



Financial overview

- Core volumes increased by 1.7% Y/Y to 1,270kt with NAFTA +7.1%, EMLA +2.5%, APAC -2.2%
- Sales increased by 5.0% Y/Y to €3,007m with volume +4.7%, price +5.4%, FX -4.0% and portfolio -1.1%
- EBITDA increased to €637m (Q4'19: €278m), driven by pricing delta of €+388m; negative one-time effect of €33m related to announced RFM acquisition
- EBIT increased to €432m (Q4'19: €93m) with D&A of €205m (Q4'19: €185m)
- Financial result increased to €-13m (Q4'19: €-26m)
- Net income increased to €312m (Q4'19: €37m) / EPS increased to €1.63 (Q4'19: €0.20)
- FOCF increased to €394m (Q4'19: €330m)
- Total net debt (incl. pension provisions) decreased by €722m to €2,479m (Sep 30, 2020: €3,201m), this included capital increase of €447m in Q4'20 in context of announced RFM acquisition
- Net financial debt €356m (Sep 30, 2020: €1,170m) / pension provisions €2,123m (Sep 30, 2020: €2,031m)

Polyurethanes

- Core volume growth (in kt) of +0.8% Y/Y, increase driven by appliances and auto/transport
- EBITDA increased to €379m (Q4'19: €123m), mainly due to positive pricing delta in all product groups

Polycarbonates

- Core volume growth (in kt) of +3.2% Y/Y, especially driven by construction and auto/transport
- EBITDA increased to €200m (Q4'19: €95m), mainly due to favorable pricing delta and higher volumes

Coatings, Adhesives, Specialties

- Core volume growth (in kt) of +2.8% Y/Y, increase driven by auto/transport and furniture
- EBITDA decreased to €52m (Q4'19: €62m), including one-time effect of €-33m (RFM)

Guidance assumptions 2021

- Global economic growth of 4-5%; full year average exchange rate in EUR/USD of around 1.20
- Including consolidation of RFM for nine months; excluding one-time costs from transformation program

Guidance 2021

- We expect core volume growth between 10% and 15% with ~6pp from the announced RFM acquisition
- We expect FOCF between €900m and €1,400m
- We expect ROCE between 7% and 12%

Additional financial expectations for 2021

- EBITDA: between €1,700m and €2,200m; Q1: between €700m and €780m
- Capex: approx. €800m
- D&A: approx. €900m
- Financial result: around negative €100m
- Group income tax rate: 24 - 26%
- Average number of shares: FY 193.2

New strategy following the vision “We will be fully circular”

- As of July 1, 2021, organization into seven business entities based on business specifics and customer needs (standard and solutions / specialties business) while fostering entrepreneurship
- Transformation program LEAP with target to maintain fixed costs unchanged until 2023, excluding STI and LTI schemes, based on FY 2020

Covestro IR Factsheet - Q4 2020

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Core volumes ('000 t)²	1,251	1,300	1,333	1,249	5,134	1,200	1,005	1,373	1,270	4,847
Sales	3,175	3,211	3,162	2,864	12,412	2,783	2,156	2,760	3,007	10,706
PUR ¹	1,476	1,489	1,478	1,336	5,779	1,274	913	1,315	1,519	5,021
PCS	860	898	901	814	3,473	733	648	801	803	2,985
CAS ¹	627	621	588	533	2,369	572	443	495	529	2,039
Others / Consolidation	212	203	195	181	791	204	152	149	156	661
EBITDA	442	459	425	278	1,604	254	125	456	637	1,472
PUR ¹	157	172	196	123	648	50	-24	220	379	625
PCS	155	154	132	95	536	109	96	148	200	553
CAS ¹	146	150	111	62	469	130	60	99	52	341
Others / Consolidation	-16	-17	-14	-2	-49	-35	-7	-11	6	-47
DA	-178	-185	204	185	752	187	193	191	205	776
EBIT	264	274	221	93	852	67	-68	265	432	696
PUR ¹	57	72	97	24	250	-51	-130	114	264	197
PCS	105	99	57	39	300	54	41	94	143	332
CAS ¹	118	120	82	32	352	100	28	68	19	215
Others / Consolidation	-16	-17	-15	-2	-50	-36	-7	-11	6	-48
Financial result	-23	-23	-19	-26	-91	-39	-17	-22	-13	-91
EBT	241	251	202	67	761	28	-85	243	419	605
Taxes	-61	-61	-53	-29	-204	-7	32	-63	-113	-151
Minorities	1	1	2	1	5	1	-1	1	-6	-5
Net income	179	189	147	37	552	20	-52	179	312	459
EPS in acc. to IAS 33	0.98	1.03	0.80	0.20	3.02	0.11	-0.28	0.98	1.63	2.48
Core volumes Y/Y²	-1.8%	1.1%	5.3%	3.8%	2.0%	-4.1%	-22.7%	3.0%	1.7%	-5.6%
PUR ¹	-0.2%	0.7%	5.1%	3.6%	2.3%	-3.6%	-25.9%	4.3%	0.8%	-6.1%
PCS	-6.3%	4.4%	9.3%	3.5%	2.7%	-4.9%	-14.4%	3.6%	3.2%	-3.0%
CAS ¹	-0.1%	-4.7%	-4.0%	6.2%	-1.0%	-5.2%	-25.3%	-6.9%	2.8%	-8.9%
Sales Y/Y	-16.0%	-16.9%	-14.6%	-12.5%	-15.1%	-12.3%	-32.9%	-12.7%	5.0%	-13.7%
PUR ¹	-24.3%	-24.3%	-20.1%	-16.3%	-21.5%	-13.7%	-38.7%	-11.0%	13.7%	-13.1%
PCS	-16.7%	-15.0%	-13.2%	-11.9%	-14.3%	-14.8%	-27.8%	-11.1%	-1.4%	-14.1%
CAS ¹	5.9%	-1.3%	-3.0%	-0.2%	0.3%	-8.8%	-28.7%	-15.8%	-0.8%	-13.9%
Volume Y/Y	0.9%	0.8%	2.1%	-0.7%	0.8%	-2.7%	-22.3%	1.0%	4.7%	-5.1%
PUR ¹	3.0%	0.8%	2.5%	-0.2%	1.5%	-2.5%	-24.8%	5.3%	2.9%	-5.0%
PCS	-2.9%	5.7%	6.8%	0.0%	2.4%	-2.6%	-16.4%	3.6%	7.4%	-2.3%
CAS ¹	1.1%	-4.5%	-4.7%	0.1%	-2.1%	-7.1%	-25.8%	-8.3%	7.5%	-9.0%
Price Y/Y	-18.3%	-18.7%	-18.5%	-13.3%	-17.3%	-9.1%	-9.0%	-9.0%	5.4%	-5.7%
PUR ¹	-29.4%	-26.8%	-24.4%	-16.9%	-24.7%	-10.8%	-12.3%	-11.5%	16.2%	-5.1%
PCS	-12.8%	-18.8%	-20.7%	-13.5%	-16.5%	-9.6%	-7.8%	-8.2%	-2.1%	-7.0%
CAS ¹	1.7%	-0.4%	-2.1%	-4.2%	-1.1%	-3.9%	-3.2%	-5.0%	-4.9%	-4.2%
FX Y/Y	2.4%	1.8%	1.9%	1.5%	1.9%	0.8%	-0.1%	-3.3%	-4.0%	-1.6%
PUR ¹	2.1%	1.7%	1.8%	1.5%	1.8%	0.7%	-0.4%	-3.8%	-4.8%	-2.0%
PCS	2.6%	1.7%	2.0%	1.6%	2.0%	1.0%	-0.1%	-3.4%	-3.7%	-1.5%
CAS ¹	3.1%	2.2%	2.2%	1.9%	2.3%	1.1%	0.3%	-2.5%	-3.4%	-1.0%
EBITDA Y/Y	-58.4%	-53.4%	-50.5%	-5.1%	-49.9%	-42.5%	-72.8%	7.3%	129.1%	-8.2%
PUR ¹	-75.4%	-70.5%	-54.6%	10.8%	-63.2%	-68.2%	-114.0%	12.2%	208.1%	-3.5%
PCS	-48.8%	-46.0%	-58.1%	-28.6%	-48.3%	-29.7%	-37.7%	12.1%	110.5%	3.2%
CAS ¹	7.4%	7.9%	-11.9%	-1.6%	1.1%	-11.0%	-60.0%	-10.8%	-16.1%	-27.3%
EBITDA margin	13.9%	14.3%	13.4%	9.7%	12.9%	9.1%	5.8%	16.5%	21.2%	13.7%
PUR ¹	10.6%	11.6%	13.3%	9.2%	11.2%	3.9%	-2.6%	16.7%	25.0%	12.4%
PCS	18.0%	17.1%	14.7%	11.7%	15.4%	14.9%	14.8%	18.5%	24.9%	18.5%
CAS ¹	23.3%	24.2%	18.9%	11.6%	19.8%	22.7%	13.5%	20.0%	9.8%	16.7%
Tax rate	25.3%	24.3%	26.2%	43.3%	26.8%	25.0%	37.6%	25.9%	27.0%	25.0%
EPS Y/Y	-69.8%	-66.4%	-69.1%	-53.5%	-68.1%	-88.8%	-127.2%	22.5%	715.0%	-17.9%
Net financial debt	1,059	1,604	1,411	989	989	1,291	1,294	1,170	356	356
Provisions for pensions	1,667	1,704	2,019	1,965	1,965	1,435	1,881	2,031	2,123	2,123
Operating cash flows	120	164	462	637	1,383	-110	171	538	635	1,234
FOCF	-45	-55	243	330	473	-249	24	361	394	530
ROCE	n.a.	n.a.	n.a.	n.a.	8.4%	n.a.	n.a.	n.a.	n.a.	7.0%

¹ All figures for 2017 have been adjusted to reflect the reclassification of the specialty elastomers business from the Polyurethanes segment to the CAS segment as of January 1, 2018.

² Reference values as of 2019 recalculated effective March 31, 2020, based on the definition of core business.