

Covestro Group Consolidated Income Statement

	1st quarter 2024	1st quarter 2025
	€ million	€ million
Sales	3,510	3,477
Cost of goods sold	(2,906)	(3,012)
Gross profit	604	465
Selling expenses	(382)	(384)
Research and development expenses	(91)	(90)
General administration expenses	(73)	(93)
Other operating income	21	19
Other operating expenses	(18)	(14)
EBIT¹	61	(97)
Equity-method loss	(1)	(4)
Result from other affiliated companies	–	1
Interest income	16	9
Interest expense	(39)	(35)
Other financial result	(6)	(15)
Financial result	(30)	(44)
Income before income taxes	31	(141)
Income taxes	(68)	(20)
Income after income taxes	(37)	(161)
attributable to noncontrolling interest	(2)	(1)
attributable to Covestro AG shareholders (net income)	(35)	(160)
	€	€
Basic /Diluted earnings per share²	(0.19)	(0.85)

¹ Earnings before interest and taxes (EBIT); income after income taxes plus financial result and income taxes.

² 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 2025 was based on 188,740,330 no-par value shares (previous year: 188,740,330 no-par value shares).

Covestro Group Consolidated Statement of Comprehensive Income

	1st quarter 2024	1st quarter 2025
	€ million	€ million
Income after income taxes	(37)	(161)
Remeasurements of the net defined benefit liability for post-employment benefit plans	45	44
Income taxes	(2)	(2)
Other comprehensive income from remeasurements of the net defined benefit liability for post-employment benefit plans	43	42
Other comprehensive income that will not be reclassified subsequently to profit or loss	43	42
Losses from derivative financial instruments (cash flow hedge reserve)	–	(7)
Income taxes	–	3
Other comprehensive income from derivative financial instruments	–	(4)
Exchange differences of foreign operations	20	(128)
Other comprehensive income from exchange differences	20	(128)
Other comprehensive income that may be reclassified subsequently to profit or loss	20	(132)
Total other comprehensive income	63	(90)
attributable to noncontrolling interest	–	(1)
attributable to Covestro AG shareholders	63	(89)
Total comprehensive income	26	(251)
attributable to noncontrolling interest	(2)	(2)
attributable to Covestro AG shareholders	28	(249)

Covestro Group Consolidated Statement of Financial Position

	Mar. 31, 2024	Mar. 31, 2025	Dec. 31, 2024
	€ million	€ million	€ million
Noncurrent assets			
Goodwill	712	711	719
Other intangible assets	505	456	471
Property, plant and equipment	5,787	5,789	5,898
Investments accounted for using the equity method	188	260	269
Other financial assets	108	106	107
Other receivables	149	143	125
Deferred taxes	311	304	276
	7,760	7,769	7,865
Current assets			
Inventories	2,650	2,925	2,851
Trade accounts receivable	2,000	1,967	1,749
Other financial assets	61	47	48
Other receivables	468	506	517
Claims for income tax refunds	97	97	92
Cash and cash equivalents	684	742	509
Assets held for sale	9	–	–
	5,969	6,284	5,766
Total assets	13,729	14,053	13,631
Equity			
Capital stock of Covestro AG	189	189	189
Capital reserves of Covestro AG	3,740	3,740	3,740
Retained earnings incl. total income	2,300	2,053	2,171
Accumulated other comprehensive income	390	426	558
Equity attributable to Covestro AG shareholders	6,619	6,408	6,658
Equity attributable to noncontrolling interest	26	19	21
	6,645	6,427	6,679
Noncurrent liabilities			
Provisions for pensions and other post-employment benefits	421	315	387
Other provisions	235	291	253
Financial liabilities	2,753	1,958	2,444
Other financial liabilities	19	12	12
Income tax liabilities	36	49	49
Other nonfinancial liabilities	22	26	27
Deferred taxes	253	214	204
	3,739	2,865	3,376
Current liabilities			
Other provisions	353	416	348
Financial liabilities	686	1,748	712
Trade accounts payable	1,942	2,231	2,101
Other financial liabilities	104	102	133
Income tax liabilities	63	71	61
Other nonfinancial liabilities	197	193	221
	3,345	4,761	3,576
Total equity and liabilities	13,729	14,053	13,631

Covestro Group Consolidated Statement of Cash Flows

	1st quarter 2024	1st quarter 2025
	€ million	€ million
Income after income taxes	(37)	(161)
Income taxes	68	20
Financial result	30	44
Income taxes paid	(38)	(34)
Depreciation, amortization and impairment losses and impairment loss reversals	212	234
Change in pension provisions	(11)	(18)
(Gains)/losses on retirements of noncurrent assets	(3)	(1)
Decrease/(increase) in inventories	(184)	(135)
Decrease/(increase) in trade accounts receivable	(85)	(258)
(Decrease)/increase in trade accounts payable	40	221
Changes in other working capital, other noncash items	(15)	15
Cash flows from operating activities	(23)	(73)
Cash outflows for additions to property, plant, equipment and intangible assets	(106)	(180)
Cash inflows from sales of property, plant, equipment and other assets	4	–
Cash outflows for noncurrent financial assets	(4)	(5)
Interest and dividends received	17	10
Cash inflows from other current financial assets	246	19
Cash flows from investing activities	157	(156)
Issuances of debt	28	605
Retirements of debt	(77)	(110)
Interest paid	(26)	(27)
Cash flows from financing activities	(75)	468
Change in cash and cash equivalents due to business activities	59	239
Cash and cash equivalents at beginning of period	625	509
Change in cash and cash equivalents due to exchange rate movements	–	(6)
Cash and cash equivalents at end of period	684	742

Employees and Pension Obligations

As of March 31, 2025, Covestro had 17,578 employees worldwide (December 31, 2024: 17,503). In the first quarter of 2025, personnel expenses were down slightly, by €4 million, on the prior-year quarter, declining to €553 million (previous year: €557 million), largely due to lower expenses for short-term variable compensation. This was set against a rise in expenses for long-term variable compensation and for severance payments.

Employees by division¹

	Dec. 31, 2024	Mar. 31, 2025
Production	12,092	12,197
Marketing and distribution	2,731	2,706
Research and development	1,336	1,334
General administration	1,344	1,341
Total	17,503	17,578

¹ The number of employees on either permanent or temporary contracts is stated in full-time equivalents (FTE). Part-time employees are included on a pro-rated basis in line with their contractual working hours. Board of Management members and employees in vocational training are not included.

Provisions for pensions and other post-employment benefits decreased to €315 million as of March 31, 2025 (December 31, 2024: €387 million). This was mainly due to a reduction in the measurement of obligations as a result of higher discount rates in Germany.

Discount rate for pension obligations

	Dec. 31, 2024	Mar. 31, 2025
	%	%
Germany	3.50	3.90
United States	5.40	5.20

Exchange Rates

In the reporting period, the following exchange rates were used for the major currencies of relevance to the Covestro Group:

Closing rates for major currencies

		Closing rates					Average rates	
€1/		Mar. 31, 2024	Dec. 31, 2024	Mar. 31, 2025	€1/		1st quarter 2024	1st quarter 2025
BRL	Brazil	5.40	6.43	6.25	BRL	Brazil	5.37	6.17
CNY	China	7.84	7.63	7.85	CNY	China	7.82	7.66
HKD	Hong Kong ¹	8.46	8.07	8.41	HKD	Hong Kong ¹	8.49	8.18
INR	India	90.14	88.93	92.40	INR	India	90.20	91.01
JPY	Japan	163.45	163.06	161.60	JPY	Japan	160.97	160.49
MXN	Mexico	17.92	21.55	22.06	MXN	Mexico	18.46	21.49
USD	United States	1.08	1.04	1.08	USD	United States	1.09	1.05

¹ (Special Administration Region, China)

Scope of Consolidation

Changes in the Scope of Consolidation

As of March 31, 2025, the scope of consolidation comprised Covestro AG and 54 (December 31, 2024: 55) consolidated companies.

In the first quarter of 2025, the number of consolidated companies declined as a result of the intragroup merger of Covestro Polyurethanes B.V. into Covestro (Netherlands) B.V., effective January 1, 2025; both companies have their registered office in Geleen (Netherlands).

Acquisitions and Divestitures

No reportable acquisitions or divestitures were made in the first quarter of 2025.

Significant Events after the End of the Reporting Period

No events have occurred since March 31, 2025, that have a material impact on the net assets, financial position, and results of operations of the Covestro Group.