



# Coating, Adhesives, Specialties (CAS)

Excerpt from IR Roadshow  
Presentation Q2 2020

# Performance materials for coatings, adhesives and specialties



## Coating, Adhesives, Specialties (CAS) at a glance

### Products

There is a vast application range of coatings and finishes made of Covestro polyurethane raw materials. They are used for protection and decoration.

In addition, the company produces pre-products for adhesives and sealants as well as for specialty films and elastomers.

Coating, Adhesives, Specialties (CAS) also supplies materials for cosmetics, textiles and medical goods.

### Key customer industries:



### Sample applications



For long-lasting cosmetics



For robust floors



For fancy cars



For functional textiles

2.1%

Core volume  
CAGR in 2015 - 2019<sup>(b)</sup>

€2.4bn

Sales  
2019

€469m

EBITDA  
2019

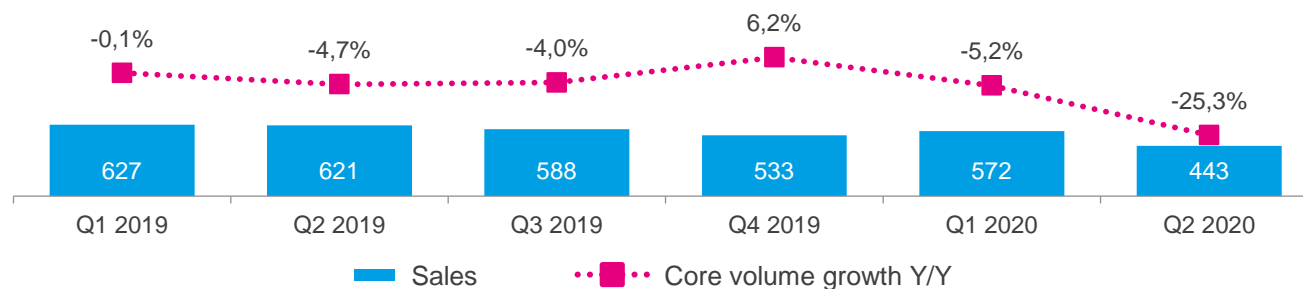
# Coatings, Adhesives, Specialties – high negative volume effect



## Segment results – Highlights Q2 2020

### Sales and core volume growth

in € million / changes Y/Y

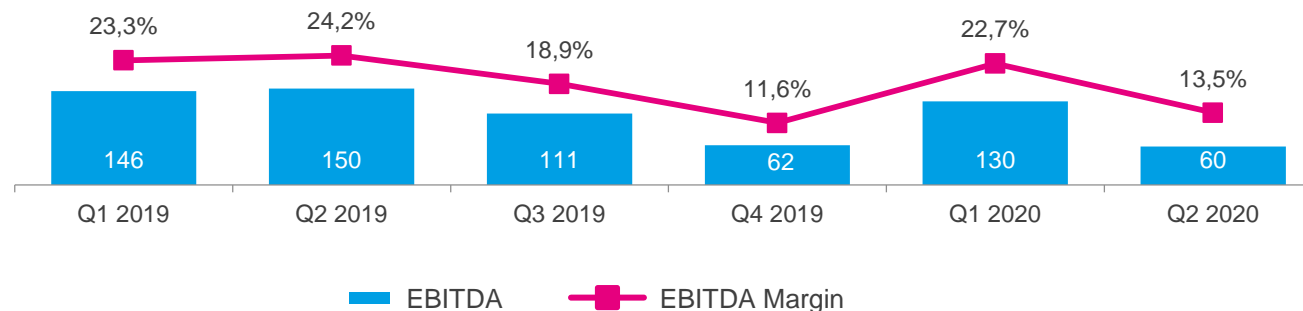


### Highlights

- Demand affected by coronavirus pandemic and continued automotive weakness led to negative core volume growth of -25.3% Y/Y
- Sales decreased by -28.7% Y/Y, largely driven by volume (-25.8%) and price (-3.2%)

### EBITDA and Margin

in € million / margin in percent



### Highlights

- Compared to prior year, EBITDA decreased by 60% due to negative volume leverage
- Prior year earnings included one-time remeasurement gains of €19m from DCP<sup>(a)</sup>
- EBITDA margin burdened by high volume declines, only partially offset by lower costs

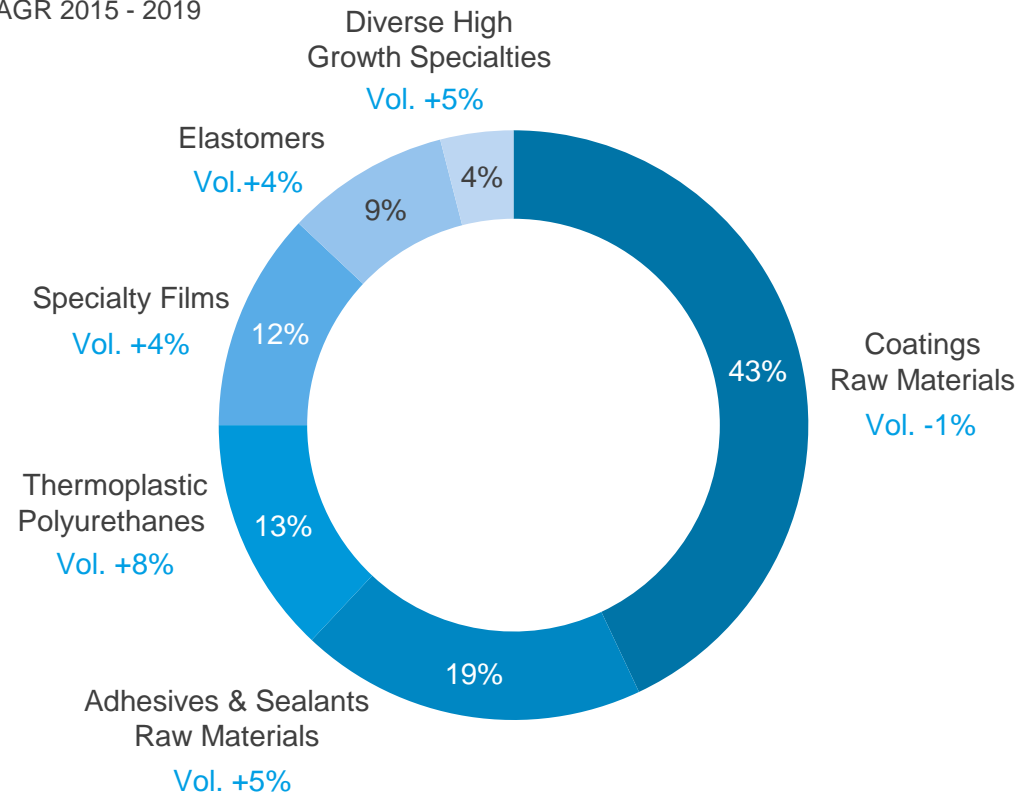
# Solid underlying growth despite challenging environment

## Outperformance of High Growth Specialties businesses



### CAS sales split by businesses

Covestro sales share FY 2019<sup>(a)</sup>, rounded  
Core volume growth, CAGR 2015 - 2019



### Highlights

- Adjusted core volume growth of 2.1% CAGR in 2015 - 2019<sup>(a)</sup>
- Growth driven by all businesses except coatings raw materials
- High Growth Specialties businesses generate ~38% of sales: Thermoplastic Polyurethanes (TPU), Specialty Films and Elastomers
- Coatings raw materials businesses burdened by weak end markets like automotive



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