

News Release

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BASF Group: Financial figures for 2024

BASF increases EBITDA before special items in 2024 due to strong performance of its core businesses

- **Core businesses increased EBITDA before special items by 18 percent compared with 2023; decline of 13 percent in standalone businesses**
- **Net income of €1.3 billion significantly exceeded prior-year level (2023: €0.2 billion)**
- **Proposed dividend for 2024: €2.25 per share**

Outlook 2025:

- **EBITDA before special items of between €8.0 billion and €8.4 billion (2024: €7.9 billion)**
- **Free cash flow of between €0.4 billion and €0.8 billion (2024: €0.7 billion)**

In a challenging market environment, BASF Group's **EBITDA before special items** (income from operations before depreciation, amortization and special items) increased in the full year 2024 to €7.9 billion. "We performed well thanks to the strong performance of our core businesses, which increased their EBITDA before special items by 18 percent compared with 2023," said Dr. Markus Kamieth, Chairman of the Board of Executive Directors of BASF SE, when presenting the financial figures for 2024 together with Chief Financial Officer Dr. Dirk Elvermann. Overall, there was a 2 percent rise in EBITDA before special items of the BASF Group. In the core businesses, EBITDA before special items grew considerably, mainly because of higher volumes. This was partly offset by earnings declines in the standalone businesses. In the Agricultural Solutions segment, EBITDA before

special items declined considerably, mainly as a result of developments in the glufosinate-ammonium business. The steep drop in precious metal prices and lower sales volumes in the Catalysts division were the main reasons for the slight earnings decline in Surface Technologies. The EBITDA margin before special items of BASF Group reached 12.0 percent, compared with 11.1 percent in the previous year. Excluding the revenues from precious and base metals, the EBITDA margin before special items of BASF Group rose from 12.6 percent in 2023 to 13.1 percent in 2024.

Financial figures for 2024

In the 2024 business year, **sales** stood at €65.3 billion, compared with €68.9 billion in the previous year. Considerable volume increases in the core businesses, coupled with slight volume growth in Agricultural Solutions, more than compensated for the decrease in sales volumes in Surface Technologies, which was due to the weak momentum in the automotive industry. The overall decline in sales, however, was mainly due to competition-driven price decreases in all segments. A particularly pronounced decline was seen in precious metal prices in the Surface Technologies segment. Currency effects further dampened sales performance.

EBITDA amounted to €6.7 billion, compared with €7.2 billion in the prior-year period. **EBIT** came in at €2.0 billion, down on the prior-year figure by €206 million. Depreciation and amortization stood at €4.6 billion (previous year: €4.9 billion). This included impairments in the amount of €702 million, which mainly related to the battery materials business in the Surface Technologies segment. In the previous year, EBIT included impairments totaling around €1.1 billion.

Net income came in at €1.3 billion, compared with €225 million in 2023. Net income from shareholdings increased by €798 million to €598 million. This was mainly due to the improved earnings of non-integral companies accounted for using the equity method. This was particularly due to a disposal gain of €390 million related to the sale of Wintershall Dea assets to Harbour Energy.

BASF Group's cash flows in 2024

In the 2024 business year, **cash flows from operating activities** were €6.9 billion, down by €1.2 billion on the prior-year figure. The decline was mainly caused by €1.4 billion less cash released from net working capital.

Cash flows from investing activities totaled minus €5.1 billion in the 2024 business year, after minus €5.0 billion in 2023. Payments for intangible assets and property, plant and equipment increased by €803 million to €6.2 billion and were mainly incurred in connection with the construction of the new Verbund site in South China. “The investment is progressing on time and in budget,” said Elvermann: “Overall, we remained €300 million below our original forecast of €6.5 billion.”

Cash flows from financing activities amounted to minus €1.5 billion, compared with minus €2.9 billion in 2023. The repayment and addition of financial and similar liabilities was reduced and their net change resulted in an overall improvement in cash flows from financing activities.

Free cash flow, which remains after deducting payments made for property, plant and equipment and intangible assets from cash flows from operating activities, amounted to €748 million, compared with €2.7 billion in 2023.

Proposed dividend of €2.25 per share

As part of its new strategy, BASF continues to offer its shareholders an attractive dividend yield. In the medium term, the company is committed to keeping the overall distribution to shareholders at least at prior-year levels through a combination of dividends and share buybacks. BASF has set itself the target of distributing at least €12 billion to shareholders from 2025 to 2028. Specifically, the company strives to pay out a dividend of at least €2.25 per share annually or distribute around €2 billion per year to BASF shareholders. The proposed dividend for the 2024 business year is consequently €2.25 per share.

Status of cost savings programs

“We are well on track to achieve the targeted €2.1 billion annual cost savings by the end of 2026,” said Elvermann, commenting on the progress in implementing the cost savings programs. “By the end of 2024, we already achieved a total annual cost reduction run rate of around €1 billion, of which around €100 million is related to the Ludwigshafen Cost Improvement Program announced in February 2024.” BASF incurred cumulative one-time costs of approximately €900 million related to the implementation of the cost savings programs by year-end 2024. This amount is about half of the total one-time costs BASF anticipates by the end of 2026. By then, the company aims to have concluded all programs and will benefit from the full amount of savings on an annual basis.

BASF Group's outlook for 2025

In 2025, the BASF Group's **EBITDA before special items** is expected to increase to between €8.0 billion and €8.4 billion (2024: €7.9 billion). All segments, with the exception of Chemicals, are likely to contribute to the increase in earnings. In particular, earnings in the Petrochemicals division will be impacted by rising fixed costs in connection with the startup of the new Verbund site in China and scheduled turnarounds.

The company forecasts the BASF Group's **free cash flow** to be between €0.4 billion and €0.8 billion (2024: €0.7 billion). This is based on expected cash flows from operating activities of between €5.6 billion and €6.0 billion, minus expected payments made for property, plant and equipment and intangible assets in the amount of €5.2 billion.

CO₂ emissions are expected to be between 16.7 million metric tons and 17.7 million metric tons in 2025 (2024: 17.0 million metric tons). The company anticipates additional emissions compared with the previous year from higher forecast production volumes based on rising demand. BASF will counteract this increase with targeted measures to reduce emissions, such as increasing energy efficiency and optimizing processes, as well as continuing the shift to electricity from renewable energies.

About BASF

At BASF, we create chemistry for a sustainable future. Our ambition: We want to be the preferred chemical company to enable our customers' green transformation. 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, as core businesses, the segments Chemicals, Materials, Industrial Solutions, and Nutrition & Care; our standalone businesses are bundled in the segments Surface Technologies and Agricultural Solutions. BASF generated sales of €65.3 billion in 2024. 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.

On February 28, 2025, you can obtain further information from the internet at the following addresses:

Publication of financial figures of BASF Group for 2024 (from 7.00 a.m. CET)

basf.com/overview

(English)

basf.com/uebersicht

(German)

The audited BASF Report 2024 will be published on March 21, 2025. The key financial figures published on February 28, 2025, are therefore to be regarded as preliminary. From today's perspective, no adjustments are expected.

News Release (from 7.00 a.m. CET)

basf.com/pressrelease

(English)

basf.com/pressemitteilungen

(German)

Live Transmission – Conference Call for analysts and investors (from 09.30 a.m. CET)

basf.com/share/conferencecall

(English)

basf.com/aktie/telefonkonferenz

(German)

Live Webcast (from 11.00 a.m. CET)

basf.com/pcon

(English)

basf.com/pressekonferenz

(German)

Speech (from 11.00 a.m. CET)

basf.com/pcon

(English)

basf.com/pressekonferenz

(German)

Note to Editors:

You can download press photos and footage from the internet at the following links:

Photos

basf.com/pressphotos

(English)

basf.com/pressefotos

(German)

Current TV footage

tvservice.basf.com/en

(English)

tvservice.basf.com

(German)

Current photos of the Annual Press Conference (on February 28, from 3.00 p.m. CET)

basf.com/Pressphoto-Database/pc

(English)

basf.com/Pressefoto-Datenbank/pk

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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.