The BASF Group's Business Year

Economic Environment[1]

Global economic growth in 2024 was again driven more by services than the production of goods. Declining inflation and the interest rate turnaround initiated by many central banks supported demand. Starting from a low base, the global chemical industry grew at a faster pace than the overall industrial production. However, growth in the chemical industry weakened over the course of the year, particularly in Europe (for the forecast, see page 78 onward).

At a glance

+2.7%
Global GDP growth

+3.9%
Increase in global chemical production

Global gross domestic product (GDP) grew by 2.7% compared with the previous year (2023: +2.8%). Global industrial production only rose by 2.1% (2023: +1.5%). Starting from a low base after two weak years, global chemical production grew by 3.9%, albeit with significant regional differences. While the chemical industry increased by 6.8% in China, it only grew by 1.1% in the rest of the world.

The average price of Brent crude oil remained around the prior-year level at $81 per barrel (previous year: $82 per barrel). The annual average gas price in northwestern Europe was €34.17 per MWh or $10.83 per mmBtu (previous year: €40.52 per MWh or $12.83 per mmBtu), almost five times higher than in the United States (€6.93 per MWh or $2.20 per mmBtu).

[1] All information relating to past years in this section can deviate from the previous year's report due to statistic revisions. Where available, calendar-adjusted macroeconomic growth rates are reported. Figures for 2024 not yet available in full are estimated.

Trends in the global economy in 2024

At 0.9%, GDP growth in the **European Union (EU)** was only slightly above the previous year's very weak level. Industrial production contracted for the second consecutive year.

Within the EU, there were significant differences in growth between member states. **Spain's** GDP grew by around 3%, primarily due to its higher share of tourism and services. On the other hand, **France** and **Italy** saw only marginal economic expansion mainly due to persistently weak private consumption.

The **German** economy stagnated again in 2024 due to slow private consumption despite rising incomes and a decline in capital investment. In view of the weakness in Germany's core industries, foreign trade did not provide positive momentum. Overall, the German economy has not grown in real terms since 2019, while GDP in the rest of the eurozone increased by 6% in this period.

At nearly 2%, growth in the eastern EU countries was also above the EU average. However, there were also considerable differences within this region. **Poland's** economy showed relatively strong growth of almost 3% due to the provision of previously frozen EU funds and rising real incomes. In **Hungary** and **Czechia**, GDP growth rates did not differ significantly from the low EU average as their industrial sectors heavily rely on western Europe.

In the **United Kingdom,** GDP growth remained weak, reflecting the only slight increase in consumer spending and volatile contributions from investment and foreign trade.

In contrast to Europe, the **United States** recorded continued robust GDP growth of 2.8%. Private consumption continued to rise due to strong labor market demand and higher real wages, although service consumption still accounted for more than two-thirds of this growth. Capital expenditures also contributed to the solid growth, while the increase in the foreign trade deficit dampened expansion. The contribution from commercial construction investment in 2024 was considerably lower than in the prior-year period. The industrial economy in the United States remained weak, with the manufacturing sector in particular stagnating over the year as a whole.

In **China**, the GDP growth rate reached the official target of 5%. Even though private consumption rose at a similar rate, domestic demand for goods only grew at a subdued pace. In contrast, the export of goods provided considerable growth momentum for the industry. In this environment, industrial production in China rose by around 5%. While the manufacturing sector with an expansion of around 6% slightly outpaced the industry as a whole, the ongoing crisis in residential construction had a dampening effect on the overall industrial growth rate.

India was the fastest-growing major economy in 2024 with growth of more than 6%. This was supported by the robust increase in private consumption and rise in investments. In the **ASEAN countries**, which benefited from the diversification of international industrial value chains, GDP also grew relatively strongly at just under 5%. This was especially the case in **Indonesia**, the **Philippines** and **Vietnam**, all of which achieved growth of around 5% or higher. Growth in mature Asian markets lagged behind emerging markets in the region. In South Korea, economic growth was around 2%. In **Japan**, GDP stagnated, partly due to the lack of growth in private consumer demand and investments, and the sharp decline in automotive production.

Brazil, South America's largest economy, recorded solid growth of almost 3.3%. Both private consumer demand and investments saw a significant increase – by more than 5% and more than 7% respectively. Industrial production outpaced GDP slightly, while the agricultural sector suffered as a result of the floods in southern Brazil. Despite the improved economic outlook following recent reforms, **Argentina's** GDP contracted by around 3% in 2024. Overall, GDP in South America increased by 2.0%, slightly more than in the previous year.

Gross domestic product

Real change compared with previous year	2024	2023
World	**2.7%**	**2.8%**
European Union	0.9%	0.5%
USA	2.8%	2.9%
China	5.0%	5.2%
Emerging markets of Asia excluding China[a]	5.2%	5.2%
Japan	0.1%	1.5%
South America	2.0%	1.6%

[a] We define the emerging markets of Asia as the ASEAN countries (Brunei, Indonesia, Malaysia, Myanmar, Cambodia, Laos, the Philippines, Singapore, Thailand, Vietnam), India, Pakistan and Bangladesh.

Trends in key customer industries

In 2024, global goods production grew more strongly than in the previous year. However, it lagged behind the growth rates of GDP and the services sector. Industry growth was dampened in particular by a decline in automotive production, following the previous year's strong growth, and a weak momentum in the construction industry, amid falling but still high interest rates in the United States and Europe, as well as the crisis in the Chinese housing market. In contrast, the production of consumer goods in the nutrition, care and health sectors supported industrial growth.

Global industrial production expanded by 2.1% overall (2023: 1.5%). In the advanced economies, it largely stagnated, while in the emerging markets it grew by 3.9% (2023: +2.9%). In the EU, industrial production declined by 1.9%; in North America, it rose by 1.1%, and in Asia it grew by 4.2% overall. China accounted for around three-quarters of global industrial growth. North America accounted for only around one-tenth of global growth, while the EU made a negative contribution.

Growth in key customer industries

Real change compared with previous year	2024	2023
Industry total	**2.1%**	**1.5%**
Transportation	-0.3%	9.6%
of which automotive industry	-1.1%	9.9%
Energy and resources	2.1%	0.9%
Construction	1.4%	2.3%
Consumer goods	1.5%	-0.3%
Electronics	7.6%	0.2%
Health and nutrition	2.4%	0.4%
Agriculture	2.2%	3.0%

In 2024, global **automotive production** decreased by 1.1% from 90.5 to 89.5 million passenger cars and light commercial vehicles. In China, the world's largest automotive market, it increased by 3.7%. In contrast, production in the EU, North America, Japan and South Korea decreased by around 4.4% overall. However, production in these countries had increased by around 12% in 2023, slightly outpacing China's growth of 10%. Automotive production in India also increased by around 4%. Growth in the production of battery electric vehicles (BEVs) was once again significantly higher than that of the market as a whole: A total of 1.0 million more BEVs were produced; this corresponds to growth in this segment of around 9.5% compared with the previous year. Consequently, electric vehicles' share of all vehicles produced rose from around 12% in 2023 to around 13% in 2024.

The **energy and raw materials** sector expanded by 2.1%. Growth in this sector was mainly driven by the production of non-energy raw materials, the refining business and energy supply. However, oil and gas production remained largely stagnant.

Demand in the **construction industry** remained subdued, despite the interest rate reversal initiated by central banks in Europe and the United States in 2024, already reflected in falling longer-term rates. Overall, construction activity expanded by 1.4%. Development varied across the individual construction segments: Residential construction declined slightly, while commercial building construction saw a modest uptick. As in previous years, the infrastructure segment saw considerable growth. The EU construction industry saw a considerable overall decline, most notably with a sharp downturn in new residential construction. Conversely, construction activity in North America recorded solid growth across all segments. This was partly due to base effects in the U.S. residential construction sector given the decline in construction activity of nearly 10% in the previous year and extremely limited supply of existing properties on the market. In China, building construction activity, measured by area under construction, continued to decline considerably.

After stagnating in the previous year, **consumer goods production** increased by 1.5% in 2024, lagging behind global GDP growth. Production in the furniture industry remained stable after experiencing a sharp decline in the previous year. The textile industry returned to moderate growth after a decrease in the previous year. Production of chemicals for the manufacture of care products grew slightly faster than global GDP.

The **electronics industry** saw considerable expansion of 7.6% again after stagnating in the prior-year period. Key drivers of growth were electronic components (semiconductors), computers and the again increasing demand for replacements in consumer electronics.

Production in the **health and nutrition** sector increased by 2.4%. The pharmaceutical industry grew at a similar rate to global GDP. All major markets generated growth again following a weak previous year. Food production as a whole grew at a slower pace. It increased in the EU and emerging Asian markets, while declining in the United States and Japan.

At 2.2%, growth in the **agricultural sector** was below the level of the previous year. Production in the EU largely stagnated. South America built on its solid above-average growth from the previous year, driven primarily by catch-up effects in Argentina. Brazilian agricultural production, on the other hand, decreased considerably. In North America, growth remained at the low level of the previous year. The growth rate of agricultural production in Asia was slightly higher than the global average.

Trends in the chemical industry

Despite significant regional differences, growth in the global chemical industry in 2024 (+3.9%) considerably outpaced overall industrial production. While the chemical industry in China grew by around 6.8%[a] on the basis of official figures, it increased by 1.1% in the rest of the world. In 2024, China accounted for 86% of global chemical growth.

Starting from the very low prior-year level, chemical production in the **EU** rose considerably in the first half of 2024. This was partly due to supply bottlenecks on international trade routes through the Red Sea and production constraints at non-European producers. Over the course of the year, however, weak European demand resulted in a considerable decline in production. For the year as a whole, production in the EU only grew by around 1.6%. Chemical production in **Germany** followed a similar trend. However, the annual growth rate was higher due to the lower starting base at the end of 2023 (2024: +3.1%, 2023: -12.1%).

In the **United Kingdom**, chemical production decreased by 1.7% (2023: -12.7%).

In the **United States**, the chemical industry stagnated for the second consecutive year amid overall weak industrial demand (2024: 0.0%, 2023: -0.2%).

Chemical production in **Asia** rose by 5.6%, slightly more than in the previous year (+4.5%). **China**, the world's largest chemical market, grew by 6.8%.[a] **India** increased production by 1.8% after stagnating in the previous year. Nearly all other countries in the region also reported growth in the chemical industry. Only **Japan** experienced a decline of 2.9%.

Chemical production in the **Middle East** also increased by a total of 2.5%. In Iran and in Saudi Arabia, the region's leading producers, chemical production increased slightly more than the regional average. In contrast, Israel saw a decline in production.

Chemical production (excluding pharmaceuticals)

Real change compared with previous year	2024	2023
World	**3.9%**	**1.4%**
European Union	1.6%	-8.2%
USA	0.0%	-0.2%
China[a]	6.8%	7.4%
Emerging markets of Asia excluding China	2.4%	-2.5%
Japan	-2.9%	-6.6%
South America	1.7%	-5.7%

[a] Our own estimate of the growth rate, based on official statistics from China for the overall market and individual products.

Price trends for key commodities

Due to increasing oil supply, weak overall growth in oil demand and OPEC's announcement to increase production, Brent North Sea crude prices fell from an average of $84 per barrel in the first half of 2024 to $74 per barrel in the fourth quarter. The annual average oil price was $81 per barrel, only slightly below the price of the previous year ($82 per barrel). In contrast, the average monthly price for the chemical raw material naphtha was $656 per metric ton, around 2% higher than the previous year ($643 per metric ton).

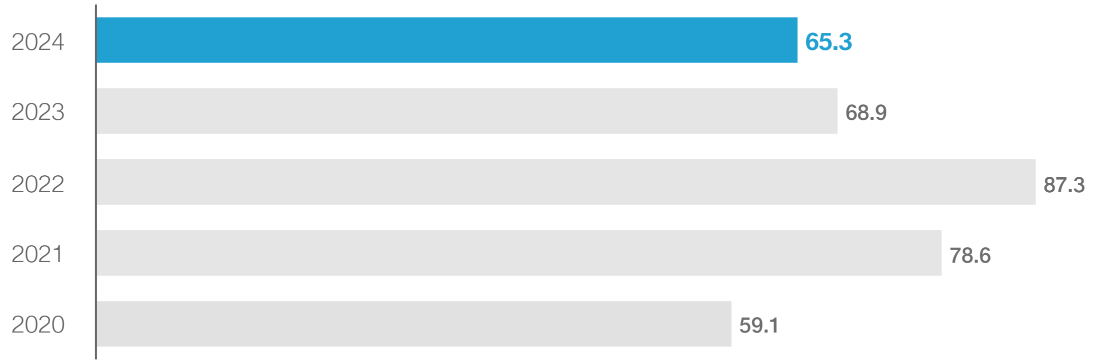
Compared with the previous year, gas prices in northwestern Europe rose more sharply in 2024 due to colder weather. However, the average annual price of €34.17 per MWh ($10.83 per mmBtu) was below that of 2023 (€40.52 per MWh or $12.83 per mmBtu). The average price of gas in the United States was $2.20 per mmBtu, likewise slightly lower than in the previous year ($2.54 per mmBtu.) In China, gas prices averaged around $13.13 per mmBtu nationally (2023: $12.77 per mmBtu).

Results of Operations

In the 2024 business year, **sales** stood at €65,260 million, compared with €68,902 million in the previous year. Considerable volume increases in some core businesses, coupled with slight volume growth in Agricultural Solutions, overcompensated for the decrease in sales volumes in Surface Technologies, which was due to the weak momentum in the automotive industry. The overall decline in sales, however, was mainly due to competition-driven price decreases in all segments. A particularly pronounced decline was seen in precious metal prices in the Surface Technologies segment. Currency effects further dampened sales performance.

Sequential development of sales

Billion €



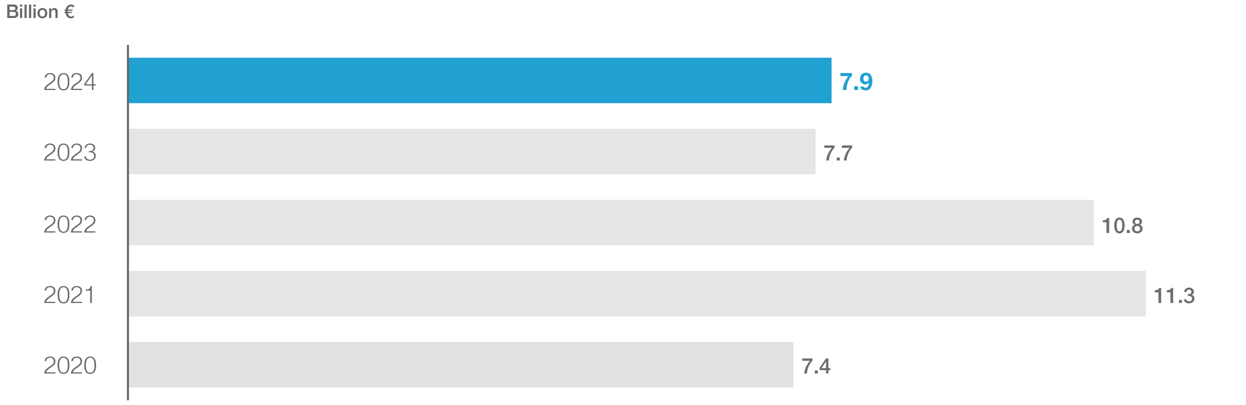
Factors influencing BASF Group sales

	Change in million €	Change in %
Volumes	1,216	1.8
Prices	-3,564	-5.2
Currencies	-1,206	-1.8
Acquisitions	–	–
Divestitures	-86	-0.1
Changes in the scope of consolidation	-3	0.0
Total change in sales	**-3,643**	**-5.3**

Compared with the prior-year figure, **EBITDA before special items**[1] rose by €187 million to €7,858 million. This was due to higher earnings in our core businesses. In the Nutrition & Care, Industrial Solutions and Chemicals segments, EBITDA before special items grew considerably – mainly owing to a volume-related increase in the contribution margin – while it grew slightly in the Materials segment. This was offset by earnings declines in our standalone businesses. In Agricultural Solutions, EBITDA before special items declined considerably, mainly as a result of developments in the glufosinate-ammonium business and higher fixed costs, partly due to an insurance payment received in the previous year. The steep drop in precious metal prices and lower sales volumes in the Catalysts division played a substantial role in the slight earnings decline in Surface Technologies. The decrease in EBITDA before special items in Other was caused by currency results, hedging and other valuation effects contained in other expenses as well as lower earnings contributions from other businesses. The **EBITDA margin before special items** reached 12.0%, compared with 11.1% in the previous year.

[1] For an explanation of this indicator, see the reconciliation tables in Results of Operations on page 49.

Sequential development of EBITDA before special items



EBITDA[2] amounted to €6,681 million, compared with €7,180 million in the prior-year period.

Special items[3] in EBITDA amounted to -€1,176 million in 2024. Special charges for restructuring measures in the amount of €667 million arose, in particular, for provisions in connection with the shutting down of glufosinate-ammonium production plants and the associated site closures in the Agricultural Solutions division, as well as for the conversion of the ERP system in the Coatings division for a differentiated steering of the business. In addition, special charges were incurred in connection with the cost savings program focusing on Europe and for modifications to the production structure at the Verbund site in Ludwigshafen, Germany. Special charges from other charges and income in the amount of €500 million included, in particular, charges in the amount of €301 million for the class settlement, which does not constitute any admission of liability, in connection with the aqueous film-forming foam (AFFF) multidistrict litigation in the United States.

Special items

Million €	2024	2023
Restructuring measures	-667	-379
Integration costs	2	-17
Divestitures	-11	-58
Other charges and income	-500	-36
Total special items in EBITDA	**-1,176**	**-490**
Impairments and reversals of impairments in special items	-702	-1,076
Total special items in EBIT	**-1,878**	**-1,566**

EBIT came in at €2,033 million, down on the prior-year figure by €206 million (for more information, see the Statement of Income on page 329). Depreciation and amortization[4] stood at €4,648 million (previous year: €4,941 million). This included impairments in the amount of €776 million (of which €702 million was attributable to special items), which mainly related to the battery materials business in the Surface Technologies segment. In the previous year, EBIT included impairments totaling around €1.1 billion.

We use the **return on capital employed (ROCE)** indicator to measure our rate of return. In 2024, ROCE was 5.1% (2023: 4.5%; for more information, see page 28 onward).

[2] For an explanation of this indicator, see the reconciliation tables in Results of Operations on page 49.
[3] Special items may arise from the integration of acquired businesses, restructuring measures, gains or losses resulting from divestitures and sales of shareholdings, and other expenses and income that arise outside of ordinary business activities.
[4] Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

ROCE

Million €		2024	2023
EBIT BASF Group		2,033	2,240
– EBIT Other		-1,340	-778
EBIT of the segments		3,373	3,018
Cost of capital basis of segments, average of month-end figures		**65,527**	**66,687**
ROCE	%	**5.1**	**4.5**

Capital employed

Million €	2024	2023
Intangible assets	11,920	12,733
+ Property, plant and equipment	24,427	22,425
+ Integral companies accounted for using the equity method	1,614	1,753
+ Inventories	13,846	14,961
+ Accounts receivable, trade	11,305	11,989
+ Current and noncurrent other receivables and other assets[a]	2,403	2,827
+ Assets of disposal groups	13	–
Cost of capital basis of segments, average of month-end figures	**65,527**	**66,687**
+ Deviation from cost of capital basis at closing rates as of December 31	-721	-3,959
+ Assets not included in cost of capital basis	15,609	14,667
Assets of the BASF Group as of December 31	**80,415**	**77,395**

[a] Including customer/supplier financing and other adjustments

Net income from shareholdings, financial result and income after taxes

The year-on-year increase in **net income from shareholdings** of €798 million to €598 million was mainly due to the improved earnings of non-integral companies accounted for using the equity method. This was primarily attributable to special income of €390 million in connection with the transfer of Wintershall Dea's assets to Harbour Energy plc, London, United Kingdom. In the previous year, special items of -€164 million were incurred at Wintershall Dea.

The **financial result** improved by €57 million compared with the previous year. This primarily resulted from higher income from the capitalization of construction period interest in the other financial result. By contrast, the interest result was down by €20 million on the prior-year figure, mainly due to increased financial indebtedness and higher interest expenses for hedges.

Overall, **income before income taxes** rose by €649 million compared with the previous year to €2,069 million in 2024. Income tax expenses came in at €616 million (previous year: €1,041 million). The tax rate for 2024 stood at 29.8% and was particularly influenced by the nonrecognition of deferred tax assets on loss carryforwards. This effect had been stronger in the previous year, leading to a tax rate of 73.3%.

Income after taxes rose by €1,074 million compared with the previous year to €1,453 million. Noncontrolling interests were almost at prior-year level at €155 million. This led to net income of €1,298 million.

Earnings per share for 2024 amounted to €1.45 (previous year: €0.25).

Further indicators of results of operations

We also use alternative performance measures (APMs) to steer the BASF Group. Investors, analysts and rating agencies use them to assess our performance. These are not defined in IFRS®. As such, the methods of calculation may differ from those used by other companies. Alternative performance measures for the results of operations are EBIT, EBITDA, the EBITDA margin before special items and adjusted earnings per share. Other APMs are net debt (for more information, see page 54 onward) and capital expenditures (see also from page 33 onward).

At the start of the 2024 business year, we introduced EBITDA before special items and free cash flow as new most important key performance indicators for the short- and medium-term steering of the BASF Group. For a detailed explanation of how these indicators are calculated, see Our Steering Concept from page 28 onward of this report.

EBITDA before special items

Million €		2024	2023
EBIT		2,033	2,240
– Special items		-1,878	-1,566
EBIT before special items		**3,911**	**3,806**
+ Depreciation and amortization		3,872	3,798
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets before special items		74	67
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets before special items		**3,946**	**3,865**
EBITDA before special items		**7,858**	**7,671**
Sales		65,260	68,902
EBITDA margin before special items	%	**12.0**	**11.1**

EBITDA

Million €	2024	2023
EBIT	2,033	2,240
+ Depreciation and amortization	3,872	3,798
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets	776	1,143
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets	**4,648**	**4,941**
EBITDA	**6,681**	**7,180**

Compared with earnings per share, the adjusted earnings per share are firstly adjusted for special items. Amortization, impairments and reversals of impairments on intangible assets are then eliminated. Amortization of intangible assets primarily results from the purchase price allocation following acquisitions and is therefore of a temporary nature. The effects of these adjustments on income taxes and on noncontrolling interests are also considered. This makes adjusted earnings per share a suitable measure for making comparisons over time and predicting future profitability.

In 2024, adjusted earnings per share amounted to €3.51, compared with €2.78 in the previous year.

Adjusted earnings per share

Million €		2024	2023
Income after taxes		1,453	379
– Special items[a]		-1,492	-1,811
+ Amortization, impairments and reversals of impairments on intangible assets		670	879
– Amortization, impairments and reversals of impairments on intangible assets contained in special items		77	257
– Adjustments to income taxes		223	171
Adjusted income after taxes		**3,315**	**2,640**
– Adjusted noncontrolling interests		183	156
Adjusted net income		**3,132**	**2,484**
Weighted average number of outstanding shares[b]	in thousands	892,522	892,641
Adjusted earnings per share	**€**	**3.51**	**2.78**

[a] Includes special items in net income from shareholdings and in the financial result of €386 million in the 2024 business year and -€245 million for 2023.
[b] Due to the share buyback program terminated in February 2023, the weighted average number of outstanding shares in the 2024 business year was 892,522,164 and 892,640,562 in the 2023 business year.

Sales and earnings

Million €		2024	2023	+/-
Sales		65,260	68,902	-5.3%
EBITDA before special items		7,858	7,671	2.4%
Special items in EBITDA		-1,176	-490	-139.9%
EBITDA		6,681	7,180	-7.0%
EBITDA margin before special items	%	12.0	11.1	–
Depreciation and amortization[a]		4,648	4,941	-5.9%
EBIT before special items		3,911	3,806	2.8%
Special items in EBIT		-1,878	-1,566	-19.9%
EBIT		2,033	2,240	-9.2%
Income before income taxes		2,069	1,420	45.7%
Income after taxes		1,453	379	283.3%
Net income		1,298	225	475.8%
Earnings per share	€	1.45	0.25	475.9%
Adjusted earnings per share	€	3.51	2.78	26.1%

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

Sales and earnings by quarter 2024[a]

Million €		Q1	Q2	Q3	Q4	Full year
Sales		17,553	16,111	15,739	15,856	65,260
EBITDA before special items		2,712	1,957	1,622	1,567	7,858
Special items in EBITDA		-57	-394	-345	-380	-1,176
EBITDA		2,655	1,563	1,277	1,187	6,681
EBITDA margin before special items	%	15.4	12.1	10.3	9.9	12.0
Depreciation and amortization[b]		965	1,047	1,027	1,609	4,648
EBIT before special items		1,754	969	635	554	3,911
Special items in EBIT		-64	-453	-385	-976	-1,878
EBIT		1,689	516	250	-422	2,033
Income before income taxes		1,772	398	570	-671	2,069
Income after taxes		1,411	470	343	-770	1,453
Net income		1,368	430	287	-786	1,298
Earnings per share	€	1.53	0.48	0.32	-0.88	1.45
Adjusted earnings per share	€	1.68	0.93	0.32	0.59	3.51

Sales and earnings by quarter 2023[a]

Million €		Q1	Q2	Q3	Q4	Full year
Sales		19,991	17,305	15,735	15,871	68,902
EBITDA before special items		2,864	1,944	1,545	1,317	7,671
Special items in EBITDA		-54	-37	-182	-217	-490
EBITDA		2,811	1,908	1,363	1,099	7,180
EBITDA margin before special items	%	14.3	11.2	9.8	8.3	11.1
Depreciation and amortization[b]		944	934	969	2,094	4,941
EBIT before special items		1,931	1,007	575	292	3,806
Special items in EBIT		-65	-33	-181	-1,287	-1,566
EBIT		1,867	974	394	-995	2,240
Income before income taxes		1,930	851	-38	-1,323	1,420
Income after taxes		1,604	555	-209	-1,571	379
Net income		1,562	499	-249	-1,587	225
Earnings per share	€	1.75	0.56	-0.28	-1.78	0.25
Adjusted earnings per share	€	1.93	0.72	0.32	-0.18	2.78

a Quarterly results not audited
b Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

Net Assets

Assets

	December 31, 2024		December 31, 2023	
	Million €	%	Million €	%
Intangible assets	11,983	14.9	12,216	15.8
Property, plant and equipment	27,197	33.8	24,080	31.1
Integral investments accounted for using the equity method	2,399	3.0	2,054	2.7
Non-integral investments accounted for using the equity method	3,411	4.2	4,518	5.8
Other financial assets	1,165	1.4	1,099	1.4
Deferred tax assets	574	0.7	617	0.8
Receivables for income taxes[a]	88	0.1	80	0.1
Other receivables and miscellaneous assets[a]	2,366	2.9	1,258	1.6
Noncurrent assets	**49,183**	**61.2**	**45,923**	**59.3**
Inventories	13,681	17.0	13,876	17.9
Accounts receivable, trade	10,393	12.9	10,414	13.5
Receivables for income taxes[a]	740	0.9	717	0.9
Other receivables and miscellaneous assets[a]	3,256	4.0	3,787	4.9
Marketable securities	67	0.1	53	0.1
Cash and cash equivalents	2,914	3.6	2,624	3.4
Assets of disposal groups	181	0.2	–	–
Current assets	**31,232**	**38.8**	**31,472**	**40.7**
Total assets	**80,415**	**100.0**	**77,395**	**100.0**

[a] Since the 2024 business year, receivables for income taxes, which were previously included in other receivables and miscellaneous assets, have been reported separately. The prior-year figures have been adjusted.

Total assets amounted to €80,415 million as of December 31, 2024, around €3 billion above the prior-year figure.

Noncurrent assets increased by €3,260 million compared with December 31, 2023. The slight decrease of intangible assets amounted to €233 million and was mainly attributable to amortization of €670 million, including impairments of €87 million. Alongside additions of €133 million, currency effects (€341 million) in particular had an offsetting effect.

The increase of €3,118 million in property, plant and equipment was mainly due to additions of €6,694 million, particularly in connection with the construction of our Verbund site in Zhanjiang, China. Currency effects in the amount of €537 million also contributed to the rise in property, plant and equipment. Depreciation amounted to €3,978 million and included impairments and reversals of impairments totaling €689 million, which mainly related to the battery materials business in the Surface Technologies segment.

Compared with the prior year-end, the carrying amounts of integral investments accounted for using the equity method increased by €344 million to €2,399 million, mainly due to the addition of the shareholding in the Nordlicht 1 and 2 wind farm projects. The carrying amounts of non-integral shareholdings accounted for using the equity method as of December 31, 2024, were €1,107 million below the prior year-end figure. This was mainly attributable to the decline in the carrying amount of Wintershall Dea, which resulted from the transfer of assets to Harbour Energy, a capital decrease and a dividend payment. This was only partially offset by the addition of the equity-accounted shareholding in Harbour Energy.

Noncurrent other receivables and miscellaneous assets rose by €1,107 million to €2,366 million, which was mainly attributable to a rise in defined benefit assets. Derivatives with positive market values had a slightly offsetting effect.

Current assets amounted to €31,232 million as of December 31, 2024, €240 million below the prior-year figure. The decline in inventories of €195 million mainly resulted from the Agricultural Solutions segment, whereas all other segments recorded a slight increase in inventories. Trade accounts receivable remained at the prior-year level. Current other receivables and miscellaneous assets amounted to €3,256 million, €531 million below the prior-year figure, which was mainly attributable to lower precious metal trading items and lower tax refund claims.

Cash and cash equivalents rose by €289 million to €2,914 million.

Assets of disposal groups amounted to €181 million as of December 31, 2024, and mainly included the assets from the agreed sale of BASF's Food and Health Performance Ingredients business.

For more information on the composition of individual asset items and their development, see the Notes to the Consolidated Financial Statements from page 336 onward.

Financial Position

Equity and liabilities

	December 31, 2024		December 31, 2023	
	Million €	%	Million €	%
Subscribed capital	1,142	1.4	1,142	1.5
Capital reserves	3,139	3.9	3,139	4.1
Retained earnings	30,883	38.4	32,517	42.0
Other comprehensive income	435	0.5	-1,521	-2.0
Noncontrolling interests	1,284	1.6	1,368	1.8
Equity	**36,884**	**45.9**	**36,646**	**47.3**
Provisions for pensions and similar obligations	2,403	3.0	2,896	3.7
Deferred tax liabilities	1,005	1.2	1,140	1.5
Income tax provisions	335	0.4	335	0.4
Other provisions	1,883	2.3	1,684	2.2
Financial indebtedness	19,122	23.8	17,085	22.1
Other liabilities	1,744	2.2	1,739	2.3
Noncurrent liabilities	**26,492**	**32.9**	**24,879**	**32.2**
Accounts payable, trade	6,923	8.6	6,741	8.7
Provisions	3,320	4.1	3,214	4.2
Liabilities for income taxes[a]	404	0.5	442	0.6
Financial indebtedness	2,639	3.3	2,182	2.8
Other liabilities[a]	3,714	4.6	3,291	4.3
Liabilities of disposal groups	39	0.0	–	–
Current liabilities	**17,039**	**21.2**	**15,871**	**20.5**
Total equity and liabilities	**80,415**	**100.0**	**77,395**	**100.0**

[a] In the previous year, liabilities for income taxes were reported together with liabilities for other taxes. As of the 2024 business year, these are recognized under other liabilities. The prior-year figure has been consequently adjusted by the amount for other taxes (€359 million).

Equity stood at €36,884 million, on a level with December 31, 2023. Retained earnings declined by €1,634 million compared with the end of the previous year. This resulted mainly from dividend payments to the shareholders of BASF SE for 2023 in the amount of €3,035 million and from net income in the amount of €1,298 million. Other comprehensive income rose by €1,956 million, in particular as a result of actuarial gains and currency effects.

On account of the increase in total assets, the equity ratio stood at 45.9%, down on the prior-year figure (47.3%).

Noncurrent liabilities increased by €1,614 million compared with the 2023 year-end, mainly due to the €2,037 million rise in noncurrent financial indebtedness. This increase was primarily attributable to the issue of new bonds with a carrying amount of around €1.7 billion, of which around €1.4 billion related to private placements, and extending the utilization of the credit line in China for the construction of the Verbund site in Zhanjiang by around €2 billion. This was offset by the reclassification of five bonds, with a total carrying amount of around €1.7 billion, from noncurrent to current financial indebtedness.

Provisions for pensions and similar obligations decreased by €493 million compared with December 31, 2023, mainly due to slightly higher interest rates and income on plan assets.

Deferred tax liabilities declined by €135 million, whereas income tax provisions remained on a level with the previous year.

The increase of €199 million in other provisions was mainly due to increased provisions for restoration obligations and for contract liabilities, particularly in connection with the planned closure of the glufosinate-ammonium production plants in Germany.

Current liabilities rose by €1,169 million compared with December 31, 2023, to €17,039 million. Trade accounts payable were up by €181 million on the prior year-end figure. The €105 million increase in current provisions was mainly due to higher provisions for emission rights.

At €404 million, income tax liabilities were down slightly on the prior-year level.

The aforementioned reclassification of bonds from noncurrent to current financial indebtedness was the main cause of the €457 million increase in financial liabilities. This was offset by the scheduled repayment of a bond with a carrying amount of €500 million as well as the €710 million decrease in liabilities to banks, mainly due to the repayment of two loans.

Compared with the previous year, other liabilities rose by €424 million, in particular due to the liability relating to the class settlement in connection with the AFFF multidistrict litigation in the United States.

Liabilities of disposal groups stood at €39 million.

Net debt amounted to €18,781 million on December 31, 2024, and was therefore around €2.2 billion higher than the figure at the end of the previous year.

For more information on the composition and development of individual asset items, see the Notes to the Consolidated Financial Statements from page 336 onward.

Net debt

Million €	December 31, 2024	December 31, 2023
Noncurrent financial indebtedness	19,122	17,085
+ Current financial indebtedness	2,639	2,182
Financial indebtedness	**21,762**	**19,268**
– Marketable securities	67	53
– Cash and cash equivalents	2,914	2,624
Net debt	**18,781**	**16,590**

Off-balance sheet obligations

Off-balance sheet obligations amounting to €29 billion (2023: €30 billion) mainly relate to long-term purchase obligations for raw materials and long-term supply agreements for electricity from renewable sources (for more information, see the Notes to the Consolidated Financial Statements from page 412 onward). In addition, obligations exist in connection with initiated or planned investment projects amounting to €7 billion (2023: €11 billion), primarily in connection with the construction of the new Verbund site in Zhanjiang, China (for more information, see page 85).

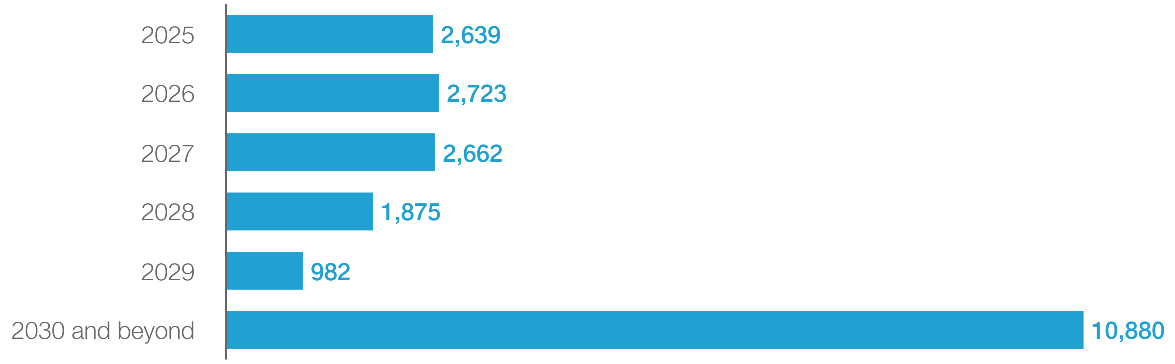
Financing policy and credit ratings

Our financing policy aims to ensure our solvency at all times, limiting the risks associated with financing and optimizing our cost of capital. We preferably meet our external financing needs on the international capital markets.

BASF strives for a single A rating, which ensures unrestricted access to financial and capital markets. Our financing measures are aligned with our operational business planning as well as the company's strategic direction and also ensure the financial flexibility to take advantage of strategic options.

Maturities of financial indebtedness

Million €



BASF enjoys good credit ratings, especially compared with competitors in the chemical industry. Standard & Poor's maintained its rating of A–/A–2/outlook stable on December 2, 2024. Moody's rating of A3/P–2/outlook stable was most recently confirmed on November 18, 2024. Fitch confirmed its rating of A/F1/outlook stable on November 1, 2024.

We have solid financing, both for ongoing business and for investment projects initiated or planned. Corporate bonds form the basis of our medium to long-term debt financing. These are issued in euros and other currencies with different maturities as part of our €20 billion debt issuance program. The goal is to create a balanced maturity profile, diversify our financing and optimize our debt capital financing conditions.

For short-term financing, we use BASF SE's global commercial paper program, which has an issuing volume of up to $12.5 billion. As of December 31, 2024, no commercial paper was outstanding under this program. A firmly committed, syndicated credit line of €6 billion with a term until 2029 covers the repayment of outstanding commercial paper. It can also be used for general company purposes. In 2024, the term of this credit line was extended until 2029, and the credit line was not used at any point in 2024. In 2023, BASF Integrated Site (Guangdong) Co. Ltd., China, signed a syndicated bank term loan facility totaling 40 billion Chinese renminbi with a maturity of 15 years for the construction of the Verbund site in Zhanjiang. Of this amount, 17 billion Chinese renminbi (€2.1 billion) was utilized as of December 31, 2024. Our external financing is largely independent of short-term fluctuations in the credit markets.

BASF Group's most important financial contracts contain no side agreements with regard to specific financial ratios (financial covenants) or compliance with a specific rating (rating trigger). To minimize risks and leverage internal optimization potential within the Group, we bundle the financing, financial investments and foreign currency hedging of BASF SE's subsidiaries within the BASF Group where possible. Foreign currency risks are primarily hedged centrally using derivative financial instruments in the market.

Our interest risk management generally pursues the goal of reducing interest expenses for the BASF Group and limiting interest risks. Interest rate hedging transactions are therefore conducted with banks in order to turn selected liabilities to the capital market from fixed to variable interest rates or vice versa (for more information, see the Notes to the Consolidated Financial Statements on pages 397 and 412).

Statement of cash flows

In the 2024 business year, **cash flows from operating activities** stood at €6,946 million, down by €1,165 million on the prior-year figure. The decline was mainly caused by €1,434 million less cash released from net working capital. Cash inflows, both from the reduction in inventories and trade accounts receivable, were considerably lower in 2024 than in the previous year and totaled €264 million (previous year: €3,339 million). The increase in trade accounts payable led to cash released in the amount of €96 million, whereas cash in the amount of €1,544 million was tied up in the previous year.

In addition, the change in current and deferred taxes resulted in €784 million more tied up in cash than in the previous year. Dividends received from investments accounted for using the equity method fell by €180 million to €442 million; this was due in particular to reduced dividend payments from BASF-YPC Company Ltd., Nanjing, China.

By contrast, income after taxes and after adjustment of noncash items resulted in cash inflows that were €591 million higher than in the previous year; in addition, payments for variable compensation were €689 million lower than in the previous year.

Cash flows from investing activities totaled -€5,081 million in the business year under review, after -€4,991 million in the previous year. Payments for intangible assets and property, plant and equipment increased by €803 million and were mainly incurred in connection with investments in the new Verbund site in China.

In the 2024 business year, €202 million was paid for acquisitions. This mainly related to the takeover of plants at the MDI production facility in Shanghai, China, which was previously operated jointly by BASF and Huntsman. Payments received in the amount of €75 million related to various smaller divestitures.

Payments were made in the amount of €598 million for the acquisition of equity-accounted shareholdings in the Nordlicht 1 and 2 wind farm projects, and for subsequent capital increases. Payments received in connection with the disposal of equity instruments included €1,169 million in connection with the transfer of Wintershall Dea assets to Harbour Energy and a capital repayment from Wintershall Dea in the amount of €556 million.

Cash flows from financing activities amounted to -€1,547 million, compared with -€2,905 million in 2023. The repayment and addition of financial and similar liabilities was reduced and their net change resulted in an improvement of €1,524 million in cash flows from financing activities. The dividend payment of €3,035 million to the shareholders of BASF SE remained unchanged compared with the previous year. By contrast, dividends paid to noncontrolling shareholders climbed by €190 million to €249 million.

Free cash flow, which remains after deducting payments made for property, plant and equipment and intangible assets from cash flows from operating activities, represents the financial resources remaining after investments. Free cash flow amounted to €748 million, compared with €2,715 million in 2023.

For more information on the statement of cash flows, see Note 26 to the Consolidated Financial Statements from page 430 onward.

Statement of cash flows

Million €	2024	2023
Net income	1,298	225
Depreciation of property, plant and equipment and amortization of intangible assets	4,648	4,941
Changes in net working capital[a]	360	1,795
Miscellaneous items[a]	639	1,150
Cash flows from operating activities	**6,946**	**8,111**
Payments made for property, plant and equipment and intangible assets	-6,198	-5,395
Acquisitions/divestitures	-127	27
Changes in financial assets and miscellaneous items	1,244	377
Cash flows from investing activities	**-5,081**	**-4,991**
Capital repayments and other equity transactions	-46	-70
Changes in financial and similar liabilities	1,783	259
Dividends	-3,284	-3,094
Cash flows from financing activities	**-1,547**	**-2,905**
Cash-effective changes in cash and cash equivalents	318	215
Changes in cash and cash equivalents from foreign exchanges rates and changes in the scope of consolidation	-21	-106
Cash and cash equivalents at the beginning of the year	2,624	2,516
Cash and cash equivalents at the end of the year[b]	**2,921**	**2,624**

[a] The cash flow statement was adjusted in 2023. Net working capital and miscellaneous items have been redefined. Net working capital now comprises inventories and trade accounts receivable less trade accounts payable.
[b] In 2024, the cash and cash equivalents in the cash flow statement differ from the figure in the balance sheet due to the existence of disposal groups.

Free cash flow

Million €	2024	2023
Cash flows from operating activities	**6,946**	**8,111**
– Payments made for property, plant and equipment and intangible assets	6,198	5,395
Free cash flow	**748**	**2,715**

Reconciliation of segment cash flow to free cash flow

Million €	2024	2023
Segment cash flow	2,339	5,462
+ Net income from shareholdings	598	-200
+ Financial result	-563	-620
+ Income taxes[a]	-616	-1,041
– Income after taxes attributable to noncontrolling interests	155	154
+ Changes in items included in the segment cash flow that are recognized under Other, as well as other items presented in the cash flows from operating activities[b]	-855	-733
Free cash flow	**748**	**2,715**

[a] The value corresponds to the amount reported in the statement of income and does not represent a cash flow.
[b] For more information on the composition of the items, see page 30.

Actual Development Compared with Outlook for 2024

Earnings and cash flow forecast for the BASF Group

In 2024, the BASF Group generated EBITDA before special items of €7.9 billion. This figure is slightly below the forecast range at the beginning of the year of €8.0 billion to €8.6 billion. This was mainly due to the earnings declines in our standalone businesses. While we had forecast a slight decline in EBITDA before special items for Agricultural Solutions in February 2024, the segment posted much lower earnings. In the Surface Technologies segment, EBITDA before special items fell slightly, after we had anticipated a result on par with the previous year (for more information on the background to the deviating developments, see below). Our core businesses increased their earnings as assumed.

The BASF Group's free cash flow amounted to €0.7 billion in the 2024 business year and therefore exceeded our forecast range of €0.1 billion to €0.6 billion. This increase was due to payments for intangible assets and property, plant and equipment, which rose considerably compared with the previous year, but were lower than expected at €6.2 billion (forecast: €6.5 billion). Cash flows from operating activities amounted to €6.9 billion and were within our forecast range of €6.6 billion to €7.1 billion.

CO_2 emissions forecast for the BASF Group

CO_2 emissions amounted to 17.0 million metric tons and were therefore within the range we had forecast in February 2024 of between 16.7 million metric tons to 17.7 million metric tons. Additional emissions due to higher production volumes were offset by reductions in emissions as a result of process efficiencies and the increased use of renewable energies.

Capex forecast for the BASF Group

In 2024, we invested around €6.0 billion in property, plant and equipment, excluding additions from acquisitions, IT investments, restoration obligations and right-of-use assets arising from leases. The figure forecast in February 2024 was around €6.2 billion. All core businesses and the Agricultural Solutions segment invested less than originally planned. Only the Surface Technologies segment's investments were slightly higher than planned.

Earnings and cash flow forecast for the segments

In the **Chemicals** segment, EBITDA before special items and the segment cash flow developed as expected in February 2024. The segment considerably increased its earnings, whereas the cash flow fell sharply.

The **Materials** segment also developed in line with our expectations. Earnings improved slightly. As forecast, the Performance Materials division increased EBITDA before special items, primarily due to a higher contribution margin. In the Monomers division, EBITDA before special items rose considerably. Here too, a higher contribution margin played a significant role and, contrary to our expectations, overcompensated for the forecast increase in fixed costs. We had initially forecast a slight earnings decline for the division in February 2024. In accordance with our forecast, the segment's cash flow decreased considerably.

As assumed, the **Industrial Solutions** segment also considerably increased EBITDA before special items. As forecast, the segment's cash flow declined considerably.

In the **Nutrition & Care** segment, we had forecast a considerable earnings increase and a sharp fall in segment cash flow for the 2024 business year. Both indicators developed as forecast.

Earnings in the **Surface Technologies** segment were slightly below the prior-year figure. We originally expected EBITDA before special items at the prior-year level. This decrease was caused by a sharp earnings decline in the Catalysts division, which primarily resulted from lower precious metal prices and volumes. We had expected a slight increase in earnings. In the Coatings division, EBITDA before special items, on the other hand, was slightly above the prior-year level, although we had projected a slight decline. A higher contribution margin more than compensated for higher fixed costs and lower volumes. As forecast, cash flow declined considerably in both divisions.

In the **Agricultural Solutions** segment, EBITDA before special items decreased considerably rather than slightly. Alongside the expected rise in fixed costs, the difficult market conditions in the glufosinate-ammonium business were instrumental in the decline being steeper than planned. Unlike earnings, the segment's cash flow developed more positively than expected. It was slightly above the prior-year figure mainly due to significant inventory reduction and a lower increase in receivables. We had anticipated a considerable decrease.

Business Review by Segment

Segment overview

Million €	Sales		EBITDA before special items		EBITDA	
	2024	2023	2024	2023	2024	2023
Chemicals	10,838	10,369	1,342	1,167	1,314	1,167
Materials	13,510	14,149	1,805	1,650	1,769	1,523
Industrial Solutions	8,175	8,010	1,161	965	1,140	1,010
Nutrition & Care	6,729	6,858	814	565	819	578
Surface Technologies	12,898	16,204	1,375	1,520	1,160	1,351
Agricultural Solutions	9,798	10,092	1,938	2,270	1,659	2,177
Other	3,312	3,220	-578	-466	-1,179	-626
BASF Group	**65,260**	**68,902**	**7,858**	**7,671**	**6,681**	**7,180**

Segment overview

Million €	Segment cash flow		Assets		Investments including acquisitions[a]	
	2024	2023	2024	2023	2024	2023
Chemicals	-2,051	-936	14,266	11,468	3,403	2,706
Materials	766	1,369	10,135	9,716	1,139	1,083
Industrial Solutions	868	1,292	5,629	5,576	289	285
Nutrition & Care	-31	503	7,887	7,496	809	765
Surface Technologies	925	1,488	11,513	12,657	560	621
Agricultural Solutions	1,861	1,746	15,377	16,089	387	353
Other[b]			15,609	14,393	241	195
BASF Group			**80,415**	**77,395**	**6,826**	**6,006**

[a] Additions to property, plant and equipment and intangible assets
[b] Includes assets of businesses recognized under Other and reconciliation to assets of the BASF Group

Sales[a]

Million €	Q1		Q2		Q3		Q4	
	2024	2023	2024	2023	2024	2023	2024	2023
Chemicals	2,764	2,833	2,838	2,679	2,714	2,430	2,521	2,427
Materials	3,441	3,844	3,416	3,609	3,413	3,349	3,240	3,348
Industrial Solutions	2,057	2,143	2,147	2,050	2,092	1,948	1,879	1,869
Nutrition & Care	1,729	1,826	1,667	1,712	1,711	1,688	1,623	1,631
Surface Technologies	3,347	4,578	3,235	4,226	3,132	3,887	3,183	3,514
Agricultural Solutions	3,478	3,891	1,937	2,231	1,849	1,744	2,534	2,227
Other	736	877	870	799	829	689	876	855
BASF Group	**17,553**	**19,991**	**16,111**	**17,305**	**15,739**	**15,735**	**15,856**	**15,871**

EBITDA before special items[a]

Million €	Q1		Q2		Q3		Q4	
	2024	2023	2024	2023	2024	2023	2024	2023
Chemicals	453	426	444	393	342	252	103	95
Materials	508	448	448	462	484	360	365	380
Industrial Solutions	332	300	320	207	301	207	208	250
Nutrition & Care	262	192	183	140	201	104	168	130
Surface Technologies	356	402	366	374	341	404	312	340
Agricultural Solutions	1,361	1,432	135	392	49	225	394	221
Other	-560	-336	62	-24	-96	-8	16	-99
BASF Group	**2,712**	**2,864**	**1,957**	**1,944**	**1,622**	**1,545**	**1,567**	**1,317**

Segment cash flow[a]

Million €	Q1		Q2		Q3		Q4	
	2024	2023	2024	2023	2024	2023	2024	2023
Chemicals	-556	-187	-406	31	-363	-171	-726	-609
Materials	85	111	137	573	299	354	246	332
Industrial Solutions	59	148	150	414	356	416	303	314
Nutrition & Care	-64	3	19	186	52	157	-38	157
Surface Technologies	292	307	190	427	232	307	211	448
Agricultural Solutions	-715	-758	1,005	1,079	612	853	959	572

[a] Quarterly results not audited

Chemicals

The Chemicals segment comprises the Petrochemicals and Intermediates operating divisions. It contributes to our direct customer business and supplies the other segments with basic chemicals and intermediates, contributing to the organic growth of our key value chains. Alongside internal transfers, our customers mainly come from the chemical and plastics industries. We aim to further strengthen our competitiveness through technological leadership, operational excellence and products with a lower carbon footprint.

At a glance

€1,342 million

EBITDA before special items

2023: €1,167 million

-€2,051 million

Segment cash flow

2023: -€936 million

Compared with the previous year, **sales** in the Chemicals segment rose. Sales growth in the Petrochemicals division more than made up for the decline in the Intermediates division.

Factors influencing sales

	Chemicals	Petrochemicals	Intermediates
Volumes	8.1%	8.7%	6.8%
Prices	-3.1%	0.3%	-11.7%
Currencies	-0.5%	-0.5%	-0.6%
Portfolio	–	–	–
Sales	**4.5%**	**8.5%**	**-5.5%**

The increase in sales were mainly attributable to higher volumes in both divisions, due primarily to lower imports to Europe in the first half of 2024 as a result of the conflict in the Red Sea, as well as both planned and unplanned plant shutdowns among competitors. The Petrochemicals division increased volumes across all value chains, particularly in the propylene value chain, for steam cracker products as well as styrene monomers. The Intermediates division posted higher sales volumes, especially in Europe, in the amines as well as acids and polyalcohols business areas.

By contrast, lower prices in all business areas of the Intermediates division weighed on sales performance for the segment. This development was mainly driven by overcapacities in the market. Prices were slightly above the prior-year level in the Petrochemicals division, with higher prices for steam cracker products making up for lower prices in the propylene value chain.

Minor negative currency effects in both divisions resulted primarily from the Brazilian real and the Chinese renminbi.

EBITDA before special items[1] for the Chemicals segment rose considerably compared with the prior-year figure. The increase was based on considerable earnings growth in the Petrochemicals division. The division improved EBITDA before special items, thanks in particular to a volume-related increase in the contribution margin, especially the margin for steam cracker products. Higher fixed costs, which were predominantly incurred in connection with the construction of the Verbund site in Zhanjiang, China, had an offsetting effect. In the Intermediates division, EBITDA before special items declined considerably. The decrease was attributable above all to a price-related decrease in the contribution margin in North America, especially in the butanediol and derivatives business, and a lower earnings contribution from equity-accounted shareholdings in China.

Segment cash flow[1] was considerably below the prior-year figure in both divisions. This was mainly driven by higher capital expenditures, especially for the construction of the Verbund site in China. A buildup in inventories to support the increase in sales volumes had an additional negative impact on the segment's cash flow development. Both divisions had reduced inventories in the prior-year period.

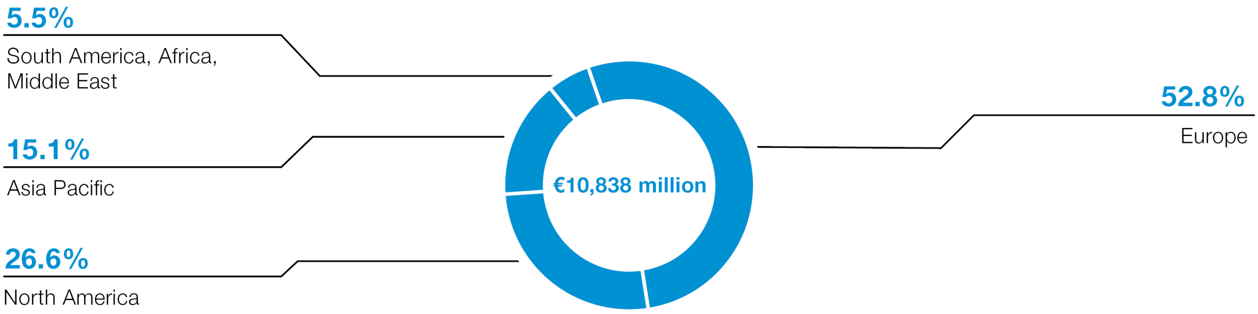
Segment data – Chemicals

Million €		2024	2023	+/-
Sales to third parties		10,838	10,369	4.5%
of which Petrochemicals		8,050	7,418	8.5%
Intermediates		2,788	2,951	-5.5%
Intersegment transfers		3,962	3,606	9.9%
Sales including transfers		14,800	13,975	5.9%
EBITDA before special items		1,342	1,167	15.0%
Special items in EBITDA		-28	0	.
EBITDA		1,314	1,167	12.6%
EBITDA margin before special items	%	12.4	11.3	–
Depreciation and amortization[a]		885	803	10.3%
EBIT before special items		503	361	39.4%
Special items in EBIT		-74	4	.
Income from operations (EBIT)		429	364	17.7%
Investments including acquisitions[b]		3,403	2,706	25.8%
Segment cash flow		-2,051	-936	-119.2%
Assets (December 31)		14,266	11,468	24.4%
Research and development expenses		80	83	-4.4%

[a] Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)
[b] Additions to property, plant and equipment and intangible assets

Chemicals – sales by region

By location of customer



[1] For EBITDA before special items and cash flow, "slight" means a change of 0.1%–10.0%, while "considerable" and its synonyms are used for changes of 10.1% and higher. "At prior-year level" indicates no change (+/-0.0%).

Materials

In terms of production capacity, our Materials segment is one of the world's leading suppliers of high-performance plastics as well as their precursors and home to the operating divisions Performance Materials and Monomers. With its broad portfolio of large-volume monomers and basic polymers in the isocyanate and polyamide value chains, the Monomers division follows a lean and cost-driven approach. The Performance Materials division offers innovative and customized solutions in engineering plastics, polyurethanes and thermoplastic polyurethanes, and creates value through cocreations with customers, particularly in the field of sustainability.

At a glance

€1,805 million

EBITDA before special items

2023: €1,650 million

€766 million

Segment cash flow

2023: €1,369 million

In the Materials segment, **sales** were below the prior-year figure in both operating divisions.

Factors influencing sales

	Materials	Performance Materials	Monomers
Volumes	2.1 %	0.7 %	3.5 %
Prices	-5.5 %	-4.8 %	-6.2 %
Currencies	-1.0 %	-1.2 %	-0.8 %
Portfolio	-0.1 %	-0.2 %	–
Sales	**-4.5%**	**-5.5%**	**-3.5%**

Both divisions were able to increase sales volumes, particularly in the Asia Pacific region. The Monomers division additionally increased volumes in Europe. In particular, it increased sales of MDI and propylene oxide. Volumes in the Performance Materials division were mainly higher for polyurethane systems.

However, the positive volume development was more than offset by negative price effects in all regions and value chains. The Monomers division reported the biggest price decline in the TDI business, with TDI prices in China plummeting to 2015 levels at times.

Currency effects, primarily relating to the Chinese renminbi, the Brazilian real and the South Korean won, had a slight negative impact on the segment's sales performance.

EBITDA before special items grew in both divisions. The increase was attributable to a higher contribution margin in Europe due to higher volumes. Higher fixed costs had an offsetting effect. However, the cost savings measures implemented were unable to offset the contribution of positive one-off effects from the previous year.

The segment's **EBITDA** included special items totaling -€37 million. Special charges resulted above all for expenses relating to adapting the production structure at the Verbund site in Ludwigshafen, Germany. Special income arose mainly from a contractually agreed one-time payment.

Segment cash flow for the Materials segment was considerably below the figure for the previous year. Cash tied up in the working capital of both divisions was a key factor in the cash flow decrease, whereas cash had been released in the previous year based primarily on systematic inventory reductions. Higher earnings and lower capital expenditures were unable to make up this deficit.

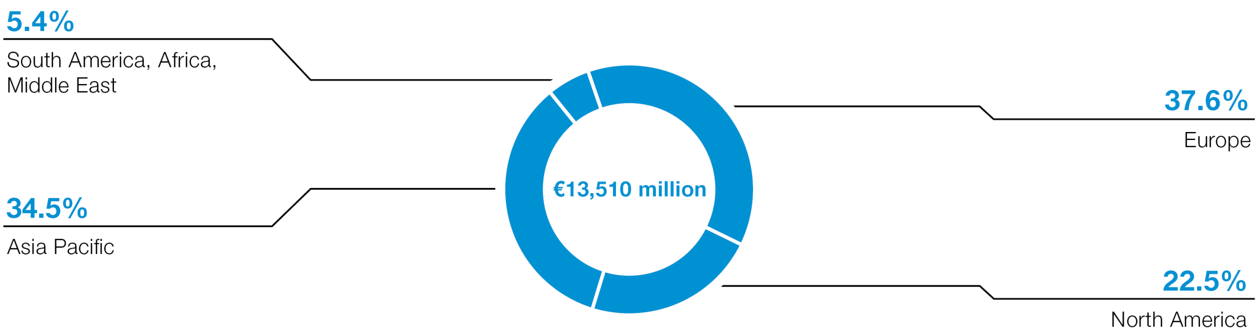
Segment data – Materials

Million €		2024	2023	+/-
Sales to third parties		13,510	14,149	-4.5%
of which Performance Materials		6,848	7,244	-5.5%
Monomers		6,661	6,905	-3.5%
Intersegment transfers		825	864	-4.5%
Sales including transfers		14,335	15,013	-4.5%
EBITDA before special items		1,805	1,650	9.4%
Special items in EBITDA		-37	-127	71.1%
EBITDA		1,769	1,523	16.1%
EBITDA margin before special items	%	13.4	11.7	–
Depreciation and amortization[a]		830	1,146	-27.6%
EBIT before special items		987	826	19.4%
Special items in EBIT		-48	-449	89.2%
Income from operations (EBIT)		939	378	148.6%
Investments including acquisitions[b]		1,139	1,083	5.2%
Segment cash flow		766	1,369	-44.1%
Assets (December 31)		10,135	9,716	4.3%
Research and development expenses		180	185	-2.7%

[a] Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)
[b] Additions to property, plant and equipment and intangible assets

Materials – sales by region

By location of customer



Industrial Solutions

The Industrial Solutions segment consists of the Dispersions & Resins and the Performance Chemicals divisions. It develops and markets ingredients and additives for industrial applications, such as polymer dispersions, resins, additives, electronic materials and antioxidants. We aim to grow organically in key industries, such as paints and coatings, construction, electronic materials, chemicals, plastics and adhesives, paper coatings, automotive as well as energy and resources, and expand our market position by leveraging our comprehensive industry expertise and application know-how.

At a glance

€1,161 million
EBITDA before special items
2023: €965 million

€868 million
Segment cash flow
2023: €1,292 million

Industrial Solutions increased **sales** compared with 2023 due to sales growth in the Dispersions & Resins division. Sales in the Performance Chemicals division were slightly below the prior-year figure.

Factors influencing sales

	Industrial Solutions	Dispersions & Resins	Performance Chemicals
Volumes	7.0%	7.0%	6.9%
Prices	-3.6%	-2.1%	-6.1%
Currencies	-1.1%	-1.1%	-1.1%
Portfolio	-0.2%	–	-0.5%
Sales	**2.1%**	**3.8%**	**-0.7%**

The increase in sales was mainly driven by higher volumes in all regions and in nearly all business areas based on a slight uptick in demand.

By contrast, prices declined in all regions and business areas, primarily as a result of lower prices for raw materials. Prices were also reduced in order to secure market share.

Sales in the Industrial Solutions segment were additionally impacted by negative currency effects, above all relating to the Brazilian real, the Chinese renminbi and the Japanese yen.

EBITDA before special items saw a considerable year-on-year increase in both divisions, mainly due to a volume-related increase in the contribution margin. Earnings growth also received slight support from lower fixed costs compared with 2023. The decline in fixed costs resulted mainly from currency effects and cost reduction measures.

Segment cash flow declined considerably in the Industrial Solutions segment, mainly due to buildups of inventories after having reduced inventories in 2023. In addition, there was a lower reduction in receivables compared with the previous year. By contrast, higher earnings had a positive impact on cash flow in both divisions.

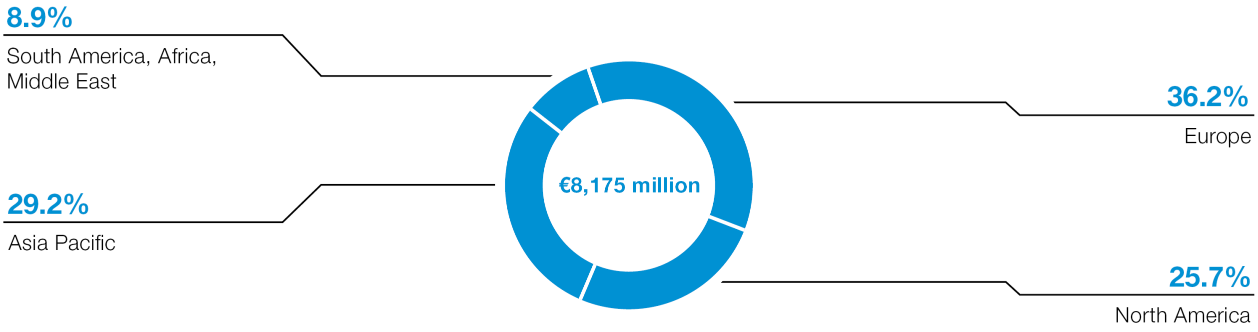
Segment data – Industrial Solutions

Million €		2024	2023	+/-
Sales to third parties		8,175	8,010	2.1%
of which Dispersions & Resins		5,110	4,921	3.8%
Performance Chemicals		3,065	3,088	-0.7%
Intersegment transfers		385	436	-11.7%
Sales including transfers		8,560	8,445	1.4%
EBITDA before special items		1,161	965	20.3%
Special items in EBITDA		-22	45	.
EBITDA		1,140	1,010	12.8%
EBITDA margin before special items	%	14.2	12.0	–
Depreciation and amortization[a]		360	349	3.0%
EBIT before special items		811	625	29.8%
Special items in EBIT		-32	35	.
Income from operations (EBIT)		780	660	18.1%
Investments including acquisitions[b]		289	285	1.3%
Segment cash flow		868	1,292	-32.8%
Assets (December 31)		5,629	5,576	1.0%
Research and development expenses		144	150	-3.9%

[a] Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)
[b] Additions to property, plant and equipment and intangible assets

Industrial Solutions – sales by region

By location of customer



Nutrition & Care

The Nutrition & Care segment consists of the Care Chemicals and the Nutrition & Health divisions. This segment serves the growing demands of food and feed producers and of the pharmaceutical, cosmetics, detergent and cleaner industries as well as the ever-increasing requirements of fast-moving consumer goods. We leverage the BASF Verbund to offer innovative products, combining application performance with beneficial sustainability profiles. We strive to expand our position as a leading provider of essential ingredients in the areas of nutrition, home and personal care, mainly through organic growth. We focus on growth markets, positioning ourselves as the preferred partner for the green and digital transformation of our customers.

At a glance

€814 million
EBITDA before special items
2023: €565 million

-€31 million
Segment cash flow
2023: €503 million

Sales in the Nutrition & Care segment declined compared with 2023. The increase in sales of the Care Chemicals division was unable to offset a decline in sales in the Nutrition & Health division.

Factors influencing sales

	Nutrition & Care	Care Chemicals	Nutrition & Health
Volumes	5.2%	7.9%	-0.7%
Prices	-5.2%	-5.5%	-4.4%
Currencies	-1.5%	-1.7%	-1.1%
Portfolio	-0.4%	–	-1.2%
Sales	**-1.9%**	**0.7%**	**-7.4%**

Sales performance was positively impacted by strong volume growth overall within the segment. The Care Chemicals division raised volumes in all business areas. However, the sales performance in the Nutrition & Health division declined slightly. Lower volumes due to force majeure on deliveries of selected precursors of vitamin A, vitamin E and carotenoids as well as of certain aroma ingredients as a result of a fire in the isophytol plant could not be offset by volume growth in almost all other business areas. On January 24, 2025, we lifted the force majeure for some of the aroma ingredients affected. It continues to remain in force for the other aroma substances and the precursors of vitamin A, vitamin E and carotenoids.

This sales decline of the segment resulted above all from competition-driven price decreases across all business areas.

Sales were also impacted by negative currency effects, particularly relating to the Argentine peso, the Brazilian real and the Turkish lira.

Both divisions considerably increased **EBITDA before special items**. In the Care Chemicals division, the increase was mainly the result of a volume-related rise in the contribution margin. Earnings for the Nutrition & Health division were above the prior-year level due to higher margins. Higher fixed costs, particularly as a result of the fire at the isopyhtol plant, had a negative impact on the division's earnings growth.

Segment cash flow declined considerably compared with the previous year. The Nutrition & Health division recorded negative cash flow, in part as a result of higher expenditures for the investments in the aroma business in Zhanjiang, China, and Ludwigshafen, Germany. In addition, the reduction in inventories was less pronounced than in the previous year. Higher earnings improved cash flow. The Care Chemicals division recorded positive cash flow, although it was considerably below the figure for the previous year. Here, the increase in earnings was unable to compensate for cash tied up in inventories to support the positive sales performance. In contrast, a considerable reduction in inventories and receivables due to lower demand made a positive contribution to cash flow in the previous year.

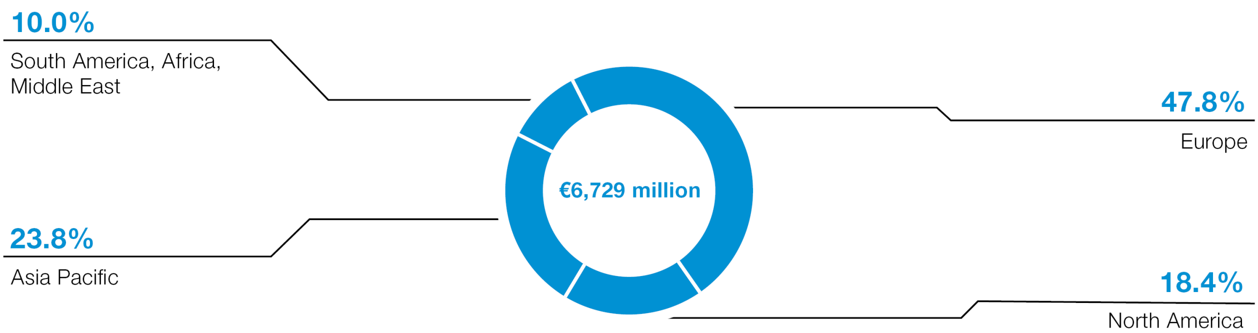
Segment data – Nutrition & Care

Million €		2024	2023	+/-
Sales to third parties		6,729	6,858	-1.9%
of which Care Chemicals		4,751	4,721	0.7%
Nutrition & Health		1,978	2,137	-7.4%
Intersegment transfers		446	429	4.1%
Sales including transfers		7,176	7,286	-1.5%
EBITDA before special items		814	565	44.0%
Special items in EBITDA		5	12	-56.8%
EBITDA		819	578	41.8%
EBITDA margin before special items	%	12.1	8.2	–
Depreciation and amortization[a]		599	459	30.6%
EBIT before special items		273	107	155.9%
Special items in EBIT		-53	12	.
Income from operations (EBIT)		220	119	84.8%
Investments including acquisitions[b]		809	765	5.8%
Segment cash flow		-31	503	.
Assets (December 31)		7,887	7,496	5.2%
Research and development expenses		149	150	-0.7%

[a] Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)
[b] Additions to property, plant and equipment and intangible assets

Nutrition & Care – sales by region

By location of customer



Surface Technologies

Until the end of 2024, the Surface Technologies segment comprised the Catalysts and Coatings divisions (for more information on the future composition of the segment, see page 12). Its portfolio includes, for example, automotive OEM and refinish coatings, surface treatment, catalysts, battery materials as well as precious metals and base metal services for the automotive and chemical industries. We improve our customers' applications and processes with tailored products, technologies and solutions, and support them through geographical proximity across all regions. The aim is to drive BASF's growth by leveraging our portfolio of technologies and existing customer networks and expanding our position as a leading and innovative provider of surface coatings solutions and battery materials.

At a glance

€1,375 million

EBITDA before special items

2023: €1,520 million

€925 million

Segment cash flow

2023: €1,488 million

In the Surface Technologies segment, **sales** declined in both operating divisions compared with the previous year. The negative sales performance was especially notable in the Catalysts division.

Factors influencing sales

	Surface Technologies	Catalysts	Coatings
Volumes	-7.6%	-10.3%	-0.3%
Prices	-11.0%	-16.0%	2.5%
Currencies	-1.6%	-0.5%	-4.5%
Portfolio	-0.2%	-0.3%	-0.1%
Sales	**-20.4%**	**-27.1%**	**-2.4%**

The decline in segment sales was mainly driven by lower prices for both precious and base metals[1] in the Catalysts division. Price increases, especially in the automotive OEM coatings and surface treatments business areas of the Coatings division, were unable to compensate for the aforementioned lower prices.

The decline in sales was exacerbated by considerably lower sales volumes in the Catalysts division, particularly in the mobile emissions catalysts business area. Volumes remained nearly at the prior-year level in the Coatings division. Volume growth in the surface treatments and decorative paints businesses almost made up for slightly lower volumes in the automotive OEM coatings business area.

[1] Sales, factors influencing sales, EBITDA before special items and the EBITDA margin before special items excluding precious and base metals for the BASF Group and for the Surface Technologies segment are presented under Selected Key Figures Excluding Precious and Base Metals on page 472.

Negative currency effects – mainly relating to the Argentine peso, the Brazilian real and the Turkish lira – also reduced the segment's sales.

In addition, the segment's sales performance was impacted by portfolio effects, particularly those arising from the divestiture of the Catalysts division's production site in De Meern, Netherlands as of August 31, 2023.

The segment's **EBITDA before special items** decreased slightly. The decrease was due to the considerable earnings decline in the Catalysts division compared with 2023, which was attributable above all to the decline of precious metal prices in combination with lower sales volumes. Earnings in the Catalysts division benefited from a higher contribution margin in the chemical and refinery catalysts business. However, in the Coatings division, EBITDA before special items was slightly above the prior-year level. An increased contribution margin was contrasted primarily by higher fixed costs due to inflation and negative currency effects.

Special items in **EBITDA** amounted to -€215 million in 2024 and mainly resulted from special charges in connection with the conversion of the ERP system to support the differentiated steering of the business. In addition, costs were incurred in the Catalysts division in connection with impairments on property, plant and equipment in the battery materials business. Also in 2023, special charges were incurred in this business in connection with impairments on property, plant and equipment.

The **segment cash flow** fell considerably, primarily as a result of a lower reduction in receivables and inventories compared with the previous year and lower EBITDA in the Catalysts division. The cash flow development in the Coatings division was mainly due to lower EBITDA as a result of special items as well as cash tied up in inventories.

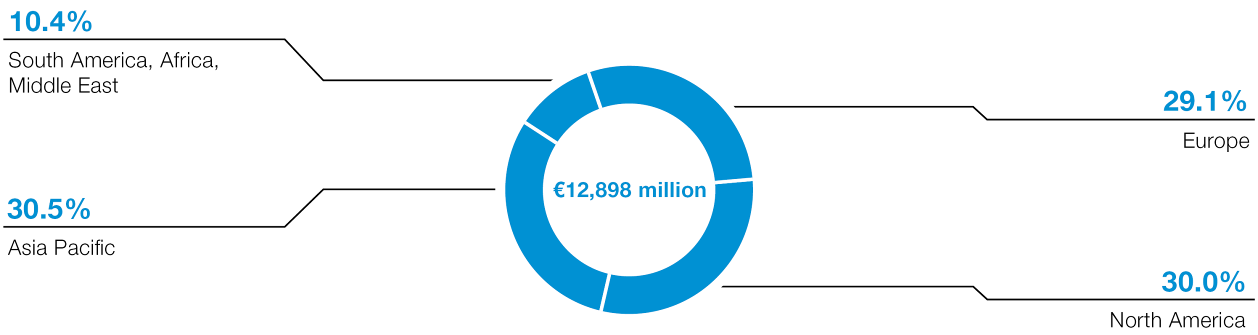
Segment data – Surface Technologies

Million €		2024	2023	+/-
Sales to third parties		12,898	16,204	-20.4%
of which Catalysts		8,617	11,818	-27.1%
Coatings		4,280	4,387	-2.4%
Intersegment transfers		206	176	17.0%
Sales including transfers		13,104	16,381	-20.0%
EBITDA before special items		1,375	1,520	-9.5%
Special items in EBITDA		-215	-168	-27.9%
EBITDA		1,160	1,351	-14.2%
EBITDA margin before special items	%	10.7	9.4	–
Depreciation and amortization[a]		1,137	986	15.4%
EBIT before special items		786	938	-16.3%
Special items in EBIT		-763	-572	-33.3%
Income from operations (EBIT)		22	366	-93.9%
Investments including acquisitions[b]		560	621	-9.8%
Segment cash flow		925	1,488	-37.8%
Assets (December 31)		11,513	12,657	-9.0%
Research and development expenses		313	304	2.9%

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

Surface Technologies – sales by region

By location of customer



Agricultural Solutions

In the Agricultural Solutions segment, we aim to further strengthen our market position as a leading provider of innovative solutions in the agricultural industry. Our product portfolio is designed for different crop systems. We connect seeds and traits, seed treatment products, biological and chemical crop protection products, digital tools and our commitment to sustainability to deliver the best possible outcomes for farmers, growers and our other stakeholders along the value chain. Our strategy is based on innovation-driven organic growth and targeted portfolio enhancement and expansion through collaborations and acquisitions. Customer needs, societal expectations and reduced environmental impact are what motivate us to innovate. ‹Our innovation pipeline has a peak sales potential of more than €7.5 billion for products launched by 2034.›

At a glance

€1,938 million
EBITDA before special items
2023: €2,270 million

€1,861 million
Segment cash flow
2023: €1,746 million

In the Agricultural Solutions segment, **sales** were below the figure of the previous year at €9,798 million in 2024. This was due to considerable negative currency effects and slightly lower prices, particularly for the herbicide glufosinate-ammonium. Increased volumes were unable to fully offset this.

Factors influencing sales

	Agricultural Solutions
Volumes	2.8%
Prices	-0.3%
Currencies	-5.4%
Portfolio	–
Sales	**-2.9%**

Sales in **Europe** declined by €190 million to €2,410 million due to lower volumes of crop protection products and negative currency effects, particularly in relation to the Turkish lira. Higher prices had a positive effect.

In **North America**, sales dropped below the level of the previous year to €3,897 million. The decline was mainly driven by lower prices, especially for glufosinate-ammonium. Negative currency effects – in particular in relation to the Canadian dollar and the Mexican peso – also contributed to the sales decline. Sales volumes remained stable.

In **Asia**, sales rose by €63 million to €1,135 million due to volume increases in nearly all indications. Negative currency effects, particularly in relation to the Chinese renminbi and the Japanese yen, as well as lower prices dampened the performance.

Sales in the **South America, Africa, Middle East** region declined by €63 million on the previous year to €2,356 million. The decrease was attributable to negative currency effects, particularly in relation to the Brazilian real and the Argentine peso, as well as lower prices. Higher volumes in nearly all indications had an offsetting effect.

EBITDA before special items decreased considerably. This was mainly due to developments in the glufosinate-ammonium business as a result of difficult market conditions. In addition, fixed costs increased compared with the previous year due to inflation and, among other things, an insurance payment included in the previous year. The decrease in earnings also led to a decline in the **EBITDA margin before special items**, which amounted to 19.8% compared to 22.5% in the previous year.

EBITDA for 2024 included special items of -€279 million. These resulted in particular from expenses for provisions, which were recognized due to the announced closure of the German production and formulation plants for glufosinate-ammonium in Knapsack and Frankfurt am Main.

Despite a significant decrease in EBITDA, the **segment cash flow** was slightly above the previous year's figure, mainly due to positive effects from a considerable reduction in inventories and a lower increase in receivables.

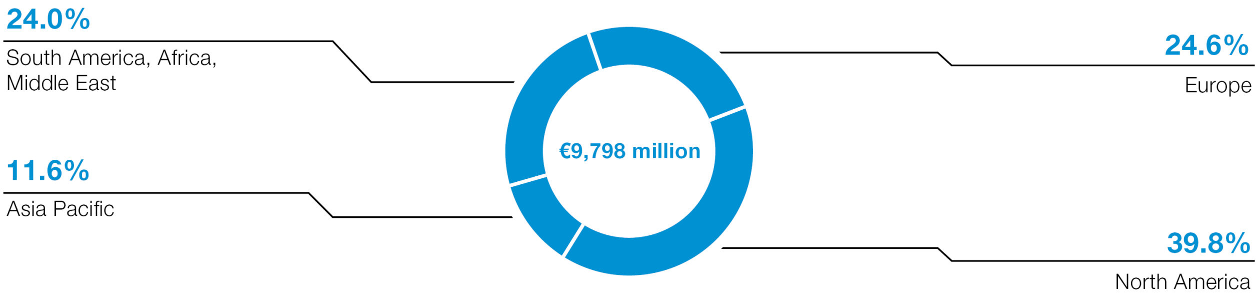
Segment data – Agricultural Solutions

Million €		2024	2023	+/-
Sales to third parties		9,798	10,092	-2.9%
of which Fungicides		3,014	3,047	-1.1%
Herbicides		2,965	3,380	-12.3%
Insecticides		1,102	1,041	5.9%
Seed Treatment		598	662	-9.6%
Seeds & Traits		2,119	1,962	8.0%
Intersegment transfers		50	36	39.1%
Sales including transfers		9,848	10,128	-2.8%
EBITDA before special items		1,938	2,270	-14.6%
Special items in EBITDA		-279	-93	-200.7%
EBITDA		1,659	2,177	-23.8%
EBITDA margin before special items	%	19.8	22.5	–
Depreciation and amortization[a]		675	1,046	-35.4%
EBIT before special items		1,270	1,563	-18.8%
Special items in EBIT		-286	-433	33.9%
Income from operations (EBIT)		984	1,131	-13.0%
Investments including acquisitions[b]		387	353	9.7%
Segment cash flow		1,861	1,746	6.6%
Assets (December 31)		15,377	16,089	-4.4%
Research and development expenses		919	900	2.0%

[a] Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)
[b] Additions to property, plant and equipment and intangible assets

Agricultural Solutions – sales by region

By location of customer



Other

At a glance

€3,312 million
Sales
2023: €3,220 million

-€578 million
EBITDA before special items
2023: -€466 million

Sales in **Other** were above the prior-year level. This was mainly due to an increase in commodity and energy trading.

EBITDA before special items of Other fell considerably compared with the previous year. This resulted from currency results, hedging and other measurement effects included in other expenses as well as lower earnings contributions from other businesses.

EBITDA in Other included special items amounting to -€601 million in 2024. This included special charges in the amount of €301 million for the class settlement, which does not constitute any admission of liability, in connection with AFFF multidistrict litigation in the United States.

Financial data – Other

Million €	2024	2023	+/-
Sales to third parties	3,312	3,220	2.8%
EBITDA before special items	-578	-466	-24.0%
of which costs for cross-divisional corporate research	-183	-227	19.4%
costs of corporate headquarters	-232	-222	-4.4%
other businesses	171	200	-14.6%
miscellaneous income and expenses	-334	-218	-53.6%
Special items in EBITDA	-601	-159	-277.0%
EBITDA	-1,179	-626	-88.5%
Depreciation and amortization[a]	161	153	5.5%
EBIT before special items	-718	-614	-16.9%
Special items in EBIT	-622	-164	-279.1%
Income from operations (EBIT)	-1,340	-778	-72.2%
Investments including acquisitions[b]	241	195	23.2%
Assets (December 31)[c]	15,609	14,393	8.4%
Research and development expenses	276	356	-22.5%

[a] Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)
[b] Additions to property, plant and equipment and intangible assets
[c] Includes assets of businesses recognized under Other and reconciliation to assets of the BASF Group