



Positive momentum continues

Q3 2015 Results



Forward-looking statements

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Covestro assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Key Highlights

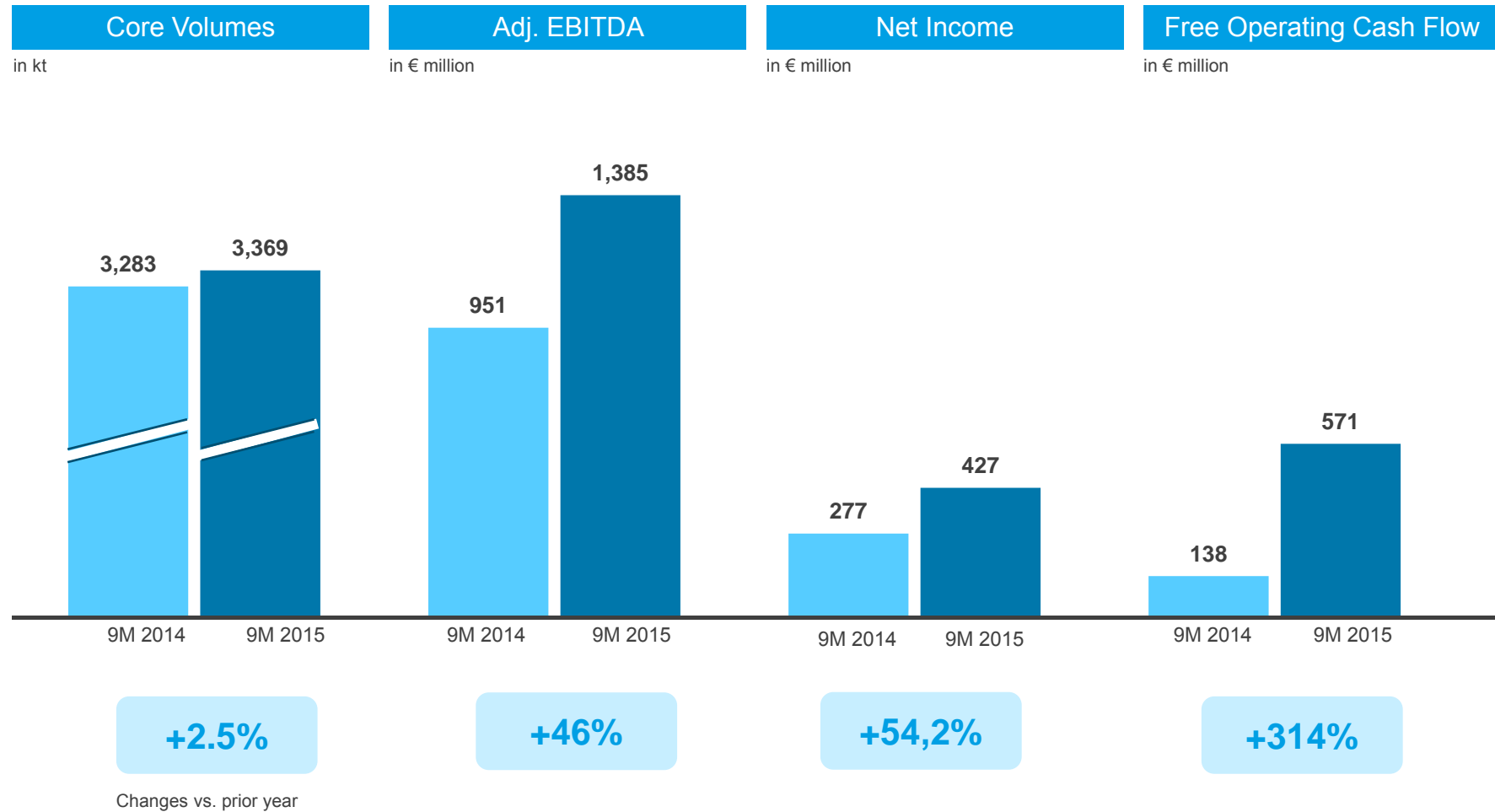
Positive momentum continues



9M 2015 – Sales & Earnings



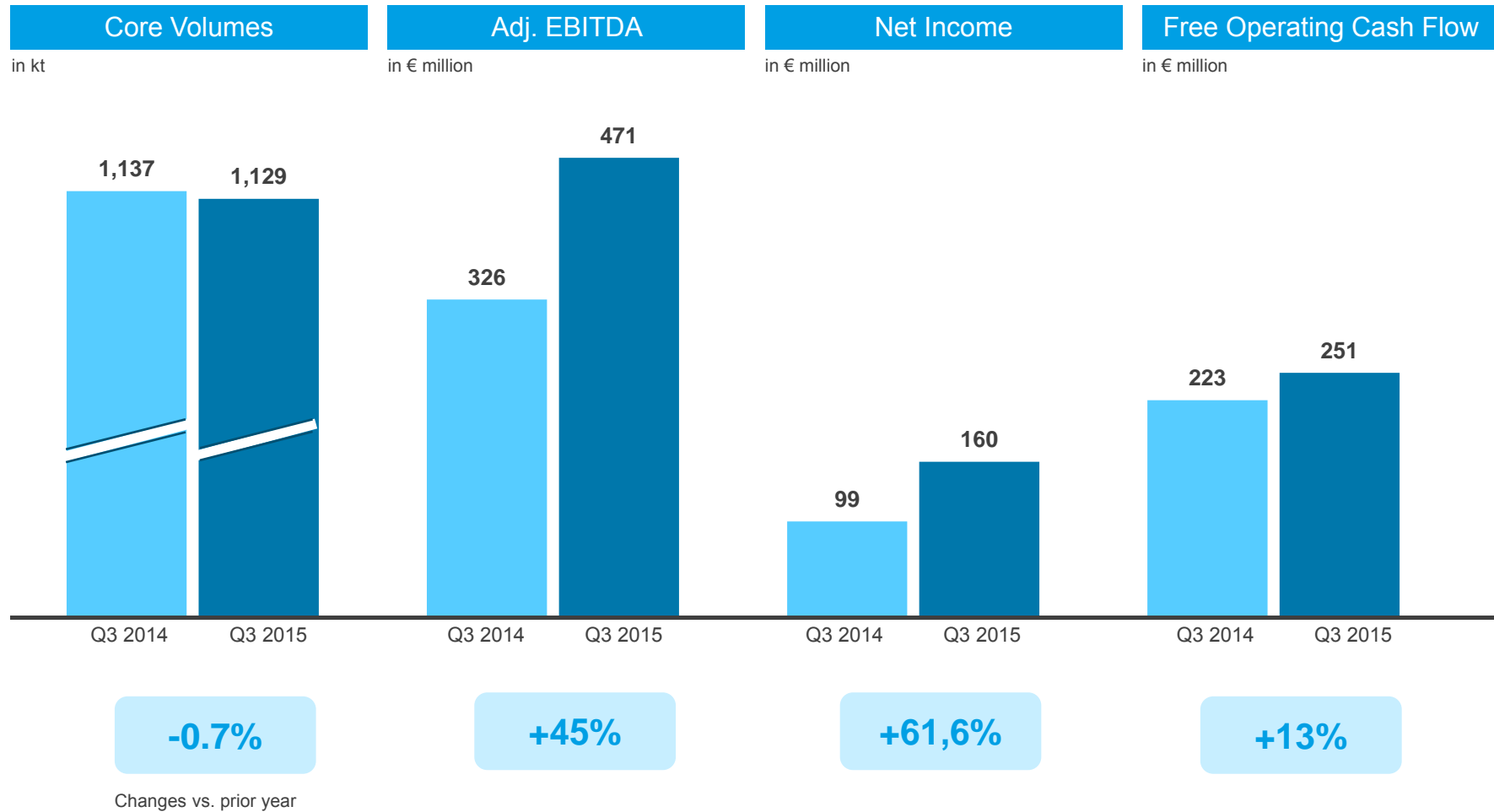
Solid volume growth, significant earnings improvement



Q3 2015 – Sales & Earnings



Significant earnings improvement despite flat volumes



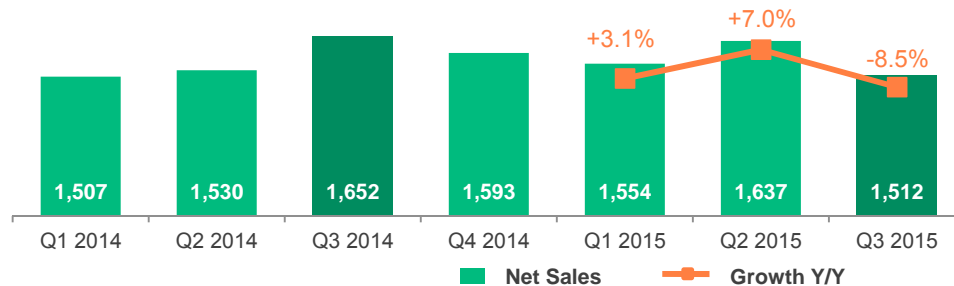
Results of Polyurethanes Segment



Volatile development

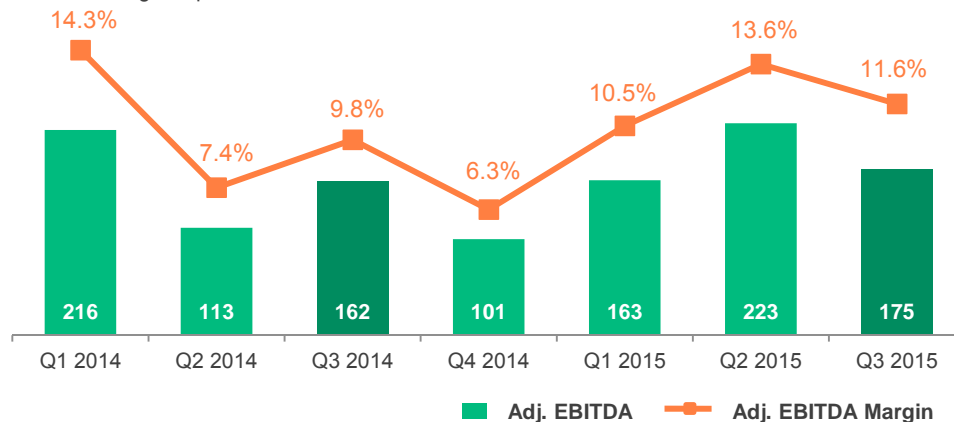
Net Sales and Growth

in € million / changes Y/Y



Adjusted EBITDA and Margin

in € million / margin in percent



Q3 2015 Highlights

- Core volumes (kt) down 2.8% Y/Y
- Sales effects Y/Y: volumes -2.2%, prices -12.1%, FX +5.8%

MDI:

- Volumes flat despite weak development in Asia
- Earnings flat Y/Y but down Q/Q

TDI:

- Volumes down driven by de-stocking in Asia
- Earnings down Y/Y and Q/Q due to global overcapacities

Polyols:

- Volumes down due to competitive pressure in Asia and Europe
- Earnings above mid-cycle levels due to strong contribution from styrene

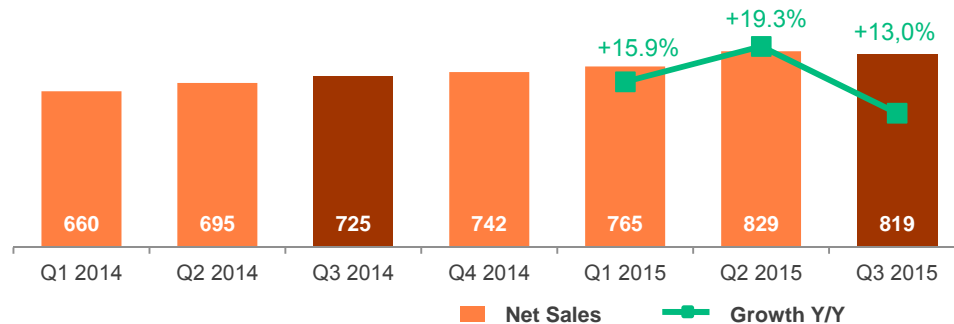
Results of Polycarbonates Segment



Positive momentum continues

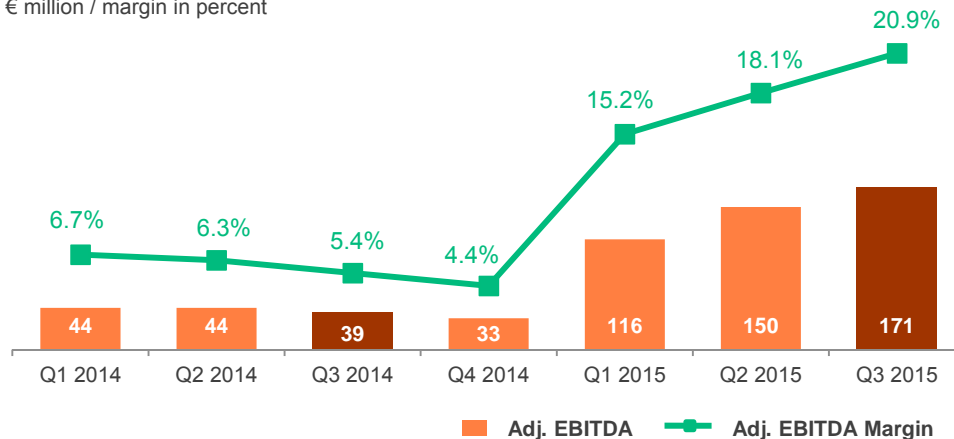
Net Sales and Growth

in € million / changes Y/Y



Adjusted EBITDA and Margin

in € million / margin in percent



Q3 2015 Highlights

- Core volumes (kt) up 5.5 % Y/Y
- Sales effects Y/Y: volumes +4.1%, prices -0.8%, FX +9.7%
- Strong volume growth in Europe and US, both regions strong in automotive and construction, APAC down due to lower optical media and BPA sales
- Significant margin increases Y/Y and Q/Q on the back of almost stable sales prices (EMLA up, NAFTA and APAC down) while raw material costs dropped significantly

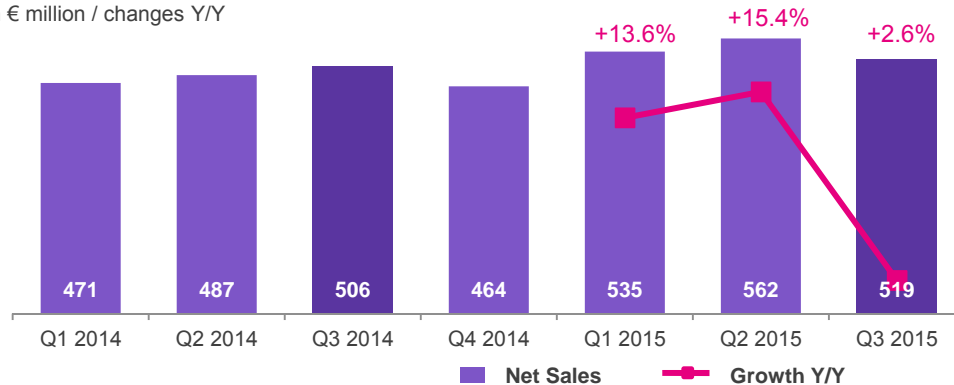
Results of CAS Segment



Coatings, Adhesives, Specialties – Record margin

Net Sales and Growth

in € million / changes Y/Y

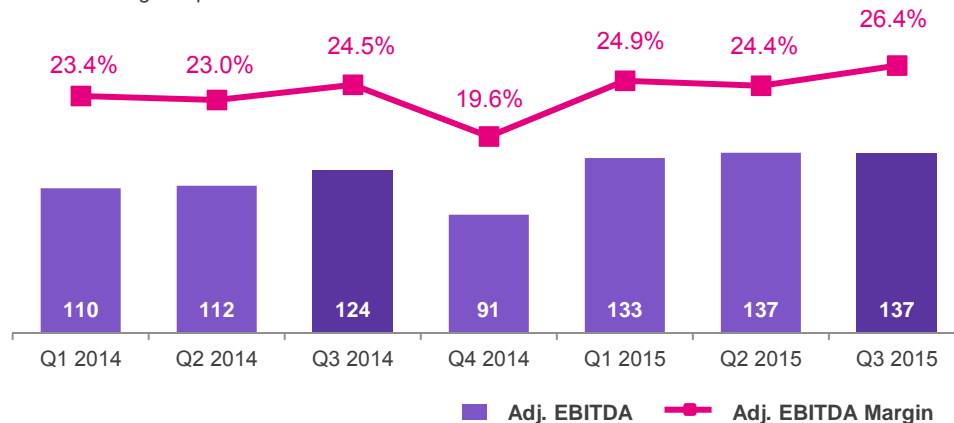


Q3 2015 Highlights

- Core volumes (kt) down 2.3% Y/Y
- Sales effects Y/Y: volumes -2.5%, prices -1.4%, FX +6.5%
- Volume decline mainly driven by de-stocking in Asia, EMLA flat and NAFTA slightly up
- Slightly lower selling prices were more than compensated by lower raw material prices
- Adj. EBITDA margin at record level of 26.4%

Adjusted EBITDA and Margin

in € million / margin in percent



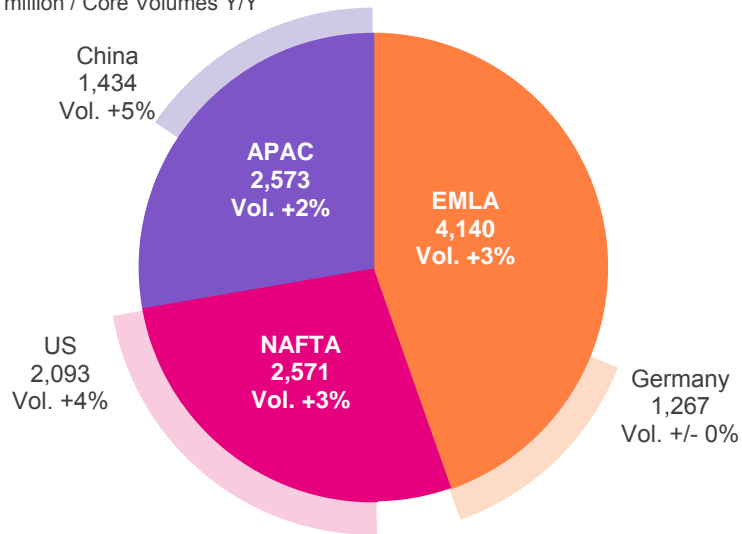
Sales per Region



China still on track, growth in mature markets accelerated

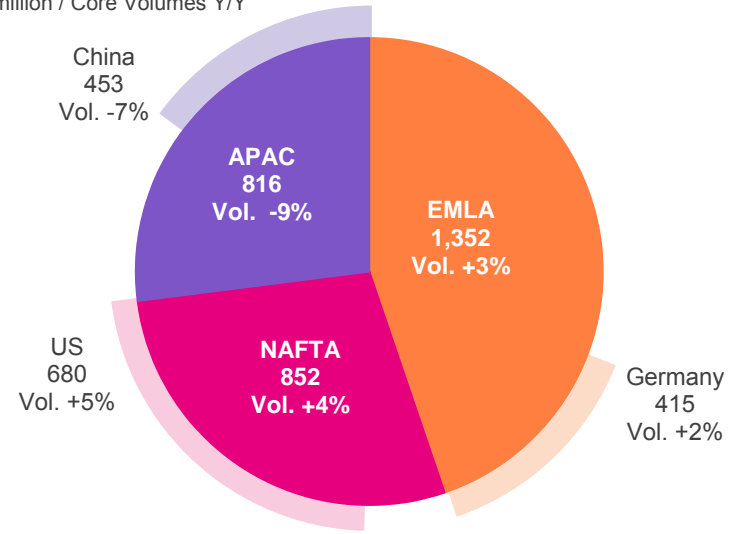
Solid growth in 9M 2015

in € million / Core Volumes Y/Y



De-stocking in Q3 2015

in € million / Core Volumes Y/Y



9M 2015 Highlights

- Core volume growth of 2.5% Y/Y
- China remains a high core volume growth market with 5% Y/Y
- Good core volume growth in the US with 4% Y/Y
- EMLA solid despite double-digit decline in South America

Q3 2015 Highlights

- Core volumes down by 0.7% Y/Y
- APAC and China significantly down as customers adjusted growth expectations
- Growth accelerated in the US and Germany

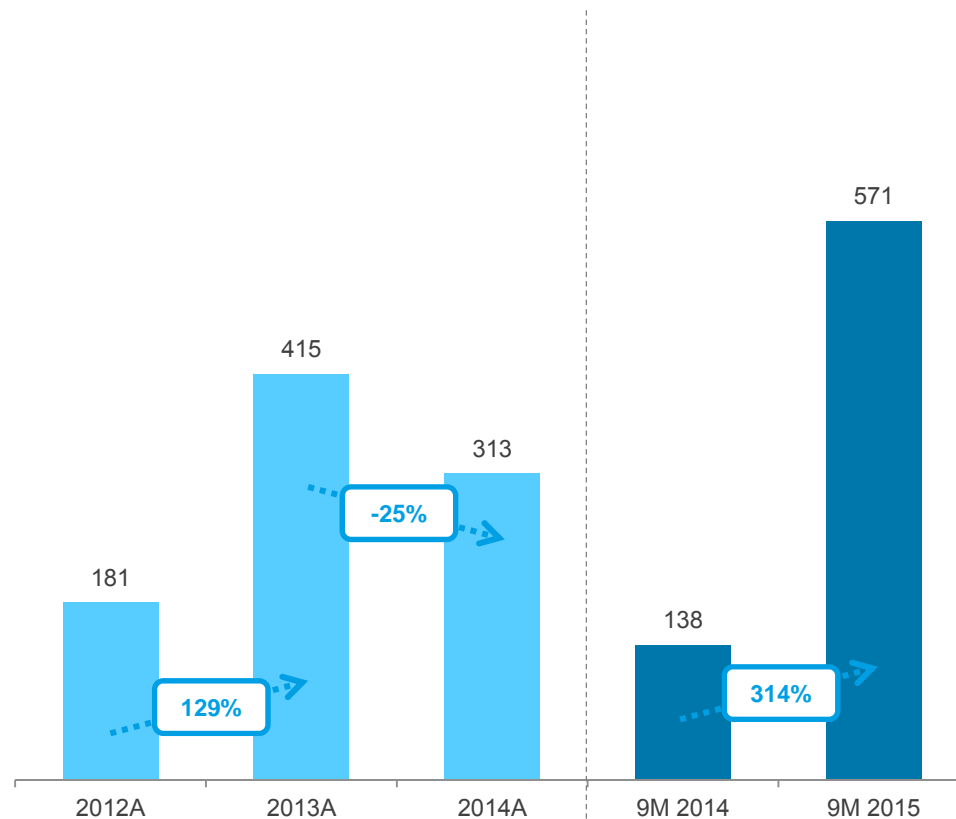
9M 2015 – Free Operating Cash Flow



On track for a record FOCF

Free Operating Cash Flow

in € million



9M 2015 Highlights

Strong performance in 9M 2015

- Driven by strong EBITDA
- Working capital increased mainly due to planned maintenance shut down in China
- Capex of €352m significantly below D&A of €527m

Outlook 2015

- Working capital expected to improve end of Q4 vs. end of Q3 2015
- 2015 Capex expected to peak in Q4
- Overall, strong FOCF expected to continue in Q4 2015

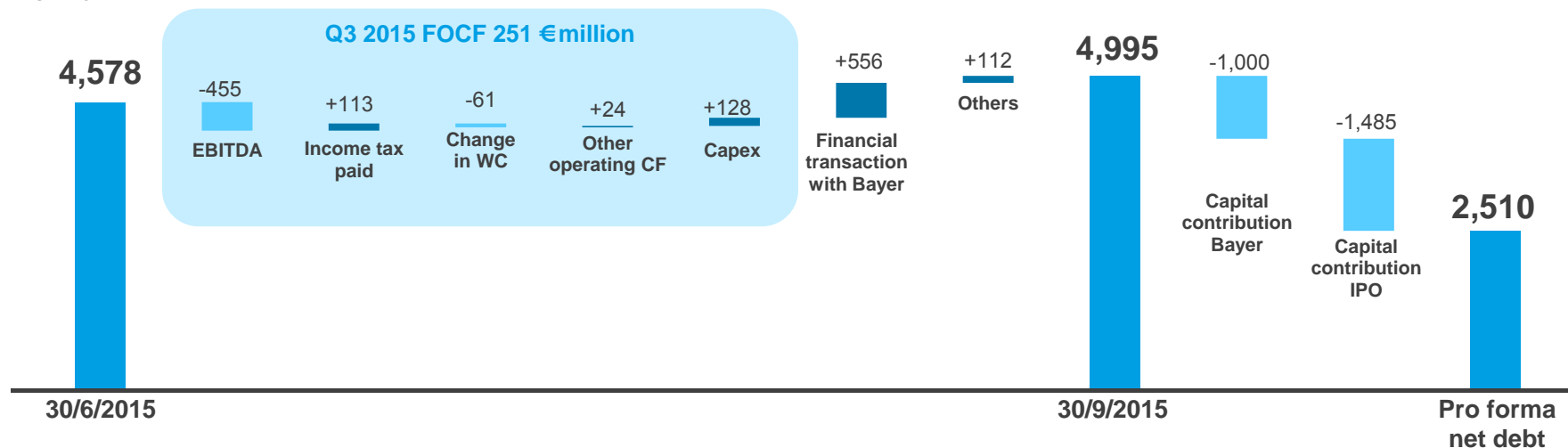
9M 2015 – Net Financial Debt



Baa2 rating (Moody's) with stable outlook

Net Financial Debt Development

in € million



Highlights

Pro forma net debt (incl. pension) of c. €4bn

- Pro forma net debt €2.5bn (beginning of Oct 2015) plus pension provision of €1,562m (end of Q3 2015)

Stable net debt assumed for year end 2015

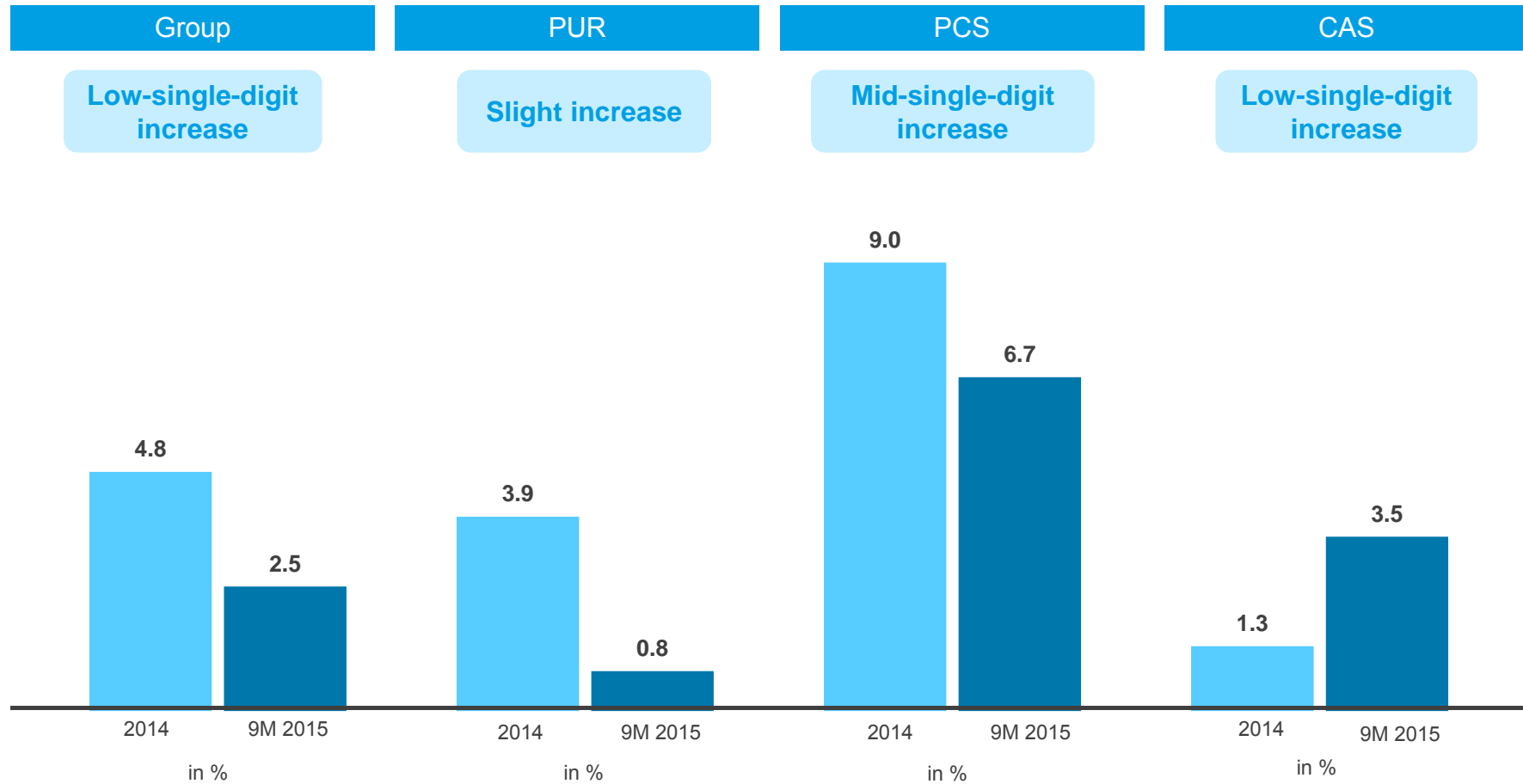
- Strong FOCF assumed for Q4 2015
- One-off cash payments expected in Q4 2015

We target to end up at the lower end of the range of 2.5x-3.0x net debt to adj. EBITDA for FY 2015

Guidance 2015



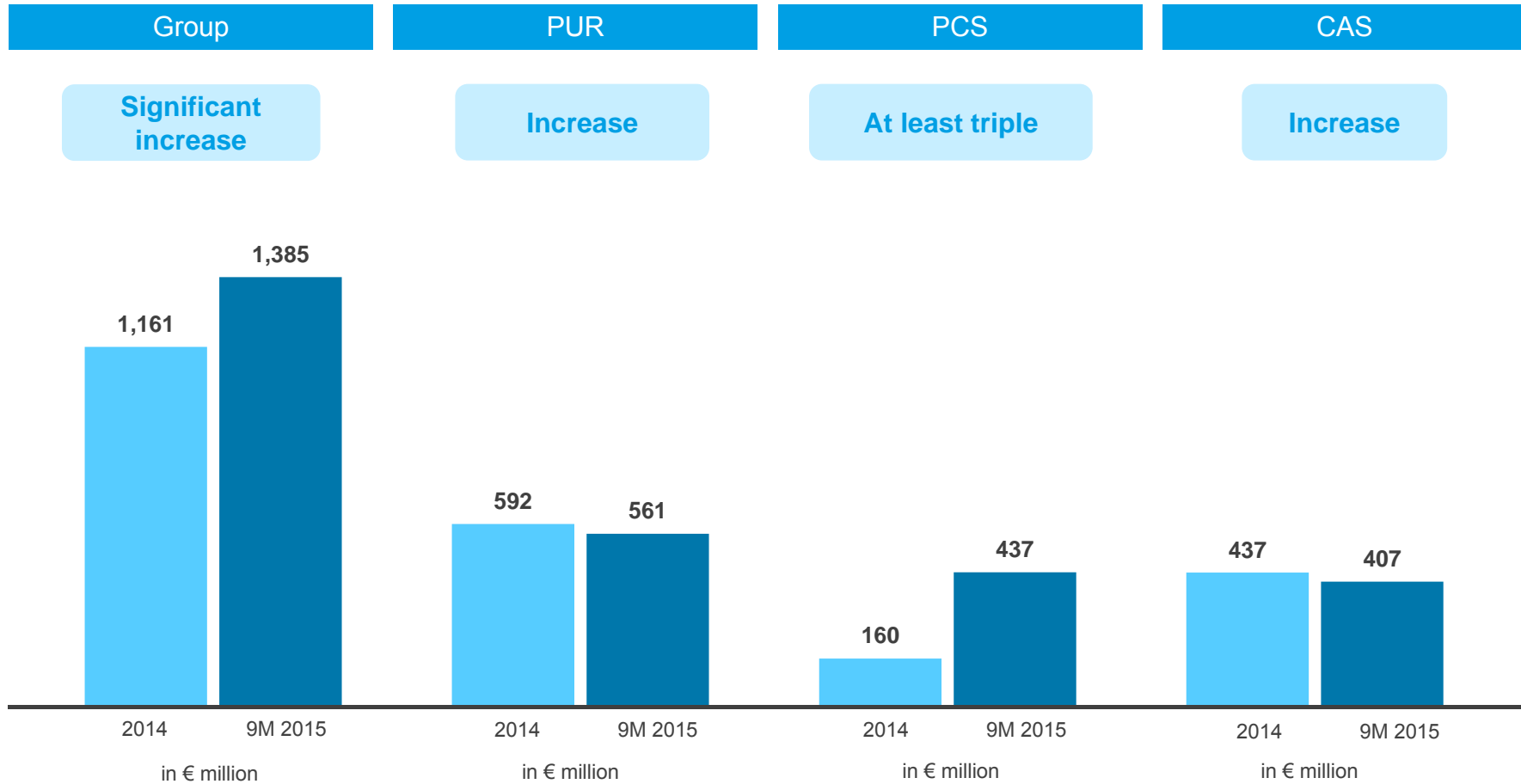
Core Volume Growth Y/Y*



*Guidance for core volume growth compares growth expectations for 2015 vs. absolute volumes achieved in 2014

Guidance 2015

Adj. EBITDA Y/Y



Summary



Covestro fully on track

Solid organic growth in a focused portfolio
despite a challenging market environment

Strong earnings and cash flow generation
driven by a favorable demand/supply balance and supported by focus on profitability

Robust financial profile
with an investment grade rating (Baa2 from Moody's)

Attractive dividend policy
with a planned dividend payment of around €100-150m already for the stub year 2015

Confirmed financial outlook
with Covestro performance fully on track for 2015E targets



Questions & Answers



Thank you for
your attention