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## Conference Call

# Restated Figures 2018 and 2017

Reflecting the new segment structure of the BASF Group

Ludwigshafen, March 26, 2019

# Cautionary note regarding forward-looking statements

*This presentation 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 123 to 130 of the BASF Report 2018. BASF does not assume any obligation to update the forward-looking statements contained in this presentation above and beyond the legal requirements.*

# Agenda

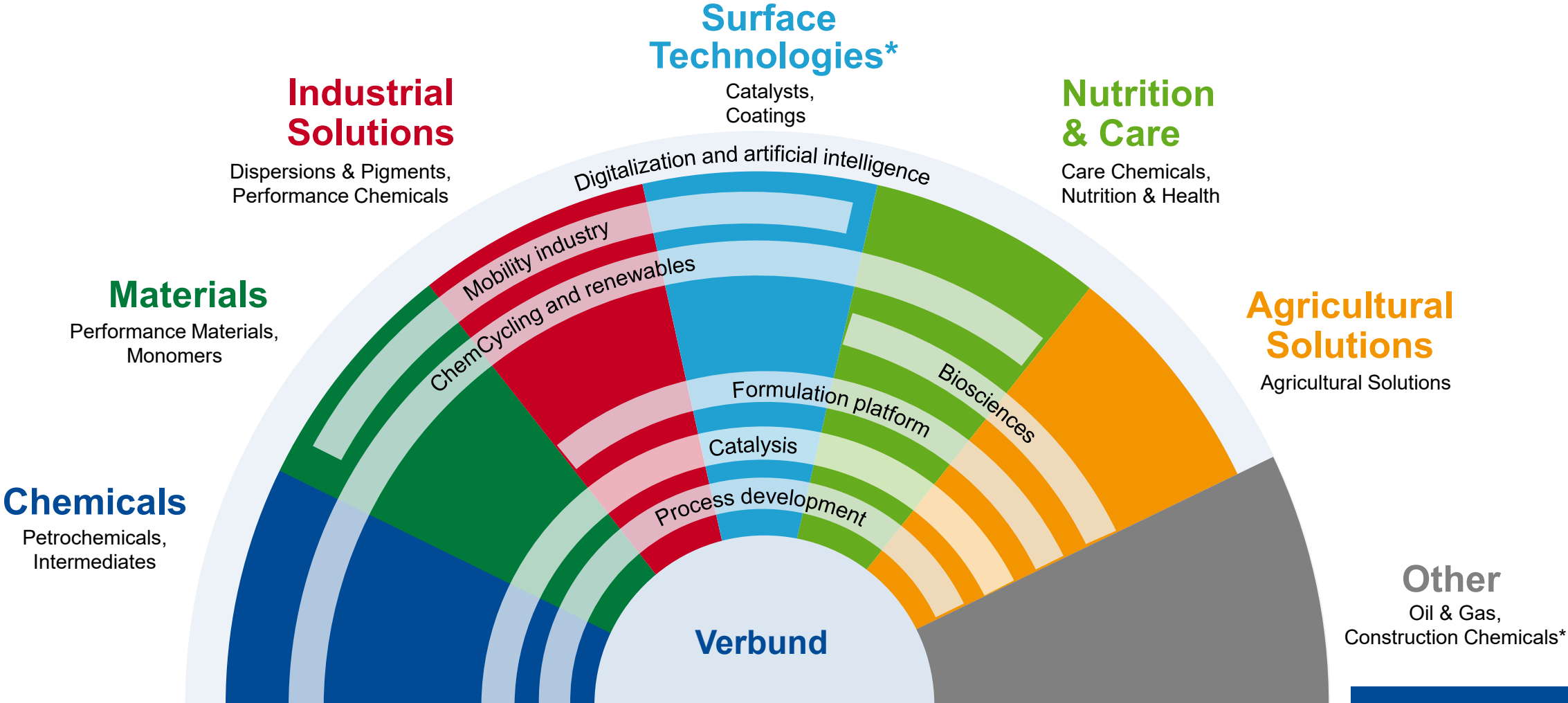
**1 | Restated figures reflecting the new segment structure of the BASF Group**

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**2 | Impact of Wintershall DEA merger on BASF's statement of income and cash flows**

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# New segment structure increases transparency and highlights integrated approach



\* Target picture, until signing of a transaction agreement, Construction Chemicals will be reported under Surface Technologies



# Each new segment has a clear and compelling path forward

	Chemicals	Materials	Industrial Solutions	Surface Technologies*	Nutrition & Care	Agricultural Solutions
<b>Divisions</b>	<ul style="list-style-type: none"> <li>Petrochemicals</li> <li>Intermediates</li> </ul>	<ul style="list-style-type: none"> <li>Performance Materials</li> <li>Monomers</li> </ul>	<ul style="list-style-type: none"> <li>Dispersions &amp; Pigments</li> <li>Performance Chemicals</li> </ul>	<ul style="list-style-type: none"> <li>Catalysts</li> <li>Coatings</li> <li>Construction Chemicals*</li> </ul>	<ul style="list-style-type: none"> <li>Care Chemicals</li> <li>Nutrition &amp; Health</li> </ul>	<ul style="list-style-type: none"> <li>Agricultural Solutions</li> </ul>
<b>Composition changes</b>	<ul style="list-style-type: none"> <li>+ Superabsorbent polymers</li> <li>+ Styrene, polystyrene and styrene-based foams</li> <li>- Propylene oxide, propylene glycol</li> </ul>	<ul style="list-style-type: none"> <li>+ Propylene oxide, propylene glycol</li> <li>- Styrene, polystyrene and styrene-based foams</li> </ul>			<ul style="list-style-type: none"> <li>- Superabsorbent polymers</li> </ul>	
<b>Core theme</b>	Verbund	Advanced materials	Additives platform	Surface modification platform	Consumer ingredients	Integrated offering of seeds, crop protection, digital
<b>Innovation focus</b>	Improved or new processes	Applications, biomaterials	Formulations	Battery materials, surface effects	Biotechnology, formulations	Crop protection, seeds, digital farming
<b>Capex relevance</b>						
<b>M&amp;A relevance</b>						
<b>Sustainability</b>	ChemCycling	Bio-based materials	More from less	Low-emission mobility	Bio-based and natural, traceability	Better with less

\* Until signing of a transaction agreement, Construction Chemicals will be reported under Surface Technologies

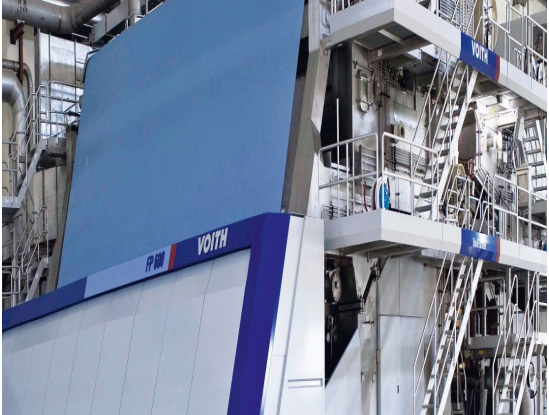


# Reporting changes in “Other”

- As of January 1, 2019, discontinued operations and all remaining activities after divestitures are reported under Other.

This includes for example:

- Participating interests accounted for using the equity method or supply obligations assumed in the context of divestitures.
  - Remaining activities for the leather and textile chemicals business, previously recorded in the Performance Products segment, and the remaining activities for the industrial coatings business, previously recorded in the Functional Materials & Solutions segment.
- Since February 1, 2019, BASF accounts for its share in Solenis using the equity method and includes its share of the company’s net income in EBIT before special items of Other.
- As of closing of the merger between Wintershall and DEA, BASF will account for its share in Wintershall DEA using the equity method and will include its share of the company’s net income in EBIT before special items of Other.



## Other

million €	2018	2017
Sales	2,840	2,290
EBITDA bSI	(335)	(552)
EBIT bSI	(462)	(678)

# Key financials 2018 and 2017 reflecting the new segment structure

million €	Chemicals	Materials	Industrial Solutions	Surface Technologies*	Nutrition & Care	Agricultural Solutions
						
<b>2018</b>						
Sales	11,694	13,270	9,120	13,655	5,940	6,156
EBITDA bSI	2,245	3,020	1,090	1,205	1,128	1,128
EBIT bSI	1,587	2,400	668	690	736	734
<b>2017</b>						
Sales	11,161	13,691	9,260	12,867	6,258	5,696
EBITDA bSI	2,647	3,710	1,295	1,334	1,004	1,300
EBIT bSI	2,007	2,995	853	826	609	1,033

\* Until signing of a transaction agreement, Construction Chemicals will be reported under Surface Technologies

# Agenda

1 | Restated figures reflecting the new segment structure of the BASF Group

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2 | **Impact of Wintershall DEA merger on BASF's statement of income and cash flows**

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# Impact of the Wintershall DEA merger on BASF's statement of income

## Since the signing of the transaction agreement

### Statement of income BASF Group

Sales revenue
Gross profit on sales
Income from operations
Financial result
Income before income taxes
Income taxes
Income after taxes from continuing operations
Income after taxes from discontinued operations
Noncontrolling interests
Net income

- Sales and earnings of the oil and gas business are no longer included in sales and EBIT of BASF Group – retroactively as of January 1, 2018. Prior-year figures are restated.
- Earnings are presented in the income after taxes from discontinued operations.
- Between signing and closing, depreciation is suspended.

## As of closing of the merger

### Other

Sales
Income from operations before depreciation and amortization (EBITDA)
Depreciation and amortization
Income from operations (EBIT)
Special items
EBIT before special items

- BASF's share of net income generated by Wintershall DEA will be accounted for at equity and will be reported in the EBIT before special items of Other.

**At-equity consolidation  
(share of net income shown in EBIT before special items)**

# Impact of the Wintershall DEA merger on BASF's statement of cash flows

## Since the signing of the transaction agreement

### Statement of cash flows BASF Group

<b>Cash flows from operating activities</b>		← Until closing of the merger, the cash flows of the oil and gas business will be considered in the respective line items of BASF's statement of cash flows.
Thereof	Changes in net working capital	
	Miscellaneous items	
<b>Cash flows from investing activities</b>		←
Thereof	Payments made for tangible / intangible assets	
	Acquisitions / divestitures	
<b>Cash flows from financing activities</b>		←
Thereof	Changes in financial liabilities	
	Dividends	

## As of closing of the merger

### Statement of cash flows BASF Group

<b>Cash flows from operating activities</b>	←	▪ After closing of the merger, dividend payments from Wintershall DEA to BASF Group will be reported in BASF's cash flows from operating activities.
<b>Cash flows from investing activities</b>		
<b>Cash flows from financing activities</b>		
<b>Free cash flow</b>		



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