



pursuant to Section 16(1) of the German Securities Prospectus Act
(*Wertpapierprospektgesetz*)

to the approved prospectus dated September 18, 2015

for the public offering of

94,339,622 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against contributions in cash to be resolved by an extraordinary shareholders' meeting of Covestro AG on September 30, 2015

and at the same time for the

admission to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard)

of

up to 94,339,622 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against contributions in cash to be resolved by an extraordinary shareholders' meeting of Covestro AG on September 30, 2015

and

140,000,000 existing ordinary bearer shares with no par value (*Stückaktien*) (existing share capital)
each such share with a notional value of €1.00 and full dividend rights since inception

of

Covestro AG

Leverkusen, Germany

Price Range: €26.50 - €35.50

International Securities Identification Number (ISIN): DE0006062144

German Securities Code (*Wertpapierkennnummer, WKN*): 606214

Common Code: 127671311

Ticker Symbol: 1COV

Joint Global Coordinators

Deutsche Bank

Morgan Stanley

Joint Bookrunners

BofA Merrill Lynch

Citigroup

Credit Suisse

J.P. Morgan

UBS Investment Bank

Co-Lead Managers

BNP PARIBAS

UniCredit Bank AG

This supplement No. 1 (the “**Supplement**”) is supplemental to, and should be read in conjunction with, the approved prospectus dated September 18, 2015 (the “**Prospectus**”) that is available on the Company’s website (<http://investor.covestro.com/en/ipo> and <http://investor.covestro.com/de/boersengang>) for a period of 12 months after September 18, 2015. The Supplement will be available at the same internet address for the same period. Terms defined in the Prospectus have the same meaning when used in the Supplement.

Pursuant to Section 16(3) of the German Securities Prospectus Act (*Wertpapierprospektgesetz*), investors who have already agreed to purchase the Company’s shares before the Supplement is published shall have the right, exercisable within two working days after the publication of the Supplement, to withdraw their purchase orders if the new fact or incorrectness within the meaning of Section 16(1) of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) that required the publication of the Supplement occurred prior to the final completion of the public offering and the delivery of such shares. The withdrawal notice does not need to contain a statement of reasons and must be made in text form to the institution with which the investor has placed the order to purchase such shares. Instead of withdrawing their purchase orders, investors may also amend the purchase orders submitted prior to publication of the Supplement or place new limited or unlimited purchase orders.

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On October 1, 2015, Covestro AG (the “**Company**”) and Bayer AG determined to modify the target gross proceeds, the price range at which the Company’s shares are offered, the number of such shares offered and to extend the offer period. As a result and due to the subsequent and related change in the timetable, the Prospectus is supplemented and amended as follows.

The target gross proceeds have been amended from around €2,500 million to around €1,500 million, the price range from €26.50 - €35.50 to €21.50 - €24.50, the number of new shares offered from 70,422,535 - 94,339,622 shares to 61,224,489 - 69,767,441 shares and the offer period has been extended to October 2, 2015 and will end at 12:00 CEST for retail investors and at 13:00 CEST for institutional investors.

Amendments to the Front Page

1. The first paragraph of the front cover is replaced with the following:

**Prospectus
for the public offering of**

69,767,441 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against contributions in cash to be resolved by an extraordinary shareholders’ meeting of Covestro AG on October 2, 2015

and at the same time for the

admission to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard)

of

up to 69,767,441 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against contributions in cash to be resolved by an extraordinary shareholders’ meeting of Covestro AG on October 2, 2015

and

**140,000,000 existing ordinary bearer shares with no par value (*Stückaktien*) (existing share capital)
each such share with a notional value of €1.00 and full dividend rights since inception**

of

**Covestro AG
Leverkusen, Germany
Price Range: €21.50 - €24.50**

International Securities Identification Number (ISIN): DE0006062144

German Securities Code (*Wertpapierkennnummer, WKN*): 606214

Common Code: 127671311

Ticker Symbol: 1COV

Amendments to the section titled “1. Summary of the Prospectus” beginning on page S-1 of the Prospectus

2. In subsection “C.6 – An indication as to whether the securities offered are or will be the object of an application for admission to trading on a regulated market and the identity of all the regulated markets where the securities are or are to be traded” on page S-14, the three paragraphs are replaced with the following:

The application for admission of all of the Company’s shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment thereof with additional post-admission obligations (Prime Standard) was made on September 21, 2015. It is anticipated that the respective admissions will be granted on October 5, 2015.

The shares are expected to be quoted on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (ISIN DE0006062144/WKN 606214) as of October 6, 2015.

For purposes of admission to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange, the Prospectus relates to a total of up to 209,767,441 ordinary bearer shares with no par value (*Stückaktien*) of the Company.

3. In subsection “E.1 – The total net proceeds and an estimate of the total expenses of the issue/ offer, including estimated expenses charged to the investor by the issuer or the offeror” on page S-17, the second, third, fourth and fifth paragraphs are replaced with the following:

The Company targets gross proceeds in an amount of around €1,500 million and will reduce the number of New Shares (as defined below in E.3) if the final offer price exceeds the low end of the Price Range (as defined below in E.3). Accordingly, subject to the final offer price, a lower amount of New Shares may be allocated. The number of New Shares (as defined below in E.3) will amount to 69,767,441 at the low end, 65,217,391 at the mid-point and 61,224,489 at the high end of the Price Range (as defined below in E.3).

The costs of the Company related to the Offering (as defined below in E.3) of the New Shares (as defined below in E.3) and listing of the Company’s entire share capital are expected to total approximately €12 million (excluding underwriting fees payable by the Company to the Underwriters). The underwriting fees with respect to the New Shares (as defined below in E.3) payable to the Underwriters amount to approximately €15 million based on the targeted gross proceeds of the Company of around €1,500 million, excluding incentive fees, if any.

In addition to the underwriting fees, the Existing Shareholder may pay the Underwriters incentive fees, payable entirely at the discretion of the Existing Shareholder, of up to €11.25 million. The Existing Shareholder will arrange for the payment of incentive fees, if any, within 35 days after commencement of the exchange trading of the Company’s shares on the Regulated Market of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

The net proceeds of the Company after deduction of the costs related to the Offering (as defined below in E.3) and the Underwriters’ underwriting fees payable by the Company are expected to amount to approximately €1,473 million.

4. In subsection “E.2a – Reasons for the offer, use of proceeds, estimated net amount of the proceeds” on page S-18, the first, fourth and fifth paragraphs are respectively replaced with the following:

The Offering (as defined below in E.3) and listing gives Covestro AG greater flexibility to independently pursue its business goals, strategic freedom to execute asset optimization initiatives, focus on achieving business process and cost efficiencies, strategic flexibility to develop business portfolio and the ability to access the capital markets. The Company estimates net proceeds of approximately €1,473 million from the sale of the New Shares (as defined below in E.3).

In connection with the Offering (as defined below in E.3), the Existing Shareholder will make cash contributions in the amount of €1,715 million into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), section 272 paragraph 2 number 4 of the German Commercial Code (*Handelsgesetzbuch (HGB)*), by no later than October 7, 2015 to increase the Company’s equity before completion of the Offering (as defined below in E.3) (the “**Capital Contribution**”). On September 29, 2015, €715 million of the total Capital Contribution were contributed, and by no later than October 7, 2015, an additional amount of €1,000 million will be contributed. The Company has and will use the proceeds from the Capital Contribution to repay inter-group debt in an amount of €1,715 million (consisting of the full repayment of a €715 million inter-group loan and the partial repayment of a €2,375 million inter-group loan in an amount of €1,000 million) owed to Bayer Antwerpen NV, a subsidiary of the Existing Shareholder (the “**Inter-Group Debt Repayment I**”).

The purpose of the Offering (as defined below in E.3) and listing of the Company’s shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, on the sub-segment thereof with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange is (i) mainly to further reduce inter-group debt owed to Bayer Antwerpen NV, a subsidiary of the Existing Shareholder, by an amount of €1,375 million (the “**Inter-Group Debt Repayment II**” and together with the Inter-Group Debt Repayment I, the “**Inter-Group Debt Repayments**”) and

- (ii) to provide a small amount of funds for general corporate purposes. The amount of funds for general corporate purposes will be the difference between the net proceeds from the sale of the New Shares and the amount used for Inter-Group Repayment II, and is expected to be approximately €98 million.
5. In subsection “E.3 – A description of the terms and conditions of the offer” on page S-19, the first paragraph is replaced with the following:

This offering relates to 69,767,441 newly issued ordinary bearer shares with no par value (*Stückaktien*), each such share representing a notional value of €1.00 and full dividend rights since inception from a capital increase against contributions in cash to be resolved by an extraordinary shareholders’ meeting of the Company (the “**Offering**”), expected to take place on October 2, 2015 (the “**New Shares**”).
 6. In subsection “E.3 – Offer Period” on page S-19, the paragraph is replaced with the following:

The Offer Period during which investors will have the opportunity to submit offers to purchase New Shares commenced on September 21, 2015, and is expected to end on October 2, 2015 (the “**Offer Period**”). During the Offer Period, offers to purchase New Shares may be submitted to the Underwriters. On the last day of the Offer Period, retail investors will be able to submit offers to purchase New Shares until 12:00 noon Central European Summer Time (“**CEST**”), and institutional investors will be able to submit offers to purchase New Shares until 13:00 CEST. Purchase orders must be in full Euro amounts or Euro cent figures of 25, 50 or 75 cents. Multiple purchase orders are permitted.
 7. In subsection “E.3 – Placement Price” on page S-20, the paragraph is replaced with the following:

After the expiration of the Offer Period, the offer price is expected to be set on October 2, 2015, jointly by the Company, the Existing Shareholder and the Joint Global Coordinators on the basis of the order book prepared during the bookbuilding process. The order book will be built based on the Price Range (as defined further below in E.3) from €21.50 to €24.50. The determination of the offer price will depend on the offers to purchase the New Shares submitted by investors during the Offer Period and collected in the above-mentioned order book. Once the Offer Period has expired, the final number of New Shares and the offer price will be determined jointly by the Company and the Existing Shareholder after consultation with the Joint Bookrunners using the order book prepared during the bookbuilding process and taking into consideration the targeted gross proceeds for the Company. This is expected to take place on or about October 2, 2015.
 8. In subsection “E.3 – Price Range and Offer Price” on page S-20, the paragraph is replaced with the following:

The price range within which offers to purchase New Shares may be submitted is €21.50 to €24.50 (the “**Price Range**”).
 9. In subsection “E.3 – Delivery and Payment” on page S-20, the paragraph is replaced with the following:

The delivery of the New Shares against payment of the offer price is expected to take place on October 7, 2015. The New Shares will be made available to the shareholders as co-ownership interests in the respective global share certificate.
 10. In subsection “E.3 – Stabilization Measures, Over Allotments and Greenshoe Option” on page S-20, the third paragraph is replaced with the following:

The Stabilization Manager may, as a result of the Stabilization Measures during the Stabilization Period, acquire on one or more occasions up to 6,976,744 shares of the Company (the “**Stabilization Shares**”) at the then current market price, provided that such number of Company’s shares acquired as a result of Stabilization Measures may not exceed 10% of the New Shares.
 11. In subsection “E.4 – A description of any interest that is material to the issue/offer including conflicting interests” on page S-21, the fifth paragraph is replaced with the following:

The Existing Shareholder will not sell shares in the Company in the Offering and receive no proceeds from the Offering. However, the Company intends to use the net proceeds from the sale of the New Shares (i) mainly to reduce inter-group debt owed to Bayer Antwerpen NV, a subsidiary of

the Existing Shareholder, in an amount of €1,375 million (referred to as the Inter-Group Debt Repayment II) and (ii) to provide a small amount of funds for general corporate purposes.

12. Subsection “E.6 – The amount and percentage of immediate dilution resulting from the offer. In case of a subscription offer to the existing equity holders, the amount and percentage of immediate dilution if they do not subscribe to the new offer” on page S-24, is replaced with the following:

The net asset value (total assets less total liabilities less invested equity attributable to non-controlling interest) amounted to €1,717 million as of June 30, 2015, and would amount to €12.26 per share in the Company based on 140,000,000 outstanding shares in the Company immediately prior to the Offering. The net asset value as of June 30, 2015, adjusted for the Capital Contribution would have amounted to €24.51 per share based on 140,000,000 shares of the Company outstanding immediately before the Offering.

The dilutive effect of the Offering is illustrated in the table below demonstrating the amount by which the offer price at the low end, mid-point and high end of the Price Range exceeds the total net asset value per share of the Company after completion of the Offering, assuming the Offering had taken place on June 30, 2015 and adjusted for the Capital Contribution. The net asset value and the net asset value per share of the Company are adjusted for the effects of the Offering, assuming (a) the issuance of such number of New Shares at the offer price to achieve the targeted gross proceeds for the Company of around €1,500 million, which would result in 209,767,441, 205,217,391 and 201,224,489 outstanding shares of the Company at the low end, mid-point and high end of the Price Range after completion of the Offering and (b) the receipt of the net proceeds to the Company in an amount of €1,473 million.

The table below illustrates the amount by which the price per share of the Company would exceed the net asset value in the interim statement of financial position as of June 30, 2015 per share of the Company after completion of the Offering at the low end, at the mid-point and the high end of the Price Range, respectively:

	<u>Low End</u>	<u>Mid-Point</u> <i>(unaudited)</i>	<u>High End</u>
Offer price in €	21.50	23.00	24.50
Total net asset value ⁽¹⁾ per share of the Company as of June 30, 2015 (based on 140,000,000 outstanding shares before the Offering) in €	12.26	12.26	12.26
Total net asset value ⁽¹⁾ per share of the Company as of June 30, 2015 (based on 140,000,000 outstanding shares before the Offering) and adjusted for the Capital Contribution in €	24.51	24.51	24.51
Net asset value per share of the Company (based on 209,767,441, 205,217,391 and 201,224,489 outstanding shares of the Company at the low end, mid-point and high end of the Price Range after completion of the Offering), in €	23.38	23.90	24.38
Amount by which the offer price exceeds/falls below the total net asset value ⁽¹⁾ per share of the Company (immediate dilution/accretion per share, based on 209,767,441, 205,217,391 and 201,224,489 outstanding shares at the low end, mid-point and high end of the Price Range after completion of the Offering), in €	(1.88)	(0.90)	0.12
Immediate dilution/accretion to the new shareholders, in %	(8.8)%	(3.9)%	0.5%

Note:

(1) Net asset value refers to the Company’s total assets minus its total liabilities less invested equity attributable to non-controlling interest.

Under the assumption that the Capital Contribution and the capital increase regarding the New Shares are implemented, the reduction of the net asset value per share of the Company (comparing the net asset values prior to and after the Offering) will be €1.13, €0.61 and €0.13, respectively (based on 209,767,441, 205,217,391 and 201,224,489 outstanding shares of the Company at the low end, mid-point and high end of the Price Range after completion of the Offering assuming execution of the capital increase in an amount of 69,767,441, 65,217,391 and 61,224,489 offered New Shares).

**Amendments to the section titled “2. German translation of the Summary of the Prospectus—
Zusammenfassung des Prospekts” beginning on page S-26 of the Prospectus**

13. In subsection “C.6 – Angabe, ob für die angebotenen Wertpapiere die Zulassung zum Handel an einem geregelten Markt beantragt wurde bzw. werden soll, und Nennung aller geregelten Märkte, an denen die Wertpapiere gehandelt werden oder werden sollen” on page S-40, the three paragraphs are replaced with the following:

Die Zulassung aller Aktien der Gesellschaft zum regulierten Markt der Frankfurter Wertpapierbörse mit gleichzeitiger Zulassung zu einem Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (Prime Standard) wurde am 21. September 2015 beantragt. Die Zulassung wird voraussichtlich am 5. Oktober 2015 erfolgen.

Die Aktien werden voraussichtlich am 6. Oktober 2015 an der Frankfurter Wertpapierbörse notiert (ISIN DE0006062144/WKN 606214).

Für Zwecke der Zulassung zum regulierten Markt der Frankfurter Wertpapierbörse mit gleichzeitiger Zulassung zum Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (Prime Standard) der Frankfurter Wertpapierbörse bezieht sich der Prospekt auf insgesamt bis zu 209.767.441 auf den Inhaber lautende Stammaktien ohne Nennwert (Stückaktien) der Gesellschaft.

14. In subsection “E.1 – Gesamtnettoerlöse und geschätzte Gesamtkosten der Emission/des Angebots, einschließlich der geschätzten Kosten, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden” on page S-45, the second, third, fourth and fifth paragraphs are replaced with the following:

Die Gesellschaft möchte Bruttoerlöse in Höhe von ca. €1.500 Millionen erzielen und wird die Anzahl Neuer Aktien (wie unten in E.3 definiert) reduzieren, wenn der endgültige Angebotspreis das untere Ende der Preisspanne (wie unten in E.3 definiert) überschreitet. Dementsprechend könnte abhängig von dem endgültigen Angebotspreis eine geringere Anzahl Neuer Aktien zugeteilt werden. Die Anzahl Neuer Aktien (wie unten in E.3 definiert) wird sich auf 69.767.441 am unteren Ende, 65.217.391 zum Mittelwert und 61.224.489 am oberen Ende der Preisspanne (wie unten in E.3 definiert) belaufen.

Die der Gesellschaft durch das Angebot (wie unten in E.3 definiert) der Neuen Aktien (wie unten in E.3 definiert) und die Börsennotierung des gesamten Aktienbestands entstehenden Kosten werden sich voraussichtlich auf ca. €12 Millionen (ausgenommen von der Gesellschaft an die Konsortialbanken zu zahlende Gebühren für die Übernahme und die Platzierung) belaufen. Die für die Neuen Aktien (wie unten in E.3 definiert) an die Konsortialbanken zu zahlenden Gebühren für die Übernahme und die Platzierung belaufen sich auf ca. €15 Millionen (ausschließlich erfolgsabhängige Gebühren), wenn man die angestrebten Bruttoerlöse der Gesellschaft in Höhe von ca. €1.500 Millionen zugrunde legt.

Zusätzlich zu den Gebühren für die Übernahme und die Platzierung kann die Bestehende Aktionärin den Konsortialbanken erfolgsabhängige Gebühren zahlen, die nach alleinigem Ermessen der Bestehenden Aktionärin zu zahlen sind und bis zu €11,25 Millionen betragen können. Die Bestehende Aktionärin veranlasst ggf. die Zahlung von erfolgsabhängigen Gebühren innerhalb von 35 Tagen nach Aufnahme des Börsenhandels der Aktien der Gesellschaft im regulierten Markt an der Frankfurter Wertpapierbörse.

Die Nettoerlöse der Gesellschaft werden sich nach Abzug der Kosten im Zusammenhang mit dem Angebot (wie unten in E.3 definiert) sowie der von der Gesellschaft zu zahlenden Gebühren der Konsortialbanken für die Übernahme und die Platzierung voraussichtlich auf ca. €1.473 Millionen belaufen.

15. In subsection “E.2a – Gründe für das Angebot, Zweckbestimmung der Erlöse, geschätzte Nettoerlöse” on page S-45, the first, fourth and fifth paragraphs are respectively replaced with the following:

Das Angebot (wie unten in E.3 definiert) und die Notierung verleihen der Covestro AG größere Flexibilität zur unabhängigen Umsetzung ihrer Geschäftsziele, strategische Freiheit zur Durchführung von Initiativen zur Vermögensoptimierung, eine Ausrichtung auf das Erreichen

von Geschäftsprozess- und Kosteneffizienz, strategische Flexibilität zur Entwicklung des Geschäftsportfolios sowie die Möglichkeit des Zugangs zu den Kapitalmärkten. Die Gesellschaft erwartet einen Nettoerlös von ca. €1.473 Millionen aus der Veräußerung der Neuen Aktien (wie unten in E.3 definiert).

Im Zusammenhang mit dem Angebot (wie unten in E.3 definiert) wird die Bestehende Aktionärin spätestens bis zum 7. Oktober 2015 Bareinlagen in Höhe von €1.715 Millionen in die ungebundene Kapitalrücklage der Gesellschaft gemäß § 272 Absatz 2 Nummer 4 des Handelsgesetzbuches (HGB) leisten, um das Eigenkapital der Gesellschaft vor Abschluss des Angebots (wie unten in E.3 definiert) zu erhöhen (die „**Kapitaleinlage**“) gemäß einem Vertrag über die Bareinlage und die Freistellung zwischen der Bayer AG und der Gesellschaft. Am 29. September 2015 wurden €715 Millionen der Kapitaleinlage geleistet und spätestens bis zum 7. Oktober 2015 ist noch ein weiterer Betrag von €1.000 Millionen zu leisten. Die Gesellschaft hat den Erlös aus der Kapitaleinlage zur Rückzahlung von zwischen den Gruppen bestehenden Verbindlichkeiten in Höhe von €1.715 Millionen (bestehend aus der vollständigen Rückzahlung eines €715 Millionen Darlehens und der teilweisen in Rückzahlung eines €2.375 Millionen Darlehens in Höhe von €1.000 Millionen), die sie der Bayer Antwerpen NV, einer Tochtergesellschaft der Bestehenden Aktionärin, schuldet, verwendet bzw. wird ihn dazu verwenden (die „**Zwischen den Gruppen bestehende Schuldentilgung I**“).

Zweck des Angebots (wie unten in E.3 definiert) und der Notierung der Aktien am regulierten Markt der Frankfurter Wertpapierbörse mit gleichzeitiger Notierung im Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (Prime Standard) der Frankfurter Wertpapierbörse ist (i) hauptsächlich die weitere Reduzierung der zwischen den Gruppen bestehenden Verbindlichkeiten, die sie der Bayer Antwerpen NV, einer Tochtergesellschaft der Bestehenden Aktionärin, schuldet und die sich auf €1.375 Millionen belaufen (die „**Zwischen den Gruppen bestehende Schuldentilgung II**“ und zusammen mit der Zwischen den Gruppen bestehende Schuldentilgung I die „**Zwischen den Gruppen bestehenden Schuldentilgungen**“) und (ii) mit einem geringen Teil der Einnahmen die Finanzierung allgemeiner Unternehmenszwecke. Die Summe der für allgemeine Unternehmenszwecke zur Verfügung stehenden Mittel ergibt sich aus der Differenz zwischen dem Nettoerlös aus dem Verkauf der Neuen Aktien und dem Betrag, der für die Zwischen den Gruppen bestehende Schuldentilgung II verwendet wird, und wird sich voraussichtlich auf ca. €98 Millionen belaufen.

16. In subsection “E.3 – Beschreibung der Angebotskonditionen” on page S-47, the first paragraph is replaced with the following:

Dieses Angebot bezieht sich auf 69.767.441 neu emittierte, auf den Inhaber lautende Stammaktien ohne Nennwert (Stückaktien) (die „**Neuen Aktien**“), jeweils mit einem anteiligen Wert am Grundkapital von €1,00 und mit voller Dividendenberechtigung ab Beginn aus einer Kapitalerhöhung gegen Bareinlage, die voraussichtlich am 2. Oktober 2015 von der außerordentlichen Hauptversammlung der Gesellschaft zu beschließen ist (das „**Angebot**“).

17. In subsection “E.3 – Angebotszeitraum” on page S-47, the paragraph is replaced with the following:

Der Angebotszeitraum, innerhalb dessen Anleger die Gelegenheit haben, ihre Angebote zum Kauf Neuer Aktien abzugeben, hat am 21. September 2015 begonnen und endet voraussichtlich am 2. Oktober 2015 (der „**Angebotszeitraum**“). Während des Angebotszeitraums können Angebote zum Kauf Neuer Aktien bei den Konsortialbanken abgegeben werden. Am letzten Tag des Angebotszeitraums können Privatanleger ihre Angebote zum Kauf Neuer Aktien bis 12.00 Uhr mittags (Mittleuropäische Sommerzeit, „**MESZ**“) und institutionelle Anleger ihre Angebote zum Kauf Neuer Aktien bis 13.00 Uhr MESZ abgeben. Kaufaufträge müssen in vollen Eurobeträgen oder Eurocentbeträgen von 25, 50 oder 75 Cent abgegeben werden. Mehrfache Kaufaufträge sind zulässig.

18. In subsection “E.3 – Platzierungspreis” on page S-48, the paragraph is replaced with the following:

Der Angebotspreis wird voraussichtlich am 2. Oktober 2015 gemeinsam von der Gesellschaft, der Bestehenden Aktionärin und den Joint Global Coordinators nach Ablauf des Angebotszeitraums auf Grundlage des während des Bookbuilding-Verfahrens erstellten

Orderbuches festgelegt. Das Orderbuch wird auf Grundlage der Preisspanne (wie unten in E.3 definiert) von €21,50 bis €24,50 erstellt. Die Bestimmung des Angebotspreises ist abhängig von den Angeboten zum Kauf Neuer Aktien, die Anleger während des Angebotszeitraums abgegeben haben und die in dem oben genannten Orderbuch erfasst sind. Nach Ablauf des Angebotszeitraums werden die endgültige Anzahl Neuer Aktien und der Angebotspreis von der Gesellschaft zusammen mit der Bestehenden Aktionärin in Abstimmung mit den Joint Bookrunners unter Verwendung des während des Bookbuilding-Verfahrens erstellten Orderbuchs und unter Berücksichtigung des angestrebten Bruttoerlöses der Gesellschaft bestimmt. Dies findet voraussichtlich am oder um den 2. Oktober 2015 statt.

19. In subsection "E.3 – Preisspanne und Angebotspreis" on page S-48, the paragraph is replaced with the following:

Die Preisspanne, innerhalb derer Angebote zum Kauf Neuer Aktien abgegeben werden dürfen, beträgt €21,50 bis €24,50 (die „**Preisspanne**“).

20. In subsection "E.3 – Lieferung und Abrechnung" on page S-48, the paragraph is replaced with the following:

Die Neuen Aktien werden voraussichtlich am 7. Oktober 2015 gegen Zahlung des Angebotspreises geliefert. Die Neuen Aktien werden den Aktionären als Miteigentumsanteile an der Globalurkunde zur Verfügung gestellt.

21. In subsection "E.3 – Stabilisierungsmaßnahmen, Mehrzuteilungen und Greenshoe Option" on page S-48, the third paragraph is replaced with the following:

Infolge der Stabilisierungsmaßnahmen kann der Stabilisierungsmanager während des Stabilisierungszeitraums ein- oder mehrmals bis zu 6.976.744 Aktien der Gesellschaft zum aktuellen Börsenkurs (die „**Stabilisierungsaktien**“) unter der Voraussetzung erwerben, dass die Anzahl der infolge der Stabilisierungsmaßnahmen erworbenen Aktien der Gesellschaft 10% der Neuen Aktien nicht überschreitet.

22. In subsection "E.4 – Beschreibung aller für die Emission/das Angebot wesentlichen, einschließlich kollidierender Interessen" on page S-49, the fifth paragraph is replaced with the following:

Die Bestehende Aktionärin wird keine Aktien der Gesellschaft im Rahmen des Angebots verkaufen und keine Erlöse aus dem Angebot erhalten. Die Gesellschaft beabsichtigt jedoch die Nettoerlöse aus dem Verkauf der Neuen Aktien (i) hauptsächlich zur Reduzierung bestehender Verbindlichkeiten in Höhe von €1.375 Millionen gegenüber der Bayer Antwerpen NV, einer Tochtergesellschaft der Bestehenden Aktionärin (bezeichnet als die Zwischen den Gruppen bestehende Schuldentilgung II), und (ii) in einem geringen Teil zur Finanzierung allgemeiner Unternehmenszwecke, zu verwenden.

23. Subsection "E.6 – Betrag und Prozentsatz der aus dem Angebot resultierenden unmittelbaren Verwässerung. Im Falle eines Zeichnungsangebots an die existierenden Anteilseigner Betrag und Prozentsatz der unmittelbaren Verwässerung, für den Fall, dass sie das neue Angebot nicht zeichnen" on page S-53, is replaced with the following:

Der Nettobuchwert (Summe der Aktiva abzüglich der Verbindlichkeiten und abzüglich des investierten, auf den nicht beherrschenden Anteil entfallenden Eigenkapitals), zum 30. Juni 2015 hat sich auf €1.717 Millionen und bei 140.000.000 ausstehenden Aktien der Gesellschaft unmittelbar vor dem Angebot auf €12,26 je Aktie der Gesellschaft belaufen. Der um die Kapitaleinlage angepasste Nettobuchwert zum 30. Juni 2015 hätte sich bei 140.000.000 ausstehenden Aktien der Gesellschaft unmittelbar vor dem Angebot auf €24,51 je Aktie belaufen.

Die verwässernde Wirkung des Angebots ist in der untenstehenden Tabelle dargestellt, aus welcher der Betrag ersichtlich ist, um den der Angebotspreis am unteren Ende, zum Mittelwert und am oberen Ende der Preisspanne den Gesamtnettobuchwert je Aktie der Gesellschaft nach Abschluss des Angebots übersteigt, unter der Annahme, dass das Angebot am 30. Juni 2015 durchgeführt und um die Kapitaleinlage angepasst worden wäre. Der Nettobuchwert und der Nettobuchwert je Aktie der Gesellschaft werden um die Auswirkungen des Angebots unter der

Annahme angepasst, dass (a) diese Anzahl Neuer Aktien zum Angebotspreis begeben wurde, um die angestrebten Bruttoerlöse von ca. €1.500 Millionen für die Gesellschaft zu erzielen, was dann nach Abschluss des Angebots zu 209.767.441, 205.217.391 und 201.224.489 ausstehenden Aktien der Gesellschaft am unteren Ende, zum Mittelwert und am oberen Ende der Preisspanne führen würde, und (b) dass die Gesellschaft Nettoerlöse in Höhe von €1.473 Millionen erzielt hat.

Der nachstehenden Tabelle ist der Betrag zu entnehmen, um den der Preis je Aktie der Gesellschaft den Nettobuchwert je Aktie der Gesellschaft gemäß Zwischenbilanz zum 30. Juni 2015 nach Abschluss des Angebots am unteren Ende, zum Mittelwert bzw. am oberen Ende der Preisspanne übersteigen würde:

	<u>Unteres Ende</u>	<u>Mittel- wert</u>	<u>Oberes Ende</u>
		<i>(ungeprüft)</i>	
Angebotspreis in €	21,50	23,00	24,50
Gesamtnettobuchwert ⁽¹⁾ je Aktie der Gesellschaft zum 30. Juni 2015 (auf Grundlage von 140.000.000 ausstehenden Aktien der Gesellschaft vor dem Angebot), in €	12,26	12,26	12,26
Gesamtnettobuchwert ⁽¹⁾ je Aktie der Gesellschaft zum 30. Juni 2015 (auf Grundlage von 140.000.000 ausstehenden Aktien der Gesellschaft vor dem Angebot) und um die Kapitaleinlage bereinigt), in €	24,51	24,51	24,51
Nettobuchwert je Aktie der Gesellschaft (auf Grundlage von 209.767.441, 205.217.391 und 201.224.489 ausstehenden Aktien der Gesellschaft am unteren Ende, zum Mittelwert und am oberen Ende der Preisspanne nach Abschluss des Angebots), in €	23,38	23,90	24,38
Betrag, um den der Angebotspreis den Gesamtnettobuchwert ⁽¹⁾ je Aktie der Gesellschaft übersteigt/unterschreitet (unmittelbare Verwässerung/Wertzuwachs je Aktie, auf Grundlage von 209.767.441, 205.217.391 und 201.224.489 ausstehenden Aktien am unteren Ende, zum Mittelwert und am oberen Ende der Preisspanne nach Abschluss des Angebots), in €	(1,88)	(0,90)	0,12
Unmittelbare Verwässerung/Wertzuwachs in Bezug auf die neuen Aktionäre, in %	(8,8)%	(3,9)%	0,5%

Anmerkung:

(1) Nettobuchwert bezieht sich auf die Summe der Aktiva der Gesellschaft abzüglich ihrer Gesamtverbindlichkeiten und abzüglich des investierten, auf den nicht beherrschenden Anteil entfallenden Eigenkapitals.

Unter der Annahme, dass die Kapitaleinlage und die Kapitalerhöhung bezüglich der Neuen Aktien erfolgt sind, beträgt die Reduzierung des Nettobuchwerts je Aktie der Gesellschaft (berechnet durch Gegenüberstellung der Nettobuchwerte vor und nach dem Angebot) €1,13, €0,61 bzw. €0,13 (auf Grundlage von 209.767.441, 205.217.391 und 201.224.489 ausstehenden Aktien der Gesellschaft am unteren Ende, zum Mittelwert und am oberen Ende der Preisspanne nach Abschluss des Angebots, unter der Annahme, dass die Kapitalerhöhung in Höhe von 69.767.441, 65.217.391 bzw. 61.224.489 Neuen Aktien erfolgt ist).

Amendments to the section titled “3. Risk Factors” beginning on page 1 of the Prospectus

24. In subsection “3.3.11 – The Company, Covestro Deutschland AG, and Covestro LLC are subject to certain covenants and indemnification obligations that may reduce their strategic and operational flexibility” on page 33, the paragraph is replaced with the following:

Pursuant to the Tax Sharing Agreement and the Tax Covenants Agreement, the Company, Covestro Deutschland AG, and Covestro LLC generally have agreed not to take certain actions, such as stock issuances, certain stock transfers, mergers, and asset sales. The Company, Covestro Deutschland AG and Covestro LLC have agreed not to undertake such transactions

during the two year period following the Distributions without first obtaining an opinion of tax counsel or a private letter ruling issued by the IRS that any such action will not result in the Distributions failing to qualify as tax-free transactions. If the commencement of trading of the Shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (Prime Standard) occurs after October 6, 2015, the Company, Covestro Deutschland AG and Covestro LLC will continue to be subject to these restrictions until fifteen months after the commencement of such trading. Further, as described above, Covestro LLC would generally be responsible for any tax-related liabilities caused by the failure of the Distributions to qualify as tax-free transactions if the failure to so qualify is attributable to actions by Covestro Deutschland AG, Covestro LLC or its affiliates after the Distributions. As a result of all of these covenants and indemnification obligations, the Company, Covestro Deutschland AG, and Covestro LLC may be unable to issue stock, pursue strategic transactions or engage in other transactions that may maximize the value of the business. Many of the competitors of the Group are not subject to similar restrictions and may issue their stock or undertake other transactions that enhance their strategic and operating flexibility. Therefore, these competitors may have a competitive advantage over the Group which could materially adversely affect the Group's business, financial condition, results of operations and prospects.

25. In subsection "3.4.5 – Bayer AG, the Group's largest shareholder following the offering, may have interests that conflict with the Group and may cause the Group to forgo desirable opportunities" on page 34, the paragraph is replaced with the following:

Upon completion of the offering, Bayer AG, and after execution of the put-option by the Underwriters together with Bayer Global Investments B.V., will hold up to a total maximum of approximately 72.6% of the Shares. Bayer AG holds other companies, and members of the Management Board and/or the Company's supervisory board (*Aufsichtsrat*) (the "**Supervisory Board**") may in the future serve as officers and/or directors of these entities. These relationships may lead to conflicts of interest. For example, certain investments desirable for the Group may also be desirable for one or more of these other companies, and the Bayer Group and their respective advisors or affiliates or their respective representatives on the Management Board and/or Supervisory Board may have obligations that conflict regarding whether to direct or facilitate the making of any particular investment through the Group or through another such company or regarding whether and how to advise with respect to such investments. Bayer AG also owns the majority (60%) of Currenta, the sole operator of the chemical parks located in Leverkusen, Dormagen and Uerdingen, Germany, which has many contractual relationships with the Group that may result in commercial conflicts.

26. In subsection "3.4.7 – Future sales of shares in the Company by Bayer AG or the perception that such sales may occur could depress the price of the shares" on page 35, the paragraph is replaced with the following:

If Bayer AG sold a large block of the Shares in the Company it holds upon completion of the offering, or a consensus formed in the market that such sales were imminent, the Group's share price may fall. Upon completion of the offering, the number of issued Shares may range from 201,224,489 to 209,767,441 Shares. Upon completion of the offering, Bayer AG, and after execution of the put-option by the Underwriters together with Bayer Global Investments B.V., will hold in a range between approximately 70.1% to approximately 72.6% of the Shares. While these Shares are subject to lock-up agreements, such arrangements are only contractual obligations and are only binding for the agreed lock-up period of six months. If such arrangements among the parties are broken, altered or waived, shareholders will not have any right of action against the parties. A sale of shares of the Company before the expiration of the lock-up period therefore cannot be ruled out. Bayer AG's proposed or perceived sale of Shares in the Company in the future may significantly depress the Share price especially at the point in time when any lock-up arrangements expire.

Amendments to the section titled “4. General Information” beginning on page 36 of the Prospectus

27. In subsection “4.2 – Purpose of the Prospectus” on page 36, the first paragraph is replaced with the following:

For the purpose of the public offering of securities, the Prospectus relates to 69,767,441 of the Company’s newly issued ordinary bearer shares with no par value (*Stückaktien*), each such share representing a notional value of €1.00 and full dividend rights since inception, from a capital increase against contributions in cash (the “**IPO Capital Increase**”) to be resolved by an extraordinary shareholders’ meeting of the Company expected to take place on October 2, 2015 (the “**New Shares**”).

Amendments to the section titled “6. The Offering” beginning on page 44 of the Prospectus

28. Subsection “6.1 – Subject Matter of the Offering” on page 44 first, fourth, fifth and sixth, is replaced with the following:

This offering relates to newly issued ordinary bearer shares with no par value (*Stückaktien*), each such share representing a notional value of €1.00 and full dividend rights since inception, from a capital increase against cash contributions to be resolved by the extraordinary shareholders’ meeting of the Company (the “**Offering**”) expected to take place on October 2, 2015 (the “**New Shares**”).

The IPO Capital Increase to create the New Shares, which is expected to be approved by the extraordinary shareholders’ meeting of the Company on October 2, 2015 and to be registered with the Commercial Register on October 5, 2015, would result in an increase in the Company’s share capital of up to €69,767,441. The New Shares will be issued upon registration of the IPO Capital Increase with the Commercial Register. Assuming the IPO Capital Increase is approved by the extraordinary shareholders’ meeting of the Company and registered with the Commercial Register of the Company in the maximum amount, the total share capital of the Company will amount to €209,767,441. The share capital of the Company represented by the New Shares will total €69,767,441. Thus, approximately 33.3% of the Company’s shares (after effectiveness of the issuance of all New Shares and assuming the maximum number of New Shares) will be offered.

Following the completion of the Offering, and assuming full placement of the New Shares at the low end, mid-point and high end of the Price Range (i.e., maximum, medium and minimum number of the New Shares) to achieve the targeted gross proceeds in an amount of around €1,500 million, the Existing Shareholder will hold approximately 66.7% at the low end, 68.2% at the mid-point, and 69.6% at the high end of the Price Range, respectively, of the Company’s shares. For further information on the Company’s shareholder structure, see “18. Shareholder Structure.” In the event that the Put Option is exercised in full, the Existing Shareholder together with the Put-Grantor will hold approximately 70.1% at the low end, 71.4% at the mid-point and 72.6% at the high end of the Price Range of the Company’s shares.

In the Offering, the Company will receive the proceeds (after deduction of agreed commissions and expenses) from the sale of the New Shares. The Existing Shareholder will receive no proceeds from the Offering. However, the Company intends to use the net proceeds from the sale of the New Shares mainly to reduce existing debt owed to Bayer Antwerpen NV, a subsidiary of the Existing Shareholder, in an amount of €1,375 million (referred to as the Inter-Group Debt Repayment II) (each as defined below in “8. Reasons for the Offering and Listing and use of Proceeds”).

29. Subsection “6.2 – Price Range, Offer Period, Offer Price and Allotment” on page 45 first, second, fourth, fifth and sixth, is replaced with the following:

The Price Range within which offers to purchase New Shares may be submitted is €21.50 to €24.50 (the “**Price Range**”).

The offer period during which investors will have the opportunity to submit offers to purchase New Shares commenced on September 21, 2015, and is expected to end on October 2, 2015 (the “**Offer Period**”). During the Offer Period, offers to purchase New Shares may be submitted

to the Underwriters. On the last day of the Offer Period, retail investors will be able to submit offers to purchase New Shares until 12:00 noon Central European Summer Time (“CEST”), and institutional investors will be able to submit offers to purchase New Shares until 13:00 CEST. Purchase orders must be in full Euro amounts or Euro cent figures of 25, 50 or 75 cents. Multiple purchase orders are permitted.

Under certain conditions, the Joint Global Coordinators, on behalf of the Underwriters, may terminate the Underwriting Agreement relating to the Offering entered into between the Company, the Existing Shareholder, the Put Grantor and the Underwriters on September 18, 2015, as amended on October 1, 2015 (the “**Underwriting Agreement**”), even after commencement of trading (*Aufnahme des Handels*) of the Shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). For further information on termination of the Underwriting Agreement, see “22. Underwriting—22.6 Indemnification and Termination.”

After the expiration of the Offer Period, the offer price is expected to be set on October 2, 2015, jointly by the Company, the Existing Shareholder and the Joint Global Coordinators on the basis of the order book prepared during the bookbuilding process. The order book will be built based on the Price Range from €21.50 to €24.50. The determination of the offer price will depend on the offers to purchase the New Shares submitted by investors during the Offer Period and collected in the above-mentioned order book. Once the Offer Period has expired, the final number of New Shares and the offer price will be determined jointly by the Company and the Existing Shareholder after consultation with the Joint Bookrunners using the order book prepared during the bookbuilding process and taking into consideration the targeted gross proceeds for the Company. This is expected to take place on or about October 2, 2015. The Company and Bayer AG target gross proceeds in an amount of around €1,500 million and will reduce the number of New Shares if the final offer price exceeds the low end of the Price Range. Accordingly, the number of New Shares will amount to 69,767,441 at the low end, 65,217,391 at the mid-point and 61,224,489 at the high end of the Price Range. The offer price and the final number of New Shares will be set on the basis of the purchase orders submitted by investors during the Offer Period that have been collated in the order book, taking into account the targeted gross proceeds for the Company. The offers to purchase New Shares will be evaluated according to the bid price and expectations regarding the qualities of a potential investor (e.g. expected holding strategy and order size). The offer price and the number of New Shares allocated to institutional investors will be determined on this basis. It will also be taken into account whether the offer price and number of New Shares allocated to investors will reasonably support the expectation that the share price in the secondary market will develop in a stable manner considering the demand for the New Shares indicated by the order book. In addition to the prices offered by investors and the number of investors interested in purchasing New Shares at a given price, the mix of investors in the Company that would result from a possible allotment at a particular price and expectations regarding the qualities of a potential investor (e.g. expected holding strategy and order size) will also be considered.

Investors are free to withdraw their offers to purchase until the end of the Offer Period. After the offer price has been set, the New Shares will be allotted to investors on the basis of the offers to purchase then available. The offer price is expected to be published on October 2, 2015 by means of an *ad hoc* announcement on an electronic information system and the website of the Company. Investors who have placed offers to purchase New Shares with one of the Underwriters can obtain information from that Underwriter about the offer price and the number of New Shares allotted to them on the business day following the setting of the offer price. Book-entry delivery of the allotted New Shares against payment of the offer price is expected to occur on October 7, 2015. Until (and including) that day, the Underwriting Agreement may be terminated by the Joint Global Coordinators. In that case, the Offering will not take place, allocations of New Shares to investors will become ineffective, and investors will not have any claim to delivery of the New Shares. Should the placement volume prove insufficient to satisfy all orders placed at the offer price, the Underwriters reserve the right to reject orders, or to accept them in part only.

30. In subsection “6.3 – Expected Timetable for the Offering” on page 46, the first paragraph is replaced with the following:

The Company anticipates the following timetable for the Offering, which is subject to extension or shortening:

September 18, 2015	<p>Approval of the Prospectus by the German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>) (“BaFin”)</p> <p>Notification of the approved Prospectus to the competent authority in Luxembourg (<i>Commission de Surveillance du Secteur Financier</i>) (“CSSF”)</p> <p>Publication of the Prospectus on the Company’s website (http://investor.covestro.com/boersengang/ and http://investor.covestro.com/en/ipo/)</p>
September 21, 2015	<p>Commencement of the offer period</p> <p>Application for admission of the Shares to the regulated market of the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) (Prime Standard)</p>
October 1, 2015	<p>Approval of the supplement No.1 by the BaFin</p> <p>Notification of the approved supplement No.1 dated October 1, 2015 to the Prospectus to the CSSF</p> <p>Publication of the supplement No.1 dated October 1, 2015 to the Prospectus on the Company’s website (http://investor.covestro.com/boersengang/ and http://investor.covestro.com/en/ipo/)</p>
October 2, 2015	<p>Resolution on the IPO Capital Increase for the issuance of the New Shares</p> <p>End of bookbuilding</p> <p>End of the Offer Period for retail investors at 12:00 CEST and for institutional investors at 13:00 CEST</p> <p>Determination of the offer price and allocation</p> <p>Publication of the offer price as an <i>ad hoc</i> announcement over an electronic information system and on the website of the Company</p> <p>Publication of the offer price on the Internet site of the Company</p> <p>Announcement of the results of the Offering on the Company’s website (http://investor.covestro.com/boersengang/ and http://investor.covestro.com/en/ipo/)</p>
October 5, 2015	<p>Registration of IPO Capital Increase</p> <p>Admission of the Shares to the regulated market of the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) (Prime Standard)</p>
October 6, 2015	<p>Commencement of trading of the Shares on the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) (Prime Standard)</p>
October 7, 2015	<p>Book-entry delivery of the New Shares against payment of the offer price (Closing)</p>

31. In subsection “6.4.4 – Statutory Subscription Rights” on page 47, the paragraph is replaced with the following:

The extraordinary shareholders’ meeting of the Company is expected to resolve the exclusion of subscription rights with respect to the New Shares on October 2, 2015, in accordance with the statutory requirements. For general information relating to statutory subscription rights, see “20. Description of Share Capital—20.11 General Provisions Relating to Subscription Rights.”

32. In subsection “6.4.5 – Form and Representation of the Shares” on page 47, the first paragraph is replaced with the following:

All Shares were and are being issued in accordance with the current Articles of Association as ordinary bearer shares with no par value (*auf den Inhaber lautende nennwertlose Stückaktien*). The current registered share capital of the Company in the amount of €140,000,000 is represented by one global share certificate without dividend coupon which will be deposited with Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn. The New Shares will also be certificated in a global share certificate on or about October 5, 2015, without dividend coupon and deposited with Clearstream Banking AG.

33. In subsection “6.4.8 – Existing Shareholder” on page 48, the second paragraph is replaced with the following:

The following overview provides the information about the number of New Shares and the number of Shares which the Existing Shareholder holds at the mid-point of the Price Range. For further information on the Company’s shareholder structure, see “18. Shareholder Structure.”

	Prior to the Offering	Upon completion of the Offering					
		Full exercise of the Put Option			Without exercise of the Put Option		
		Low End	Mid-Point	High End	Low End	Mid-Point	High End
Bayer AG	100%	66.7%	68.2%	69.6%	66.7%	68.2%	69.6%
Bayer Global Investments B.V.	0%	3.3%	3.2%	3.0%	—	—	—
Free-float	0%	29.9%	28.6%	27.4%	33.3%	31.8%	30.4%

34. In subsection “6.5 – Stabilization Measures and Put Option” on page 48, the third paragraph is replaced with the following:

The Stabilization Manager may as a result of the Stabilization Measures during the Stabilization Period acquire on one or more occasions up to 6,976,744 shares of the Company (the “**Stabilization Shares**”) at the then current market price, provided that such number of Company’s shares acquired as a result of Stabilization Measures may not exceed 10% of the New Shares. To facilitate such Stabilization Measures, the Put-Grantor has granted the Stabilization Manager the Put Option to sell to it the Stabilization Shares at the aggregate price at which it acquired the Stabilization Shares in connection with the Stabilization Measures. This option will terminate upon completion of the Stabilization Measures at the end of the Stabilization Period.

35. In subsection “6.7 – Admission to the Frankfurt Stock Exchange and Listing” on page 50, the paragraph is replaced with the following:

The Company applied on September 21, 2015 for admission of its Shares to trading on the regulated market segment (regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) and, simultaneously, in the sub-segment thereof with additional post-admission obligations (Prime Standard). An admission decision is expected to be made and announced for the Shares of the Company on October 5, 2015. The decision on the admission of the Shares for trading will be made at the discretion of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse). Currently, trading on the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) is expected to commence on October 6, 2015 for the Shares.

36. In subsection “6.9 – Delivery and Settlement” on page 50, the first paragraph is replaced with the following:

The delivery of the New Shares against payment of the offer price is expected to take place on October 7, 2015. The New Shares will be made available to the shareholders as co-ownership interests in the respective global share certificate.

37. In subsection “6.10 – Interests of Persons Participating in the Offering” on page 50, the sixth paragraph is replaced with the following:

In September 2014, the Existing Shareholder decided to focus entirely on its LifeScience businesses—HealthCare and CropScience—going forward and to float its MaterialScience business on the stock market as a separate company. The Existing Shareholder will not sell shares in the Company in the offering and receive no proceeds from the Offering. However, the Company intends to use the net proceeds from the sale of the New Shares (i) mainly to reduce inter-group debt owed to Bayer Antwerpen NV, a subsidiary of the Existing Shareholder, in an amount of €1,375 million (as defined below in “8. Reasons for the Offering and Listing and use of Proceeds”) and (ii) to provide a small amount of funds for general corporate purposes.

Amendments to the section titled “7. Proceeds of the Offering and Costs of the Offering and Listing” beginning on page 52 of the Prospectus

38. In section “7. – Proceeds of the Offering and Costs of the Offering and Listing” on page 52, the paragraphs are replaced with the following:

The Company will receive the proceeds of the Offering resulting from the sale of the New Shares after deduction of fees and commissions.

The Company targets gross proceeds in an amount of around €1,500 million and will reduce the number of New Shares if the final Offer Price exceeds the low end of the Price Range. Accordingly, subject to the final offer price, a lower amount of New Shares may be allocated. The number of New Shares will amount to 69,767,441 at the low end, 65,217,391 at the mid-point and 61,224,489 at the high end of the Price Range.

The costs of the Company related to the Offering of the New Shares and listing of the Company’s entire share capital are expected to total approximately €12 million (excluding underwriting fees payable by the Company to the Underwriters). The underwriting fees with respect to the New Shares payable to the Underwriters amount to approximately €15 million based on the targeted gross proceeds of the Company of around €1,500 million, excluding incentive fees, if any. In addition to the underwriting fees, the Existing Shareholder may pay the Underwriters incentive fees, payable entirely at the discretion of the Existing Shareholder, of up to €11.25 million. The Existing Shareholder will arrange for the payment of incentive fees, if any, within 35 days after commencement of the exchange trading of the Company’s shares on the Regulated Market of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

The net proceeds of the Company after deduction of the costs related to the Offering and the Underwriters’ underwriting fees payable by the Company are expected to amount to approximately €1,473 million.

None of the Company or the Underwriters will charge expenses to investors. Investors will have to bear customary transaction and handling fees charged by their brokers or financial institutions through which they hold their securities.

Amendments to the section titled “8. Reasons for the Offering and Listing and use of Proceeds” beginning on page 53 of the Prospectus

39. In section “8. Reasons for the Offering and Listing and use of Proceeds” on page 53 first, fourth, fifth and sixth paragraphs, the paragraphs are replaced with the following:

The Offering and listing gives Covestro AG greater flexibility to independently pursue its business goals, strategic freedom to execute asset optimization initiatives, focus on achieving business process and cost efficiencies, strategic flexibility to develop business portfolio and the ability to access the capital markets. The Company estimates net proceeds of approximately €1,473 million from the sale of the New Shares.

In connection with the Offering, the Existing Shareholder will make cash contributions in the total amount of €1,715 million into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), section 272 paragraph 2 number 4 of the German Commercial Code (*Handelsgesetzbuch (HGB)*), by no later than October 7, 2015 to increase the Company’s equity before completion of the Offering (the “**Capital Contribution**”). On September 29, 2015, €715 million of the total Capital Contribution were contributed, and by no later than October 7, 2015, an additional amount of €1,000 million will be contributed. The Company has and will use the proceeds from the Capital Contribution to repay inter-group debt in an amount of €1,715 million (consisting of the full repayment of a €715 million inter-group loan and the partial repayment of a €2,375 million inter-group loan in an amount of €1,000 million) owed to Bayer Antwerpen NV, a subsidiary of Bayer AG (the “**Inter-Group Debt Repayment I**”).

The purpose of the Offering and listing of the Shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, on the sub-segment thereof with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange is (i) mainly to further reduce inter-group debt owed to Bayer Antwerpen NV, a subsidiary of the Existing Shareholder, by an amount of €1,375 million (the “**Inter-Group Debt Repayment II**” and together with the Inter-Group Debt Repayment I, the “**Inter-Group Debt Repayments**”) and (ii) to provide a small amount of funds for general corporate purposes. The amount of funds for general corporate purposes will be the difference between the net proceeds from the sale of the New Shares and the amount used for Inter-Group Repayment II, and is expected to be approximately €98 million.

€715 million of the inter-group debt in an amount of €1,715 million was repaid on September 29, 2015 and the remaining amount of €1,000 million will be repaid by no later than October 7, 2015, each with the proceeds from the Capital Contribution (i.e. Inter-Group Debt Repayment I). The inter-group debt in an amount of €1,375 million that will remain from the €2,375 million inter-group loan after partial repayment in an amount of €1,000 million shall be fully repaid with a substantial part of the net proceeds from the placement of the New Shares on October 7, 2015 (i.e. Inter-Group Debt Repayment II).

Amendments to the section titled “9. Dilution” beginning on page 54 of the Prospectus

40. In section “9. Dilution” on page 54, the paragraphs are replaced with the following:

The net asset value (total assets less total liabilities less invested equities attributable to non-controlling interest) amounted to €1,717 million as of June 30, 2015, and would amount to €12.26 per Share in the Company based on 140,000,000 outstanding Shares in the Company immediately prior to the Offering. The net asset value as of June 30, 2015, adjusted for the Capital Contribution, would have amounted to €24.51 per share based on 140,000,000 shares of the Company outstanding immediately before the Offering.

The dilutive effect of the Offering is illustrated in the table below demonstrating the amount by which the offer price at the low end, mid-point and high end of the Price Range exceeds the total net asset value per Share after completion of the Offering, assuming the Offering had taken place on June 30, 2015 and adjusted for the Capital Contribution. The net asset value and the net asset value per Share are adjusted for the effects of the Offering, assuming (a) the issuance of such number of New Shares at the offer price to achieve the targeted gross proceeds for the Company of around €1,500 million, which would result in 209,767,441, 205,217,391 and 201,224,489 outstanding Shares of the Company at the low end, mid-point and high end of the

Price Range after completion of the Offering and (b) the receipt of the net proceeds to the Company in an amount of €1,473 million.

The table below illustrates the amount by which the price per Share would exceed the net asset value in the interim statement of financial position as of June 30, 2015 per Share after completion of the Offering at the low end, at the mid-point and the high end of the Price Range, respectively:

	Low End	Mid-Point <i>(unaudited)</i>	High End
Offer price in €	21.50	23.00	24.50
Total net asset value ⁽¹⁾ per Share as of June 30, 2015 (based on 140,000,000 outstanding Shares of the Company before the Offering) in €	12.26	12.26	12.26
Total net asset value ⁽¹⁾ per Share as of June 30, 2015 (based on 140,000,000 outstanding Shares of the Company before the Offering) and adjusted for the Capital Contribution in €	24.51	24.51	24.51
Net asset value per Share of the Company (based on 209,767,441, 205,217,391 and 201,224,489 outstanding Shares of the Company at the low end, mid-point and high end of the Price Range after completion of the Offering) in €	23.38	23.90	24.38
Amount by which the offer price exceeds/falls below the total net asset value ⁽¹⁾ per Share (immediate dilution/accretion per Share, based on 209,767,441, 205,217,391 and 201,224,489 outstanding Shares of the Company at the low end, mid-point and high end of the Price Range after completion of the Offering) in €	(1.88)	(0.90)	0.12
Immediate dilution/accretion to the new shareholders, in %	(8.8)%	(3.9)%	0.5%

Note:

(1) Net asset value refers to the Company's total assets minus its total liabilities less invested equity attributable to non-controlling interest.

Under the assumption that the Capital Contribution and the capital increase regarding the New Shares are implemented, the reduction of the net asset value per Share (comparing the net asset values prior to and after the Offering) will be €1.13, €0.61 and €0.13, respectively (based on 209,767,441, 205,217,391 and 201,224,489 outstanding Shares of the Company at the low end, mid-point and high end of the Price Range after completion of the Offering assuming execution of the capital increase in an amount of 69,767,441, 65,217,391 and 61,224,489 offered New Shares).

Each of the New Shares will have the same voting rights as the Company's Existing Shares. Prior to the Offering, the Existing Shareholder held 100% of the voting rights. Upon completion of the Offering (assuming full placement of the New Shares) the voting rights held by the Existing Shareholder would amount to 66.7%, 68.2% and 69.6%, respectively, at the low end, mid-point and high end of the Price Range.

Amendments to the section titled “11. Capitalization and Indebtedness; Statement on Working Capital” beginning on page 57 of the Prospectus

41. In subsection “11.1 General” on page 57, the paragraphs are replaced with the following:

The following tables set forth the capitalization and indebtedness of the Covestro Group (i) as of June 30, 2015, as well as adjustments to the line items “Financial liabilities” (current), “Provisions for pensions and other post-employment benefits” and “Invested equity attributable to the Bayer Group” of the capitalization table (below at 11.2) and to the line items “Cash,” “Trading securities,” “Current financial receivables” and “Other current financial debt” of the indebtedness table (below at 11.3) for (ii) transactions and business operations that occurred between July 1 and August 31, 2015, (iii) the Capital Contribution, (iv) the Inter-Group Debt Repayment I, (v) the net proceeds of €1,473 million from the placement of the New Shares (see “7. Proceeds of the Offering and Costs of the Offering and Listing”), and (vi) the effects of

the Inter-Group Debt Repayment II from net proceeds from the Offering in the amount of €1,375 million and the increase in cash attributable to the small amount of the net proceeds that will be used for general corporate purposes.

The Company was established as a stock corporation organized under German law on August 20, 2015 and registered with the Commercial Register of the local court of Cologne (*Amtsgericht Köln*), Germany, under docket number 85281 on August 24, 2015 under the legal name "Covestro AG." Therefore the information set forth in the table below under column (i) "As of June 30, 2015" has been taken from the combined financial statements of the Covestro Group.

In connection with the transfer of the MaterialScience business from the Bayer Group to the Group, (i) most companies, assets and liabilities that were not yet controlled or owned by the Group, were legally transferred from the Bayer Group to the Group against payments made between July 1, 2015 and August 31, 2015; and (ii) a limited number of companies, assets and liabilities that were controlled or owned by the MaterialScience business were legally transferred from the Group to the Bayer Group against payments made between July 1, 2015 and August 31, 2015; and (iii) the Bayer Group paid €140,000,000 as cash contribution for the formation of Covestro AG in the context of the establishment in cash (*Bagründung*); and (iv) pension liabilities attributable to transferred employees in the total net amount of €85 million were transferred from the Bayer Group to the Group (together the "**Transactions**") (as reflected in column (ii) "Transactions and Business Operations from July 1 to August 31, 2015" in the table below together with the effects of business operations between July 1 and August 31, 2015). The Transactions mainly relate to transactions in Belgium, China, Italy and Spain. Furthermore, significant transactions occurred subsequent to August 31 until September 30, 2015 as further disclosed in note 9 to the capitalization table (see "*11.2 Capitalization*").

In connection with the Offering, the Existing Shareholder will make the Capital Contribution in the amount of €1,715 million in cash into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), section 272 paragraph 2 number 4 German Commercial Code (*Handelsgesetzbuch (HGB)*), by no later than October 7, 2015 to increase the Company's equity before completion of the Offering (as reflected in column (iii) "Capital Contribution" in the table below). On September 29, 2015, €715 million of the total Capital Contribution were contributed, and by no later than October 7, 2015, an additional amount of €1,000 million will be contributed.

The Company plans to make the Inter-Group Debt Repayment I in the total amount of €1,715 million by October 7, 2015, of which €715 million were repaid on September 29, 2015 and the remaining amount of €1,000 million will be repaid by no later than October 7, 2015 (as reflected in column (iv) "Inter-Group Debt Repayment I" in the table below). For further information on these payments see "*7. Proceeds of the Offering and Costs of the Offering and Listing.*"

The Company targets net proceeds of around €1,473 million resulting from the Offering (as reflected in column (v) "Net proceeds from the placement of the New Shares" in the table below).

The Company plans to apply the net proceeds from the Offering mainly to the Inter-Group Debt Repayment II in the amount of €1,375 million and keep the remainder for general corporate purposes (as reflected in column (vi) "Application of net proceeds to Inter-Group Debt Repayment II and general corporate purposes" in the table below).

Investors should read this table in conjunction with "*12. Selected Combined Financial and Other Information,*" "*13. Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the unaudited combined interim financial statements of the Covestro Group prepared in accordance with IFRS as of and for the six months ended June 30, 2015, including the notes thereto, which are included in the Prospectus beginning on page F-2.

42. In subsection “11.2 Capitalization” on page 58, the paragraphs are replaced with the following:

	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
	As of June 30, 2015	Transactions and Business Operations from July 1 to August 31, 2015 ⁽¹⁾	Capital Contribution	Inter-Group Debt Repayment I ⁽²⁾	Net proceeds from the placement of the New Shares ⁽³⁾	Application of net proceeds to Inter- Group Debt Repayment II and general corporate purposes ⁽⁴⁾	Total ⁽⁵⁾⁽¹⁰⁾
	(unaudited) (EUR in millions)						
Total current debt							
Financial liabilities	4,697	1,073 ⁽⁹⁾	—	(1,715)	—	(1,375)	2,680
Trade accounts payable	1,456	—	—	—	—	—	1,456
Other current liabilities ⁽⁶⁾	551	—	—	—	—	—	551
Total current debt	6,704	1,073	—	(1,715)	—	(1,375)	4,687
of which secured	—	—	—	—	—	—	—
of which guaranteed ⁽⁷⁾	201	—	—	—	—	—	201
of which unsecured/unguaranteed	6,503	1,073	—	(1,715)	—	(1,375)	4,486
Total non-current debt							
Provisions for pensions and other post-employment benefits	1,409	85	—	—	—	—	1,494
Financial liabilities	521	—	—	—	—	—	521
Other non-current liabilities ⁽⁸⁾	427	—	—	—	—	—	427
Total non-current debt	2,357	85	—	—	—	—	2,442
of which secured	—	—	—	—	—	—	—
of which guaranteed ⁽⁷⁾	227	—	—	—	—	—	227
of which unsecured/unguaranteed	2,130	85	—	—	—	—	2,215
Invested equity							
Invested equity attributable to the Bayer Group	1,198	(1,013)	1,715	—	1,473	—	3,373
Other components of equity	519	—	—	—	—	—	519
Total invested equity attributable to the Bayer Group	1,717	(1,013)	1,715	—	1,473	—	3,892
Invested equity attributable to non-controlling interest	11	—	—	—	—	—	11
Total capitalization	10,789	145	1,715	(1,715)	1,473	(1,375)	11,032

Note:

- (1) For further information, see “11. Capitalization and Indebtedness; Statement on Working Capital—11.1 General.”
- (2) The Inter-Group Debt Repayment I is expected to amount to €1,715 million. For further information, see “7. Proceeds of the Offering and Costs of the Offering and Listing.”
- (3) The net proceeds of the Company will amount to €1,473 million based on the targeted gross proceeds of the Company of around €1,500 million. For further information, see “7. Proceeds of the Offering and Costs of the Offering and Listing.”
- (4) From the assumed net proceeds of the Offering amounting to €1,473 million an amount of €1,375 million is expected to be used for the Inter-Group Debt Repayment II and €98 million will be kept as cash on hand for general corporate purposes.
- (5) Total capitalization comprises the capitalization as of June 30, 2015 adjusted for the Transactions and business operations from July 1 to August 31, 2015, the Capital Contribution, the Inter-Group Debt Repayment I, the net proceeds from placement of the New Shares and application of a substantial part of the net proceeds to Inter-Group Debt Repayment II.
- (6) Other current liabilities comprise other provisions, income tax liabilities and other liabilities.
- (7) Comprises two guarantees by companies of the Bayer Group for syndicated bank loans in China.
- (8) Other noncurrent liabilities comprise other provisions, other liabilities and deferred taxes.
- (9) The increase in financial liabilities relates to the completion of the Transactions and the effects of business operations between July 1 and August 31, 2015. It does not reflect the effects of certain significant transactions that settled subsequent to August 31 but prior to September 30, 2015, which resulted in an increase of net financial liabilities of €108 million consisting of effects relating to significant carve-out transactions in Thailand in an amount of €(172) million, in Belgium (purchase price adjustment) in an amount of €(28) million and in Mexico in an amount of €194 million as well as a lump-sum payment relating to pensions of €114 million representing an initial payment for Reimbursement Claims, as further referenced under “16.1.4 Purchase Agreement regarding pension liabilities between Bayer AG and the Company”.
- (10) Total capitalization does not reflect the effects of certain significant transactions that settled subsequent to August 31 but prior to September 30, 2015 described in more detail in footnote 9.

43. In subsection “11.3 Indebtedness” on page 59, the paragraphs are replaced with the following:

	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)
	As of June 30, 2015	Transactions and Business Operations from July 1 to August 31, 2015 ⁽¹⁾⁽¹³⁾	Capital Contribution	Inter-Group Debt Repayment I ⁽²⁾	Net proceeds from the placement of the New Shares ⁽³⁾	Application of net proceeds to Inter- Group Debt Repayment II and general corporate purposes ⁽⁴⁾	Total ⁽⁵⁾⁽¹⁴⁾
	(unaudited) (EUR in millions)						
A. Cash ⁽⁶⁾	101	142	1,715	(1,715)	1,473	(1,375)	341
B. Cash equivalents	5	—	—	—	—	—	5
C. Trading securities ⁽⁷⁾	96	(96)	—	—	—	—	0
D. Liquidity (A) + (B) + (C)	202	46	1,715	(1,715)	1,473	(1,375)	346
E. Current financial receivables⁽⁸⁾	434	14	—	—	—	—	448
F. Current bank debt ⁽⁹⁾	403	—	—	—	—	—	403
G. Current portion of non-current debt	—	—	—	—	—	—	—
H. Other current financial debt ⁽¹⁰⁾	4,294	1,073	—	(1,715)	—	(1,375)	2,277
I. Current financial debt (F) + (G) + (H)	4,697	1,073	—	(1,715)	—	(1,375)	2,680
Net current financial indebtedness							
J. (I) – (E) – (D)	4,061	1,013	(1,715)	—	(1,473)	—	1,886
K. Non-current bank loans ⁽¹¹⁾	228	—	—	—	—	—	228
L. Bond issued	—	—	—	—	—	—	—
M. Other non-current loans ⁽¹²⁾	293	—	—	—	—	—	293
Non-current financial indebtedness							
N. (K) + (L) + (M)	521	—	—	—	—	—	521
O. Net financial indebtedness (J) + (N)	4,582	1,013	(1,715)	—	(1,473)	—	2,407

Note:

- (1) For further information, see “11. Capitalization and Indebtedness; Statement on Working Capital—11.1 General.”
- (2) The Inter-Group Debt Repayment I is expected to amount to €1,715 million. For further information, see “7. Proceeds of the Offering and Costs of the Offering and Listing.”
- (3) The net proceeds of the Company will amount to €1,473 million based on the targeted gross proceeds of the Company of around €1,500 million. For further information, see “7. Proceeds of the Offering and Costs of the Offering and Listing.”
- (4) From the assumed net proceeds of the Offering amounting to €1,473 million, an amount of €1,375 million is expected to be used both for the Inter-Group Debt Repayment II and €98 million will be kept as cash on hand for general corporate purposes.
- (5) Total capitalization comprises the capitalization as of June 30, 2015 adjusted for the Transactions and business operations from July 1 to August 31, 2015, the Capital Contribution, the Inter-Group Debt Repayment I, and the net proceeds from placement of the New Shares and the application of a substantial part of the net proceeds to Inter-Group Debt Repayment II.
- (6) The term Cash is used as defined in the combined financial statements. It does not include “intercompany loan receivables and cash pool receivables with the Bayer Group.” Intercompany loan receivables and cash pool receivables with the Bayer Group amounted to €433 million as of June 30, 2015. Cash and cash equivalents amounted to €106 million and €248 million as of June 30, 2015 and August 31, 2015.
- (7) Trading securities comprise available-for-sale financial assets measured at fair value.
- (8) Current financial receivables comprise current portion of loans, financial receivables (including current portion of intercompany loan receivables and cash pool receivables with the Bayer Group) and receivables under lease agreements. Cash pool receivables with the Bayer Group amounted to €292 million and €420 million as of June 30, 2015 and August 31, 2015, respectively. Cash pool arrangements have been terminated as of August 31, 2015.
- (9) Current bank debt comprises current portion of liabilities to banks.
- (10) Other current financial debt comprises current portion of liabilities under finance leases, liabilities from derivatives and other financial liabilities (including current portion of intercompany loan payables and cash pool payables with the Bayer Group).
- (11) Non-current bank loans comprise non-current portion of liabilities to banks.
- (12) Other non-current loans comprise non-current portion of liabilities under finance leases, liabilities from derivatives and other financial liabilities (including non-current portion of intercompany loan payables and cash pool payables with the Bayer Group).
- (13) Does not reflect the effects of certain significant transactions that settled subsequent to August 31 but prior to September 30, 2015, which resulted in an increase of the net financial liabilities of €108 million consisting of effects relating to carve-out transactions in Thailand in an amount of €(172) million, in Belgium (purchase price adjustment) in an amount of €(28) million and in Mexico in an amount of €194 million as well as a lump-sum payment relating to pension obligations of €114 million representing an initial payment for Reimbursement Claims, as further referenced under “16.1.4 Purchase Agreement regarding pension liabilities between Bayer AG and the Company”.
- (14) Total indebtedness does not reflect the effects of certain significant transactions that settled subsequent to August 31 but prior to September 30, 2015 described in more detail in footnote 13.

Covestro AG has entered into a syndicated multicurrency term and revolving credit facilities agreement, dated September 4, 2015, in a total amount of €2.7 billion with a syndicate of banks, which consists of a revolving credit facility in the amount of €1.5 billion and a term loan facility in the amount of €1.2 billion. At the date of the Prospectus, the facilities have not been drawn and

are available for utilization upon the shares of the Company having been admitted to trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (and certain other customary conditions precedent being satisfied). For further information regarding the facilities see “15. Business—5.19 Material Agreements—15.19.1 Financing Agreements.”

The inter-group loan in an amount of €1,250 million due in March 2016 and the inter-group loan in an amount of €810 million due in June 2016 are currently planned to be repaid with the proceeds from future bond issuances or other financial instruments and operating cash generated by the Group. In case the repayment of the two remaining inter-group loans will not be made as currently planned, the Group plans to draw the term loan facility and to partially draw the revolving credit facility and to use the proceeds for the repayment of the two inter-group loans at their maturity.

Amendments to the section titled “13. Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 66 of the Prospectus

44. In subsection “13.10.2 Financing Structure Following the Separation” on page 111, the second paragraph is replaced with the following:

As of the date of this Prospectus, inter-group loans from Bayer Antwerpen NV, a member of the Bayer Group, in an aggregate amount of €4,435 million remain outstanding, after the Group repaid a €715 million inter-group loan from Bayer Antwerpen NV on September 29, 2015 using part of the proceeds of the Capital Contribution. The Group plans to further reduce the amount of inter-group debt, and plans to repay €1,000 million of the inter-group loan in the amount of €2,375 million from Bayer Antwerpen NV by no later than October 7, 2015 with the proceeds from the Capital Contribution. The Group will also use a substantial part of the net proceeds from the Offering to repay the balance of the €2,375 million inter-group loan from Bayer Antwerpen NV in an amount of €1,375 million on October 7, 2015. A €1,250 million inter-group loan from Bayer Antwerpen NV due on March 30, 2016 and a €810 million inter-group loan from Bayer Antwerpen NV due on June 29, 2016 will remain in place. The Group currently plans to repay these two remaining inter-group loans from Bayer Antwerpen NV with the proceeds from future bond issuances or other financial instruments and operating cash generated by the Group.

Amendments to the section titled “16. Certain Relationships and Related Party Transactions” beginning on page 194 of the Prospectus

45. In subsection “16.1.1 Overview” on page 194, in the second paragraph, the sixth, eighth and ninth bullets, respectively are replaced with the following:
- in connection with the Offering, the Existing Shareholder will also make the Capital Contribution of €1,715 million in cash into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), section 272 paragraph 2 number 4 German Commercial Code (*Handelsgesetzbuch (HGB)*), by no later than October 7, 2015 to increase the Company’s equity before completion of the Offering. On September 29, 2015, €715 million of the total Capital Contribution were contributed, and by no later than October 7, 2015, an additional amount of €1,000 million will be contributed;
 - inter-group debt in an amount of €1,715 million was partly repaid in the amount of €715 million on September 29, 2015 and the remaining amount of €1,000 million will be repaid on October 7, 2015, each from the proceeds from the Capital Contribution (i.e. Inter-Group Debt Repayment I); and
 - the inter-group debt in an amount of €1,375 million due on October 7, 2015, shall be repaid with a substantial part of the net proceeds of approximately €1,473 million from the placement of the New Shares (i.e. Inter-Group Debt Repayment II).

46. In subsection “16.1.5 Cash Contribution, Indemnity and Post Formation Agreement between Bayer AG and the Company” on page 200, the heading and first paragraph is replaced with the following:

16.1.5 Cash Contributions

By no later than October 7, 2015, the Existing Shareholder will make a capital contribution of €1,000 million in cash into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), section 272 paragraph 2 number 4 German Commercial Code (*Handelsgesetzbuch* (HGB)) under a cash contribution agreement, dated on or around October 2, 2015 which is subject to the condition subsequent (*auflösende Bedingung*) that the capital increase will be registered no later than October 5, 2015.

Previously, on September 17, 2015, Bayer AG and the Company entered into a cash contribution, indemnity and post formation agreement (“**Contribution Agreement**”) under which Bayer AG is obliged to contribute into the Company an amount of €715 million as additional paid in capital (*Zuzahlung in die Kapitalrücklage*) in order to strengthen the equity of the Company. On September 29, 2015, €715 million of the total Capital Contribution were contributed. For information on post formation proceedings related to the Contribution Agreement see “19. General Information on the Group—19.3 Post Formation Proceedings.” In connection with the cash contribution, Bayer AG and the Company agreed on certain provisions which shall facilitate the separation of the MaterialScience business. In addition to the aforementioned cash contribution, the Contribution Agreement in particular provides for the following:

47. In subsection “16.1.13 Financing” on page 207, the fourth paragraph is replaced with the following:

Currently, inter-group debt in the total amount of €4,435 million (the “**Inter-Group Debt**”) is owed by the Covestro Group to Bayer Antwerpen NV, a subsidiary of the Existing Shareholder after the Group repaid a €715 million inter-group loan on September 29, 2015 using part of the proceeds of the Capital Contribution. The related inter-group loans bear interest at rates between 0.46% and 0.69% per annum, which is regarded by the Company as having been negotiated at arm’s length. Inter-group debt in an amount of €2,375 million will be partially repaid in an amount of €1,000 million by no later than October 7, 2015 with the remaining proceeds of the Capital Contribution. The balance in an amount of €1,375 million shall be fully repaid with a substantial part of the net proceeds from the placement of the New Shares on October 7, 2015 (i.e. Inter-Group Debt Repayment II). The inter-group loan in an amount of €1,250 million due on March 30, 2016 and the inter-group loan in an amount of €810 million due on June 29, 2016 are currently planned to be repaid with the proceeds from future bond issuances or other financial instruments and operating cash generated by the Group.

Amendments to the section titled “18. Shareholder Structure” beginning on page 234 of the Prospectus

48. In section “18 Shareholder Structure” on page 234, the fourth paragraph is replaced with the following:

Bayer Global Investments B.V may acquire Shares in case the Stabilization Manager exercises the Put Option which has been granted to it by Bayer Global Investments B.V. as Put-Grantor. For further information on Stabilization Measures and the Put Option, see “6. The Offering—6.5 Stabilization Measures and Put Option.”

	Prior to the Offering	Upon completion of the Offering					
		Full exercise of the Put Option			Without exercise of the Put Option		
		Low End	Mid-Point	High End	Low End	Mid-Point	High End
Bayer AG	100%	66.7%	68.2%	69.6%	66.7%	68.2%	69.6%
Bayer Global Investments B.V.	0%	3.3%	3.2%	3.0%	—	—	—
Free-float	0%	29.9%	28.6%	27.4%	33.3%	31.8%	30.4%

Amendments to the section titled “19. General Information on the Group” beginning on page 235 of the Prospectus

49. In subsection “19.3 Post Formation Proceedings” on page 235, the third paragraph is replaced with the following:

Following an application of the Company, the local court of Cologne (*Amtsgericht Köln*) appointed an auditor located in Germany as the post formation auditor. On September 17, 2015, the Supervisory Board issued a post formation report on its review and the post formation auditor issued an opinion on its audit of the Contribution Agreement. On the same date, an extraordinary shareholders’ meeting of the Company approved the Contribution Agreement, and the Company applied for its registration in the commercial register. The registration took place on September 22, 2015.

Amendments to the section titled “20. Description of Share Capital” beginning on page 241 of the Prospectus

50. In subsection “20.2 Development of the Company’s Share Capital” on page 241, the second and third paragraphs are respectively replaced with the following:

In connection with the Offering, the Existing Shareholder will also make a cash contribution in the amount of €1,715 million into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), section 272 paragraph 2 number 4 German Commercial Code (*Handelsgesetzbuch (HGB)*), by no later than October 7, 2015 to increase the Company’s equity before completion of the Offering. On September 29, 2015, €715 million of the total Capital Contribution were contributed, and by no later than October 7, 2015, an additional amount of €1,000 million will be contributed.

In the context of the Offering, the share capital will be increased from €140,000,000 by up to €69,767,441 to up to €209,767,441 by the issuance of up to 69,767,441 Shares with the exclusion of subscription rights.

51. In subsection “20.3 Authorized Capital” on page 241, the first and second paragraphs are respectively replaced with the following:

On October 2, 2015, the extraordinary shareholders’ meeting of the Company will resolve the authorization of the Management Board, subject to the consent of the Supervisory Board, to increase the Company’s share capital from up to €209,767,441 (after the IPO Capital Increase) by up to €104,883,720 to up to a total of €314,651,161 (Authorized Capital) (*Genehmigtes Kapital*). The resolution will be filed with the Commercial Register (*Handelsregister*) of Cologne on or about October 2, 2015, and is expected to be entered into the Commercial Register (*Handelsregister*) prior to the commencement of trading of the Shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), on October 5, 2015.

The Management Board will be authorized, with the approval of the Supervisory Board, to increase the share capital by up to €104,883,720 by issuing bearer shares with no par value (*Stückaktien*) on one or more occasions in the period up to October 2, 2020. It will be resolved that new bearer shares with no par value (*Stückaktien*) can be issued against cash or contributions in kind (Authorized Capital) (*Genehmigtes Kapital*). Shareholders will generally be granted subscription rights. Subscription rights can also be granted to shareholders indirectly in accordance with section 186 paragraph 5 of the German Stock Corporation Act (*Aktiengesetz*). However, the Management Board will be authorized, with the consent of the Supervisory Board, to exclude shareholders’ subscription rights:

- where the subscription ratio gives rise to fractions in the case of capital increases;
- to the extent necessary to grant the holders or creditors of bonds with warrants or conversion rights (including participation rights) or obligations issued by the Company or its companies of the Group a right to subscribe for new Shares to the extent to which they would be entitled after exercise of their warrants or conversion rights, or performance of their exercise of conversion obligations;
- if capital is increased against contributions in kind;

- if the issue price of the new shares is not significantly below the stock market price and the aggregate number of Shares issued under exclusion of subscription rights pursuant to section 186 paragraph 3 sentence 4 of the German Stock Corporation Act does not exceed 10% of the capital stock, neither on the date on which this authorization takes effect nor on the date of exercise of this authorization. The sale of treasury shares shall be counted towards this threshold provided that the sale occurs during the term of this authorization, subject to the exclusion of subscription rights pursuant to section 71 paragraph 1 number 8 sentence 5 in conjunction with section 186 paragraph 3 sentence 4 of the German Stock Corporation Act. Furthermore, such shares shall count towards this threshold that must be issued to service bonds (including participation rights) with conversion or option rights or a conversion obligation, provided that the bonds or participation rights were issued during the term of this authorization subject to exclusion of subscription rights in corresponding application of section 186 paragraph 3 sentence 4 of the German Stock Corporation Act; and
- to implement a scrip dividend in which shareholders are given the option of contributing their dividend entitlements to the Company (either in whole or in part) as a contribution in kind against the issue of new Shares from Authorized Capital.

Amendments to the section titled “22. Underwriting” beginning on page 271 of the Prospectus

52. In subsection “22.1 General” on page 271, the first, third and fourth paragraphs are replaced with the following:

This Offering consists of ordinary bearer shares with no par value (*Stückaktien*), each such share representing a notional value of €1.00 and full dividend rights since inception, from a capital increase against cash contributions to be resolved by the extraordinary shareholders’ meeting of the Company expected on October 2, 2015.

On September 18, 2015, the Company, the Existing Shareholder, the Put Grantor and the Underwriters entered into the Underwriting Agreement with respect to the Offering which was amended on October 1, 2015. Pursuant to the Underwriting Agreement, each of the Underwriters has severally agreed to underwrite the following number of New Shares of the Company in proportion to the following percentages at the low end, the mid-point and the high end of the Price Range:

	<u>Address</u>	<u>Low end Number of New Shares</u>	<u>Mid-point Number of New Shares</u>	<u>High end Number of New Shares</u>	<u>Percentage of New Shares</u>
Deutsche Bank Aktiengesellschaft	Taunusanlage 12, 60325 Frankfurt, Germany	20,930,235	19,565,219	18,367,348	30.00
Morgan Stanley & Co. International plc	25 Cabot Square, Canary Wharf, London, E14 4QA, United Kingdom	20,930,234	19,565,219	18,367,347	30.00
Merrill Lynch International . . .	2 King Edward Street, London, EC1A 1HQ, United Kingdom	4,883,720	4,565,217	4,285,714	7.00
Citigroup Global Markets Limited	Citigroup Centre, Canada Square, London, E14 5LB, United Kingdom	4,883,720	4,565,217	4,285,714	7.00
Credit Suisse Securities (Europe) Limited	One Cabot Square, London, E14 4QJ, United Kingdom	4,883,720	4,565,217	4,285,714	7.00
J.P. Morgan Securities plc . . .	25 Bank Street, Canary Wharf, London, E14 5JP, United Kingdom	4,883,720	4,565,217	4,285,714	7.00

	<u>Address</u>	<u>Low end Number of New Shares</u>	<u>Mid-point Number of New Shares</u>	<u>High end Number of New Shares</u>	<u>Percentage of New Shares</u>
UBS Limited	1 Finsbury Avenue, London, EC2M 2PP, United Kingdom	4,883,720	4,565,217	4,285,714	7.00
BNP Paribas	16 Boulevard des Italiens, 75009 Paris, France	1,744,186	1,630,434	1,530,612	2.50
UniCredit Bank AG	Arabellastrasse 14, 81925 München, Germany	1,744,186	1,630,434	1,530,612	2.50
Total		69,767,441	65,217,391	61,224,489	100.00

The New Shares originate from the capital increase resolved by the extraordinary general shareholders' meeting of the Company on October 2, 2015. The resolution on the authorized share capital will be recorded in the commercial register of the local court of Cologne (*Amtsgericht Köln*), on October 5, 2015.

53. In subsection "22.3 Commissions" on page 272, the paragraph is replaced with the following:

Under the Underwriting Agreement, the Company is obligated to pay the Underwriters a commission of approximately €15 million. In addition to this commission, the Existing Shareholder may pay the Underwriters incentive fees, payable entirely at the discretion of the Existing Shareholder, of up to €11.25 million. The Existing Shareholder will arrange for the payment of incentive fees, if any, within 35 days after commencement of exchange trading of the Company's shares on the Regulated Market of the Frankfurt Stock Exchange (*Frankfurt Wertpapierbörse*). The Company has also agreed to reimburse the Underwriters for certain expenses incurred by them in connection with the Offering.

Amendments to the section titled "26. Definitions" beginning on page G-1 of the Prospectus

54. The definition of "Capital Contribution" on page G-1 is replaced with the following:

Cash contributions made by the Existing Shareholder in the total amount of €1,715 million into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), (section 272 paragraph 2 number 4 of the German Commercial Code (Handelsgesetzbuch (HGB)) to increase the Company's equity before completion of the Offering.

55. The definition of "New Shares" on page G-5 is replaced with the following:

69,767,441 newly issued ordinary bearer shares with no par value (*Stückaktien*), each such share representing a notional value of €1.00 and full dividend rights since inception from a capital increase against contributions in cash to be resolved by an extraordinary shareholders' meeting of the Company expected to take place on October 2, 2015.

56. The definition of "Offer Period" on page G-5 is replaced with the following:

The offer period during which investors will have the opportunity to submit offers to purchase New Shares, commencing on September 21, 2015, and expected to end on October 2, 2015.

57. The definition of "Price Range" on page G-5 is replaced with the following:

The price range within which offers to purchase New Shares may be submitted is €21.50 to €24.50.

58. The definition of "Underwriting Agreement" on page G-6 is replaced with the following:

Underwriting agreement between the Company, Bayer AG and the Underwriters, dated September 18, 2015, as amended on October 1, 2015.

Amendments to the section titled "27. Recent Developments and Outlook" beginning on page R-1 of the Prospectus

59. In subsection "27.1 Recent Developments since June 30 2015" on page R-1, the fourth and fifth paragraphs are replaced with the following:

In connection with the Offering, the Existing Shareholder will make the Capital Contribution of €1,715 million by no later than October 7, 2015 to increase the Company's equity prior to the

completion of the Offering. On September 29, 2015, €715 million of the total Capital Contribution was contributed, and by no later than October 7, 2015, an additional amount of €1,000 million will be contributed. The Company will use the proceeds of the Capital Contribution to repay certain inter-group debt owed by the Group to Bayer Antwerpen NV, a subsidiary of the Existing Shareholder (referred to as the Inter-Group Debt Repayment I). The Company aims to further reduce the Bayer inter-group debt owed to Bayer Antwerpen NV, in an amount of €1,375 million, and to apply the net proceeds from the Offering of approximately €1,473 million from the sale of the New Shares mainly to the Inter-Group Repayment II to enable the Company to achieve a target capital structure of net financial debt together with pension liabilities to Adjusted EBITDA for Fiscal Year 2015 of 2.5x - 3.0x, which will provide a basis for an investment grade rating of the Company following completion of the Offering. The Company anticipates that, immediately following completion of the Offering and implementation of the Inter-Group Debt Repayments, its net financial debt together with pension liabilities will amount to approximately €4.0 billion.

Subject to the final number of New Shares being issued, Bayer AG will hold a shareholding between 66.7% and 69.6% in the Company after the completion of the Offering (assuming that no market stabilization measures have occurred).

SIGNATURE PAGE

Leverkusen, Frankfurt am Main, London, Munich and Paris, October 1, 2015

Covestro AG

Signed by: Patrick Thomas
(Chief Executive Officer)

Signed by: Frank H. Lutz
(Chief Financial Officer)

Deutsche Bank AG

Signed by: Josef Ritter

Signed by: Malte Hopp

Morgan Stanley & Co. International plc

Signed by: Adam Pickard

Signed by: Thomas Thurner

Merrill Lynch International

Citigroup Global Markets Limited

Signed by: Malte Hopp
(on behalf of Merrill Lynch International)

Signed by: Malte Hopp
(on behalf of Citigroup Global Markets Limited)

Credit Suisse Securities (Europe) Limited

J.P. Morgan Securities plc

Signed by: Thomas Thurner
(on behalf of Credit Suisse Securities (Europe) Limited)

Signed by: Thomas Thurner
(on behalf of J.P. Morgan Securities plc)

UBS Limited

BNP Paribas

Signed by: Malte Hopp
(on behalf of UBS Limited)

Signed by: Thomas Thurner
(on behalf of BNP Paribas)

UniCredit Bank AG

Signed by: Malte Hopp
(on behalf of UniCredit Bank AG)