



Second  
Quarter 2013

Financial highlights  
July 25, 2013

 **BASF**  
The Chemical Company

**BASF maneuvers well  
through challenging environment**

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# Q2 2013: BASF maneuvers well through challenging environment

Business performance	Q2'13	Q2'12	vs. Q2'12
▪ Sales	€18.4 billion	€17.8 billion	+3%
▪ EBITDA	€2.5 billion	€2.5 billion	(1%)
▪ EBIT before special items	€1.8 billion	€1.9 billion	(5%)
▪ EBIT	€1.8 billion	€1.7 billion	+6%
▪ Net income	€1.2 billion	€1.2 billion	(4%)
▪ Reported EPS	€1.26	€1.32	(4%)
▪ Adjusted EPS	€1.40	€1.59	(12%)
▪ Operating cash flow	€2.0 billion	€1.9 billion	+6%

## Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q2'13 vs. Q2'12	↑ 5%	0%	0%	↓ (2%)

# Important milestones in Q2 2013

## Further expansion of the BASF/Sinopec joint venture in Nanjing, BASF-YPC

- Acrylic acid value chain:  
Superabsorbent polymers plant under construction;  
additional acrylic acid and butyl acrylate plants to be built
- Partners investigate expansion of ethylene oxide production and a new neopentylglycol plant



## New production and formulation capacities announced for Crop Protection in Asia Pacific and South America

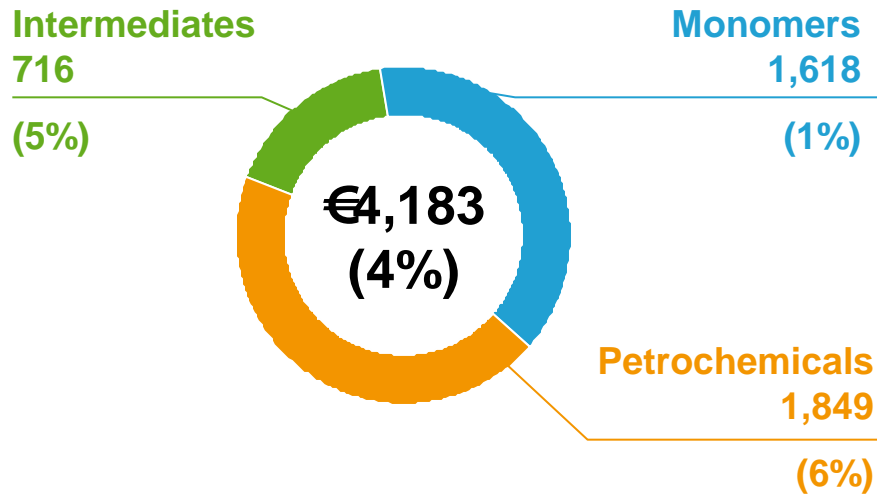
- New formulation and packaging plant in Rudong, China
- Expansion of production and formulation capacities in Guaratinguetá, Brazil
- New plant for biological crop protection products to be opened in Chile



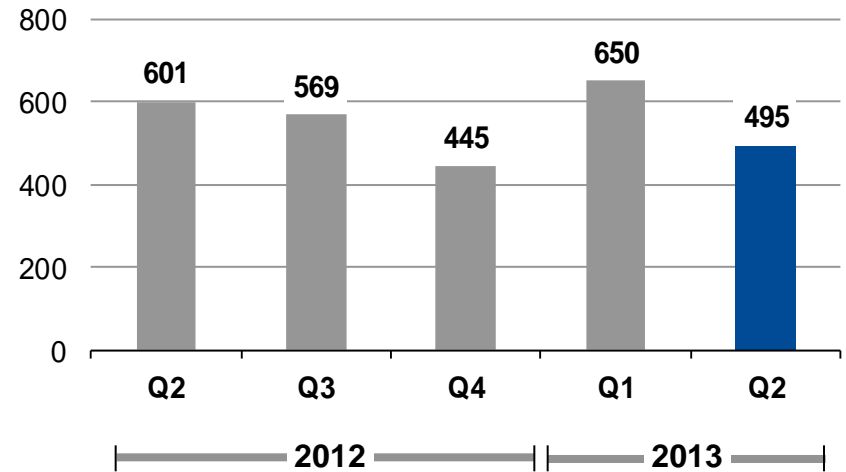
# Chemicals

Lower earnings due to weaker demand

## Q2'13 segment sales (million €) vs. Q2'12



## EBIT before special items (million €)



## Sales development

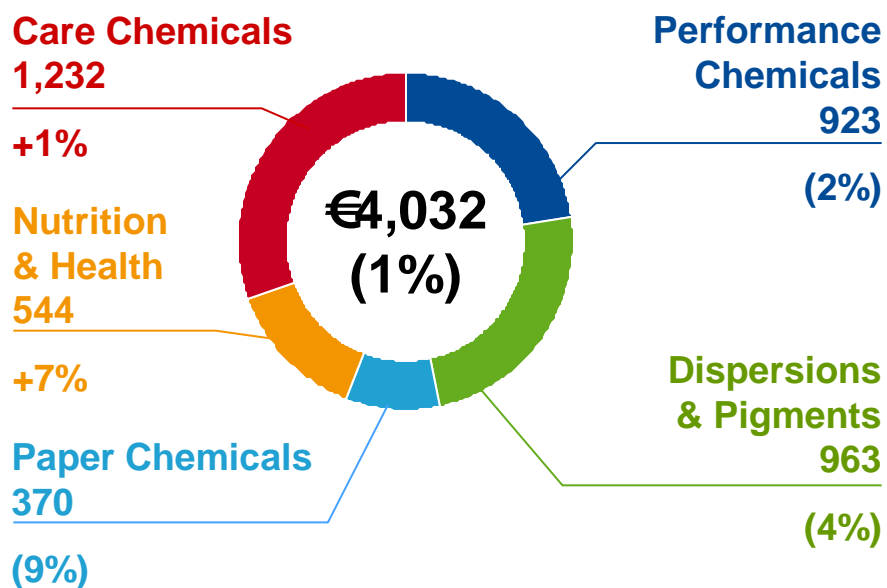
Period	Volumes	Prices	Portfolio	Currencies
Q2'13 vs. Q2'12	↑ 1%	↓ (4)%	0%	↓ (1%)



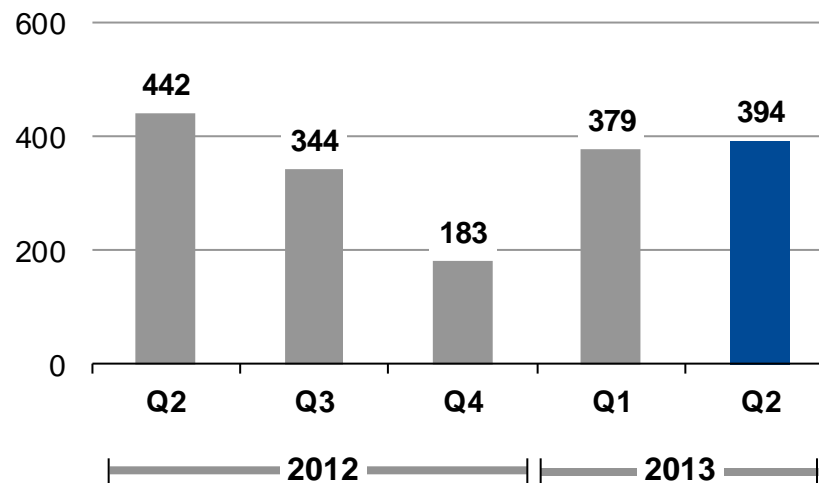
# Performance Products

## Restructuring measures ongoing

### Q2'13 segment sales (million €) vs. Q2'12



### EBIT before special items (million €)



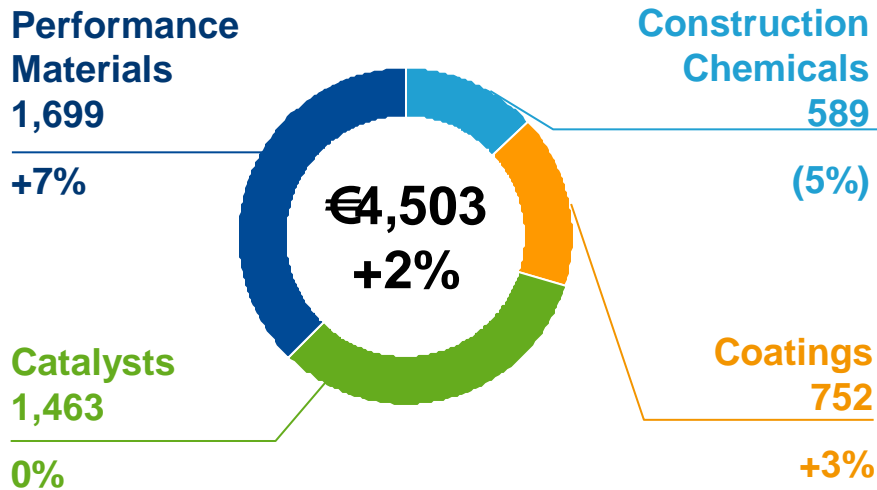
### Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q2'13 vs. Q2'12	↑ 2%	↓ (2%)	↑ 1%	↓ (2%)

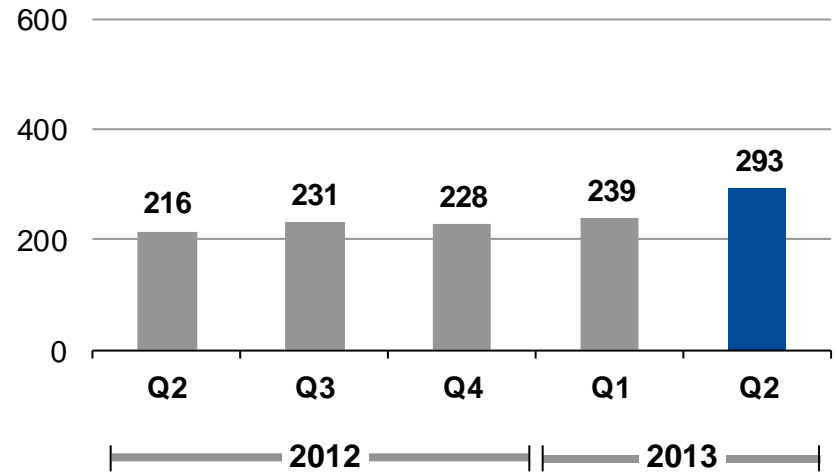
# Functional Materials & Solutions

Continued good demand from the automotive industry

## Q2'13 segment sales (million €) vs. Q2'12



## EBIT before special items (million €)



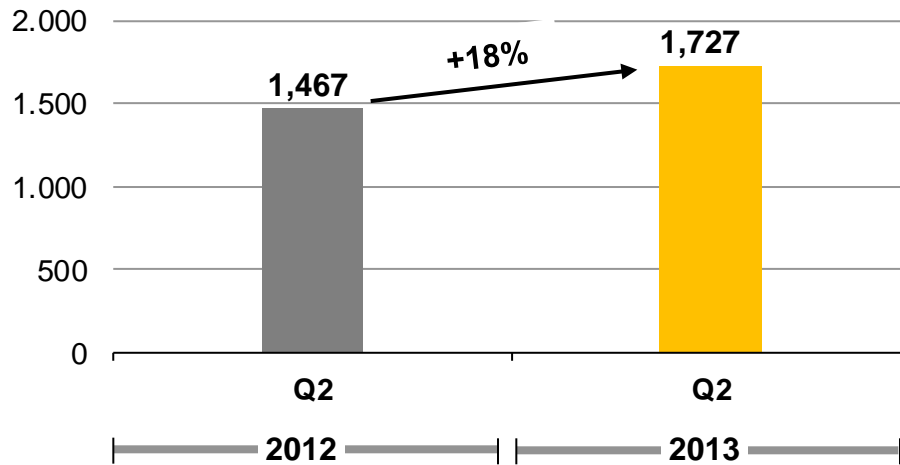
## Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q2'13 vs. Q2'12	↑ 3%	↑ 2%	↓ (1%)	↓ (2%)

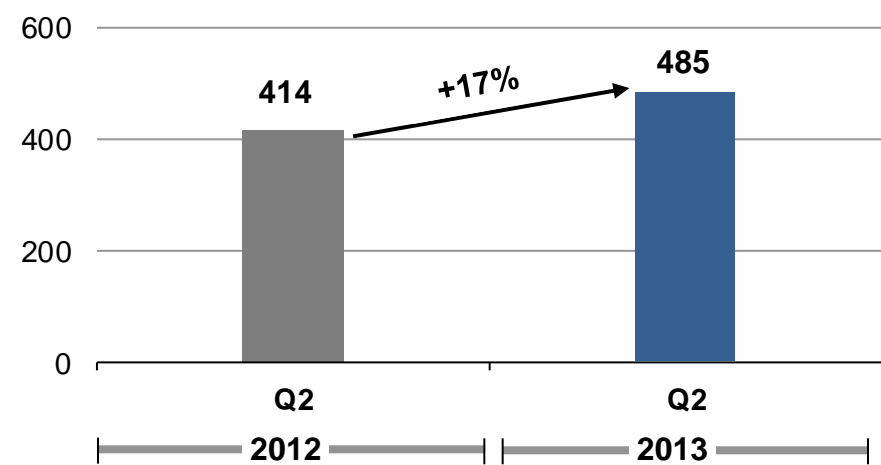
# Agricultural Solutions

Attractive offering meets strong demand

Q2'13 segment sales (million €) vs. Q2'12



EBIT before special items (million €)



## Sales development

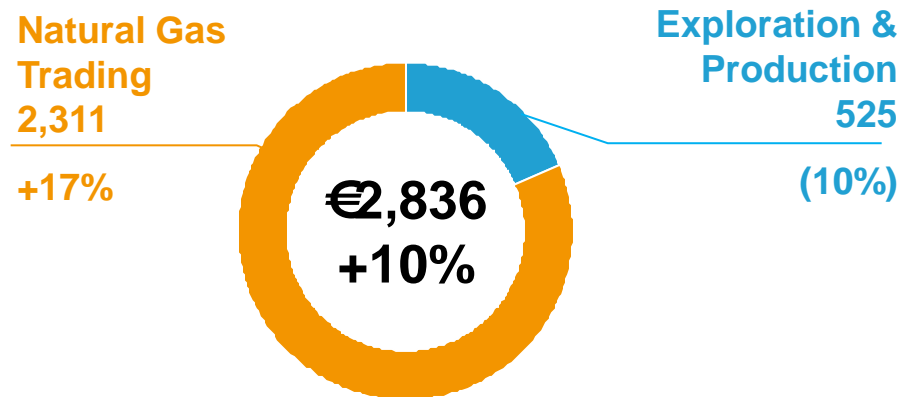
Period	Volumes	Prices	Portfolio	Currencies
Q2'13 vs. Q2'12	↑ 14%	↑ 3%	↑ 3%	↓ (2%)



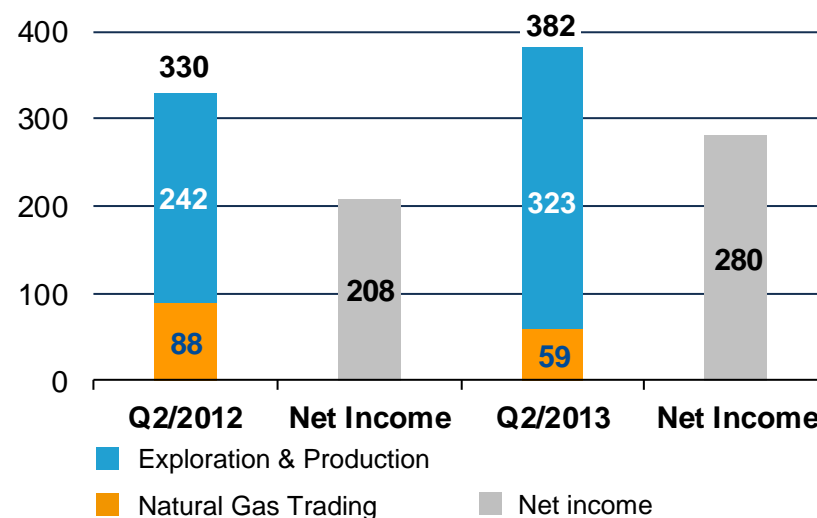
# Oil & Gas

## Higher production volumes drive earnings

### Q2'13 segment sales (million €) vs. Q2'12



### EBIT bSI/Net income (million €)



### Sales development

Period	Volumes	Prices/Currencies	Portfolio
Q2'13 vs. Q2'12	↑ 10%	0%	0%

# Review of “Other”

Million €	Q2'13	Q2'12
<b>Sales</b>	<b>1,072</b>	<b>968</b>
<b>EBIT before special items</b>	<b>(217)</b>	<b>(66)</b>
<i>thereof Corporate research</i>	<i>(97)</i>	<i>(94)</i>
<i>Group corporate costs</i>	<i>(58)</i>	<i>(61)</i>
<i>Currency results, hedges and other valuation effects</i>	<i>(63)</i>	<i>92</i>
<i>Other business</i>	<i>37</i>	<i>25</i>
Special items	3	(117)
<b>EBIT</b>	<b>(214)</b>	<b>(183)</b>

# Strong operating cash flow in H1 2013

Million €	H1'13	H1'12
<b>Cash provided by operating activities</b>	<b>4,030</b>	<b>3,411</b>
<i>thereof Changes in net working capital</i>	(633)	(633)
<i>Miscellaneous items</i>	646	(407)
<b>Cash provided by investing activities</b>	<b>(2,582)</b>	<b>(1,035)</b>
<i>thereof Payments related to tangible / intangible assets</i>	(1,884)	(1,616)
<i>Acquisitions / divestitures</i>	(516)	430
<b>Cash used in financing activities</b>	<b>(823)</b>	<b>(2,246)</b>
<i>thereof Changes in financial liabilities</i>	1,762	205
<i>Dividends</i>	(2,585)	(2,446)

## First half 2013

- Net working capital impacted by lower inventories and higher accounts receivables
- Strong free cash flow of €2.1 billion, despite higher capex (+€268 million)
- Dividend payments to BASF SE shareholders amounted to €2.4 billion
- Net debt increased by €1.3 billion to €12.5 billion; equity ratio of 41%

# Outlook 2013

## Outlook 2013

- We do not expect that global economic growth will accelerate in the second half of 2013
- Nevertheless, BASF is targeting for 2013 to exceed the 2012 levels in sales and EBIT before special items in a volatile economic environment
- Our focus on growth markets and innovation, in combination with our measures to improve operational excellence and raise efficiency, will contribute to this
- We aim to earn a high premium on cost of capital in 2013

## Assumptions 2013

- GDP: +2.0% (reduced from 2.4%)
- Industrial production: +2.7% (reduced from 3.4%)
- Chemical production: +3.1% (reduced from 3.6%)
- US\$ / Euro: 1.30 (unchanged)
- Oil price (US\$ / bbl): 105 (reduced from 110)



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