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.
At a glance

Implementing BASF’s Corporate Strategy

Financing Highlights

Q3 2019 Reporting
BASF – an attractive investment

- **Strategy focused on participating in fast growing Asian markets**
  - driven by strong and expanding local presence

- **Industry-leading innovation platform**
  - covering a broad range of technologies and providing solutions for a multitude of customers

- **Unique Verbund concept**
  - competitive advantage based on integrated sites, operational excellence and best-in-class technologies

- **CO₂-neutral growth until 2030 targeted**
  - creating value to society and contributing to a sustainable development

- **Earnings growth, strong cash flow generation and clear return criteria**
  - based on operational excellence and financial strength
Proven ability to achieve earnings growth above global chemical production of 3.7% per year

EBIT before special items\(^1\) and EBITDA before special items\(^1\)
billion €, 2012–2018

\(^1\) Excluding Oil & Gas
Return on capital employed well above cost of capital

Return on capital employed
%
2012–2018

<table>
<thead>
<tr>
<th>Year</th>
<th>ROCE</th>
<th>Cost of capital rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>12.5%</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>12.3%</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>13.2%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>12.3%</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>13.8%</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>15.4%</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>11.4%</td>
<td></td>
</tr>
</tbody>
</table>

ROCE*: EBIT generated by the operating divisions as a percentage of the average cost of capital basis, excluding Oil & Gas.
Strong free cash flow development

Cash flows from operating activities and free cash flow\(^1\)
billion €, 2012–2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash flows from operating activities</th>
<th>Free cash flow</th>
<th>Capital expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>6.6</td>
<td>2.6</td>
<td>3.2</td>
</tr>
<tr>
<td>2013</td>
<td>8.1</td>
<td>3.2</td>
<td>1.7</td>
</tr>
<tr>
<td>2014</td>
<td>7.0</td>
<td>1.7</td>
<td>3.6</td>
</tr>
<tr>
<td>2015</td>
<td>9.4</td>
<td>3.6</td>
<td>3.6</td>
</tr>
<tr>
<td>2016</td>
<td>7.7</td>
<td>4.8</td>
<td>4.8</td>
</tr>
<tr>
<td>2017</td>
<td>8.8</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>2018</td>
<td>7.9</td>
<td>4.0</td>
<td>4.0</td>
</tr>
</tbody>
</table>

\(^1\) Including Oil & Gas, as reported
Global trends provide opportunities for growth in the chemical industry

Population growth

-2015: 7 billion people
-2050: 10 billion people

Demographic change: Rising number of seniors

-2015: 0.5 billion people 60+
-2050: 1.5 billion people 60+

Chemical growth 2018–2030 coming mainly from Asia Pacific

-Share of absolute growth:
  -Rest of Asia Pacific: 11%
  -North America: 8%
  -Europe: 7%
  -Middle East, Africa: 4%
  -South America: 2%

Climate change: Strong reduction of GHG emissions necessary to achieve 2°C global warming target

-2018: 50 gigatons CO₂
-2050: 10 gigatons CO₂

Digitalization is surging

digital universe, zettabytes

-2010: 1 zettabyte
-2020: 50 zettabytes

Electromobility drives demand for battery materials

cathode active materials demand, kilotons

-2018: 800 kilotons
-2025: >1,000 kilotons

Sources: UN, IEA, UBS foresight, BASF
China is the major growth driver for global chemical production

Real chemical production excluding pharmaceuticals
billion US$

CAGR\(^1\) +2.8%

Greater China
CAGR +4%

2018:
~4,000

2030:
~5,500

Source: BASF\(^1\) Real chemical production excluding pharmaceuticals
Global market access through regional presence

Europe
Sales €26,546 million
EBIT €3,210 million
Employees 75,188

North America
Sales €16,143 million
EBIT €802 million
Employees 20,069

South America, Africa, Middle East
Sales €5,340 million
EBIT €201 million
Employees 7,844

Asia Pacific
Sales €14,646 million
EBIT €1,820 million
Employees 19,303

Sales 2018 by location of customer; EBIT 2018 by location of company
New segment structure strengthens performance- and market-orientation and provides more transparency

1 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

<table>
<thead>
<tr>
<th>% of sales 2018²</th>
<th>Chemicals</th>
<th>Materials</th>
<th>Industrial Solutions</th>
<th>Surface Technologies¹</th>
<th>Nutrition &amp; Care</th>
<th>Agricultural Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>19%</td>
<td>21%</td>
<td>15%</td>
<td>22%</td>
<td>9%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>€1.6 billion</td>
<td>€2.4 billion</td>
<td>€0.7 billion</td>
<td>€0.7 billion</td>
<td>€0.7 billion</td>
<td>€0.7 billion</td>
<td></td>
</tr>
<tr>
<td>Core theme</td>
<td>Verbund</td>
<td>Advanced materials</td>
<td>Additives platform</td>
<td>Surface modification platform</td>
<td>Consumer ingredients</td>
<td></td>
</tr>
<tr>
<td>Innovation focus</td>
<td>Improved or new processes</td>
<td>Applications, biomaterials</td>
<td>Formulations</td>
<td>Battery materials, surface effects</td>
<td>Biotechnology, formulations</td>
<td></td>
</tr>
<tr>
<td>Capex relevance</td>
<td><img src="blue_circle" alt="Capex relevance 1" /></td>
<td><img src="green_circle" alt="Capex relevance 2" /></td>
<td><img src="red_circle" alt="Capex relevance 3" /></td>
<td><img src="light_blue_circle" alt="Capex relevance 4" /></td>
<td><img src="green_circle" alt="Capex relevance 5" /></td>
<td></td>
</tr>
<tr>
<td>M&amp;A relevance</td>
<td><img src="blue_circle" alt="M&amp;A relevance 1" /></td>
<td><img src="green_circle" alt="M&amp;A relevance 2" /></td>
<td><img src="red_circle" alt="M&amp;A relevance 3" /></td>
<td><img src="light_blue_circle" alt="M&amp;A relevance 4" /></td>
<td><img src="green_circle" alt="M&amp;A relevance 5" /></td>
<td></td>
</tr>
<tr>
<td>Sustainability</td>
<td>ChemCycling™</td>
<td>Bio-based materials</td>
<td>More from less</td>
<td>Low-emission mobility</td>
<td>Bio-based and natural, traceability</td>
<td>Better with less</td>
</tr>
</tbody>
</table>

¹ Until signing of a transaction agreement, Construction Chemicals will be reported under Surface Technologies
² Other (sales 2018: €2.8 billion, EBIT bsi 2018: €(462) million) not depicted on this slide
We stick to our ambitious financial and non-financial targets

**Financial targets**

- Grow sales volumes faster than global chemical production every year
- Increase EBITDA before special items by 3% to 5% per year
- Achieve a return on capital employed (ROCE) considerably above the cost of capital percentage every year
- Increase the dividend per share every year based on a strong free cash flow

**Non-financial targets**

- Grow CO₂-neutrally until 2030
- Achieve €22 billion in Accelerator sales by 2025
- Cover 90% of our relevant spend with sustainability evaluations by 2025, and have 80% of our suppliers improve their sustainability performance upon re-evaluation
- More than 80% of our employees feel that at BASF, they can thrive and perform at their best

---

1. Return on capital employed (ROCE) is a measure of the profitability of our operations. We calculate this indicator as the EBIT generated by the operating divisions as a percentage of the average cost of capital basis.
2. Accelerator products are products that make a substantial sustainability contribution in the value chain.
3. We understand relevant spend as procurement volumes with relevant suppliers.
At a glance

Implementing BASF’s Corporate Strategy

Financing Highlights

Q3 2019 Reporting
Implementing our strategy

1. Continued investments in strategic growth regions and innovation-driven industries

2. Leverage multiple Verbund strengths across the portfolio

3. Transforming into an agile and customer-focused organization

4. Set the tone with CO₂-neutral growth

5. Capital allocation framework to maximize long-term shareholder value

6. Active portfolio management based on best-owner principle
Implementing our strategy

1. Continued investments in strategic growth regions and innovation-driven industries

2. Leverage multiple Verbund strengths across the portfolio

3. Transforming into an agile and customer-focused organization

4. Set the tone with CO$_2$-neutral growth

5. Capital allocation framework to maximize long-term shareholder value

6. Active portfolio management based on best-owner principle
BASF is well positioned to capture future growth in China

Well positioned in China – the major growth driver for global chemical production

- With ~40%, China is already today the largest chemical market worldwide
- Growing above global chemical production requires a strong participation in China’s growth
- BASF is a well-established and highly-recognized company in China with long-standing partnerships

Strong earnings development of BASF in Greater China

Sales

- Proven track record of strong earnings growth in Greater China thanks to BASF’s unique position
- Serving all customer industries of BASF in the region
- State-of-the-art production facilities supported by sustainable Verbund concept

Real chemical production\(^1\) billion US$

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
<th>CAGR</th>
<th>Growth vs. RoW</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>~1,650</td>
<td>+4.4%</td>
<td>+250bps</td>
</tr>
<tr>
<td>2030</td>
<td>~2,750</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Source: BASF, real chemical production excluding pharmaceuticals
\(^2\) Net sales to 3rd parties by location of customer plus 50% of sales of BASF-YPC Company Ltd. Nanjing
Major investment projects in Asia Pacific on track

**Chemical production complex, Mundra**
- BASF signed an MoU with ADNOC, Adani and Borealis to invest in chemical production complex
- Feasibility study to be finalized by end of Q1 2020
- PDH unit to be established as basis for acrylics value chain and polypropylene production
- First CO₂-neutral site to be 100% powered by renewable energy

**Nanjing Verbund site**
- BASF and Sinopec to expand Verbund site in Nanjing and potentially cooperate in battery materials
- JV BASF-YPC to have 50% in additional steam cracker
- Both projects are in the planning phase and on track

**Zhanjiang Verbund site, Guangdong**
- Wholly owned and operated by BASF
- Project is currently in the feasibility phase
- First plants expected to be operational in 2022
- US$10 billion capital expenditures to be implemented in phases until 2030
Implementing our strategy

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3. Transforming into an agile and customer-focused organization

4. Set the tone with CO₂-neutral growth

5. Capital allocation framework to maximize long-term shareholder value

6. Active portfolio management based on best-owner principle
Our unique Verbund concept is one of BASF’s greatest assets with multiple benefits strengthening the portfolio

- Confirmed annual cost savings of more than €1 billion through integrated production worldwide
- 6.3 million tons of CO₂ prevented globally in 2018

Production

Value Chains
- Ensure competitive supply of key raw materials and products to all segments

Markets
- Create customer relevance through size and broad portfolio

Technologies
- Leverage technological advantages and innovation across all segments

Digitalization
- Harvest the advantages offered by digitalization across BASF
Verbund concept enables BASF to realize synergies via connectors across the segments

1 Until signing of a transaction agreement Construction Chemicals will be reported under Surface Technologies
Implementing our strategy

1. Continued investments in strategic growth regions and innovation-driven industries
2. Leverage multiple Verbund strengths across the portfolio
3. **Transforming into an agile and customer-focused organization**
4. Set the tone with CO$_2$-neutral growth
5. Capital allocation framework to maximize long-term shareholder value
6. Active portfolio management based on best-owner principle
Transforming into an agile and customer-focused organization

**Action fields**

- **Embedding** to bring services closer to customers
- Functions and headquarters with **streamlined back-end organization**
- Regions with **sharpened roles** to increase customer focus
- Process landscape to be **simplified**
- People working in an **entrepreneurial performance culture**

**Progress report**

- On October 1, 2019, we completed the embedding of around 20,000 employees
- On January 1, 2020, **lean corporate center with ~1,000 employees** will go live
- Regions with **strengthened customer focus**, supporting and enabling the businesses locally
- **Simplification measures on track**: currently ~110 projects ongoing, ~40 successfully completed
- **Empowering and incentivizing** employees to take ownership in their area of expertise
### Update on excellence program 2019 – 2021

<table>
<thead>
<tr>
<th>Category</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual EBITDA contribution</strong>(^1)</td>
<td>~€0.5 billion</td>
<td>€1.0 – €1.3 billion</td>
<td>€2.0 billion</td>
</tr>
<tr>
<td><strong>One-time costs</strong>(^2)</td>
<td>€0.4 – €0.5 billion</td>
<td>€0.2 – €0.3 billion</td>
<td>€0.2 – €0.3 billion</td>
</tr>
</tbody>
</table>

### Operational excellence
- Measures focused on production, logistics and planning

### Leaner structures
- Personnel cost savings; reduction of 6,000 positions targeted globally

### Innovation
- R&D cost reduction via focusing budgets

### Simplification
- Increased process efficiency, e.g., in procurement

**EBITDA contribution by category**

- **Simplification**
- **Innovation**
- **Leaner structures**
- **Operational excellence** €2.0 billion
Implementing our strategy

1. Continued investments in strategic growth regions and innovation-driven industries

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Active portfolio management based on best-owner principle
Creating value to society and contributing to sustainable development

**CO₂-neutral growth until 2030**

- Since 2002: 34% reduction in greenhouse gas emissions per ton produced
- 2018: 0.6 ton CO₂ per ton produced
- **2030 target: 0.4 ton CO₂ per ton produced**¹
- Measures: CO₂-neutral power, operational excellence and new technologies

**Accelerator products**

- 27.7% of BASF portfolio classified as Accelerator products with substantial sustainability contribution in the value chain
- Accelerator products
  - 2018: €15 billion sales
  - **2025 target: €22 billion sales**
  - On average margins ~6% points above the rest of assessed portfolio

**Value balancing alliance**

- BASF is founding member of the cross-industry value balancing alliance established in August 2019
- Aim to standardize approaches to make societal impact results comparable across companies
- Value-to-society program to make monetary impact assessment of economic, social and environmental contribution

¹ Based on 22 million tons of CO₂ in 2030 (in line with CO₂-neutral growth target vs. 2018 base year)
Since 1990, we have doubled our production volumes and nevertheless cut our greenhouse gas emissions in half.

BASF uses carbon raw materials responsibly: 75% of carbon converted to products, 25% consumed for process energy and converted to CO$_2$.

22 million tons of CO$_2$ emissions by BASF worldwide in 2018 compared to 10–30 million tons per year for one coal-fired power plant.

Carbon intensity to be reduced by 30%.

We support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
Leverage BASF’s innovation power to achieve €22 billion in Accelerator sales by 2025 (1)

Percentage of sales 2018

- >60,000 product applications analyzed by 2018 (€56.2 billion in sales, 96.5% of relevant portfolio)
- 27.7% Accelerators
  - >12,000 solutions for enhanced quality of life
  - strong growth in their markets
  - on average margins ~6 percentage points above the rest of assessed portfolio
- Goal: €22 billion of sales with Accelerator products by 2025 (2018: €15 billion)
- Stronger integration in R&D pipeline, business strategies and M&A projects
- We will stop selling all Challenged products within maximum five years after classification
Leverage BASF’s innovation power to achieve €22 billion in Accelerator sales by 2025 (2)

Percentage of sales 2018

Examples

- **SLENTITE®** – high-performance insulation material
- **Cetiol® Ultimate** – 100% renewable-based emollient for personal care
- **Acronal® MB** – from biomass to dispersions
Implementing our strategy

1. Continued investments in strategic growth regions and innovation-driven industries
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4. Set the tone with CO$_2$-neutral growth
5. **Capital allocation framework to maximize long-term shareholder value**
6. Active portfolio management based on best-owner principle
Guidance on the use of cash

- **Organic growth**
  - ~€21.3 billion capex budget 2019-2023
  - Around €2.3 billion R&D expenditures annually

- **Progressive dividend**
  - Aim to increase dividend per share every year
  - Strong balance sheet supports dividend policy in times of slower free cash flow generation driven by weak macro environment

- **Portfolio upgrading**
  - Strengthen portfolio by selective M&A opportunities while maintaining price discipline
  - Focus the portfolio through continued pruning measures

- **Share buybacks**
  - We will also consider share buybacks, e.g., to return disposal proceeds to shareholders

We create chemistry
Investments in organic growth
Investments of ~€3.8 billion planned for 2019

Capex budget 2019–2023 by segment

- Chemicals: 33%
- Materials: 15%
- Agricultural Solutions: 6%
- Nutrition & Care: 9%
- Surface Technologies: 11%
- Other (Infrastructur, R&D): 18%

€21.3 billion

Capex budget 2019–2023 by region

- Europe: 43%
- Asia Pacific: 27%
- North America: 24%
- Other: 5%
- South America, Africa, Middle-East: 1%
- Other¹

¹ Alternative sites currently being investigated

€21.3 billion
BASF’s R&D is highly competitive, ensures long-term growth and generates a net benefit to earnings every year.

**Expected annual R&D expenditures**

- 20% Corporate research
- 39% Agricultural Solutions
- 6% Chemicals
- 9% Materials
- 9% Industrial Solutions
- 10% Surface Technologies
- 7% Nutrition & Care

**~€2.3 billion**

**Measures to boost innovation power**

- Capitalize on innovation mindset
- Focus R&D resources on growth businesses
- Increase customer centricity
  - Stronger alignment of customer needs and R&D projects
  - Establish rapid prototyping
  - Move R&D closer to businesses
- Fully leverage artificial intelligence
- Cross-divisional corporate research strengthens existing and develops new key technologies
BASF’s corporate research ensures long-term growth of BASF Group

Expected annual R&D expenditures

- **New businesses**
  - investment in ventures that target markets and technologies new to BASF, e.g., trinamiX, 3D printing

- **Key technology capabilities**
  - continuous investments in technologies that are decisive for BASF’s core businesses, e.g., heterogeneous catalysis, enzyme technology, alternative toxicological methods

- **Corporate projects**
  - overarching topics with special relevance for BASF, e.g., Carbon Management

- **Creativity budget**
  - pragmatic approach to quickly evaluate new and radical ideas in BASF’s research divisions

~€2.3 billion

- **Agricultural Solutions** 39%
- **Other segments** 41%
- **Corporate research** 20%
Fast-paced buildup of global cathode active materials footprint

**2012**
- First CAM production facility in Elyria, Ohio

**2015**
- Foundation of BASF TODA Battery Materials (BTBM), Japan
- Tripled capacity at BTBM in Onoda, Japan

**2017**
- Second CAM production facility in Battle Creek, Michigan; merged with Elyria, Ohio into BASF TODA America (BTA)

**2018**
- First production volumes at Harjavalta, Finland
- First CAM production facility in Elyria, Ohio

**Market projections for 2025:**
- 10-15 million electric vehicles built per year
- 700-1,000 kt of CAM in electromobility
- €25-30 billion CAM market size

Electromobility drives battery materials growth

Chemistry of cathode active materials is key to address electromobility challenges
Implementing our strategy

1. Continued investments in strategic growth regions and innovation-driven industries

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4. Set the tone with CO₂-neutral growth

5. Capital allocation framework to maximize long-term shareholder value

6. Active portfolio management based on best-owner principle
We have refocused our portfolio towards innovative growth businesses\(^1\)

**Acquisitions**
- Functional crop care
- Personal care and food ingredients
- Omega-3 fatty acids
- Enzymes
- Battery materials
- Specialty plastics
- Refinish coatings
- Surface treatment
- Seeds and crop protection

~€7.8 billion sales in emerging and innovation-driven businesses

**BASF core business**
Selected transactions 2010–today

**Divestitures**
- Styrenics
- Fertilizers
- Natural gas trading and storage
- Custom synthesis business
- Textile chemicals
- Polyolefin catalysts
- Industrial coatings
- Leather chemicals
- Water and paper chemicals
- Oil & Gas

~€26.0 billion sales in businesses with decreased differentiation potential

\(^1\) Selected, closed transactions 2010–today
Ongoing active portfolio management

\[\text{BASF to acquire Solvay’s non-European polyamide business}\]

- Sales 2018: ~€1 billion
- BASF will acquire the global, non-European PA6.6 business from Solvay including its 50% share in Butachimie’s adipodinitrile (ADN) production
- Purchase price of €1.3 billion\(^1\)
- Closing is expected in Q1 2020

\[\text{DIC to acquire BASF’s global pigments business}\]

- Sales 2018: ~€1 billion
- BASF and DIC reached an agreement on the acquisition of BASF’s global pigments business
- Purchase price of €1.15 billion\(^1\)
- Closing is expected in Q4 2020\(^2\)

\[\text{BASF to divest its construction chemicals business}\]

- Sales 2018: ~€2.5 billion
- Structured divestiture process and carve-out on track
- Confirmatory bids received; negotiations ongoing
- Signing expected by the end of 2019

\(^1\) On a cash and debt-free basis; \(^2\) Subject to the approval of the relevant competition authorities
Clear acquisition criteria

Strategic acquisition criteria

- create more value as part of BASF’s Verbund
- help achieve relevant market positions
- drive innovation or technological differentiation
- enable new and sustainable business models

Financial acquisition criteria

- provide a return on capital employed above the WACC after full integration into BASF Group
- are EPS accretive by year three at the latest
- contribute to growth of EBITDA before special items
At a glance

Implementing BASF’s Corporate Strategy

Financing Highlights

Q3 2019 Reporting
Financing strategy

Diversified debt financing instruments
as of September 30, 2019

- €20 billion debt issuance program (for long-term debt financing)
- US$12.5 billion commercial paper program (for short-term debt financing)
- €6 billion broadly syndicated backup line (maturing in 2024)

Our target: keep a solid A rating
(current ratings¹: S&P A / Moody’s A2)

Well-balanced bond and corporate loan maturity profile

Profile as of September 30, 2019
billion €¹

Bonds / loans outstanding as of September 30, 2019

¹ Nominal values, excluding industrial revenue and pollution control bonds of BASF Corporation.
## Overview of bonds (1/3) as of September 30, 2019

<table>
<thead>
<tr>
<th>Bond</th>
<th>Term</th>
<th>Issuer</th>
<th>Volume</th>
<th>ISIN Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.875% EUR Bond</td>
<td>2019/2029</td>
<td>BASF SE</td>
<td>EUR250 million</td>
<td>XS1960277934</td>
</tr>
<tr>
<td>4.000% AUD Bond</td>
<td>2018/2033</td>
<td>BASF SE</td>
<td>AUD160 million</td>
<td>XS1864074585</td>
</tr>
<tr>
<td>1.025% JPY Bond</td>
<td>2018/2048</td>
<td>BASF SE</td>
<td>JPY10 billion</td>
<td>XS1864163925</td>
</tr>
<tr>
<td>1.375% GBP Bond</td>
<td>2018/2022</td>
<td>BASF SE</td>
<td>GBP250 million</td>
<td>XS1841745612</td>
</tr>
<tr>
<td>0.875% EUR Bond</td>
<td>2018/2025</td>
<td>BASF SE</td>
<td>EUR750 million</td>
<td>XS1823502650</td>
</tr>
<tr>
<td>1.500% EUR Bond</td>
<td>2018/2030</td>
<td>BASF SE</td>
<td>EUR500 million</td>
<td>XS1823502577</td>
</tr>
<tr>
<td>EUR Floating Rate Note</td>
<td>2017/2019</td>
<td>BASF SE</td>
<td>EUR1.25 billion</td>
<td>XS1718416586</td>
</tr>
<tr>
<td>0.875% EUR Bond</td>
<td>2017/2027</td>
<td>BASF SE</td>
<td>EUR1.00 billion</td>
<td>XS1718418103</td>
</tr>
<tr>
<td>1.625% EUR Bond</td>
<td>2017/2037</td>
<td>BASF SE</td>
<td>EUR750 million</td>
<td>XS1718417717</td>
</tr>
<tr>
<td>0.925% USD Bond with Warrant</td>
<td>2017/2023</td>
<td>BASF SE</td>
<td>USD850 million</td>
<td>Bond with Warrant (DE000A2BPEU0)</td>
</tr>
<tr>
<td>2.5% USD Bond</td>
<td>2017/2022</td>
<td>BASF SE</td>
<td>USD500 million</td>
<td>Bond (DE000A2BPEV8) Warrant (DE000A2BPEW6)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>XS1551001768</td>
</tr>
</tbody>
</table>
## Overview of bonds (2/3) as of September 30, 2019

<table>
<thead>
<tr>
<th>Bond</th>
<th>Term</th>
<th>Issuer</th>
<th>Volume</th>
<th>ISIN Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.75% GBP Bond</td>
<td>2017/2025</td>
<td>BASF SE</td>
<td>GBP300 million</td>
<td>XS1548422846</td>
</tr>
<tr>
<td>1.45% EUR Bond</td>
<td>2017/2032</td>
<td>BASF SE</td>
<td>EUR300 million</td>
<td>XS1551001768</td>
</tr>
<tr>
<td>2.67% NOK Bond</td>
<td>2017/2029</td>
<td>BASF SE</td>
<td>NOK1.60 billion</td>
<td>XS1539109790</td>
</tr>
<tr>
<td>0.0% EUR Bond</td>
<td>2016/2020</td>
<td>BFE(^1)</td>
<td>EUR1.00 billion</td>
<td>DE000A188WV3</td>
</tr>
<tr>
<td>0.75% EUR Bond</td>
<td>2016/2026</td>
<td>BFE(^1)</td>
<td>EUR500 million</td>
<td>DE000A188WW1</td>
</tr>
<tr>
<td>2.37% HKD Bond</td>
<td>2016/2031</td>
<td>BASF SE</td>
<td>HKD1.30 billion</td>
<td>XS1539109790</td>
</tr>
<tr>
<td>0.875% GBP Bond</td>
<td>2016/2023</td>
<td>BASF SE</td>
<td>GBP250 million</td>
<td>XS1500337990</td>
</tr>
<tr>
<td>0.875% EUR Bond</td>
<td>2016/2031</td>
<td>BASF SE</td>
<td>EUR500 million</td>
<td>DE000A2BPA51</td>
</tr>
<tr>
<td>1.5% EUR Bond</td>
<td>2016/2031</td>
<td>BASF SE</td>
<td>EUR200 million</td>
<td>XS1374994280</td>
</tr>
<tr>
<td>2.5% EUR Bond</td>
<td>2014/2024</td>
<td>BASF SE</td>
<td>EUR500 million</td>
<td>XS1017833242</td>
</tr>
</tbody>
</table>

\(^1\) BASF Finance Europe N.V.
### Overview of bonds (3/3) as of September 30, 2019

<table>
<thead>
<tr>
<th>Bond</th>
<th>Term</th>
<th>Issuer</th>
<th>Volume</th>
<th>ISIN Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.89% USPP Series A</td>
<td>2013/2025</td>
<td>BASF SE</td>
<td>USD250 million</td>
<td>N/A</td>
</tr>
<tr>
<td>4.09% USPP Series B</td>
<td>2013/2028</td>
<td>BASF SE</td>
<td>USD700 million</td>
<td>N/A</td>
</tr>
<tr>
<td>4.43% USPP Series C</td>
<td>2013/2034</td>
<td>BASF SE</td>
<td>USD300 million</td>
<td>N/A</td>
</tr>
<tr>
<td>3.675% NOK Bond</td>
<td>2013/2025</td>
<td>BASF SE</td>
<td>NOK1.45 billion</td>
<td>XS0932079717</td>
</tr>
<tr>
<td>EUR Floating Rate Note</td>
<td>2013/2020</td>
<td>BASF SE</td>
<td>EUR300 million</td>
<td>XS0931272776</td>
</tr>
<tr>
<td>2.875% EUR Bond</td>
<td>2013/2033</td>
<td>BASF SE</td>
<td>EUR200 million</td>
<td>XS0932307100</td>
</tr>
<tr>
<td>3.25% EUR Bond</td>
<td>2013/2043</td>
<td>BASF SE</td>
<td>EUR200 million</td>
<td>XS0888667200</td>
</tr>
<tr>
<td>3% EUR Bond</td>
<td>2013/2033</td>
<td>BASF SE</td>
<td>EUR500 million</td>
<td>XS0885399583</td>
</tr>
<tr>
<td>1.875% EUR Bond</td>
<td>2013/2021</td>
<td>BASF SE</td>
<td>EUR1.0 billion</td>
<td>XS0883560715</td>
</tr>
<tr>
<td>2.0% EUR Bond</td>
<td>2012/2022</td>
<td>BASF SE</td>
<td>EUR1.25 billion</td>
<td>DE000A1R0XG3</td>
</tr>
</tbody>
</table>
BASF Creditor Relations Team

Siegfried Iro  
Head of Corporate Finance Group

Dr. Lars Budde  
Senior IR Manager  
Creditor Relations

Contact Details:  
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Phone: +49 621 60 91386  
Websites: www.basf.com/bonds  
www.basf.com/anleihen

Verena Schick  
Corporate Finance Group

Debora Meiners  
Corporate Finance Group
BASF Group Q3 2019 – Volume development

Volume development by segment
Q3 2019 vs. Q3 2018
absolute (million €) terms

<table>
<thead>
<tr>
<th>Segment</th>
<th>Absolute Change (€ million)</th>
<th>Relative Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemicals</td>
<td>(385)</td>
<td>(12%)</td>
</tr>
<tr>
<td>Other</td>
<td>(172)</td>
<td>(20%)</td>
</tr>
<tr>
<td>Materials</td>
<td>(8)</td>
<td>0%</td>
</tr>
<tr>
<td>Agricultural Solutions</td>
<td>261</td>
<td>21%</td>
</tr>
<tr>
<td>Surface Technologies</td>
<td>207</td>
<td>6%</td>
</tr>
<tr>
<td>Nutrition &amp; Care</td>
<td>41</td>
<td>3%</td>
</tr>
<tr>
<td>Industrial Solutions</td>
<td>6</td>
<td>0%</td>
</tr>
</tbody>
</table>

Relative (%) terms

Overall volume: (50)
BASF Group Q3 2019 – Sales and EBIT before special items

Sales bridge Q3 2019 vs. Q3 2018

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2018 Volumes</td>
<td>0%</td>
</tr>
<tr>
<td>Q3 2018 Prices</td>
<td>(4%)</td>
</tr>
<tr>
<td>Q3 2018 Portfolio</td>
<td>0%</td>
</tr>
<tr>
<td>Q3 2019</td>
<td>2%</td>
</tr>
</tbody>
</table>

EBIT before special items by segment Q3 2019 vs. Q3 2018

1. In Agricultural Solutions, EBIT before special items increased from minus €5 million in Q3 2018 to €73 million in Q3 2019.
### BASF Group Q3 2019: Sales decreased slightly; EBIT before special items 24% below prior-year quarter

#### Financial figures

<table>
<thead>
<tr>
<th>Financial figures</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
<td>%</td>
</tr>
<tr>
<td>Sales</td>
<td>15,231 million</td>
<td>15,606 million</td>
<td>(2)</td>
</tr>
<tr>
<td>EBITDA before special items</td>
<td>2,084 million</td>
<td>2,263 million</td>
<td>(8)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>2,339 million</td>
<td>2,190 million</td>
<td>7</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>1,119 million</td>
<td>1,470 million</td>
<td>(24)</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,376 million</td>
<td>1,395 million</td>
<td>(1)</td>
</tr>
<tr>
<td>Net income</td>
<td>911 million</td>
<td>1,200 million</td>
<td>(24)</td>
</tr>
<tr>
<td>Reported EPS</td>
<td>1.0</td>
<td>1.31</td>
<td>(24)</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>0.86</td>
<td>1.51</td>
<td>(43)</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td>1,998 million</td>
<td>2,930 million</td>
<td>(32)</td>
</tr>
</tbody>
</table>

### Sales development

<table>
<thead>
<tr>
<th>Sales development</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2019 vs. Q3 2018</td>
<td>0%</td>
<td>↓ (4%)</td>
<td>0%</td>
<td>↑ 2%</td>
</tr>
</tbody>
</table>
BASF Group Q1 – Q3 2019: Sales decreased slightly; EBIT before special items 32% below prior-year period

<table>
<thead>
<tr>
<th>Financial figures</th>
<th>Q1 – Q3 2019</th>
<th>Q1 – Q3 2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>€</td>
<td>%</td>
</tr>
<tr>
<td>Sales</td>
<td>46,566 million</td>
<td>47,089 million</td>
<td>(1)</td>
</tr>
<tr>
<td>EBITDA before special items</td>
<td>6,722 million</td>
<td>7,985 million</td>
<td>(16)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>6,754 million</td>
<td>7,830 million</td>
<td>(14)</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>3,896 million</td>
<td>5,723 million</td>
<td>(32)</td>
</tr>
<tr>
<td>EBIT</td>
<td>3,682 million</td>
<td>5,564 million</td>
<td>(34)</td>
</tr>
<tr>
<td>Net income</td>
<td>8,777 million</td>
<td>4,359 million</td>
<td>101</td>
</tr>
<tr>
<td>Reported EPS</td>
<td>9.56</td>
<td>4.75</td>
<td>101</td>
</tr>
<tr>
<td>Adjusted EPS</td>
<td>3.33</td>
<td>5.21</td>
<td>(36)</td>
</tr>
<tr>
<td>Cash flows from operating activities</td>
<td>4,317 million</td>
<td>6,385 million</td>
<td>(32)</td>
</tr>
</tbody>
</table>

Sales development

<table>
<thead>
<tr>
<th>Q1 – Q3 2019 vs. Q1 – Q3 2018</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>↓ (3%)</td>
<td>↓ (3%)</td>
<td>↑ 3%</td>
<td>↑ 2%</td>
</tr>
</tbody>
</table>
## Cash flow development Q1 – Q3 2019

<table>
<thead>
<tr>
<th></th>
<th>Q1 – Q3 2019</th>
<th>Q1 – Q3 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>million €</td>
<td>million €</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4,317</td>
<td>6,385</td>
</tr>
<tr>
<td>Thereof</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in net working capital</td>
<td>(177)</td>
<td>(653)</td>
</tr>
<tr>
<td>Miscellaneous items</td>
<td>(7,355)</td>
<td>(204)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>47</td>
<td>(10,036)</td>
</tr>
<tr>
<td>Thereof</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments made for tangible / intangible assets</td>
<td>(2,648)</td>
<td>(2,428)</td>
</tr>
<tr>
<td>Acquisitions / divestitures</td>
<td>2,254</td>
<td>(7,120)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td>(4,745)</td>
<td>(127)</td>
</tr>
<tr>
<td>Thereof</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in financial and similar liabilities</td>
<td>(1,730)</td>
<td>2,926</td>
</tr>
<tr>
<td>Dividends</td>
<td>(3,016)</td>
<td>(3,057)</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>1,669</td>
<td>3,957</td>
</tr>
</tbody>
</table>
Balance sheet remains strong

Balance sheet September 30, 2019 vs. December 31, 2018
billion €

- Total assets rose by €3.0 billion; more than one third of the increase was related to the new IFRS 16 standard on leases.
- Noncurrent assets increased by €16.2 billion, mainly due to the recognition of our participating interests in Wintershall Dea and Solenis.
- Net debt decreased by €393 million to €17.8 billion.
- The equity ratio increased from 41.7% (Dec. 31, 2018) to 46.2% (Sep. 30, 2019), mainly due to the book gain on the deconsolidation of Wintershall.

![Balance Sheet Chart]

- BASF’s global pigments business;
- BASF’s oil & gas business and the paper and water chemicals business.
Outlook 2019 for BASF Group

<table>
<thead>
<tr>
<th>Outlook 2019(^1)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>Slight decline</td>
</tr>
<tr>
<td><strong>EBIT before special items</strong></td>
<td>Considerable decline of up to 30%</td>
</tr>
<tr>
<td><strong>ROCE</strong></td>
<td>Considerable decline</td>
</tr>
</tbody>
</table>

**Underlying assumptions**

- GDP growth: +2.5% (unchanged)
- Growth in industrial production: +1.5% (unchanged)
- Growth in chemical production: +1.5% (unchanged)
- Exchange rate: US$1.15 per euro (unchanged)
- Oil price (Brent): US$65 per barrel  
  (previous assumption: US$70 per barrel)

---

\(^1\) For sales, “slight” represents a change of 1–5%, while “considerable” applies to changes of 6% and higher. For earnings, “slight” means a change of 1–10%, while “considerable” is used for changes of 11% and higher. At a cost of capital percentage of 10% for 2018 and 2019, we define a change in ROCE of 0.1 to 1.0 percentage points as “slight,” a change of more than 1.0 percentage points as “considerable.”
Chemicals

Sales Q3 2019 vs. Q3 2018

|          | Intermediates 698 (11%) | Petrochemicals 1,731 (26%) | Total 2,429 (22%) |

EBIT before special items

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>398</td>
<td>257</td>
</tr>
<tr>
<td>Q4</td>
<td>257</td>
<td>306</td>
</tr>
<tr>
<td>Q1</td>
<td>306</td>
<td>119</td>
</tr>
<tr>
<td>Q2 2019</td>
<td>119</td>
<td>251</td>
</tr>
</tbody>
</table>

Sales development

<table>
<thead>
<tr>
<th>Period</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2019 vs. Q3 2018</td>
<td>↓ (12%)</td>
<td>↓ (12%)</td>
<td>0%</td>
<td>↑ 2%</td>
</tr>
</tbody>
</table>
**Materials**

**Sales Q3 2019 vs. Q3 2018**

- **Sales Q3 2019 vs. Q3 2018**
  - **Sales Q3 2019 vs. Q3 2018**
    - **Performance Materials**
      - 1,506 million € (6%)
    - Monomers
      - 1,388 million € (19%)
    - **€2,894 million € (13%)**

**EBIT before special items**

- **EBIT before special items**
  - **EBIT before special items**
    - Q3 2019 vs. Q3 2018
      - 664 million €
    - Q4 2019
      - 155 million €
    - Q1 2019
      - 323 million €
    - Q2 2019
      - 334 million €
    - Q3 2019
      - 266 million €

**Sales development**

<table>
<thead>
<tr>
<th>Sales development</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2019 vs. Q3 2018</td>
<td>0%</td>
<td>(15%)</td>
<td>0%</td>
<td>2%</td>
</tr>
</tbody>
</table>
Industrial Solutions

Sales Q3 2019 vs. Q3 2018 million €

Performance Chemicals 795 (20%)
Dispersions & Pigments 1,335 0%

€2,130 (8%)

EBIT before special items million €

Sales Q3 2019 vs. Q3 2018

Volumes

Q3 2019 vs. Q3 2018 0%

Prices

Q3 2019 vs. Q3 2018 (2%)

Portfolio

Q3 2019 vs. Q3 2018 (9%)

Currencies

Q3 2019 vs. Q3 2018 3%
Surface Technologies

Sales Q3 2019 vs. Q3 2018
million €

<table>
<thead>
<tr>
<th></th>
<th>Q3 2019 vs. Q3 2018</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Chemicals*</td>
<td>676</td>
<td>+5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coatings</td>
<td>931</td>
<td>+4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>€4,001</strong></td>
<td>+22%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

EBIT before special items
million €

<table>
<thead>
<tr>
<th>Year</th>
<th>Q3 2018</th>
<th>Q4 2018</th>
<th>Q1 2019</th>
<th>Q2 2019</th>
<th>Q3 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catalysts</td>
<td>142</td>
<td>211</td>
<td>159</td>
<td>190</td>
<td>261</td>
</tr>
</tbody>
</table>

Sales development

Q3 2019 vs. Q3 2018

- Volumes: +6%
- Prices: +13%
- Portfolio: 0%
- Currencies: +3%
Nutrition & Care

Sales Q3 2019 vs. Q3 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Million €</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nutrition &amp; Health</td>
<td>497</td>
<td>+15%</td>
</tr>
<tr>
<td>Care Chemicals</td>
<td>1,022</td>
<td>(1%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,519</strong></td>
<td>+3%</td>
</tr>
</tbody>
</table>

EBIT before special items

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2018</td>
<td>189</td>
</tr>
<tr>
<td>Q4 2018</td>
<td>79</td>
</tr>
<tr>
<td>Q1 2019</td>
<td>222</td>
</tr>
<tr>
<td>Q2 2019</td>
<td>220</td>
</tr>
<tr>
<td>Q3 2019</td>
<td>225</td>
</tr>
</tbody>
</table>

Sales development

<table>
<thead>
<tr>
<th>Period</th>
<th>Volumes</th>
<th>Prices</th>
<th>Portfolio</th>
<th>Currencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3 2019 vs. Q3 2018</td>
<td>↑ 3%</td>
<td>↓ (2%)</td>
<td>0%</td>
<td>↑ 2%</td>
</tr>
</tbody>
</table>
Agricultural Solutions

Sales Q3 2019 vs. Q3 2018

<table>
<thead>
<tr>
<th></th>
<th>Q3 2018</th>
<th>Q3 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Q3 2019 vs. Q3 2018</td>
<td>1,243</td>
<td>1,561</td>
</tr>
<tr>
<td>Volumes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portfolio</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Currencies</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

EBIT before special items

<table>
<thead>
<tr>
<th></th>
<th>Q3 2018</th>
<th>Q3 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT before special items million €</td>
<td>-5</td>
<td>73</td>
</tr>
<tr>
<td>Sales Q3 2019 vs. Q3 2018</td>
<td>+€78 million</td>
<td></td>
</tr>
</tbody>
</table>

Sales development

- Q3 2019 vs. Q3 2018: +26%
- Volumes: +21%
- Prices: -6%
## Review of “Other”

<table>
<thead>
<tr>
<th>Financial figures</th>
<th>Q3 2019 million €</th>
<th>Q3 2018 million €</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>697</td>
<td>845</td>
</tr>
<tr>
<td><strong>EBIT before special items</strong></td>
<td>(162)</td>
<td>(82)</td>
</tr>
<tr>
<td><strong>Thereof</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of corporate research</td>
<td>(92)</td>
<td>(96)</td>
</tr>
<tr>
<td>Costs of corporate headquarters</td>
<td>(57)</td>
<td>(64)</td>
</tr>
<tr>
<td>Foreign currency results, hedging and other measurement effects</td>
<td>(15)</td>
<td>31</td>
</tr>
<tr>
<td>Other businesses</td>
<td>61</td>
<td>18</td>
</tr>
<tr>
<td><strong>Special items</strong></td>
<td>331</td>
<td>(18)</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>169</td>
<td>(100)</td>
</tr>
</tbody>
</table>
We create chemistry