Key Data Covestro Group

	3rd quarter 2018[1]	3rd quarter 2019	Change	1st nine months 2018[1]	1st nine months 2019	Change
	€ million	€ million	%	€ million	€ million	%
Core volume growth[2, 3]	**+0.2%**	**+5.3%**		**+1.5%**	**+1.5%**	
Sales	3,702	3,162	–14.6	11,344	9,548	–15.8
Change in sales						
Volume	+3.0%	+2.1%		+2.1%	+1.3%	
Price	+3.1%	–18.5%		+9.1%	–18.5%	
Currency	–0.6%	+1.9%		–4.1%	+2.0%	
Portfolio	–0.7%	–0.1%		–0.2%	–0.6%	
Sales by region						
EMLA[4]	1,541	1,317	–14.5	4,897	4,110	–16.1
NAFTA[5]	896	812	–9.4	2,621	2,422	–7.6
APAC[6]	1,265	1,033	–18.3	3,826	3,016	–21.2
EBITDA[7]	**859**	**425**	**–50.5**	**2,907**	**1,326**	**–54.4**
Changes in EBITDA						
of which volume	+7.8%	+4.9%		+5.8%	+2.8%	
of which price	+12.6%	–79.9%		+37.9%	–72.2%	
of which raw material price effect	–15.8%	+17.3%		–13.8%	+9.2%	
of which currency	+0.2%	+1.0%		–4.0%	+1.1%	
EBIT[8]	707	221	–68.7	2,440	759	–68.9
Financial result	(25)	(19)	–24.0	(80)	(65)	–18.8
Net income[9]	496	147	–70.4	1,744	515	–70.5
Earnings per share (€)[10]	2.59	0.80	–69.1	8.92	2.82	–68.4
Operating cash flows[11]	766	462	–39.7	1,735	746	–57.0
Cash outflows for additions to property, plant, equipment and intangible assets	188	219	+16.5	429	603	+40.6
Free operating cash flow[12]	**578**	**243**	**–58.0**	**1,306**	**143**	**–89.1**

1 Reference information was not restated; see section "Changes in Accounting as a Result of the Initial Application of IFRS 16."
2 Core volume growth refers to the core products in the Polyurethanes, Polycarbonates and Coatings, Adhesives, Specialties segments. It is calculated as the percentage change in externally sold volumes in thousand metric tons compared with the prior year. Covestro also takes advantage of business opportunities outside its core business, for example the sale of precursors and by-products such as hydrochloric acid, sodium hydroxide solution and styrene. These transactions are not included in core volume growth.
3 Reference values calculated on the basis of the definition of the core business effective March 31, 2019.
4 EMLA: Europe, Middle East, Africa and Latin America (excluding Mexico) region
5 NAFTA: United States, Canada and Mexico region
6 APAC: Asia and Pacific region
7 EBITDA: EBIT plus the sum of depreciation, amortization, impairment losses and impairment loss reversals
8 EBIT: income after income taxes plus financial result and income taxes
9 Net income: income after income taxes attributable to the stockholders of Covestro AG
10 Earnings per share: according to IAS 33, earnings per share comprise net income divided by the weighted average number of outstanding no-par voting shares of Covestro AG. The calculation was based on 191,152,569 no-par shares for the third quarter of 2018 and on 195,524,586 no-par shares for the first nine months of 2018, and on 182,704,602 no-par shares for the third quarter of 2019, and for the first nine months of 2019.
11 Operating cash flows: cash flows from operating activities according to IAS 7
12 Free operating cash flow: operating cash flows less cash outflows for additions to property, plant, equipment and intangible assets

Covestro Share at a Glance

		3rd quarter 2018	3rd quarter 2019	1st nine months 2018	1st nine months 2019
High	€	82.36	45.40	95.00	55.32
Low	€	68.86	37.95	68.86	37.95
Closing date	€	69.86	45.40	69.86	45.40

Covestro closing prices Xetra®; source: Bloomberg

Segment Information

Segment Information 3rd Quarter[1]

	Polyurethanes		Polycarbonates		Coatings, Adhesives, Specialties		Others/consolidation		Covestro Group	
	3rd quarter 2018	3rd quarter 2019	3rd quarter 2018	3rd quarter 2019	3rd quarter 2018	3rd quarter 2019	3rd quarter 2018	3rd quarter 2019	3rd quarter 2018	3rd quarter 2019
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Sales	1,849	1,478	1,038	901	606	588	209	195	3,702	3,162
Change in sales										
Volume	+0.1%	+2.5%	+5.1%	+6.8%	+9.7%	–4.7%	+2.5%	–4.4%	+3.0%	+2.1%
Price	–0.5%	–24.4%	+9.6%	–20.7%	–0.5%	–2.1%	+19.4%	–3.3%	+3.1%	–18.5%
Currency	–0.8%	+1.8%	–0.6%	+2.0%	–0.4%	+2.2%	+0.3%	+1.0%	–0.6%	+1.9%
Portfolio	0.0%	0.0%	–2.8%	–1.3%	0.0%	+1.6%	0.0%	0.0%	–0.7%	–0.1%
Core volume growth[2]	**–2.0%**	**+5.1%**	**+2.6%**	**+9.3%**	**+7.2%**	**–4.0%**			**+0.2%**	**+5.3%**
Sales by region										
EMLA	773	629	331	281	280	257	157	150	1,541	1,317
NAFTA	512	431	205	196	131	145	48	40	896	812
APAC	564	418	502	424	195	186	4	5	1,265	1,033
EBITDA	**432**	**196**	**315**	**132**	**126**	**111**	**(14)**	**(14)**	**859**	**425**
EBIT	346	97	272	57	103	82	(14)	(15)	707	221
Depreciation, amortization, impairment losses and impairment loss reversals	86	99	43	75	23	29	–	1	152	204
Operating cash flows	453	173	185	178	119	129	9	(18)	766	462
Cash outflows for additions to property, plant, equipment and intangible assets	113	135	49	44	26	39	–	1	188	219
Free operating cash flow	**340**	**38**	**136**	**134**	**93**	**90**	**9**	**(19)**	**578**	**243**
Working Capital[3]	1,292	1,083	842	694	542	605	63	75	2,739	2,457

[1] Reference information was not restated; see section "Changes in Accounting as a Result of the Initial Application of IFRS 16."
[2] Reference values calculated on the basis of the definition of the core business effective March 31, 2019
[3] Working capital comprises inventories plus trade accounts receivable, less trade accounts payable, as of September 30, 2019 and September 30, 2018 respectively.

Segment Information 1st Nine Months[1]

	Polyurethanes		Polycarbonates		Coatings, Adhesives, Specialties		Others/consolidation		Covestro Group	
	1st nine months 2018	1st nine months 2019	1st nine months 2018	1st nine months 2019	1st nine months 2018	1st nine months 2019	1st nine months 2018	1st nine months 2019	1st nine months 2018	1st nine months 2019
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Sales	5,765	4,443	3,127	2,659	1,827	1,836	625	610	11,344	9,548
Change in sales										
Volume	+0.2%	+2.1%	+3.6%	+3.1%	+4.3%	–2.7%	+5.1%	–3.9%	+2.1%	+1.3%
Price	+8.6%	–26.9%	+13.7%	–17.4%	+0.8%	–0.3%	+19.5%	+0.1%	+9.1%	–18.5%
Currency	–4.2%	+1.9%	–4.6%	+2.1%	–3.5%	+2.5%	–2.1%	+1.4%	–4.1%	+2.0%
Portfolio	0.0%	0.0%	–0.9%	–2.8%	0.0%	+1.0%	0.0%	0.0%	–0.2%	–0.6%
Core volume growth[2]	**+0.3%**	**+1.9%**	**+3.5%**	**+2.4%**	**+3.7%**	**–3.0%**			**+1.5%**	**+1.5%**
Sales by region										
EMLA	2,504	1,941	1,046	876	877	828	470	465	4,897	4,110
NAFTA	1,473	1,286	617	574	390	433	141	129	2,621	2,422
APAC	1,788	1,216	1,464	1,209	560	575	14	16	3,826	3,016
EBITDA	**1,652**	**525**	**903**	**441**	**401**	**407**	**(49)**	**(47)**	**2,907**	**1,326**
EBIT	1,385	226	773	261	332	320	(50)	(48)	2,440	759
Depreciation, amortization, impairment losses and impairment loss reversals	267	299	130	180	69	87	1	1	467	567
Operating cash flows	993	293	419	409	202	179	121	(135)	1,735	746
Cash outflows for additions to property, plant, equipment and intangible assets	243	375	116	125	70	103	–	–	429	603
Free operating cash flow	**750**	**(82)**	**303**	**284**	**132**	**76**	**121**	**(135)**	**1,306**	**143**
Working Capital[3]	1,292	1,083	842	694	542	605	63	75	2,739	2,457

[1] Reference information was not restated; see section "Changes in Accounting as a Result of the Initial Application of IFRS 16.
[2] Reference values calculated on the basis of the definition of the core business effective March 31, 2019
[3] Working capital comprises inventories plus trade accounts receivable, less trade accounts payable, as of September 30, 2019 and September 30, 2018 respectively.