



Financial Overview

- Solid core volume growth of 2.6% Y/Y, despite negative external factors, to 1.265mt with APAC +8.1% Y/Y, NAFTA -1.3% Y/Y and EMLA +0.6% Y/Y
- Sales increased by 16.9% Y/Y to €3,532m, with volume +2.0% Y/Y, price +18.4% Y/Y and FX -3.5% Y/Y
- EBITDA increased by 50% Y/Y to €862m driven by strongly positive pricing delta (€353m despite higher raw material prices), solid volumes (€30m), despite slight FX headwind (€-34m)
- EBIT increased by 74% Y/Y to €705m while D&A remained almost unchanged
- Financial results improved Y/Y to €-35m due to lower debt
- Income tax rate of 26.4%, slightly below guidance due to a favourable country profit mix
- EPS increased by 90% Y/Y from €1.28 to €2.43
- FOCF increased by 2% Y/Y to €658m despite higher working capital and capex
- Total net debt (incl. pension provisions) reduced by €603m to €1,750m (30.06.2017: €2,353m)
- Net financial debt decreased by €644m to €542m (30.06.2017: €1,186m)

Polyurethanes

- Core volumes (in kt) increased by 4.3% Y/Y despite force majeure in US
- EBITDA increased by 111% Y/Y to €556m driven by positive pricing delta

Polycarbonates

- Core volumes (in kt) increased by 1.5% Y/Y despite constrained product availability
- EBITDA increased by 9% Y/Y to €211m due to product mix improvements

Coatings, Adhesives, Specialties

- Core volumes (in kt) decreased by 5.0% Y/Y impacted by destocking and force majeure in US
- EBITDA decreased by 12.5% Y/Y to €119m due to lower sales volumes

Outlook 2017 (unchanged)

- We expect core volume growth in the low- to mid-single-digit percentage range
- We anticipate FOCF significantly above the average of the last three years (Ø 2014-2016: €881m)
- We expect ROCE significantly above the 2016 level (14.2%)

Additional Financial Expectations for 2017

- EBITDA Q4 2017: Significantly above Q4 2016 (€390m)
- EBITDA FY 2017: Significantly above FY 2016 (€2,014m)
- Capex: ~€500m (previously: ~€550m)
- D&A: ~€650m (unchanged)
- Financial results: ~€-160m (previously: ~€-180m)
- Tax rate: ~28% (unchanged)
- Guidance based on current exchange rates

Covestro IR Factsheet - Q3 2017

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	9M 2017
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Core volumes ('000 t)¹	1,171	1,254	1,233	1,137	1,276	1,233	1,265	3,775
Sales	2,875	2,990	3,022	3,017	3,586	3,498	3,532	10,616
PUR	1,403	1,481	1,503	1,540	1,894	1,889	1,938	5,721
PCS	786	831	848	833	954	911	933	2,798
CAS	512	532	515	481	564	533	490	1,587
Others / Consolidation	174	146	156	163	174	165	171	510
EBITDA	508	542	574	390	846	848	862	2,556
PUR	214	228	263	176	482	556	556	1,594
PCS	177	191	194	142	232	197	211	640
CAS	139	142	136	83	146	114	119	379
Others / Consolidation	-22	-19	-19	-11	-14	-19	-24	-57
DA	-168	-178	-168	-169	-158	-161	-157	-476
EBIT	340	364	406	221	688	687	705	2,080
PUR	117	124	168	80	396	460	466	1,322
PCS	127	142	145	93	184	152	167	503
CAS	119	119	114	59	123	95	97	315
Others / Consolidation	-23	-21	-21	-11	-15	-20	-25	-60
Financial result	-78	-45	-41	-32	-54	-34	-35	-123
EBT	262	319	365	189	634	653	670	1,957
Taxes	-78	-86	-104	-61	-165	-167	-177	-509
Minorities	2	3	2	4	1	2	2	5
Net income	182	230	259	124	468	484	491	1,443
EPS (€, 202.5m shares)	0.90	1.13	1.28	0.62	2.31	2.39	2.43	7.13
Core volumes Y/Y¹	8.4%	7.7%	9.1%	4.8%	9.0%	-1.6%	2.6%	3.2%
PUR	10.3%	9.0%	9.0%	2.4%	6.8%	-2.3%	4.3%	2.8%
PCS	8.5%	8.5%	11.6%	12.8%	14.7%	0.7%	1.5%	5.4%
CAS	-2.8%	-1.8%	3.5%	0.0%	8.1%	-3.0%	-5.0%	-0.1%
Sales Y/Y	-5.9%	-6.9%	0.1%	7.8%	24.7%	17.0%	16.9%	19.5%
PUR	-9.7%	-9.5%	-0.6%	11.2%	35.0%	27.5%	28.9%	30.4%
PCS	2.7%	0.2%	3.5%	9.7%	21.4%	9.6%	10.0%	13.5%
CAS	-4.3%	-5.3%	-0.8%	0.8%	10.2%	0.2%	-4.9%	1.8%
Volume Y/Y	5.3%	4.5%	6.3%	3.8%	9.9%	0.6%	2.0%	4.2%
PUR	6.9%	6.4%	6.7%	0.3%	7.6%	-0.8%	3.0%	3.3%
PCS	8.7%	7.9%	10.3%	13.2%	17.2%	2.5%	4.4%	7.9%
CAS	-1.6%	-0.6%	2.5%	2.4%	9.1%	-1.2%	-6.0%	0.6%
Price Y/Y	-10.5%	-8.7%	-5.1%	4.6%	13.4%	15.3%	18.4%	15.7%
PUR	-15.7%	-13.1%	-6.2%	11.6%	25.8%	27.0%	29.7%	27.5%
PCS	-5.4%	-4.3%	-5.0%	-2.6%	2.9%	6.1%	9.4%	6.2%
CAS	-2.4%	-2.7%	-2.7%	-1.7%	-0.3%	0.6%	3.8%	1.4%
FX Y/Y	-0.7%	-2.7%	-1.1%	-0.6%	1.4%	1.1%	-3.5%	-0.4%
PUR	-0.9%	-2.8%	-1.1%	-0.7%	1.6%	1.3%	-3.8%	-0.4%
PCS	-0.6%	-3.4%	-1.8%	-0.9%	1.3%	1.0%	-3.8%	-0.6%
CAS	-0.3%	-2.0%	-0.6%	0.1%	1.4%	0.8%	-2.7%	-0.2%
EBITDA Y/Y²	22.1%	8.8%	21.9%	52.3%	66.5%	56.5%	50.2%	57.4%
PUR	31.3%	2.2%	50.3%	179.4%	125.2%	143.9%	111.4%	126.1%
PCS	52.6%	27.3%	13.5%	15.4%	31.1%	3.1%	8.8%	13.9%
CAS	4.5%	3.6%	-0.7%	-1.2%	5.0%	-19.7%	-12.5%	-9.1%
EBITDA margin	17.7%	18.1%	19.0%	12.9%	23.6%	24.2%	24.4%	24.1%
PUR	15.3%	15.4%	17.5%	11.4%	25.4%	29.4%	28.7%	27.9%
PCS	22.5%	23.0%	22.9%	17.0%	24.3%	21.6%	22.6%	22.9%
CAS	27.1%	26.7%	26.4%	17.3%	25.9%	21.4%	24.3%	23.9%
Tax rate	29.8%	27.0%	28.5%	32.3%	26.0%	25.6%	26.4%	26.0%
EPS Y/Y	57.9%	50.7%	62.0%	n.m.	157.1%	111.5%	89.8%	115.4%
Net financial debt	2,087	2,037	1,408	1,499	1,340	1,186	542	542
Provisions for pensions	1,876	2,098	2,171	1,209	1,144	1,167	1,208	1,208
Operating cash flows	124	316	736	610	285	411	775	1,471
FOCF	77	237	646	407	211	319	658	1,188

¹Reference values as of 2016 recalculated effective March 31, 2017, based on the definition of core business. ² versus adj. EBITDA for periods prior to Q1 2016.