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Quarterly Statement Q3 2022

Q3 | BASF Group

22 | Quarterly Statement

On the cover and this page:

BASF offers products for almost all sectors and applications – from important basic chemicals and a wide range of intermediates to highly specific customer solutions for the automotive, plastics, cosmetics and pharmaceutical industries or agriculture, for example. BASF manufactures around 8,500 products at its Ludwigshafen site in Germany alone. One of these is Xemium®. The high-performance active ingredient helps farmers around the world to control fungal diseases in various crops, contributing to food security. The photos on the cover and this page show Mesut Aslan, an operator at the Xemium® plant, on an inspection tour of the facility.



Contents

Key Figures: BASF Group Q3 2022	4
Business Review	5
BASF Group	5
Significant Events	5
Results of Operations	6
Net Assets	7
Financial Position	7
Outlook	9
Chemicals	10
Materials	11
Industrial Solutions	12
Surface Technologies	13
Nutrition & Care	14
Agricultural Solutions	15
Other	16
Regions	17
Selected Financial Data	18
Statement of Income	18
Balance Sheet	19
Statement of Cash Flows	21
Selected Key Figures Excluding Precious Metals	22

At a Glance

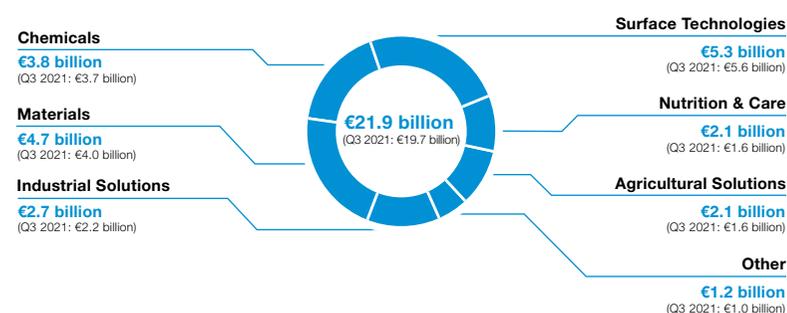
Sales – Q3 2022

€21.9 billion
(Q3 2021: €19.7 billion)

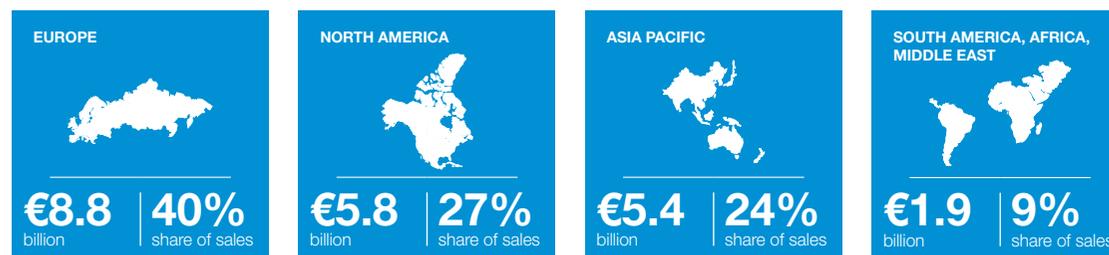
EBIT before special items – Q3 2022

€1.3 billion
(Q3 2021: €1.9 billion)

Sales by segment and Other – Q3 2022



Sales¹ by region and share of total BASF Group sales – Q3 2022



Outlook for the BASF Group

Outlook for the 2022 business year unchanged (forecast published in the BASF Half-Year Financial Report 2022):

- Sales: €86 billion to €89 billion
- EBIT before special items: €6.8 billion to €7.2 billion
- Return on capital employed (ROCE): 10.5% to 11.0%
- CO₂ emissions: 18.4 million metric tons to 19.4 million metric tons

Key Figures

BASF Group Q3 2022

		Q3			January–September		
		2022	2021	+/-	2022	2021	+/-
Sales	million €	21,946	19,669	11.6%	68,003	58,822	15.6%
Income from operations before depreciation, amortization and special items	million €	2,325	2,771	-16.1%	9,361	9,169	2.1%
Income from operations before depreciation and amortization (EBITDA)	million €	2,255	2,729	-17.4%	9,359	9,104	2.8%
EBITDA margin	%	10.3	13.9	-	13.8	15.5	-
Depreciation and amortization ^a	million €	960	907	5.9%	2,930	2,655	10.4%
Income from operations (EBIT)	million €	1,294	1,822	-29.0%	6,429	6,449	-0.3%
Special items	million €	-53	-43	-24.3%	-76	-92	17.5%
EBIT before special items	million €	1,348	1,865	-27.7%	6,505	6,541	-0.6%
Income before income taxes	million €	1,239	1,777	-30.3%	5,775	6,213	-7.1%
Income after taxes	million €	952	1,381	-31.1%	4,452	4,985	-10.7%
Net income	million €	909	1,253	-27.5%	4,220	4,625	-8.8%
Earnings per share ^b	€	1.01	1.36	-25.7%	4.67	5.03	-7.2%
Adjusted earnings per share ^b	€	1.77	1.56	13.5%	6.85	5.59	22.5%
Research and development expenses	million €	545	523	4.2%	1,681	1,579	6.5%
Personnel expenses	million €	2,742	2,654	3.3%	8,772	8,525	2.9%
Employees (September 30)		111,768	110,672	1.0%	111,768	110,672	1.0%
Assets (September 30)	million €	97,030	86,102	12.7%	97,030	86,102	12.7%
Investments including acquisitions ^c	million €	1,155	1,792	-35.5%	2,866	3,168	-9.5%
Equity ratio (September 30)	%	50.6	47.2	-	50.6	47.2	-
Net debt (September 30)	million €	18,942	16,680	13.6%	18,942	16,680	13.6%
Cash flows from operating activities	million €	2,301	1,896	21.4%	3,239	3,908	-17.1%
Free cash flow	million €	1,295	1,077	20.2%	738	1,866	-60.5%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Due to the current share buyback program, the weighted average number of outstanding shares was 897,371,740 in the third quarter of 2022 and 904,411,442 in the period from January to September 2022.

^c Additions to property, plant and equipment and intangible assets

Due to rounding, individual figures in this quarterly statement may not add up to the totals shown and percentages may not correspond exactly to the figures shown.

Business Review

BASF Group

Significant events

Following extensive review, BASF announced in July 2022 that final approval had been granted for the construction of the planned Verbund site in Zhanjiang in the southern Chinese province of Guangdong. The project remains on schedule. After the first plant for the production of engineering plastics started operation in early September, the heart of the Verbund is now being constructed. This includes a steam cracker and several downstream plants for the production of petrochemicals and intermediates, among others.

On September 30, 2022, BASF closed the divestiture of its kaolin minerals business to KaMin LLC./CADAM S.A., a global performance minerals company headquartered in Macon, Georgia, following the approval of the relevant authorities. The divestiture comprised the production hub with sites in Daveyville, Toddville, Edgar, Gordon and related mines, reserves and mills in Toombsboro and Sandersville in Georgia. The refinery catalysts operations located at the same site were not part of the divestiture. Until the divestiture, the kaolin minerals business was part of the Performance Chemicals division and had approximately 440 employees in North America, Europe and Asia. The disposal price was around €220 million on a debt-free basis and excluding current assets not transferred.

Both Nord Stream 1 pipelines were damaged in September 2022, with the result that Nord Stream 1 is currently not operational. The pipelines are owned and operated by Nord Stream AG, in which BASF holds an indirect 15.5% interest via Wintershall Dea AG. The extent of the damage, options for and the extent of repairs, insurance coverage and effects on existing gas transportation agreements are currently being investigated. Based on the information currently available and using various scenarios, which also took into account the political situation, an impairment loss of around €740 million was recognized on Wintershall Dea's interest in Nord Stream AG in the third quarter.

Against the background of significantly weaker earnings in Europe – especially in Germany – as well as the deteriorating framework conditions in the region, BASF has initiated a cost savings program focusing on Europe and particularly Germany to be implemented from 2023 to 2024. Cost savings that are possible in the short term will be implemented immediately. Upon completion, the program is expected to generate annual cost savings of €500 million in non-production areas. More than half of the cost savings are to be realized at the Ludwigshafen site in Germany.

On October 20, 2022, the Supervisory Board of BASF SE extended the appointment of Dr. Martin Brudermüller (61) as BASF's Chairman of the Board of Executive Directors until the end of the 2024 Annual Shareholders' Meeting; Brudermüller's appointment was originally scheduled to end in 2023. Brudermüller has been Chairman of the Board of Executive Directors of BASF SE since 2018 and a Board member since 2006. In addition, the Supervisory Board has appointed Dr. Dirk Elvermann (51) as the new Chief Financial Officer and Chief Digital Officer. He succeeds Dr. Hans-Ulrich Engel (63), whose mandate ends at the closing of the 2023 Annual Shareholders' Meeting. Engel has been a member of the Board of Executive Directors since 2008, Chief Financial Officer of BASF SE since 2011 and also, since 2018, Vice Chairman of the Board of Executive Directors. Elvermann has been with the company since 2003 and has led the Corporate Finance division since 2019.

Results of operations

At €21,946 million, sales were €2,277 million higher than in the prior-year quarter. The sales increase was mainly driven by much higher prices in almost all segments. Only the Surface Technologies segment recorded lower price levels as a result of lower precious metal prices. Currency effects had a positive impact in all segments. Sales growth was also boosted by portfolio effects in the Surface Technologies segment following the acquisition of a majority shareholding in BASF Shanshan Battery Materials Co., Ltd. Sales development was significantly dampened by lower volumes in all segments except for Agricultural Solutions.

Factors influencing BASF Group sales in Q3 2022

Volumes	-7.2%	
Prices		9.6%
Portfolio		0.9%
Currencies		8.3%
Sales		11.6%

Income from operations (EBIT) before special items¹ declined by €517 million compared with the third quarter of 2021 to €1,348 million. This was primarily attributable to significantly lower EBIT before special items in the Chemicals and Materials segments. Considerable earnings growth in the Surface Technologies, Agricultural Solutions, Nutrition & Care and Industrial Solutions segments was unable to compensate for this. EBIT before special items also improved considerably in Other.

Q3 adjusted earnings per share

Million €

	2022	2021
Income after taxes	952	1,381
- Special items ^a	-569	-43
+ Amortization, impairments and reversals of impairments on intangible assets	163	156
- Amortization, impairments and reversals of impairments on intangible assets contained in special items	-	-
- Adjustments to income taxes	48	59
- Adjustments to income after taxes from discontinued operations	-	-43
Adjusted income after taxes	1,635	1,564
- Adjusted noncontrolling interests	46	132
Adjusted net income	1,589	1,432
Weighted average number of outstanding shares ^b	in thousands 897,372	918,479
Adjusted earnings per share	€ 1.77	1.56

^a Includes special items in net income from shareholdings of -€515 million for the third quarter of 2022.

^b Due to the current share buyback program, the weighted average number of outstanding shares in the third quarter of 2022 was 897,371,740.

Special items in EBIT amounted to -€53 million in the third quarter of 2022. Net expenses from restructuring measures, integration costs and other items totaling €64 million were partially offset by income from divestitures totaling €11 million, in particular from the sale of the kaolin minerals business.

At €1,294 million, **EBIT²** was considerably below the prior-year quarter (€1,822 million). This figure includes income from integral companies accounted for using the equity method, which declined by €124 million to €76 million, mainly due to the lower earnings contribution from BASF-YPC Company Ltd., Nanjing, China.

Compared with the third quarter of 2021, **income from operations before depreciation, amortization and special items (EBITDA before special items)³** decreased by €446 million to €2,325 million and **EBITDA³** declined by €474 million to €2,255 million.

Q3 EBITDA before special items

Million €

	2022	2021
EBIT	1,294	1,822
- Special items	-53	-43
EBIT before special items	1,348	1,865
+ Depreciation and amortization before special items	974	891
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	4	15
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	977	906
EBITDA before special items	2,325	2,771

¹ For an explanation of this indicator, see [Our Steering Concept](#) on page 42 onward of the BASF Report 2021.

² The calculation of income from operations (EBIT) is shown in the [Statement of Income](#) on page 18 of this quarterly statement.

³ For an explanation of this indicator, see [Results of Operations](#) on page 56 onward of the BASF Report 2021.

Q3 EBITDA

Million €

	2022	2021
EBIT	1,294	1,822
+ Depreciation and amortization	974	891
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets	-13	16
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets	960	907
EBITDA	2,255	2,729

Net income from shareholdings rose by €16 million compared with the prior-year quarter to €102 million. Income from non-integral companies accounted for using the equity method included special charges for impairments of approximately €740 million recognized in connection with damages to the Nord Stream 1 pipelines, in which BASF holds an indirect interest via Wintershall Dea AG. The operational result (after tax) of Wintershall Dea attributable to BASF rose by €533 million compared with the third quarter of 2021 to €630 million.

The **financial result** declined by €26 million compared with the prior-year quarter. This was primarily attributable to the €44 million lower interest result, mainly due to higher interest expenses for financial indebtedness.

Overall, **income before income taxes** decreased by €538 million compared with the prior-year quarter to €1,239 million in the third quarter of 2022. The tax rate rose to 23.2% (Q3 2021: 19.9%).

Income after taxes declined by €429 million compared with the third quarter of 2021 to €952 million. The decrease in **noncontrolling interests** to €42 million (Q3 2021: €128 million) mainly resulted from lower earnings contributions from BASF TotalEnergies Petrochemicals LLC, Port Arthur, Texas, and from BASF Petronas Chemicals Sdn. Bhd., Petaling Jaya, Malaysia.

Earnings per share amounted to €1.01 in the third quarter of 2022 (Q3 2021: €1.36). **Earnings per share adjusted¹** for special items and amortization of intangible assets amounted to €1.77 (Q3 2021: €1.56).

Net assets

Total assets amounted to €97,030 million as of September 30, 2022, €9,648 million higher than the 2021 year-end figure.

Noncurrent assets rose by €2,263 million. Property, plant and equipment increased by €1,416 million, mainly due to currency effects. Moreover, additions to property, plant and equipment were €345 million higher than depreciation. The increase in intangible assets was also primarily attributable to currency effects. These were partially offset by higher amortization, which exceeded additions by €409 million. Other receivables and miscellaneous assets were up €1,174 million from the figure as of December 31, 2021, mainly as a result of higher defined benefit assets and higher fair values of derivatives. The carrying amounts of non-integral shareholdings accounted for using the equity method as of September 30, 2022, were €532 million higher than at the end of the previous year, largely due to currency effects at Wintershall Dea. Integral shareholdings accounted for using the equity method rose by €407 million, primarily from the addition of the remaining interest in the Hollandse Kust Zuid wind farm following the partial divestiture. This was offset by a €1,830 million decrease in deferred tax assets compared with the 2021 year-end, mainly due to lower pension provisions.

Current assets rose by €7,384 million to €42,435 million. This mainly reflected higher inventories as a result of higher raw materials prices and the sales-driven increase in trade accounts receivable. Other current receivables and miscellaneous assets rose by €1,799 million, primarily due to higher precious metal trading items and higher positive fair values of derivatives. Cash and cash equivalents were €559 million above the prior year-end figure. The

€840 million decrease in assets of disposal groups resulted from the divestiture of the kaolin minerals business as of September 30, 2022, and the partial disposal of the shareholding in the Hollandse Kust Zuid wind farm in the second quarter of 2022.

Financial position

Equity rose by €7,019 million compared with December 31, 2021, to €49,100 million. This was mainly due to translation adjustments and actuarial gains. Retained earnings decreased by €160 million, mainly due to share buybacks for around €1.3 billion. Income after taxes had an offsetting effect and was €1,148 million higher than the dividends paid in the second quarter of 2022, which amounted to €3,072 million. The equity ratio increased from 48.2% to 50.6%.

Noncurrent liabilities declined by around €2 billion to €23,216 million, primarily due to significantly lower pension provisions resulting from higher interest rates. The €1,943 million increase in noncurrent financial indebtedness largely reflected the issue of new eurobonds with a total volume of €3.5 billion as well as currency effects. This was partially offset by the reclassification of two bonds with an aggregate carrying amount of around €1.7 billion from noncurrent to current financial indebtedness.

Current liabilities rose by €4,633 million compared with December 31, 2021, to €24,714 million as of September 30, 2022, mainly due to the €3,201 million increase in current financial indebtedness. This was primarily attributable to the placement of commercial paper amounting to around €1 billion by BASF SE, the above-mentioned reclassification of two bonds from noncurrent to current financial indebtedness, and current liabilities to banks, which rose by around €1 billion. The scheduled repayment of a USD bond and a GBP bond with an aggregate carrying amount of €739 million had an offsetting effect. Current provisions rose by approximately €1 billion, largely owing to higher provisions for rebates. Trade accounts payable increased by €769 million. This was partially offset by the

¹ For an explanation of this indicator, see Results of Operations on page 56 onward of the BASF Report 2021.

€564 million decrease in other liabilities, mainly due to lower advance payments received.

Net debt¹ rose by €4,591 million compared with December 31, 2021, to €18,942 million.

Net debt		
Million €	September 30, 2022	December 31, 2021
Noncurrent financial indebtedness	15,707	13,764
+ Current financial indebtedness	6,621	3,420
Financial indebtedness	22,328	17,184
– Marketable securities	202	208
– Cash and cash equivalents	3,183	2,624
Net debt	18,942	14,352

Cash flows from operating activities amounted to €2,301 million in the third quarter of 2022, €405 million better than in the prior-year quarter. The improvement was mainly due to a €714 million increase in cash released from net working capital, which more than offset the €344 million decline in net income. Changes in net working capital resulted from a €2,362 million reduction in receivables and a simultaneous €858 million reduction in operating liabilities. This released cash of €1,504 million, €441 million above the figure for the third quarter of 2021. In addition, cash tied up in inventories declined by €273 million compared with the prior-year quarter.

Cash flows from investing activities amounted to –€680 million, an improvement of €1,138 million compared with the third quarter of 2021. In the previous year, this included payment of the net purchase price for the shareholding in BASF Shanshan Battery Materials (€600 million), while the figure for the third quarter of 2022 included the proceeds from the sale of the kaolin minerals business (€222 million). At €1,006 million, payments made for property, plant and equipment and intangible assets were €187 million above the figure for the prior-year quarter.

Cash flows from financing activities amounted to –€2,188 million, after –€56 million in the prior-year quarter. The decrease was mainly due to the €1,938 million reduction in financial indebtedness and similar liabilities as well as payments of €233 million made under the share buyback program in the third quarter of 2022.

Free cash flow¹ amounted to €1,295 million in the third quarter of 2022, €218 million higher than in the prior-year quarter.

Q3 free cash flow

Million €	2022	2021
Cash flows from operating activities	2,301	1,896
– Payments made for property, plant and equipment and intangible assets	1,006	819
Free cash flow	1,295	1,077

BASF enjoys good **credit ratings**, especially compared with competitors in the chemical industry. Fitch's rating of A/F1/outlook stable from June 11, 2021, remained unchanged. Standard & Poor's confirmed BASF's long and short-term rating of A/A-1 on August 1, 2022, and revised its outlook from stable to negative. Moody's most recently confirmed its rating of A3/P-2/outlook stable on October 13, 2022.

¹ For an explanation of this indicator, see [Financial Position on page 63 onward of the BASF Report 2021](#).

Outlook

In the third quarter of 2022, global economic activity weakened more significantly than expected. In Europe, the sharp rise in energy prices and associated increases in consumer prices have significantly eroded the purchasing power of private households. This has reduced demand for consumer durables in particular. High energy prices have also led to production shutdowns in energy-intensive sectors. This was compounded by the drought in Europe, which impacted inland shipping and drove up transportation costs and electricity prices. In addition, the strong U.S. dollar made imports more expensive in the eurozone.

In the United States, economic development was dampened by high inflation rates and sharply rising interest rates. Demand in the construction sector in particular suffered from higher financing costs. In China, the economy is recovering only hesitantly and the Chinese government's zero-Covid policy repeatedly led to regional restrictions on production in the third quarter of 2022. In this environment, economic activity also weakened in many other Asian countries, which faced weaker export demand and rising prices for energy imports.

Against this background, BASF has adjusted its assessment of the **global economic environment** in 2022 (values rounded to half percentage points, previous forecast from BASF's Half-Year Financial Report 2022 in parentheses):

- Growth in gross domestic product: +2.5% (unchanged)
- Growth in industrial production: +2.5% (+3.0%)
- Growth in chemical production: +2.0% (+2.5%)
- Average euro/dollar exchange rate of \$1.05 per euro (\$1.07 per euro)
- Average annual oil price (Brent crude) of \$100 per barrel (\$110 per barrel)

Despite the significant weakening of the economic environment in the third quarter of 2022, the BASF Group's **forecast** for the 2022 business year published in the Half-Year Financial Report 2022 remains unchanged:

- Sales of between €86 billion and €89 billion
- EBIT before special items of between €6.8 billion and €7.2 billion
- Return on capital employed (ROCE) of between 10.5% and 11.0%
- CO₂ emissions of between 18.4 million metric tons and 19.4 million metric tons

Due to the above developments, BASF expects extremely volatile markets and associated uncertainties in the fourth quarter of 2022. Specifically, the war in Ukraine and its impact on energy and raw materials prices and the availability of raw materials, especially in Europe, may lead to additional headwinds compared with the assumptions presented above. In particular, risks may arise as a result of restrictions to natural gas supplies. This requires corresponding production adjustments and, depending on the extent, may lead to production interruptions at the major European sites. In this case, the loss of European capacities could be partially compensated for by higher plant capacity utilization at sites outside of Europe and corresponding imports to Europe. Further risks could arise from the future course of the coronavirus pandemic and the reintroduction of measures to contain rising infection numbers. Opportunities may arise from an improved macroeconomy.

We are responding to the deteriorating economic environment and structurally higher energy costs in the future with cost reduction measures.

For the **remaining opportunity and risk factors**, the statements made in the BASF Report 2021 continue to apply overall. According to the company's assessment, neither existing individual risks nor the sum of individual risks pose a threat to the continued existence of the BASF Group.

 For more information on other opportunities and risks, see [page 151 onward of the BASF Report 2021](#)

Chemicals

Q3 2022

Sales¹ in the Chemicals segment rose slightly compared with the prior-year quarter. This was attributable to sales growth in the Petrochemicals division. By contrast, sales declined slightly in the Intermediates division.

Factors influencing sales in Q3 2022 – Chemicals

	Chemicals	Petrochemicals	Intermediates
Volumes	-12.4%	-10.7%	-16.7%
Prices	8.7%	8.5%	9.2%
Portfolio	-0.1%	-0.1%	-0.1%
Currencies	6.6%	6.7%	6.1%
Sales	2.7%	4.4%	-1.5%

Sales growth in the segment was primarily driven by significantly higher prices, especially in Europe, due to increased prices for raw materials and energy.

Positive currency effects, especially from the U.S. dollar, also contributed to the sales increase.

This was partially offset by lower volumes due to weaker demand. The decline in demand was mainly attributable to the impact of extraordinarily high raw materials and energy prices in Europe and developments in China. Sales volumes in both divisions decreased considerably in this market environment, especially for steam cracker products and along the propylene value chain in the Petrochemicals division and mainly in the butanediol and derivatives business in the Intermediates division.

Segment data – Chemicals

Million €

	Q3			January–September		
	2022	2021	+/-	2022	2021	+/-
Sales to third parties	3,793	3,693	2.7%	12,145	9,848	23.3%
of which Petrochemicals	2,764	2,648	4.4%	8,670	7,052	22.9%
Intermediates	1,029	1,045	-1.5%	3,476	2,796	24.3%
Income from operations before depreciation, amortization and special items ^a	527	1,070	-50.7%	2,625	3,031	-13.4%
Income from operations before depreciation and amortization (EBITDA) ^a	526	1,068	-50.8%	2,620	3,070	-14.7%
Depreciation and amortization ^b	203	190	7.1%	590	550	7.3%
Income from operations (EBIT) ^a	322	877	-63.2%	2,031	2,520	-19.4%
Special items	-1	-	-	-5	38	.
EBIT before special items ^a	323	878	-63.2%	2,035	2,482	-18.0%
Assets (September 30) ^a	11,493	9,738	18.0%	11,493	9,738	18.0%
Investments including acquisitions ^c	412	248	66.1%	954	619	54.1%
Research and development expenses	21	22	-2.6%	71	73	-2.5%

^a BASF's ethylene value chain was reorganized internally as of January 1, 2022. In this connection, the polyolefins and styrenics businesses of the joint venture BASF-YPC Company Ltd., Nanjing, China, which were previously reported under Other, were allocated to the Petrochemicals division. The prior-year figures have been adjusted. This reduced income from integral companies accounted for using the equity method, EBITDA before special items, EBITDA, EBIT and EBIT before special items in Other by €28 million in the first quarter of 2021 and increased these indicators in the Petrochemicals division accordingly (rounding differences are possible). The effect was €28 million in both the second and third quarters of 2021 and €34 million in the fourth quarter of 2021. The effect in full-year 2021 was €118 million. The operating assets were also reallocated as part of the reorganization and increased the Chemicals segment's assets by €114 million as of December 31, 2021.

^b Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^c Additions to property, plant and equipment and intangible assets

The segment's **income from operations (EBIT) before special items¹** was considerably below the exceptionally strong prior-year figure. In both divisions, this was primarily due to lower margins, higher fixed costs and lower income from equity-accounted shareholdings. The lower margins were largely attributable to weaker demand. In both divisions, the increase in fixed costs was driven by energy prices and currency effects.

Materials

Q3 2022

In the Materials segment, **sales** in both divisions increased considerably compared with the prior-year period.

Factors influencing sales in Q3 2022 – Materials

	Materials	Performance Materials	Monomers
Volumes	-8.9%	-0.1%	-16.7%
Prices	19.9%	12.7%	26.4%
Portfolio	-0.1%	0.0%	-0.2%
Currencies	7.8%	8.3%	7.3%
Sales	18.7%	20.8%	16.8%

The positive sales development was mainly driven by significantly higher prices resulting from increased raw material and energy prices and logistics costs. Monomers raised prices in all value chains, especially for polyamides and ammonia. The Performance Materials division achieved higher prices, particularly for polyurethane systems and Ultramid, mainly in Europe and North America, and for thermoplastic polyurethane in Europe.

Sales growth was supported by currency effects, primarily from the U.S. dollar and the Chinese renminbi.

This was partially offset by lower sales volumes. The Monomers division recorded a considerable decline in volumes in most value chains and regions. Higher volumes for polyamides in North America were unable to compensate for this. Sales volumes in the Performance Materials division were close to the level of the prior-year quarter. Stronger demand in North America almost completely compensated for lower sales volumes in Europe.

Segment data – Materials

Million €

	Q3			January–September		
	2022	2021	+/-	2022	2021	+/-
Sales to third parties	4,715	3,973	18.7%	14,399	11,163	29.0%
of which Performance Materials	2,262	1,873	20.8%	6,604	5,417	21.9%
Monomers	2,453	2,100	16.8%	7,794	5,746	35.6%
Income from operations before depreciation, amortization and special items	489	832	-41.2%	2,317	2,680	-13.5%
Income from operations before depreciation and amortization (EBITDA)	484	822	-41.1%	2,293	2,636	-13.0%
Depreciation and amortization ^a	212	202	5.0%	622	606	2.6%
Income from operations (EBIT)	272	620	-56.1%	1,671	2,030	-17.7%
Special items	-4	-11	59.4%	-24	-65	62.4%
EBIT before special items	277	631	-56.2%	1,696	2,095	-19.1%
Assets (September 30)	12,096	10,620	13.9%	12,096	10,620	13.9%
Investments including acquisitions ^b	152	166	-8.4%	495	421	17.5%
Research and development expenses	52	48	8.3%	146	142	2.6%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Income from operations (EBIT) before special items in both operating divisions declined considerably compared with the third quarter of 2021. In the Monomers division, the earnings decrease was primarily attributable to higher prices for raw materials and energy, higher fixed costs and lower sales volumes. Higher fixed costs were the main driver behind the decline in EBIT before special items in the Performance Materials division. These were primarily due to currency effects and higher production costs amid lower plant capacity utilization.

Industrial Solutions

Q3 2022

In the Industrial Solutions segment, **sales** rose considerably compared with the third quarter of 2021. Both operating divisions contributed to the increase.

Factors influencing sales in Q3 2022 – Industrial Solutions

	Industrial Solutions	Dispersions & Resins	Performance Chemicals
Volumes	-4.4%	-8.0%	2.0%
Prices	17.4%	14.9%	21.7%
Portfolio	-0.1%	-0.1%	-0.2%
Currencies	8.9%	8.0%	10.5%
Sales	21.8%	14.8%	34.0%

Sales growth was mainly attributable to significantly higher prices in all businesses and regions, primarily resulting from higher raw materials and energy prices and logistics costs.

Sales were boosted by positive currency effects, especially from the U.S. dollar.

Lower volumes overall had a slightly negative impact on sales performance. The Dispersions & Resins division recorded a significant decline in volumes, particularly in the dispersions, resins and additives businesses. Slightly higher volumes in the Performance Chemicals division, especially in the fuel and lubricant solutions business, only partially compensated for this.

Segment data – Industrial Solutions

Million €

	Q3			January–September		
	2022	2021	+/-	2022	2021	+/-
Sales to third parties	2,687	2,205	21.8%	7,823	6,672	17.3%
of which Dispersions & Resins	1,606	1,399	14.8%	4,744	4,322	9.8%
Performance Chemicals	1,080	806	34.0%	3,079	2,350	31.0%
Income from operations before depreciation, amortization and special items	389	347	12.1%	1,229	1,085	13.3%
Income from operations before depreciation and amortization (EBITDA)	398	315	26.3%	1,220	1,082	12.7%
Depreciation and amortization ^a	89	86	3.4%	258	254	1.7%
Income from operations (EBIT)	309	229	34.9%	962	828	16.1%
Special items	10	-33	.	-9	-7	-26.8%
EBIT before special items	299	262	14.2%	971	835	16.2%
Assets (September 30)	7,063	6,010	17.5%	7,063	6,010	17.5%
Investments including acquisitions ^b	74	83	-11.3%	192	215	-10.5%
Research and development expenses	42	39	8.4%	129	129	-0.1%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

The segment's **income from operations (EBIT) before special items** was considerably above the prior-year quarter. The increase was mainly attributable to significantly higher earnings in the Performance Chemicals division, primarily from price-driven margin growth. This was partially offset by higher fixed costs, mainly due to higher production costs resulting from plant shutdowns and the increase in energy prices. EBIT before special items rose slightly in the Dispersions & Resins division. The increase was primarily due to price-driven margin growth.

In the third quarter of 2022, EBIT included special income from the divestiture of the kaolin minerals business, which was closed on September 30, 2022.

Surface Technologies

Q3 2022

In the Surface Technologies segment, **sales** were below the prior-year quarter. Considerable sales growth in the Coatings division was unable to offset the strong decline in the Catalysts division.

Factors influencing sales in Q3 2022 – Surface Technologies

	Surface Technologies	Catalysts	Coatings
Volumes	-8.7%	-12.3%	12.2%
Prices	-8.8%	-12.7%	13.5%
Portfolio	3.7%	4.5%	-0.8%
Currencies	8.5%	8.4%	8.7%
Sales	-5.3%	-12.1%	33.7%

The segment's sales decrease was mainly due to significantly lower precious metal prices in the Catalysts division. Sales in precious metal trading and precious metal sales in the automotive catalysts business¹ were €3,006 million, considerably below the prior-year quarter (€3,986 million). Significant price increases across all business areas in the Coatings division, particularly in Europe and in the region South America, Africa, Middle East, were unable to compensate for this.

Sales were also reduced by significantly lower volumes in the Catalysts division. This was mainly attributable to lower volumes in precious metal trading. Volume growth in the mobile emission catalysts and refinery catalysts businesses was unable to compensate for this. The Coatings division posted significantly higher sales volumes in the automotive OEM coatings business in particular, especially in Asia Pacific and North America. This resulted mainly from the government stimulus program in China and improved supply chain conditions in North America.

Segment data – Surface Technologies

Million €

	Q3			January–September		
	2022	2021	+/-	2022	2021	+/-
Sales to third parties	5,333	5,631	-5.3%	16,236	17,470	-7.1%
of which Catalysts	4,213	4,793	-12.1%	13,149	14,952	-12.1%
Coatings	1,120	838	33.7%	3,087	2,518	22.6%
Income from operations before depreciation, amortization and special items	380	245	54.9%	1,145	1,114	2.8%
Income from operations before depreciation and amortization (EBITDA)	337	229	47.2%	1,032	1,095	-5.8%
Depreciation and amortization ^a	141	125	12.4%	494	346	42.8%
Income from operations (EBIT)	197	104	88.9%	538	749	-28.2%
Special items	-43	-15	-184.6%	-195	-19	-925.9%
EBIT before special items	239	119	101.0%	733	768	-4.6%
Assets (September 30)	16,132	13,788	17.0%	16,132	13,788	17.0%
Investments including acquisitions ^b	191	960	-80.1%	436	1,158	-62.4%
Research and development expenses	74	69	7.5%	255	204	25.0%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Sales were positively impacted by currency effects, primarily from the U.S. dollar.

Portfolio effects in the Catalysts division following the acquisition of a majority shareholding in BASF Shanshan Battery Materials on August 31, 2021, also had a positive impact on sales development.

Both divisions considerably increased **income from operations (EBIT) before special items** compared with the prior-year period. Earnings growth in the Catalysts division was mainly driven by improved contributions from the mobile emissions catalysts and battery materials businesses. This more than compensated for a lower contribution from precious metal trading. In the Coatings division, the increase in EBIT before special items largely resulted

from higher margins on the back of volume growth. The division's earnings growth was curbed by higher fixed costs due to increased energy prices, among other factors.

EBIT for the third quarter of 2022 included special charges from the integration of the acquired BASF Shanshan companies and in connection with the establishment of the BASF Automotive Catalysts & Recycling unit within the Catalysts division.

Nutrition & Care

Q3 2022

The Nutrition & Care segment increased **sales** considerably compared with the prior-year quarter. Both divisions achieved strong sales growth.

Factors influencing sales in Q3 2022 – Nutrition & Care

	Nutrition & Care	Care Chemicals	Nutrition & Health
Volumes	-1.1%	-2.6%	2.1%
Prices	27.5%	33.6%	13.8%
Portfolio	-0.2%	-0.2%	-0.2%
Currencies	6.7%	6.1%	7.9%
Sales	32.8%	36.9%	23.6%

Sales performance was driven by significant price increases in all business areas as a result of higher energy and raw materials prices.

Currency effects, mainly from the U.S. dollar and the Chinese renminbi, also had a positive impact on sales.

Sales were dampened by slightly lower volumes overall. The Care Chemicals division recorded a decline in volumes, particularly in the oleo surfactants and alcohols business and in the home care, industrial and institutional cleaning and industrial formulators business. Higher volumes in the personal care solutions business were unable to compensate for this. Slight volume growth in the Nutrition & Health division was mainly driven by higher sales volumes in the animal nutrition business.

Segment data – Nutrition & Care

Million €

	Q3			January–September		
	2022	2021	+/-	2022	2021	+/-
Sales to third parties	2,123	1,598	32.8%	6,167	4,715	30.8%
of which Care Chemicals	1,517	1,108	36.9%	4,341	3,250	33.6%
Nutrition & Health	605	490	23.6%	1,827	1,465	24.7%
Income from operations before depreciation, amortization and special items	291	206	41.3%	967	761	27.1%
Income from operations before depreciation and amortization (EBITDA)	287	207	38.9%	963	815	18.2%
Depreciation and amortization ^a	110	102	7.6%	330	301	9.6%
Income from operations (EBIT)	178	105	69.3%	633	514	23.1%
Special items	-3	1	.	-4	54	.
EBIT before special items	180	104	73.3%	637	460	38.6%
Assets (September 30)	8,460	6,911	22.4%	8,460	6,911	22.4%
Investments including acquisitions ^b	161	196	-17.8%	404	414	-2.5%
Research and development expenses	39	39	0.5%	124	122	1.7%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

The segment posted a considerable increase in **income from operations (EBIT) before special items**. This was due to strong earnings growth in the Care Chemicals division. The division recorded higher margins, mainly driven by sales growth. By contrast, EBIT before special items declined considerably in the Nutrition & Health division. This was mainly attributable to higher fixed costs resulting from turnarounds and higher prices for energy and raw materials.

Agricultural Solutions

Q3 2022

Sales in the Agricultural Solutions segment rose considerably compared with the third quarter of 2021. This was mainly attributable to significantly higher prices in all regions and for all indications as well as positive currency effects. Slightly higher volumes, especially in herbicides, also contributed to the positive sales development.

Factors influencing sales in Q3 2022 – Agricultural Solutions

Volumes	4.6%
Prices	16.9%
Portfolio	–0.8%
Currencies	13.7%
Sales	34.5%

In **Europe**, sales increased significantly compared with the same quarter of the previous year. Higher prices more than offset negative currency effects, mainly from the Turkish lira, and slightly lower volumes.

Sales in **North America** rose considerably as a result of positive currency effects, higher prices and increased volumes, especially for herbicides.

The strong sales growth in **Asia** was primarily driven by significantly higher volumes and positive currency effects, especially in India, China and South Korea. Higher prices also contributed to sales growth.

Segment data – Agricultural Solutions

Million €

	Q3			January–September		
	2022	2021	+/-	2022	2021	+/-
Sales to third parties	2,142	1,593	34.5%	7,998	6,402	24.9%
Income from operations before depreciation, amortization and special items	188	74	153.8%	1,625	1,284	26.6%
Income from operations before depreciation and amortization (EBITDA)	164	120	36.9%	1,592	1,288	23.6%
Depreciation and amortization ^a	165	164	0.6%	520	493	5.5%
Income from operations (EBIT)	–1	–44	98.3%	1,072	795	34.8%
Special items	–8	46	.	–26	3	.
EBIT before special items	7	–90	.	1,098	792	38.6%
Assets (September 30)	17,860	15,368	16.2%	17,860	15,368	16.2%
Investments including acquisitions ^b	113	91	23.8%	245	224	9.2%
Research and development expenses	225	223	0.9%	698	667	4.7%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Sales rose considerably in the region **South America, Africa, Middle East** due to a successful start to the 2022/23 season. This was primarily the result of higher prices and positive currency effects, especially in Brazil. Higher volumes, especially in herbicides, supported the positive sales development.

Income from operations (EBIT) before special items was considerably above the level of the prior-year quarter due to the positive sales development.

Other

Q3 2022

Sales in Other rose considerably compared with the third quarter of 2021. This was primarily the result of considerably higher sales in commodity trading.

Income from operations (EBIT) before special items improved considerably. This was mainly due to higher income from hedging transactions, among other factors. In addition, income arose from the long-term incentive program after expenses in the prior-year quarter.

Financial data – Other

Million €

	Q3			January–September		
	2022	2021	+/-	2022	2021	+/-
Sales	1,153	976	18.2%	3,235	2,552	26.8%
Income from operations before depreciation, amortization and special items ^a	62	-2	.	-548	-787	30.3%
Income from operations before depreciation and amortization (EBITDA) ^a	58	-31	.	-361	-881	59.0%
Depreciation and amortization ^b	40	38	5.8%	116	105	10.0%
Income from operations (EBIT) ^a	17	-68	.	-477	-987	51.7%
Special items	-5	-31	85.0%	187	-96	.
EBIT before special items ^a	22	-39	.	-664	-892	25.6%
of which costs for cross-divisional corporate research	-73	-76	3.9%	-220	-223	1.3%
costs of corporate headquarters	-65	-65	0.0%	-198	-184	-7.6%
other businesses	7	15	-53.3%	-21	64	.
foreign currency results, hedging and other measurement effects	38	-41	.	125	-72	.
miscellaneous income and expenses	115	128	-9.9%	-350	-477	26.7%
Assets (September 30) ^{a, c}	23,928	23,667	1.1%	23,928	23,667	1.1%
Investments including acquisitions ^d	52	48	9.3%	141	117	20.9%
Research and development expenses	91	83	9.3%	258	242	6.7%

^a BASF's ethylene value chain was reorganized internally as of January 1, 2022. In this connection, the polyolefins and styrenics businesses of the joint venture BASF-YPC Company Ltd., Nanjing, China, which were previously reported under Other, were allocated to the Petrochemicals division. The prior-year figures have been adjusted. This reduced income from integral companies accounted for using the equity method, EBITDA before special items, EBITDA, EBIT and EBIT before special items in Other by €28 million in the first quarter of 2021 and increased these indicators in the Petrochemicals division accordingly (rounding differences are possible). The effect was €28 million in both the second and third quarters of 2021 and €34 million in the fourth quarter of 2021. The effect in full-year 2021 was €118 million. The operating assets were also reallocated as part of the reorganization and increased the Chemicals segment's assets by €114 million as of December 31, 2021.

^b Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^c Contains assets of businesses recognized under Other as well as reconciliation to assets of the BASF Group

^d Additions to property, plant and equipment and intangible assets

Regions

Q3 2022

Sales at companies located in **Europe** rose by 14.5% compared with the third quarter of 2021. This was largely attributable to significantly higher prices in almost all segments, but especially in the Materials, Chemicals and Nutrition & Care segments. Slightly positive currency effects contributed to sales growth. Significantly lower volumes had an offsetting effect. This was primarily driven by the decline in sales volumes in the Materials and Chemicals segments.

In **North America**, sales rose by 9.9% in euros compared with the prior-year quarter. In local currency terms, however, sales decreased by 6.0%. Sales performance was supported by higher prices in almost all segments. This more than compensated for lower precious metal prices in the Surface Technologies segment. Sales growth in the region was considerably dampened by the decline in volumes, especially in the Surface Technologies segment.

Compared with the prior-year period, sales in the **Asia Pacific** region rose by 3.2% in euros. In local currency terms, sales were 5.3% below the level of the prior-year quarter. In Greater China, sales decreased by 4.4% in euros to €2,985 million. Portfolio effects in the Surface Technologies segment from the acquisition of a majority shareholding in BASF Shanshan Battery Materials had a positive impact on sales. By contrast, Asia Pacific sales were reduced by lower volumes, especially in the Chemicals segment. Sales development was also dampened by lower prices, mainly due to lower precious metal prices in the Surface Technologies segment, and lower prices in the Chemicals segment.

Regions

Million €

Q3	Sales by location of company			Sales by location of customer		
	2022	2021	+/-	2022	2021	+/-
Europe	8,759	7,651	14.5%	8,306	7,343	13.1%
of which Germany	3,904	3,159	23.6%	2,467	1,677	47.1%
North America	5,841	5,313	9.9%	5,684	5,127	10.9%
Asia Pacific	5,405	5,238	3.2%	5,517	5,412	1.9%
of which Greater China	2,985	3,121	-4.4%	2,910	3,157	-7.8%
South America, Africa, Middle East	1,942	1,467	32.4%	2,440	1,787	36.5%
BASF Group	21,946	19,669	11.6%	21,946	19,669	11.6%
January–September						
Europe	28,359	23,853	18.9%	26,932	22,905	17.6%
of which Germany	11,925	9,545	24.9%	6,807	5,394	26.2%
North America	19,042	16,842	13.1%	18,679	16,196	15.3%
Asia Pacific	16,399	14,980	9.5%	16,761	15,450	8.5%
of which Greater China	9,156	8,653	5.8%	8,956	8,724	2.7%
South America, Africa, Middle East	4,203	3,147	33.6%	5,631	4,271	31.8%
BASF Group	68,003	58,822	15.6%	68,003	58,822	15.6%

In the region **South America, Africa, Middle East**, sales rose by 32.4% in euros and by 15.9% in local currency terms compared with the third quarter of 2021. This was partly due to higher prices, especially in the Agricultural Solutions segment, and partly to positive currency effects. Slightly lower volumes overall had an offsetting effect.

Selected Financial Data

Statement of Income

Statement of income

Million €

	Q3			January–September		
	2022	2021	+/-	2022	2021	+/-
Sales revenue	21,946	19,669	11.6%	68,003	58,822	15.6%
Cost of sales	-17,062	-14,762	-15.6%	-51,278	-43,736	-17.2%
Gross profit on sales	4,884	4,907	-0.5%	16,726	15,086	10.9%
Selling expenses	-2,500	-2,074	-20.5%	-7,189	-6,058	-18.7%
General administrative expenses	-379	-334	-13.5%	-1,137	-1,017	-11.8%
Research and development expenses	-545	-523	-4.2%	-1,681	-1,579	-6.5%
Other operating income	425	250	70.2%	1,337	1,089	22.8%
Other operating expenses	-667	-604	-10.4%	-1,936	-1,593	-21.5%
Income from integral companies accounted for using the equity method	76	200	-61.9%	309	521	-40.6%
Income from operations (EBIT)	1,294	1,822	-29.0%	6,429	6,449	-0.3%
Income from non-integral companies accounted for using the equity method	118	100	17.7%	-224	173	.
Income from other shareholdings	5	8	-33.4%	22	19	14.4%
Expenses from other shareholdings	-21	-22	2.3%	-60	-82	27.1%
Net income from shareholdings	102	86	18.1%	-262	110	.
Interest income	49	41	19.2%	137	120	14.6%
Interest expenses	-169	-117	-44.6%	-435	-353	-23.3%
Interest result	-120	-76	-58.3%	-298	-233	-27.8%
Other financial income	23	17	34.7%	56	44	27.6%
Other financial expenses	-60	-72	17.0%	-150	-157	4.3%
Other financial result	-37	-55	32.9%	-94	-113	16.7%
Financial result	-157	-131	-20.0%	-392	-346	-13.3%
Income before income taxes	1,239	1,777	-30.3%	5,775	6,213	-7.1%
Income taxes	-287	-353	18.6%	-1,323	-1,185	-11.6%
Income after taxes from continuing operations	952	1,424	-33.2%	4,452	5,028	-11.5%
Income after taxes from discontinued operations	-	-43	100.0%	-	-43	100.0%
Income after taxes	952	1,381	-31.1%	4,452	4,985	-10.7%
of which attributable to shareholders of BASF SE (net income)	909	1,253	-27.5%	4,220	4,625	-8.8%
attributable to noncontrolling interests	42	128	-66.8%	232	360	-35.6%
Earnings per share from continuing operations	€ 1.01	1.41	-28.4%	4.67	5.08	-8.1%
Earnings per share from discontinued operations	€ -	-0.05	100.0%	-	-0.05	100.0%
Basic earnings per share	€ 1.01	1.36	-25.7%	4.67	5.03	-7.2%
Diluted earnings per share	€ 1.01	1.36	-25.7%	4.67	5.03	-7.2%

Balance Sheet

Assets						
Million €						
	September 30, 2022	December 31, 2021	+/-	September 30, 2021	+/-	
Intangible assets	14,046	13,499	4.0%	13,536	3.8%	
Property, plant and equipment	22,969	21,553	6.6%	20,564	11.7%	
Integral investments accounted for using the equity method	2,947	2,540	16.0%	2,837	3.9%	
Non-integral investments accounted for using the equity method	10,375	9,843	5.4%	10,101	2.7%	
Other financial assets	593	575	3.1%	514	15.3%	
Deferred tax assets	770	2,600	-70.4%	2,465	-68.7%	
Other receivables and miscellaneous assets	2,895	1,722	68.2%	1,561	85.5%	
Noncurrent assets	54,595	52,332	4.3%	51,578	5.9%	
Inventories	17,140	13,868	23.6%	12,504	37.1%	
Accounts receivable, trade	14,543	11,942	21.8%	12,291	18.3%	
Other receivables and miscellaneous assets	7,367	5,568	32.3%	6,180	19.2%	
Marketable securities	202	208	-2.8%	200	1.2%	
Cash and cash equivalents ^a	3,183	2,624	21.3%	2,899	9.8%	
Assets of disposal groups	-	840	-100.0%	450	-100.0%	
Current assets	42,435	35,051	21.1%	34,524	22.9%	
Total assets	97,030	87,383	11.0%	86,102	12.7%	

^a For a reconciliation of the amounts in the statement of cash flows with the balance sheet item cash and cash equivalents, see [page 21 of this quarterly statement](#).

Equity and liabilities

Million €

	September 30, 2022	December 31, 2021	+/-	September 30, 2021	+/-
Subscribed capital	1,176	1,176	0.0%	1,176	0.0%
Capital reserves	3,106	3,106	0.0%	3,115	-0.3%
Retained earnings	40,205	40,365	-0.4%	39,453	1.9%
Other comprehensive income	3,121	-3,855	.	-4,352	.
Equity attributable to shareholders of BASF SE	47,607	40,792	16.7%	39,392	20.9%
Noncontrolling interests	1,493	1,289	15.8%	1,222	22.2%
Equity	49,100	42,081	16.7%	40,614	20.9%
Provisions for pensions and similar obligations	2,134	6,160	-65.4%	4,879	-56.3%
Deferred tax liabilities	1,418	1,499	-5.4%	1,482	-4.3%
Tax provisions	471	415	13.5%	447	5.3%
Other provisions	1,844	1,782	3.4%	1,648	11.9%
Financial indebtedness	15,707	13,764	14.1%	15,092	4.1%
Other liabilities	1,642	1,600	2.6%	1,618	1.5%
Noncurrent liabilities	23,216	25,220	-7.9%	25,166	-7.8%
Accounts payable, trade	8,595	7,826	9.8%	6,235	37.9%
Provisions	4,942	3,935	25.6%	4,724	4.6%
Tax liabilities	1,441	1,161	24.1%	1,318	9.3%
Financial indebtedness	6,621	3,420	93.6%	4,687	41.3%
Other liabilities	3,115	3,679	-15.3%	3,358	-7.2%
Liabilities of disposal groups	-	61	-100.0%	-	-
Current liabilities	24,714	20,081	23.1%	20,322	21.6%
Total equity and liabilities	97,030	87,383	11.0%	86,102	12.7%

Statement of Cash Flows

Statement of cash flows

Million €

	Q3		January–September	
	2022	2021	2022	2021
Net income	909	1,253	4,220	4,625
Depreciation and amortization of property, plant and equipment and intangible assets	960	907	2,930	2,655
Changes in net working capital ^a	670	-44	-4,172	-2,808
Miscellaneous items	-238	-220	261	-564
Cash flows from operating activities	2,301	1,896	3,239	3,908
Payments made for property, plant and equipment and intangible assets	-1,006	-819	-2,501	-2,042
Acquisitions/divestitures	222	-627	601	491
Changes in financial assets and miscellaneous items	104	-372	2	-379
Cash flows from investing activities	-680	-1,818	-1,899	-1,930
Capital increases/repayments and other equity transactions	-233	-	-1,308	-
Changes in financial and similar liabilities	-1,938	53	3,627	-229
Dividends	-16	-109	-3,208	-3,261
Cash flows from financing activities	-2,188	-56	-889	-3,490
Cash-effective changes in cash and cash equivalents	-567	22	452	-1,512
Cash and cash equivalents at the beginning of the period and other changes ^b	3,750	2,877	2,731	4,411
Cash and cash equivalents at the end of the period^b	3,183	2,899	3,183	2,899

^a In order to optimize precious metal stocks, the Group sells precious metals and concurrently enters into agreements to repurchase them at a set price. The cash flows resulting from the sale and repurchase are reported in cash flows from operating activities. Liabilities to repurchase precious metals amounted to €734 million as of September 30, 2022.

^b In 2021, cash and cash equivalents presented in the statement of cash flows deviate from the figures in the balance sheet, as the relevant amounts were reclassified in the balance sheet to assets of disposal groups. The disposal group for the pigments business contained cash and cash equivalents of €5 million as of January 1, 2021.

Selected Key Figures Excluding Precious Metals

The IFRS figures correspond to the amounts presented in the Consolidated Financial Statements. The adjusted figures exclude sales in precious metal trading and precious metal sales in the mobile emissions catalysts business.

BASF Group

Million €

	Q3				January–September			
	2022		2021		2022		2021	
	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure
Sales	21,946	18,940	19,669	15,684	68,003	58,315	58,822	46,289
Volume growth	-7.2%	-5.1%	6.3%	8.9%	-4.2%	-0.4%	13.5%	13.6%
EBITDA before special items	2,325	2,325	2,771	2,771	9,361	9,361	9,169	9,169
EBITDA margin before special items	10.6%	12.3%	14.1%	17.7%	13.8%	16.1%	15.6%	19.8%

Surface Technologies

Million €

	Q3				January–September			
	2022		2021		2022		2021	
	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure
Sales	5,333	2,327	5,631	1,644	16,236	6,547	17,470	4,937
Volume growth	-8.7%	8.1%	-3.2%	-0.9%	-12.5%	2.1%	16.8%	23.3%
EBITDA before special items	380	380	245	245	1,145	1,145	1,114	1,114
EBITDA margin before special items	7.1%	16.3%	4.4%	14.9%	7.1%	17.5%	6.4%	22.6%

BASF Report 2022

February 24, 2023

Quarterly Statement Q1 2023 / Annual Shareholders' Meeting 2023

April 27, 2023

Half-Year Financial Report 2023

July 28, 2023

Quarterly Statement Q3 2023

October 31, 2023

BASF Report 2023

February 23, 2024

Further information

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Forward-looking statements and forecasts

This quarterly statement 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 151 to 160 of the BASF Report 2021](#). The BASF Report is available online at basf.com/report. We do not assume any obligation to update the forward-looking statements contained in this quarterly statement above and beyond the legal requirements.



BASF supports the chemical industry's global Responsible Care initiative.

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