



# Quarterly Statement

## Q1 2022



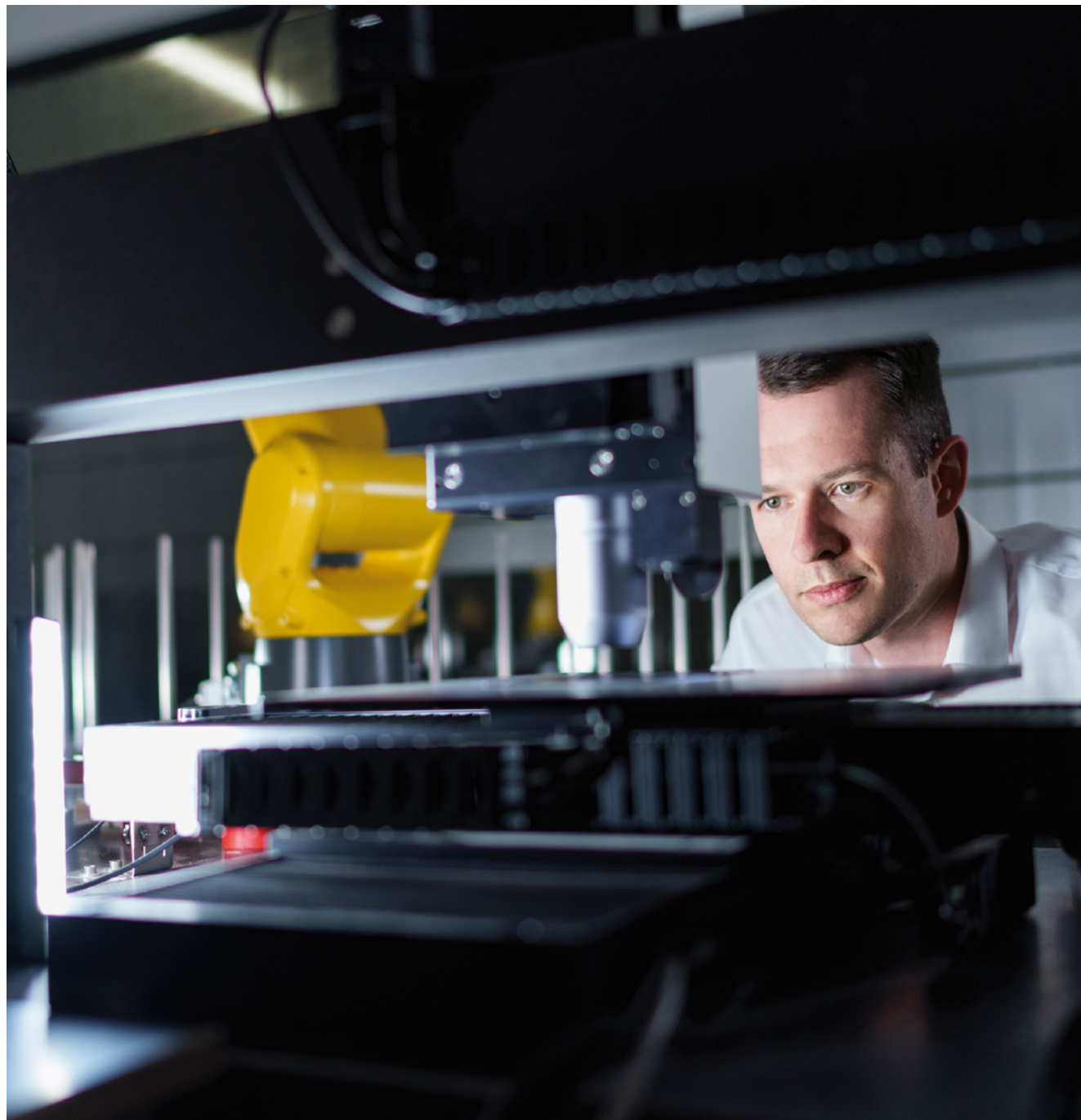


# Q1 | BASF Group 22 | Quarterly Statement

## On the cover and this page:

Together with our customers, we are developing innovative products that accelerate the transformation to electromobility and enable more sustainable production. One example is the cathodic electrocoat (e-coat) CathoGuard®, which BASF enhanced and refined with the help of digital methods. It enables application at lower temperatures, reducing CO<sub>2</sub> emissions while maintaining the same product properties. In addition, the technology meets established sustainability standards as it is free of tin and hazardous air pollutants and contains only a low level of volatile organic compounds. The photo shows Hendré Swart, laboratory manager for simulation/automation development. He analyzes customer samples to assess stone chip damage in 3D.

 For more information on sustainable solutions, see [basf.com/research-press-conference](https://www.basf.com/research-press-conference)



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## At a Glance

### Sales – Q1 2022

**€23.1 billion**

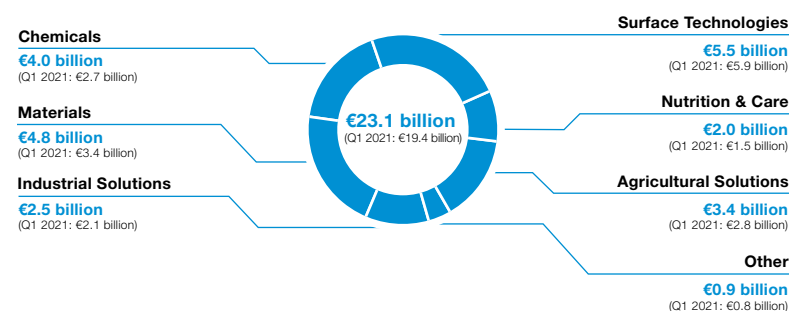
(Q1 2021: €19.4 billion)

### EBIT before special items – Q1 2022

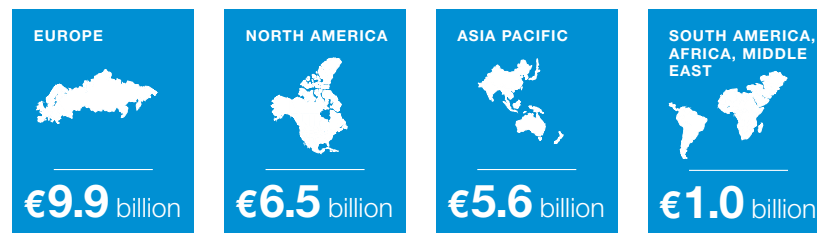
**€2.8 billion**

(Q1 2021: €2.3 billion)

### Sales by segment and Other – Q1 2022



### Sales by region – Q1 2022



### Outlook

Outlook from February 25, 2022, maintained for the 2022 business year:

- Sales: €74 billion to €77 billion
- EBIT before special items: €6.6 billion to €7.2 billion
- Return on capital employed (ROCE): 11.4% to 12.6%
- CO<sub>2</sub> emissions: 19.6 million metric tons to 20.6 million metric tons

# Key Figures

## BASF Group Q1 2022

		2022	2021	+/-
Sales	Million €	23,083	19,400	19.0%
Income from operations before depreciation, amortization and special items	Million €	3,743	3,181	17.7%
Income from operations before depreciation and amortization (EBITDA)	Million €	3,709	3,176	16.8%
EBITDA margin	%	16.1	16.4	–
Depreciation and amortization <sup>a</sup>	Million €	924	865	6.8%
Income from operations (EBIT)	Million €	2,785	2,311	20.5%
Special items	Million €	–34	–10	–237.1%
EBIT before special items	Million €	2,818	2,321	21.4%
Income before income taxes	Million €	1,878	2,247	–16.4%
Income after taxes	Million €	1,321	1,810	–27.0%
Net income	Million €	1,221	1,718	–28.9%
Earnings per share <sup>b</sup>	€	1.34	1.87	–28.3%
Adjusted earnings per share <sup>b</sup>	€	2.70	2.00	35.0%
Research and development expenses	Million €	569	511	11.4%
Personnel expenses	Million €	3,067	2,947	4.1%
Employees (March 31)		110,828	110,261	0.5%
Assets (March 31)	Million €	93,983	84,833	10.8%
Investments including acquisitions <sup>c</sup>	Million €	741	545	36.0%
Equity ratio (March 31)	%	45.3	46.0	–
Net debt (March 31)	Million €	16,251	15,962	1.8%
Cash flows from operating activities	Million €	–290	–525	44.7%
Free cash flow	Million €	–893	–981	8.9%

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Due to the current share buyback program, the weighted average number of outstanding shares in the first quarter of 2022 was 912,885,116.

<sup>c</sup> Additions to property, plant and equipment and intangible assets

# Business Review

## BASF Group

### Significant events

On January 4, 2022, the Board of Executive Directors of BASF SE resolved on a share buyback program with a volume of up to €3 billion, which started on January 11, 2022, and is to be completed by December 2023. The share buyback program is based on the authorization by the Annual Shareholders' Meeting on May 12, 2017. Around 13.5 million shares had already been repurchased as of March 31, 2022. A renewed authorization to buy back own shares will be proposed to the Annual Shareholders' Meeting on April 29, 2022, which would authorize the continuation of the share buyback program already underway.

 For more information on the share buyback program, see [basf.com/sharebuyback](https://basf.com/sharebuyback)

Together with Heraeus, Hanau, Germany, BASF announced on February 11, 2022, the formation of a joint venture (BASF: 50%; Heraeus: 50%) to recover precious metals from spent automotive catalysts. Subject to the approval of the relevant authorities, the formation of BASF HERAEUS (China) Metal Resource Co., Ltd., based in Pinghu, China, is targeted for the first half of 2022. Construction of the joint venture's recycling plant is scheduled to begin in 2022, with start of operations in 2023.

The following changes in responsibilities to two Board of Executive Directors departments ("Ressorts") took effect as of March 1, 2022:

- Saori Dubourg (Ressort IV) assumed responsibility for the Petrochemicals, Intermediates, Performance Materials and Monomers divisions. She remains responsible for the region Europe.

- Michael Heinz (Ressort V), based in Florham Park, New Jersey, assumed responsibility for the Care Chemicals, Nutrition & Health and Agricultural Solutions divisions. He remains responsible for the regions North America and South America.

Due to Russia's war of aggression against Ukraine, BASF announced on March 3, 2022, that effective immediately, it would only conduct business in Russia and Belarus to fulfill existing commitments in line with the applicable laws, regulations and international rules. Exempt from this decision is business to support food production, as the war risks triggering a global food crisis. BASF is continuously evaluating these decisions and other matters related to this evolving situation and announced further steps on April 27 (see events after the reporting period).

In connection with the sanctions imposed on the Nord Stream 2 pipeline project and its operating company, the Management Board of Wintershall Dea AG, Kassel/Hamburg, Germany, decided on March 2, 2022, to write off its financing of Nord Stream 2 in the total amount of around €1 billion (BASF's share: €729 million). In addition, Wintershall Dea recognized impairments of around €550 million (BASF's share: €373 million after taxes) in connection with the war in Ukraine. The current situation is so dominated by uncertainty that BASF did not believe it possible to reliably value the Russian assets, even using scenarios. Consequently, BASF has not recognized any impairments on Wintershall Dea's assets beyond those recognized by Wintershall Dea. Wintershall Dea's Russian activities account for around €2.6 billion of the carrying amount of our shareholding. As of March 31, 2022, there were also no sufficient indicators of impairment for BASF's other activities in Russia and Ukraine, which have net assets in the low three-digit million euro range.

### Events after March 31, 2022 (events after the reporting period)

On April 12, 2022, BASF and Allianz Capital Partners (on behalf of Allianz insurance companies) closed the purchase of 25.2% of the Hollandse Kust Zuid (HKZ) offshore wind farm by Allianz Capital Partners following the approval of the relevant authorities. BASF had acquired 49.5% of HKZ from Vattenfall in the third quarter of 2021. BASF will receive most of the power produced by its originally acquired share of 49.5% of HKZ under a long-term fixed-price power purchasing agreement.

On April 27, 2022, BASF announced that it will wind down the company's remaining business activities in Russia and Belarus by the beginning of July 2022. Business to support food production remains an exception. This decision is driven by the recent developments of the war in Ukraine and in international law, including the fifth E.U. sanctions package. The effects of this decision on the recoverability of our assets are currently being assessed in detail. In 2021, Russia and Belarus accounted for around 1% of the BASF Group's total sales. Currently, 684 employees work for BASF in Russia and in Belarus. The company has decided to continue to support its employees in both countries until the end of 2022.

## Results of operations

**Sales** rose by €3,683 million compared with the first quarter of 2021 to €23,083 million. Sales growth was mainly driven by higher prices, especially in the Chemicals and Materials segments. Positive currency effects in all segments supported sales performance. Sales were positively impacted by portfolio effects in the Surface Technologies segment following the acquisition of a majority shareholding in BASF Shanshan Battery Materials Co., Ltd. This more than compensated for negative portfolio effects in the Industrial Solutions segment, mainly from the sale of the global pigments business. Slightly lower sales volumes overall had an offsetting effect. Volumes growth in the Agricultural Solutions, Industrial Solutions, Materials, Nutrition & Care and Chemicals segments was unable to fully offset the decline in volumes in the Surface Technologies segment.

### Factors influencing BASF Group sales in Q1 2022

Volumes	-0.8%
Prices	15.5%
Portfolio	0.1%
Currencies	4.2%
<b>Sales</b>	<b>19.0%</b>

**Income from operations (EBIT) before special items<sup>1</sup>** increased by €497 million to €2,818 million. This was largely attributable to considerable earnings growth in the Chemicals segment. The Industrial Solutions, Materials and Nutrition & Care segments also significantly increased EBIT before special items. The Agricultural Solutions segment recorded slightly higher EBIT before special items. EBIT before special items in the Surface Technologies segment declined considerably, primarily as a result of much weaker demand from the automotive industry. Earnings in Other rose considerably.

### Q1 adjusted earnings per share

Million €

	2022	2021
<b>Income after taxes</b>	<b>1,321</b>	<b>1,810</b>
- Special items <sup>a</sup>	-1,136	-10
+ Amortization, impairments and reversals of impairments on intangible assets	161	157
- Amortization, impairments and reversals of impairments on intangible assets contained in special items	-	-
- Adjustments to income taxes	50	46
- Adjustments to income after taxes from discontinued operations	-	-
<b>Adjusted income after taxes</b>	<b>2,567</b>	<b>1,931</b>
- Adjusted noncontrolling interests	103	92
<b>Adjusted net income</b>	<b>2,464</b>	<b>1,839</b>
Weighted average number of outstanding shares <sup>b</sup>	in thousands 912,885	918,479
<b>Adjusted earnings per share</b>	<b>€ 2.70</b>	<b>2.00</b>

<sup>a</sup> Includes special items in net income from shareholdings of €1,102 million for the first quarter of 2022.

<sup>b</sup> Due to the current share buyback program, the weighted average number of outstanding shares in the first quarter of 2022 was 912,885,116.

**Special items** in EBIT amounted to -€34 million in the first quarter of 2022, compared with -€10 million in the prior-year quarter. Special charges resulted mainly from restructuring measures.

**EBIT<sup>2</sup>** rose by €474 million compared with the first quarter of 2021 to €2,785 million. **Income from operations before depreciation, amortization and special items (EBITDA before special items)<sup>3</sup>** increased by €562 million to €3,743 million and **EBITDA<sup>3</sup>** rose by €533 million to €3,709 million in the same period.

### Q1 EBITDA before special items

Million €

	2022	2021
EBIT	2,785	2,311
- Special items	-34	-10
<b>EBIT before special items</b>	<b>2,818</b>	<b>2,321</b>
+ Depreciation and amortization before special items	920	859
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	4	1
<b>Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets before special items</b>	<b>925</b>	<b>860</b>
<b>EBITDA before special items</b>	<b>3,743</b>	<b>3,181</b>

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

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


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

**Q1 EBITDA**

Million €

	2022	2021
EBIT	2,785	2,311
+ Depreciation and amortization	920	859
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets	4	6
<b>Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets</b>	<b>924</b>	<b>865</b>
<b>EBITDA</b>	<b>3,709</b>	<b>3,176</b>

**Net income from shareholdings** declined by €865 million compared with the prior-year quarter to –€797 million. This is due to impairment charges recognized by Wintershall Dea, which BASF included in net income from shareholdings on a proportional basis (72.7%) as a special charge of around €1.1 billion. These impairments were triggered by the war in Ukraine and the related political consequences and concerned, in addition to the Nord Stream 2 loan, assets in Russia and in the gas transportation business. Excluding these impairments, the after-tax earnings attributable to BASF improved from €51 million in the prior-year quarter to €309 million in the first quarter of 2022.

 For more information on the impairment charges recognized by Wintershall Dea in connection with the war in Ukraine, see [Significant Events on page 5 of this quarterly statement](#)

The **financial result** amounted to –€110 million, compared with –€132 million in the prior-year period. This was primarily due to an improvement in the other financial result, owing among other factors to lower expenses in connection with foreign currency bonds and the corresponding hedging instruments. The interest result improved slightly by €6 million to –€79 million.

The €369 million decrease in **income before income taxes** to €1,878 million was largely attributable to the above impairments at Wintershall Dea. These were recognized in equity-accounted

income and as such, reduced income before taxes but did not affect the tax expense; as a result, the tax rate rose from 19.4% to 29.6%.

**Income after taxes** declined by €489 million to €1,321 million. At €100 million, noncontrolling interests were slightly above the figure for the prior-year quarter (€92 million). Positive earnings contributions from the BASF Shanshan companies, which were not included in the prior-year quarter, compensated for lower contributions from BASF TotalEnergies Petrochemicals LLC, Port Arthur, Texas. As a result, **net income** amounted to €1,221 million.

**Earnings per share** in the first quarter of the year were €1.34, compared with €1.87 in the first quarter of 2021. **Earnings per share adjusted<sup>1</sup>** for special items and amortization of intangible assets amounted to €2.70 (Q1 2021: €2.00).

**Net assets**

Total assets rose by €6,600 million compared with year-end 2021 to €93,983 million.

**Noncurrent assets** declined by €1,076 million compared with December 31, 2021, to €51,256 million, mainly due to the lower carrying amount of the non-integral shareholding in Wintershall Dea, which is accounted for using the equity method.

Both property, plant and equipment and intangible assets were slightly above the prior year-end level, largely owing to positive currency effects in the total amount of €460 million. For both items, these were reduced by depreciation and amortization, which exceeded additions.

Other receivables and miscellaneous assets rose by €89 million, primarily due to the increase in defined benefit assets.

The €7,676 million increase in **current assets** compared with December 31, 2021, was mainly attributable to higher trade

accounts receivable. These rose by €3,406 million, due in particular to seasonal effects in the Agricultural Solutions segment. Other receivables and miscellaneous assets rose by €1,354 million to €6,922 million, primarily as a result of the increase in precious metal trading items. The €979 million increase in inventories was largely attributable to higher prices for raw materials.

At €4,494 million, cash and cash equivalents were €1,870 million above the prior year-end figure.

Assets of disposal groups amounted to €906 million as of March 31, 2022, and included the assets of the shareholding in the Hollandse Kust Zuid wind farm, part of which was sold to Allianz Capital Partners as of April 12, 2022, and the kaolin minerals business, which is held for sale.

**Financial position**

At €42,555 million, **equity** was only slightly above the figure as of December 31, 2021. Alongside the positive effect of €1,221 million from net income, around €820 million was deducted for own shares purchased under the share buyback program as of March 31, 2022.

The slight decline in **other comprehensive income** was mainly attributable to losses from hedging transactions, which were partially offset by positive translation effects. The equity ratio declined from 48.2% to 45.3% due to the increase in total assets.

Compared with year-end 2021, **noncurrent liabilities** rose by €1,115 million to €26,335 million, mainly due to higher financial indebtedness. This primarily resulted from the issue of two €1 billion eurobonds. The reclassification of a bond and a loan in U.S. dollars with an aggregate carrying amount of around €800 million from noncurrent to current financial indebtedness had an offsetting effect. Provisions for pensions and similar obligations rose slightly; the decline in obligations as a result of higher interest rates in relevant

<sup>1</sup> For an explanation of this indicator, see [Results of Operations on page 56 onward of the BASF Report 2021](#).



currency zones was more than offset by higher inflation assumptions for Germany and the negative performance of plan assets.

At €25,093 million, **current liabilities** were €5,012 million above the figure as of December 31, 2021. This was largely due to the €2,519 million increase in current financial indebtedness. In addition to the above-mentioned reclassifications from noncurrent to current financial indebtedness, this primarily reflected the increase in commercial paper at BASF SE by around €2 billion. The main offsetting effect was the scheduled repayment of a bond denominated in U.S. dollars with a carrying amount of around €450 million. Trade accounts payable rose by €1,161 million due to business-related factors. The €1,126 million increase in current provisions to €5,060 million was primarily the result of higher provisions for discounts and bonuses. Other liabilities were down €314 million from the prior year-end figure, mainly due to lower advance payments received.

**Net debt<sup>1</sup>** rose by €1.9 billion compared with year-end 2021.

<b>Net debt</b>		
Million €		
	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Noncurrent financial indebtedness	15,015	13,764
+ Current financial indebtedness	5,939	3,420
<b>Financial indebtedness</b>	<b>20,954</b>	<b>17,184</b>
– Marketable securities	209	208
– Cash and cash equivalents	4,494	2,624
<b>Net debt</b>	<b>16,251</b>	<b>14,352</b>

**Cash flows from operating activities** amounted to –€290 million, an improvement of €235 million compared with the first quarter of 2021. The improvement was mainly attributable to miscellaneous items (€746 million compared with –€335 million in the prior-year quarter), in particular the elimination of equity-accounted income in this item. These were impacted by the impairment charges recognized at Wintershall Dea and were therefore negative overall. The main offsetting effects were the €497 million decrease in net income and the €409 million increase in cash tied up in net working capital. This rose from €2,773 million in the first quarter of 2021 to €3,182 million in the first quarter of 2022, primarily as a result of a stronger inventory build-up than in the prior-year period. A higher level of cash tied up in receivables was offset by an almost equal increase in cash released from liabilities.

**Cash flows from investing activities** amounted to –€579 million (Q1 2021: –€435 million). The change was mainly attributable to payments made for property, plant and equipment and intangible assets, which rose by €147 million to €603 million.

The €3,504 million increase in financial indebtedness led to a significant rise in **cash flows from financing activities**. This was partly offset by payments of €820 million made for the share buyback program that started at the beginning of the year. Overall, cash flows from financing activities rose from €710 million in the prior-year quarter to €2,685 million in the first quarter of 2022.

**Free cash flow<sup>1</sup>** improved by €88 million to –€893 million.

<b>Q1 free cash flow</b>		
Million €		
	<b>2022</b>	<b>2021</b>
Cash flows from operating activities	–290	–525
– Payments made for property, plant and equipment and intangible assets	603	456
<b>Free cash flow</b>	<b>–893</b>	<b>–981</b>

BASF enjoys good **credit ratings**, especially compared with competitors in the chemical industry. Standard & Poor's most recently confirmed its rating of A/A-1/outlook stable on January 6, 2022. Moody's most recently confirmed BASF's A3/P-2/outlook stable rating on January 5, 2022. Fitch's rating of A/F1/outlook stable from June 11, 2021, also remained unchanged.

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



## Outlook

Some of the opportunities relating to higher margins presented in the BASF Report 2021 could be realized and led to a considerable improvement in earnings in the first quarter of 2022 compared with the prior-year quarter, especially in the Chemicals, Industrial Solutions and Materials segments. These opportunities were partially offset by the risks that materialized, mainly as a result of the war in Ukraine and the pandemic-related lockdowns in China. These risks were mainly reflected in significantly higher raw materials and energy prices and freight costs. The resulting increase in costs was able to be offset by raising prices. In addition, supply chains were disrupted. This curbed demand, especially from the automotive industry.

The global macroeconomic outlook is currently subject to very high uncertainty. In particular, it is impossible to predict the further development of the war in Ukraine and its impact on the prices and availability of energy and raw materials.

Consequently, we are upholding our **outlook** for the 2022 business year:

- Growth in gross domestic product: 3.8%
- Growth in industrial production: 3.8%
- Growth in chemical production: 3.5%
- Average euro/dollar exchange rate of \$1.15 per euro
- Average annual oil price (Brent crude) of \$75 per barrel

We are maintaining the **sales and earnings forecast** for the BASF Group made in the BASF Report 2021:

- Sales of between €74 billion and €77 billion
- EBIT before special items of between €6.6 billion and €7.2 billion
- Return on capital employed (ROCE) of between 11.4% and 12.6%
- CO<sub>2</sub> emissions of between 19.6 million metric tons and 20.6 million metric tons

[For more information, see the Outlook 2022 on page 148 onward of the BASF Report 2021](#)

The market environment continues to be dominated by an exceptionally high level of uncertainty. Risks may arise from further increases in raw materials prices and new sanctions against Russia, such as a natural gas embargo, or restricted gas supplies from Russia as a result of counter-sanctions. Further risks could arise from the future course of the coronavirus pandemic and longer-lasting or new measures to contain the number of infections, especially in China. Opportunities could arise from continued high margins.

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

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

There is currently great uncertainty surrounding the supply of natural gas from Russia to Europe. A continuous supply of natural gas according to demand is essential to chemical production. Around 60% of the natural gas consumed by BASF in Europe is used to generate the energy (steam and electricity) needed for production. Around 40% of natural gas is used as a raw material to produce important basic chemicals and a wide range of products in the downstream value chains supplying almost all sectors of industry. An interruption to or significant restriction of the supply of natural gas would have a significant impact on BASF's European activities. The consequences would vary depending on the duration and extent of supply restrictions, the existence of alternative supply sources and possible substitutions, as well as any optimization of production to reduce the use of natural gas. It is therefore not possible to quantify the risks with sufficient accuracy. In addition, in such a scenario, strict cost reduction measures would be taken to partially offset the negative effects.

[For more information on the impact of the war in Ukraine on Wintershall Dea, see Significant Events on page 5 of this quarterly statement](#)

## Chemicals

### Q1 2022

Sales<sup>1</sup> in the Chemicals segment rose considerably compared with the prior-year quarter. Both operating divisions contributed to the increase.

#### Factors influencing sales in Q1 2022 – Chemicals

	Chemicals	Petrochemicals	Intermediates
Volumes	0.2%	1.3%	-2.5%
Prices	41.3%	37.0%	51.7%
Portfolio	-0.1%	-0.1%	-0.1%
Currencies	4.9%	4.4%	6.1%
<b>Sales</b>	<b>46.3%</b>	<b>42.6%</b>	<b>55.3%</b>

Sales growth was primarily driven by significantly higher prices in both divisions. This was due to the passing on of increased prices for raw materials and energy amid continued strong demand. The Petrochemicals division raised prices in all business areas, especially for steam cracker products, styrene monomers and in the propylene and butadiene value chains. The Intermediates division raised prices, particularly in the butanediol and derivatives business, the amines business and in the acids and polyalcohols business.

Sales performance was supported by positive currency effects, mainly relating to the U.S. dollar.

Overall, sales volumes were slightly above the prior-year quarter amid stable demand. Slightly higher volumes in the Petrochemicals division more than compensated for slightly lower volumes in the Intermediates division.

#### Q1 segment data – Chemicals

Million €

	2022	2021	+/-
Sales to third parties	4,004	2,736	46.3%
of which Petrochemicals	2,763	1,937	42.6%
Intermediates	1,241	799	55.3%
Income from operations before depreciation, amortization and special items <sup>a</sup>	1,048	766	36.8%
Income from operations before depreciation and amortization (EBITDA) <sup>a</sup>	1,046	813	28.7%
Depreciation and amortization <sup>b</sup>	189	179	5.7%
Income from operations (EBIT) <sup>a</sup>	857	633	35.4%
Special items	-1	47	.
EBIT before special items <sup>a</sup>	858	586	46.5%
Assets (March 31) <sup>a</sup>	11,367	8,476	34.1%
Investments including acquisitions <sup>c</sup>	228	128	78.2%
Research and development expenses	25	26	-3.5%

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

<sup>b</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)  
<sup>c</sup> Additions to property, plant and equipment and intangible assets

**Income from operations (EBIT) before special items<sup>1</sup>** rose considerably compared with the first quarter of 2021, mainly due to higher margins in both divisions. The Intermediates division significantly improved margins across all business areas in North America and Asia Pacific. This more than compensated for lower margins in Europe in the butanediol and derivatives business and in the acetylenics and carbonyl derivatives business as a result of the sharp rise in natural gas prices. Income from shareholdings accounted for using the equity method also improved, contributing to earnings growth. The increase in earnings in the Petrochemicals

division was driven by higher margins in the propylene and butadiene value chains and for styrene monomers. This more than compensated for lower margins for steam cracker products due to higher raw materials and energy prices. Higher fixed costs, partly due to currency effects and higher energy and gas prices, had an offsetting effect.

## Materials

### Q1 2022

**Sales** in the Materials segment rose considerably compared with the first quarter of 2021. This was mainly driven by the strong sales increase in the Monomers division. The Performance Materials division also recorded considerable growth.

#### Factors influencing sales in Q1 2022 – Materials

	Materials	Performance Materials	Monomers
Volumes	3.7%	1.3%	6.1%
Prices	31.4%	19.2%	43.7%
Portfolio	-0.1%	0.0%	-0.2%
Currencies	4.8%	4.5%	5.2%
<b>Sales</b>	<b>39.9%</b>	<b>24.9%</b>	<b>54.9%</b>

Sales performance was largely attributable to higher price levels in both divisions as a result of the increase in raw materials prices. Both divisions raised prices in all business areas.

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

Sales growth was also supported by slightly higher volumes on the back of continued strong demand. The Monomers division increased volumes, especially for polyamides in North America and for methylene diphenyl diisocyanate (MDI) in Asia Pacific, North America and Europe. Sales volumes in the Performance Materials division were slightly above the prior-year quarter. This was mainly driven by demand for engineering plastics in Asia and Europe.

#### Q1 segment data – Materials

Million €

	2022	2021	+/-
Sales to third parties	4,821	3,447	39.9%
of which Performance Materials	2,164	1,732	24.9%
Monomers	2,657	1,715	54.9%
Income from operations before depreciation, amortization and special items	954	863	10.6%
Income from operations before depreciation and amortization (EBITDA)	952	843	12.9%
Depreciation and amortization <sup>a</sup>	203	195	4.0%
Income from operations (EBIT)	749	648	15.6%
Special items	-2	-24	91.0%
EBIT before special items	751	672	11.8%
Assets (March 31)	11,921	9,696	23.0%
Investments including acquisitions <sup>b</sup>	142	105	35.3%
Research and development expenses	47	42	12.5%

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)  
<sup>b</sup> Additions to property, plant and equipment and intangible assets

The segment's **income from operations (EBIT) before special items** rose considerably compared with the prior-year quarter. This was primarily due to considerably higher EBIT before special items in the Monomers division, mainly as a result of price-driven margin growth in the ammonia and polyamide value chains. The Performance Materials division recorded a slight decline in earnings. Slightly higher margins were unable to offset the rise in fixed costs.

## Industrial Solutions

### Q1 2022

In the Industrial Solutions segment, **sales** rose considerably compared with the prior-year quarter. Both divisions recorded significant sales growth.

#### Factors influencing sales in Q1 2022 – Industrial Solutions

	Industrial Solutions	Dispersions & Resins	Performance Chemicals
Volumes	6.6%	7.3%	5.3%
Prices	18.6%	18.1%	19.5%
Portfolio	-10.6%	-16.5%	-0.2%
Currencies	3.6%	3.4%	4.1%
<b>Sales</b>	<b>18.3%</b>	<b>12.4%</b>	<b>28.7%</b>

The sales increase was mainly driven by much higher prices in both divisions: Both the Dispersions & Resins division and the Performance Chemicals division raised prices in all business areas and all regions. This was primarily attributable to higher prices for raw materials, energy and freight.

Volumes also rose significantly. Both divisions increased sales volumes, especially in Europe in almost all business areas.

Slightly positive currency effects, mainly relating to the U.S. dollar and the Chinese renminbi, contributed to sales growth.

Sales were considerably reduced by portfolio effects, primarily in the Dispersions & Resins division following the disposal of the global pigments business.

#### Q1 segment data – Industrial Solutions

Million €

	2022	2021	+/-
Sales to third parties	2,493	2,108	18.3%
of which Dispersions & Resins	1,516	1,349	12.4%
Performance Chemicals	977	759	28.7%
Income from operations before depreciation, amortization and special items	431	350	23.2%
Income from operations before depreciation and amortization (EBITDA)	426	343	24.1%
Depreciation and amortization <sup>a</sup>	83	84	-1.5%
Income from operations (EBIT)	343	259	32.4%
Special items	-5	-7	23.0%
EBIT before special items	348	266	30.9%
Assets (March 31)	6,714	6,855	-2.1%
Investments including acquisitions <sup>b</sup>	53	62	-14.9%
Research and development expenses	43	44	-2.1%

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)  
<sup>b</sup> Additions to property, plant and equipment and intangible assets

**Income from operations (EBIT) before special items** was considerably above the first quarter of 2021. Positive price and volume developments led to strong earnings growth in both divisions.



## Surface Technologies

### Q1 2022

In the Surface Technologies segment, **sales** were down considerably from the first quarter of 2021. Strong sales growth in the Coatings division was unable to offset the significant decline in the Catalysts division.

#### Factors influencing sales in Q1 2022 – Surface Technologies

	Surface Technologies	Catalysts	Coatings
Volumes	-14.3%	-16.8%	0.7%
Prices	-3.3%	-5.3%	8.6%
Portfolio	4.8%	5.7%	-0.5%
Currencies	4.6%	4.7%	3.8%
<b>Sales</b>	<b>-8.2%</b>	<b>-11.7%</b>	<b>12.7%</b>

The sales decrease was primarily the result of much lower volumes in the Catalysts division. Here, sales volumes declined significantly, especially in precious metal trading and for mobile emissions catalysts. This was mainly attributable to weaker demand from the automotive industry. This could only be partially offset by volume growth in refinery and chemical catalysts. Volumes rose slightly in the Coatings division.

The Catalysts division's sales were also reduced by significantly lower precious metal prices. Sales in precious metal trading were considerably below the prior-year quarter at €2,208 million (Q1 2021: €2,904 million). By contrast, the Coatings division raised prices significantly.

Positive portfolio effects in the Catalysts division following the acquisition of a majority shareholding in BASF Shanshan Battery Materials Co., Ltd. had an offsetting impact.

#### Q1 segment data – Surface Technologies

Million €

	2022	2021	+/-
Sales to third parties	5,457	5,947	-8.2%
of which Catalysts	4,514	5,110	-11.7%
Coatings	943	837	12.7%
Income from operations before depreciation, amortization and special items	401	470	-14.6%
Income from operations before depreciation and amortization (EBITDA)	395	466	-15.3%
Depreciation and amortization <sup>a</sup>	135	110	22.4%
Income from operations (EBIT)	260	356	-27.0%
Special items	-7	-4	-67.7%
EBIT before special items	267	360	-26.0%
Assets (March 31)	15,528	13,349	16.3%
Investments including acquisitions <sup>b</sup>	109	73	49.8%
Research and development expenses	95	67	41.3%

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)  
<sup>b</sup> Additions to property, plant and equipment and intangible assets

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

In both divisions, **income from operations (EBIT) before special items** declined considerably compared with the prior-year quarter. The earnings decrease in the Catalysts division was mainly due to a significantly lower contribution from precious metal trading. The Coatings division's EBIT before special items declined, primarily as a result of increased fixed costs as well as weaker margins on the back of higher raw materials prices.

## Nutrition & Care

### Q1 2022

The Nutrition & Care segment increased **sales** considerably compared with the prior-year quarter. Both divisions contributed to the increase with significant sales growth.

#### Factors influencing sales in Q1 2022 – Nutrition & Care

	Nutrition & Care	Care Chemicals	Nutrition & Health
Volumes	7.9%	4.5%	15.6%
Prices	20.7%	24.9%	11.2%
Portfolio	-2.5%	-2.5%	-2.6%
Currencies	2.5%	1.8%	3.9%
<b>Sales</b>	<b>28.6%</b>	<b>28.7%</b>	<b>28.3%</b>

Sales growth was driven by significantly higher prices in all business areas in both divisions, which were able to pass on increased prices for energy and raw materials.

Sales performance was supported by significantly higher volumes. Volume growth in the Nutrition & Health division was driven by the animal nutrition and pharmaceutical businesses. In the Care Chemicals division, sales volumes rose in the personal care solutions business and in the oleo surfactants and alcohols business.

Positive currency effects, mainly relating to the U.S. dollar and the Chinese renminbi, had a slightly positive impact on sales.

Portfolio effects from the sale of the production site in Kankakee, Illinois, reduced sales in both divisions.

#### Q1 segment data – Nutrition & Care

Million €

	2022	2021	+/-
Sales to third parties	1,971	1,533	28.6%
of which Care Chemicals	1,363	1,059	28.7%
Nutrition & Health	608	474	28.3%
Income from operations before depreciation, amortization and special items	351	316	11.0%
Income from operations before depreciation and amortization (EBITDA)	354	313	13.0%
Depreciation and amortization <sup>a</sup>	107	98	9.4%
Income from operations (EBIT)	246	215	14.6%
Special items	3	-3	.
EBIT before special items	244	218	11.8%
Assets (March 31)	7,738	6,579	17.6%
Investments including acquisitions <sup>b</sup>	107	100	6.8%
Research and development expenses	40	40	0.4%

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)  
<sup>b</sup> Additions to property, plant and equipment and intangible assets

The segment's **income from operations (EBIT) before special items** was considerably above the first quarter of 2021. Higher EBIT before special items in the Care Chemicals division was primarily driven by positive volume development. Earnings growth in the Nutrition & Health division was attributable to higher margins. This more than compensated for higher fixed costs, mainly from higher depreciation following the startup of the vitamin A plant expansion in Ludwigshafen, Germany, in the second quarter of 2021.

## Agricultural Solutions

### Q1 2022

**Sales** in the Agricultural Solutions segment rose considerably compared with the first quarter of 2021. Volumes increased in all regions except North America; prices were above the prior-year quarter in all regions. Positive currency effects, especially from the U.S. dollar, also contributed to sales growth.

#### Factors influencing sales in Q1 2022 – Agricultural Solutions

Volumes	9.7%
Prices	6.6%
Portfolio	-0.2%
Currencies	3.2%
<b>Sales</b>	<b>19.4%</b>

Sales in **Europe** rose significantly, mainly as a result of increased volumes, especially for fungicides and herbicides. Higher prices also had a positive impact on sales. Negative currency effects, primarily from the Turkish lira, had an offsetting effect.

Sales in **North America** increased considerably, mainly due to positive currency effects. Price levels were significantly above the prior-year quarter, while volumes decreased slightly.

In **Asia**, sales rose strongly as a result of higher volumes, especially of herbicides and fungicides, primarily in China. Positive currency effects and increased prices contributed to the positive sales development as well.

#### Q1 segment data – Agricultural Solutions

Million €

	2022	2021	+/-
Sales to third parties	3,397	2,846	19.4%
Income from operations before depreciation, amortization and special items	1,036	971	6.7%
Income from operations before depreciation and amortization (EBITDA)	1,031	968	6.5%
Depreciation and amortization <sup>a</sup>	168	164	2.2%
Income from operations (EBIT)	863	804	7.4%
Special items	-5	-3	-65.7%
EBIT before special items	868	807	7.6%
Assets (March 31)	17,238	16,546	4.2%
Investments including acquisitions <sup>b</sup>	61	48	26.7%
Research and development expenses	237	216	9.9%

<sup>a</sup> Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

<sup>b</sup> Additions to property, plant and equipment and intangible assets

Sales also rose considerably in the region **South America, Africa, Middle East**. This was mainly driven by increased volumes, especially for fungicides and field crop seeds. Positive currency effects, mainly from the Brazilian real, and higher price levels also had a positive impact on sales.

**Income from operations (EBIT) before special items** rose slightly compared with the first quarter of 2021 as a result of the sales increase. Higher fixed costs dampened the positive earnings development.

## Other

### Q1 2022

**Sales** in Other rose considerably compared with the first quarter of 2021. This was largely due to a considerable increase in sales from other businesses. A significant contributing factor was higher energy sales at BASF Antwerpen.

**Income from operations (EBIT) before special items** rose considerably. This was mainly the result of positive valuation effects for the long-term incentive program in the first quarter of 2022. Expenses arose from the program in the prior-year quarter.

### Q1 financial data – Other

Million €

	2022	2021	+/-
Sales to third parties	940	783	20.0%
Income from operations before depreciation, amortization and special items <sup>a</sup>	-478	-556	14.0%
Income from operations before depreciation and amortization (EBITDA) <sup>a</sup>	-494	-570	13.3%
Depreciation and amortization <sup>b</sup>	40	35	13.6%
Income from operations (EBIT) <sup>a</sup>	-534	-604	11.5%
Special items	-16	-16	-1.4%
EBIT before special items <sup>a</sup>	-518	-589	12.1%
of which costs for cross-divisional corporate research	-73	-69	-5.8%
costs of corporate headquarters	-64	-58	-10.3%
other businesses	3	1	200.0%
foreign currency results, hedging and other measurement effects	32	-53	.
miscellaneous income and expenses	-416	-410	-1.4%
Assets (March 31) <sup>a, c</sup>	23,476	23,333	0.6%
Investments including acquisitions <sup>d</sup>	41	29	42.7%
Research and development expenses	82	76	7.5%

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

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

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

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



## Regions

### Q1 2022

Sales at companies located in **Europe** were 22.8% above the prior-year quarter. The sales increase was largely attributable to significantly higher price levels, primarily in the Chemicals and Materials segments. Slightly higher volumes contributed to sales growth. This was partially offset by negative portfolio effects, particularly in the Industrial Solutions segment following the sale of the pigments business. Currency effects had a slightly negative impact on sales.

In **North America**, sales rose by 12.9% in euros and by 5.1% in local currency terms compared with the first quarter of 2021. Sales performance was driven by positive currency effects. Higher prices, particularly in the Materials and Chemicals segments, also supported sales growth. This more than compensated for lower precious metal prices in the Surface Technologies segment. Negative portfolio effects, especially in the Industrial Solutions and Nutrition & Care segments following the sale of the pigments business and the production site in Kankakee, Illinois, reduced sales in the region. Lower volumes, mainly in the Surface Technologies segment, also reduced sales slightly.

Compared with the prior-year quarter, sales in the **Asia Pacific** region rose by 17.8% in euros and by 11.2% in local currency terms. The increase in sales in the region was primarily attributable to growth in Greater China, where sales rose by 22.0% in euros to €3,231 million. Sales performance was mainly driven by higher prices in all segments. Currency effects also had a positive impact on sales. Portfolio effects in the Surface Technologies segment from the acquisition of a majority shareholding in BASF Shanshan Battery Materials Co., Ltd. contributed significantly to the sales increase. Sales were negatively impacted by lower sales volumes overall, especially in the Surface Technologies segment.

### Regions Q1

Million €

	Sales by location of company			Sales by location of customer		
	2022	2021	+/-	2022	2021	+/-
Europe	9,979	8,129	22.8%	9,581	7,831	22.3%
North America	6,534	5,790	12.9%	6,400	5,558	15.1%
Asia Pacific	5,562	4,722	17.8%	5,675	4,857	16.8%
of which Greater China	3,231	2,649	22.0%	3,174	2,695	17.8%
South America, Africa, Middle East	1,008	759	32.8%	1,427	1,154	23.7%
<b>BASF Group</b>	<b>23,083</b>	<b>19,400</b>	<b>19.0%</b>	<b>23,083</b>	<b>19,400</b>	<b>19.0%</b>

Sales in the region **South America, Africa, Middle East** were also higher year on year, rising by 32.8% in euros and by 22.8% in local currency terms. This was mainly due to higher prices and positive currency effects in all segments. In addition, significantly higher volumes supported sales performance in the region, especially in the Agricultural Solutions and Nutrition & Care segments.

# Selected Financial Data

## Statement of Income

### Statement of income Q1

Million €

	Q1		
	2022	2021	+/-
<b>Sales revenue</b>	<b>23,083</b>	<b>19,400</b>	<b>19.0%</b>
Cost of sales	-17,081	-14,302	-19.4%
<b>Gross profit on sales</b>	<b>6,003</b>	<b>5,098</b>	<b>17.7%</b>
Selling expenses	-2,220	-1,908	-16.3%
General administrative expenses	-366	-326	-12.4%
Research and development expenses	-569	-511	-11.4%
Other operating income	311	336	-7.5%
Other operating expenses	-505	-516	2.1%
Income from integral companies accounted for using the equity method	132	138	-4.3%
<b>Income from operations (EBIT)</b>	<b>2,785</b>	<b>2,311</b>	<b>20.5%</b>
Income from non-integral companies accounted for using the equity method	-792	82	.
Income from other shareholdings	10	12	-15.8%
Expenses from other shareholdings	-15	-26	41.8%
<b>Net income from shareholdings</b>	<b>-797</b>	<b>68</b>	<b>.</b>
Interest income	41	38	8.9%
Interest expenses	-121	-123	1.8%
<b>Interest result</b>	<b>-79</b>	<b>-85</b>	<b>6.6%</b>
Other financial income	13	15	-11.3%
Other financial expenses	-44	-62	29.2%
<b>Other financial result</b>	<b>-31</b>	<b>-47</b>	<b>35.0%</b>
<b>Financial result</b>	<b>-110</b>	<b>-132</b>	<b>16.7%</b>
<b>Income before income taxes</b>	<b>1,878</b>	<b>2,247</b>	<b>-16.4%</b>
Income taxes	-557	-437	-27.4%
<b>Income after taxes from continuing operations</b>	<b>1,321</b>	<b>1,810</b>	<b>-27.0%</b>
<b>Income after taxes from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income after taxes</b>	<b>1,321</b>	<b>1,810</b>	<b>-27.0%</b>
of which attributable to shareholders of BASF SE (net income)	1,221	1,718	-28.9%
attributable to noncontrolling interests	100	92	8.5%
<b>Earnings per share from continuing operations</b>	<b>€ 1.34</b>	<b>€ 1.87</b>	<b>-28.3%</b>
<b>Earnings per share from discontinued operations</b>	<b>€ -</b>	<b>€ -</b>	<b>-</b>
<b>Basic earnings per share</b>	<b>€ 1.34</b>	<b>€ 1.87</b>	<b>-28.3%</b>
Diluted earnings per share	€ 1.34	€ 1.87	-28.3%

## Balance Sheet

### Assets

Million €

	March 31, 2022	December 31, 2021	+/-	March 31, 2021	+/-
Intangible assets	13,536	13,499	0.3%	13,299	1.8%
Property, plant and equipment	21,779	21,553	1.0%	19,814	9.9%
Integral investments accounted for using the equity method	2,669	2,540	5.1%	2,031	31.4%
Non-integral investments accounted for using the equity method	8,292	9,843	-15.8%	10,555	-21.4%
Other financial assets	576	575	0.2%	557	3.3%
Deferred tax assets	2,594	2,600	-0.2%	2,826	-8.2%
Other receivables and miscellaneous assets	1,811	1,722	5.2%	1,127	60.7%
<b>Noncurrent assets</b>	<b>51,256</b>	<b>52,332</b>	<b>-2.1%</b>	<b>50,209</b>	<b>2.1%</b>
Inventories	14,847	13,868	7.1%	10,596	40.1%
Accounts receivable, trade	15,348	11,942	28.5%	12,531	22.5%
Other receivables and miscellaneous assets	6,922	5,568	24.3%	5,932	16.7%
Marketable securities	209	208	0.2%	207	0.8%
Cash and cash equivalents <sup>a</sup>	4,494	2,624	71.3%	4,127	8.9%
Assets of disposal groups	906	840	7.8%	1,231	-26.4%
<b>Current assets</b>	<b>42,726</b>	<b>35,051</b>	<b>21.9%</b>	<b>34,624</b>	<b>23.4%</b>
<b>Total assets</b>	<b>93,983</b>	<b>87,383</b>	<b>7.6%</b>	<b>84,833</b>	<b>10.8%</b>

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

**Equity and liabilities**

Million €

	March 31, 2022	December 31, 2021	+/-	March 31, 2021	+/-
Subscribed capital	1,176	1,176	0.0%	1,176	0.0%
Capital reserves	3,106	3,106	0.0%	3,115	-0.3%
Retained earnings	40,767	40,365	1.0%	39,628	2.9%
Other comprehensive income	-3,908	-3,855	-1.4%	-5,678	31.2%
<b>Equity attributable to shareholders of BASF SE</b>	<b>41,140</b>	<b>40,792</b>	<b>0.9%</b>	<b>38,241</b>	<b>7.6%</b>
Noncontrolling interests	1,415	1,289	9.7%	793	78.4%
<b>Equity</b>	<b>42,555</b>	<b>42,081</b>	<b>1.1%</b>	<b>39,034</b>	<b>9.0%</b>
Provisions for pensions and similar obligations	6,181	6,160	0.3%	6,016	2.7%
Deferred tax liabilities	1,394	1,499	-7.0%	1,534	-9.1%
Tax provisions	420	415	1.2%	385	9.0%
Other provisions	1,748	1,782	-1.9%	1,517	15.3%
Financial indebtedness	15,015	13,764	9.1%	15,584	-3.7%
Other liabilities	1,576	1,600	-1.5%	1,652	-4.6%
<b>Noncurrent liabilities</b>	<b>26,335</b>	<b>25,220</b>	<b>4.4%</b>	<b>26,688</b>	<b>-1.3%</b>
Accounts payable, trade	8,987	7,826	14.8%	5,354	67.9%
Provisions	5,060	3,935	28.6%	3,833	32.0%
Tax liabilities	1,652	1,161	42.3%	1,246	32.6%
Financial indebtedness	5,939	3,420	73.7%	4,712	26.0%
Other liabilities	3,365	3,679	-8.5%	3,599	-6.5%
Liabilities of disposal groups	89	61	47.2%	367	-75.7%
<b>Current liabilities</b>	<b>25,093</b>	<b>20,081</b>	<b>25.0%</b>	<b>19,111</b>	<b>31.3%</b>
<b>Total equity and liabilities</b>	<b>93,983</b>	<b>87,383</b>	<b>7.6%</b>	<b>84,833</b>	<b>10.8%</b>



## Statement of Cash Flows

### Statement of cash flows Q1

Million €

	Q1	
	2022	2021
Net income	1,221	1,718
Depreciation and amortization of property, plant and equipment and intangible assets	924	865
Changes in net working capital <sup>a</sup>	-3,182	-2,773
Miscellaneous items	746	-335
<b>Cash flows from operating activities</b>	<b>-290</b>	<b>-525</b>
Payments made for property, plant and equipment and intangible assets	-603	-456
Acquisitions/divestitures	10	-7
Changes in financial assets and miscellaneous items	15	28
<b>Cash flows from investing activities</b>	<b>-579</b>	<b>-435</b>
Capital increases/repayments and other equity transactions	-820	-
Changes in financial and similar liabilities	3,504	717
Dividends	-	-7
<b>Cash flows from financing activities</b>	<b>2,685</b>	<b>710</b>
Cash-effective changes in cash and cash equivalents	1,816	-250
Cash and cash equivalents at the beginning of the period and other changes <sup>b</sup>	2,679	4,382
<b>Cash and cash equivalents at the end of the period<sup>b</sup></b>	<b>4,494</b>	<b>4,132</b>

<sup>a</sup> In order to optimize precious metal stocks, BASF sells precious metals and concurrently enters into agreements to repurchase them at a set price. The cash flows resulting from the sale and repurchase are reported in cash flows from operating activities. Liabilities to repurchase precious metals amounted to €780 million as of March 31, 2022.

<sup>b</sup> In 2021, cash and cash equivalents presented in the statement of cash flows deviate from the figures in the balance sheet, as the relevant amounts were reclassified in the balance sheet to assets of disposal groups. The disposal group for the pigments business contained cash and cash equivalents of €5 million as of January 1, 2021, and March 31, 2021.

Half-Year Financial Report 2022

# July 27, 2022

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Quarterly Statement Q3 2022

# October 26, 2022

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BASF Report 2022

# February 24, 2023

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Quarterly Statement Q1 2023 / Annual Shareholders' Meeting 2023

# April 27, 2023

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Half-Year Financial Report 2023

# July 28, 2023

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

## Further information

**Published on April 29, 2022**

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## Forward-looking statements and forecasts

This quarterly statement contains forward-looking statements. These statements are based on current estimates and projections of the Board of Executive Directors and currently available information. Forward-looking statements are not guarantees of the future developments and results outlined therein. These are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. Such risk factors include those discussed in [Opportunities and Risks on pages 151 to 160 of the BASF Report 2021](#). The BASF Report is available online at [basf.com/report](https://basf.com/report). We do not assume any obligation to update the forward-looking statements contained in this quarterly statement above and beyond the legal requirements.