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Reporting Principles

This Quarterly Statement of Covestro AG, Leverkusen (Germany), was prepared in accordance with Section 53 of the Stock Exchange Rules and Regulations (Börsenordnung) of the Frankfurt Stock Exchange. This Statement is not an interim report within the meaning of IAS 34 (Interim Financial Reporting) or a set of financial statements within the meaning of IAS 1 (Presentation of Financial Statements). It was not subjected to a review by an auditor. This Quarterly Statement should be read alongside the Annual Report 2021 and the additional information about the Covestro Group contained therein. The Annual Report 2021 is available on our website at **www.covestro.com.**

Forward-Looking Statements

This Quarterly Statement may contain forward-looking statements based on current assumptions and forecasts made by the management of Covestro AG. Various known and unknown risks, uncertainties, and other factors could lead to material differences between the actual results, financial situation, development, or performance of the Covestro Group and the estimates given here. The various factors include those discussed in Covestro AG's public reports, which are available at **www.covestro.com**. Covestro AG assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Acronyms and Abbreviations

Acronyms and abbreviations used in this Quarterly Statement are explained in this Quarterly Statement or in the Glossary provided in the Annual Report 2021.

Inclusive Language

Diversity, equity, and inclusion are important to Covestro. To ensure better readability, we therefore strive to use gender-neutral language and avoid gender-specific terms in this Quarterly Statement. All terms should be taken to apply equally to all genders.

Rounding and Percentage Deviations

As the indicators in this Quarterly Statement are stated in accordance with commercial rounding principles, totals may not always be exact, and percentages may be approximated.

Percentage deviations are only calculated and reported if they are no more than 100%. Larger deviations are reported as >100%, >200%, etc. If a deviation changes from positive to negative or vice versa, or if it is greater than 1,000%, this is shown by a period.

Publication

This Quarterly Statement was published in German and English on May 3, 2022. The German version is binding.

Covestro Group Key Data

	1st quarter 2021	1st quarter 2022	Change
	€ million	€ million	%
Sales	**3,307**	**4,683**	**41.6**
Change in sales			
Volume	3.4%	3.6%	
Price	20.2%	22.9%	
Currency	–4.8%	5.6%	
Portfolio	0.0%	9.5%	
EBITDA[1]	**743**	**806**	**8.5**
Changes in EBITDA			
Volume	14.6%	5.2%	
Price	221.7%	101.9%	
Raw material price	–1.2%	–110.4%	
Currency	–9.1%	6.9%	
Other[2]	–33.5%	4.8%	
EBIT[3]	556	589	5.9
Financial result	(29)	(28)	–3.4
Net income[4]	**393**	**416**	**5.9**
Earnings per share (€)[5]	2.03	2.15	5.9
Cash flows from operating activities[6]	428	157	–63.3
Cash outflows for additions to property, plant, equipment and intangible assets	110	140	27.3
Free operating cash flow[7]	**318**	**17**	**–94.7**

[1] Earnings before interest, taxes, depreciation and amortization (EBITDA): EBIT plus depreciation, amortization, and impairment losses; less impairment loss reversals on intangible assets and property, plant and equipment.
[2] Other changes in EBITDA such as changes in provisions for variable compensation.
[3] Earnings before interest and taxes (EBIT): income after income taxes plus financial result and income taxes.
[4] Net income: income after income taxes attributable to the shareholders of Covestro AG.
[5] Earnings per share: according to IAS 33 (Earnings per Share), net income divided by the weighted average number of outstanding no-par value voting shares of Covestro AG. The calculation for the first quarter of 2022 was based on 193,143,311 no-par shares (previous year: 193,160,544 no-par shares).
[6] Cash flows from operating activities according to IAS 7 (Statement of Cash Flows).
[7] Free operating cash flow (FOCF): cash flows from operating activities less cash outflows for additions to property, plant, equipment and intangible assets.

Segment Information

Segment information 1st quarter

	Performance Materials[1]		Solutions & Specialties[1]		Others/Consolidation[1]		Covestro Group	
	1st quarter 2021	1st quarter 2022	1st quarter 2021	1st quarter 2022	1st quarter 2021	1st quarter 2022	1st quarter 2021	1st quarter 2022
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Sales (external)	**1,740**	**2,388**	**1,529**	**2,222**	**38**	**73**	**3,307**	**4,683**
Intersegment sales	483	657	5	9	(488)	(666)	–	–
Sales (total)	**2,223**	**3,045**	**1,534**	**2,231**	**(450)**	**(593)**	**3,307**	**4,683**
Change in sales								
Volume	–2.3%	5.5%	10.8%	–0.5%	–34.4%	90.1%	3.4%	3.6%
Price	32.9%	26.4%	8.1%	19.4%	0.0%	0.0%	20.2%	22.9%
Currency	–4.8%	5.3%	–4.9%	5.9%	–1.2%	2.0%	–4.8%	5.6%
Portfolio	0.0%	0.0%	0.0%	20.5%	0.0%	0.0%	0.0%	9.5%
Sales by region								
EMLA	890	1,142	583	873	29	59	1,502	2,074
NA	334	604	308	501	7	11	649	1,116
APAC	516	642	638	848	2	3	1,156	1,493
EBITDA[2]	**630**	**620**	**181**	**224**	**(68)**	**(38)**	**743**	**806**
EBIT[2]	489	475	138	152	(71)	(38)	556	589
Depreciation, amortization, impairment losses and impairment loss reversals	141	145	43	72	3	–	187	217
Cash flows from operating activities	337	206	43	(101)	48	52	428	157
Cash outflows for additions to property, plant, equipment and intangible assets	78	94	32	45	–	1	110	140
Free operating cash flow	**259**	**112**	**11**	**(146)**	**48**	**51**	**318**	**17**
Trade working capital[3]	1,222	1,745	1,148	1,918	3	–	2,373	3,663

[1] Reference information calculated based on the organizational and reporting structure as of July 1, 2021.
[2] EBITDA and EBIT each include the effect on earnings of intersegment sales.
[3] Trade working capital includes inventories plus trade accounts receivable and contract assets, less trade accounts payable, contract liabilities, and refund liabilities as of March 31, 2021/2022.