

# Press Release



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Positive impact on group tax rate

## **Covestro expects positive effect from recently enacted U.S. tax reform**

- **Positive one-time effect of ca. EUR 85 million on net income expected in 2017**
- **Additional positive impact on coming years**

Covestro expects a positive one-time effect from the recently enacted U.S. tax reform on its net income for the financial year 2017. Based on current knowledge the company expects an extraordinary income of about EUR 85 million for 2017 which is cash neutral. Against this backdrop Covestro adjusts the guidance for its group tax rate from about 28% to about 24% for financial year 2017.

Due to the tax reform effects, Covestro also expects a positive impact on the current financial year 2018, lowering the company's group tax rate by one to two percentage points in comparison with the originally expected group tax rate.

### **About Covestro:**

With 2016 sales of EUR 11.9 billion, Covestro is among the world's largest polymer companies. Business activities are focused on the manufacture of high-tech polymer materials and the development of innovative solutions for products used in many areas of daily life. The main segments served are the automotive, construction, wood processing and furniture, and electrical and electronics industries. Other sectors include sports and leisure, cosmetics, health and the chemical industry itself. Covestro has 30 production sites worldwide and employs approximately 15,600 people (calculated as full-time equivalents) at the end of 2016.



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