestic product	Growth in industrial production	Growth in chemical production	Average euro/dollar exchange rate	Average annual oil price (Brent crude)
+2.0% – +2.5%	+1.8% – +2.3%	+2.5% – +3.0%	$1.15 per euro	$70 per barrel

[1] The previous forecast includes discontinued operations (automotive OEM coatings, automotive refinish coatings and surface treatment businesses).
[2] The technically adjusted forecast is in accordance with IFRS and excludes discontinued operations.
[3] Extraordinary impact from the startup of the Zhanjiang Verbund site, impact on EBITDA before special items and on free cash flow (without capex impact)
[4] Scope 1 and Scope 2

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