



 **BASF**

We create chemistry

Half-Year Financial Report 2024

H1 | BASF Group

24 | Half-Year Financial Report

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On the cover and this page:

Many everyday products would not exist without steam crackers. They split petroleum into olefins and aromatics – both important groups of substances for numerous chemical value chains. The cracking reaction in gas-fired high-temperature furnaces is energy-intensive and emits significant amounts of CO₂. In the spring of 2024, BASF, SABIC and Linde inaugurated the world's first demonstration plant for large-scale, electrically heated steam cracker furnaces (eFurnaces) at the Ludwigshafen site in Germany. Our target in this project is to reduce CO₂ emissions by at least 90% compared with conventional steam crackers by using electricity from renewable sources. The image shows BASF employee Lara Häfner during an inspection tour of the demonstration plant.

H1 2024 – At a Glance

Sales

€33.7 billion

(H1 2023: €37.3 billion)

EBITDA before special items

€4.7 billion

(H1 2023: €4.8 billion)

Free cash flow

-€1.0 billion

(H1 2023: -€1.0 billion)

EBITDA before special items by segment

Chemicals



€896 million

(H1 2023: €819 million)

Materials



€956 million

(H1 2023: €910 million)

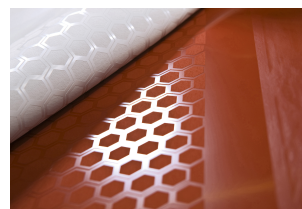
Industrial Solutions



€652 million

(H1 2023: €507 million)

Surface Technologies



€722 million

(H1 2023: €776 million)

Nutrition & Care



€445 million

(H1 2023: €331 million)

Agricultural Solutions



€1,496 million

(H1 2023: €1,824 million)

Outlook for the 2024 business year unchanged (forecast published in the BASF Report 2023)

EBITDA before special items

€8.0 to €8.6 billion

Free cash flow

€0.1 to €0.6 billion

CO₂ emissions

16.7 to 17.7 million metric tons

Key Figures

BASF Group H1 2024

		Q2			H1		
		2024	2023	+/-	2024	2023	+/-
Sales	million €	16,111	17,305	-6.9%	33,664	37,297	-9.7%
EBITDA before special items	million €	1,957	1,944	0.6%	4,669	4,809	-2.9%
EBITDA	million €	1,563	1,908	-18.1%	4,218	4,718	-10.6%
EBITDA margin before special items	%	12.1	11.2	–	13.9	12.9	–
Depreciation and amortization ^a	million €	1,047	934	12.1%	2,012	1,878	7.2%
Income from operations (EBIT)	million €	516	974	-47.0%	2,205	2,841	-22.4%
Special items	million €	-453	-33	.	-517	-98	-430.6%
EBIT before special items	million €	969	1,007	-3.7%	2,723	2,938	-7.3%
Income before income taxes	million €	398	851	-53.2%	2,170	2,781	-22.0%
Income after taxes	million €	470	555	-15.4%	1,880	2,159	-12.9%
Net income	million €	430	499	-14.0%	1,797	2,061	-12.8%
Earnings per share ^b	€	0.48	0.56	-14.0%	2.01	2.31	-12.8%
Adjusted earnings per share ^b	€	0.93	0.72	28.2%	2.60	2.65	-1.7%
Research and development expenses	million €	524	515	1.6%	1,014	1,053	-3.7%
Personnel expenses	million €	2,772	2,858	-3.0%	5,843	5,813	0.5%
Employees (June 30)		111,422	111,315	0.1%	111,422	111,315	0.1%
Assets (June 30)	million €	82,447	83,505	-1.3%	82,447	83,505	-1.3%
Investments including acquisitions ^c	million €	1,637	1,388	17.9%	2,842	2,387	19.1%
Equity ratio (June 30)	%	44.5	47.1	–	44.5	47.1	–
Net debt (June 30)	million €	21,441	20,248	5.9%	21,441	20,248	5.9%
Cash flows from operating activities	million €	1,951	2,178	-10.4%	1,437	1,163	23.6%
Free cash flow	million €	471	905	-48.0%	-986	-977	-0.9%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Due to the share buyback program terminated in February 2023, the weighted average number of outstanding shares in the first half of 2023 was 892,760,923. In the second quarter of 2023 as well as in the second quarter and first half of 2024 the weighted average number of outstanding shares was 892,522,164.

^c Additions to property, plant and equipment and intangible assets

Due to rounding, individual figures may not add up to the totals shown and percentages may not correspond exactly to the figures shown.

Consolidated Interim Management's Report 2024

Significant Events

In accordance with the resolution of the Supervisory Board as of December 20, 2023, Dr. Katja Scharpwinkel succeeded Dr. Melanie Maas-Brunner, effective as of February 1, 2024. Anup Kothari was appointed to the Board of Executive Directors, effective as of March 1. In addition, Michael Heinz's contract was extended until the 2026 Annual Shareholders' Meeting. Furthermore, Dr. Markus Kamieth took over as Chairman of the Board of Executive Directors of BASF SE on conclusion of the Annual Shareholders' Meeting on April 25, 2024. He succeeded Dr. Martin Bruder Müller, whose mandate ended with the Annual Shareholders' Meeting.

These personnel changes also led to a redistribution of divisional responsibilities: Dr. Stephan Kothrade took over responsibility for research and development and assumed the role of Chief Technology Officer as of January 1. He has also been responsible for the Asia Pacific region since March 1. Dr. Katja Scharpwinkel was named Industrial Relations Director and took over responsibility for the Europe region.

In addition, Tamara Weinert was elected shareholder representative on the Supervisory Board at the Annual Shareholders' Meeting of BASF SE. She succeeded Dame Alison Carnwath.

BASF introduced an additional cost savings program at the end of February 2024 to counteract the declining earnings trend of the Ludwigshafen site in Germany. The program aims to reduce costs at the site by €1 billion per year by the end of 2026. It is set to save costs in both production and nonproduction areas. Fixed costs will be reduced considerably through increased efficiency, adapted production capacities and improved processes.

This cost savings program is an addition to the package of measures focusing on Europe and particularly on Germany from February 2023, with which BASF also aims to achieve around €1.1 billion in cost savings by the end of 2026. Total annual savings of more than €2 billion are expected from the end of 2026.

In April 2024, Vattenfall and BASF contractually agreed on the purchase of 49% of shares in Vattenfall's Nordlicht 1 and 2 wind farm projects by BASF. The Nordlicht wind farm projects are being built in the German North Sea without government subsidies and will have a total installed capacity of 1.6 gigawatts. BASF will use just under half of the electricity generated to supply its chemical production sites in Europe, particularly Ludwigshafen. Subject to the final investment decision, which is expected in 2025, construction of Nordlicht 1 and 2 is scheduled to begin in 2026. The wind farms are expected to become fully operational in 2028.

Since the beginning of the 2024 business year, BASF has been pursuing a Differentiated Steering concept. Industry-specific key performance indicators tailored to the respective business will enable BASF to increase the competitiveness of its business units and thus the profitability of the BASF Group. BASF has established two new most important financial key performance indicators for the BASF Group's short and medium-term steering: EBITDA before special items and free cash flow. Scope 1 and 2 CO₂ emissions remain the most important nonfinancial key performance indicator at Group level.

 For more information on the development of the new most important key performance indicators for the BASF Group, see [Results of Operations on page 6](#) and [Financial Position from page 8](#) onward of this half-year financial report

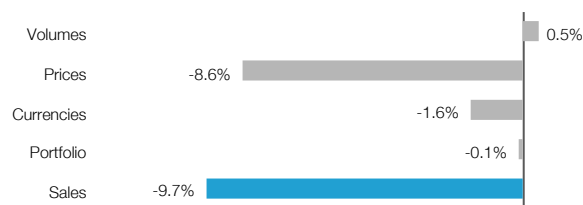
Events after June 30, 2024 (events after the reporting period)

On July 10, 2024, BASF announced that it would cease production of the active ingredient glufosinate-ammonium (GA) at the Knapsack and Frankfurt am Main sites in Germany by the end of 2024. GA formulation in Frankfurt will end in 2025. Subsequently, both production facilities will be shut down. The active ingredient GA remains a key component of BASF's global herbicide portfolio and will be sourced from third-party suppliers in the future. This measure involves approximately 300 positions. The expected special charges in the low three-digit million euro range will have a negative impact on the earnings of the Agricultural Solutions segment in the third quarter.

Results of Operations H1 2024

Compared with the first half of 2023, **sales** of the BASF Group declined by €3,633 million to €33,664 million. Lower prices in nearly all segments, especially lower precious metal prices in the Catalysts division, were the main reason for the decline in sales. Currency effects also dampened sales performance slightly. Portfolio effects were slightly negative, primarily in the Surface Technologies segment, as a result of the divestiture of the production site in De Meern, Netherlands, as of August 31, 2023. The slight volume growth of the BASF Group resulted from higher volumes in the Chemicals, Industrial Solutions, Nutrition & Care and Materials segments. The decline in sales volumes in the Surface Technologies and Agricultural Solutions segments dampened volume development.

Factors influencing BASF Group sales in H1 2024



At €4,669 million, the BASF Group's **income from operations before depreciation, amortization and special items (EBITDA before special items)**¹ decreased by €140 million. This slight decline in earnings compared with the first six months of the previous year were mainly driven by lower earnings in the Agricultural Solutions and Surface Technologies segments. While this was primarily due to the decline in volumes in the Agricultural Solutions segment, the lower EBITDA before special items in the Surface Technologies segment was mainly attributable to the sharp drop in precious metal prices in the Catalysts division. Considerable earnings growth in the Coatings division was unable to compensate for this. By contrast, all other segments increased

EBITDA before special items, mainly due to higher volumes. The increase in earnings in the Industrial Solutions and Nutrition & Care segments was particularly strong at 28.5% and 34.4% respectively; the Chemicals and Materials segments improved by 9.4% and 5.0% respectively. EBITDA before special items in Other decreased considerably in the first half of 2024, partly due to lower earnings contributions from BASF's captive insurance companies. The **EBITDA margin before special items** was 13.9%, following 12.9% in the first half of 2023.

EBITDA¹ was €4,218 million, following €4,718 million in the prior-year period.

Special items² in EBITDA amounted to -€451 million in the first half of 2024. Special charges resulted mainly from expenses for the out-of-court settlement, which does not constitute any admission of liability, in connection with the Aqueous Film Forming Foam (AFFF) multidistrict litigation in the United States as well as from restructuring measures.

EBIT³ was €635 million below the figure for the prior-year period. Depreciation and amortization⁴ accounted for €2,012 million (prior-year period: €1,878 million).

Compared with the prior-year period, **net income from shareholdings** decreased by €6 million, which was mainly due to the €17 million decline in earnings of the non-integral companies accounted for using the equity method. The earnings contribution from Wintershall Dea AG, Kassel/Hamburg, included in this amount totaled €252 million in the first half of 2024 (prior-year period: €268 million). Net income from shareholdings included special income related to the divestiture of shareholdings in the amount of €65 million.

Higher income from capitalized construction period interest and lower net expenses in connection with bonds in foreign currency

and related hedging instruments were the main drivers of the other financial result, which improved by €24 million.

Overall, **income before income taxes** decreased in the first half of 2024 by €611 million compared with the prior-year period, to €2,170 million. Low tax expense in the amount of €290 million was mainly due to a tax income in the second quarter of 2024 and led to a tax rate of 13.4% (prior-year period: 22.4%).

Thus, **income after taxes** declined by €279 million compared with the first half of 2023 to €1,880 million. **Noncontrolling interests** were €83 million, which is €15 million below the prior-year level. **Net income** amounted to €1,797 million accordingly.

Earnings per share amounted to €2.01 in the first half of 2024 (prior-year period: €2.31). **Earnings per share adjusted**¹ for special items and amortization of intangible assets amounted to €2.60 (prior-year quarter: €2.65).

Segment sales, EBITDA before special items and cash flow of the segments

Sales in the Chemicals segment rose in the first half of 2024. This development was mainly due to a strong increase in volumes, particularly in Europe. This was particularly driven by lower imports from competitors as a result of supply chain disruptions caused by the conflict in the Red Sea. However, considerably lower prices, primarily in the Intermediates division, and negative currency effects hampered sales growth. EBITDA before special items increased slightly due to considerably improved earnings in the Petrochemicals division, mainly driven by volumes. In contrast, a lower contribution margin led to a considerable decline in earnings of the Intermediates division. Compared with the previous year, the segment cash flow declined considerably, mainly due to increasing capital expenditures for the construction of the Verbund site in Zhanjiang, China.

¹ For an explanation of this indicator, see [Results of Operations from page 61 onward of the BASF Report 2023](#) and the [Reconciliation Tables on pages 22 and 23 of this half-year financial report](#).

² Special items may arise from the integration of acquired businesses, from restructuring measures, gains or losses resulting from divestitures and sales of shareholdings, impairments and other expenses and income that arise outside of ordinary business activities.

³ The calculation of income from operations (EBIT) is shown in the [Statement of Income on page 24 of this half-year financial report](#).

⁴ Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

Compared with the prior-year period, sales in the **Materials** segment decreased. This was mainly the result of significantly lower prices in all value chains. Negative currency effects further dampened sales. Increased volumes in both divisions only partially compensated for this. The segment increased EBITDA before special items slightly. This resulted from the considerable earnings growth of the Performance Materials division, mainly due to a volume-related increased contribution margin. The slight drop in earnings in the Monomers division as a result of positive one-off effects in the prior-year period was more than offset. The segment's EBITDA in the first half of 2024 included special income of €22 million, primarily due to a contractual one-time payment in the first quarter. Cash tied up in receivables and inventories led to a considerable decline in segment cash flow in both divisions following the release of cash from these items in the prior-year period.

Compared with the first half of 2023, strong volume growth in almost all business areas led to an increase in sales in the **Industrial Solutions** segment. However, growth was negatively impacted by lower prices and currency effects. The segment considerably increased EBITDA before special items, primarily due to a volume-related higher contribution margin and reduced fixed costs. In line with earnings performance, the EBITDA margin before special items also improved from 12.1% to 15.5%. Segment cash flow decreased considerably in both divisions, in particular due to cash tied up in working capital. By contrast, in the prior-year period, cash was released as a result of a reduction in inventories.

Sales in the **Surface Technologies** segment were considerably lower as a result of lower precious metal prices and volumes in the Catalysts division. The price increases in the Coatings division were unable to compensate for this. In addition, currency and portfolio effects reduced sales slightly. EBITDA before special items was slightly below the figure of the first half of 2023, which was mainly due to lower precious metal prices in the Catalysts division. The significant increase in earnings in the Coatings division had an offsetting effect. The EBITDA margin before special

items reached 11.0%, following 8.8% in the prior-year period. The segment's cash flow decreased considerably in both divisions, mainly due to an increase of cash tied up in inventories.

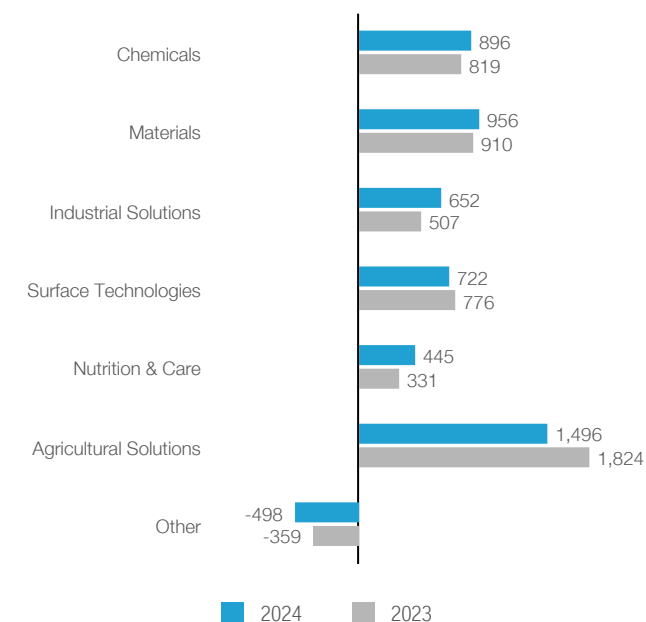
Sales in the **Nutrition & Care** segment were slightly below the figure of the prior-year period, mainly due to lower prices in all business areas. Furthermore, sales performance was slightly weighed down by negative currency effects. Considerable volume growth in both divisions partially compensated for this. In particular, increased sales volumes in connection with lower raw materials costs led to a higher contribution margin in both business areas, resulting in a considerable increase in the segment's EBITDA before special items. As a result, the EBITDA margin before special items also rose from 9.4% to 13.1%. After cash was released in the prior-year period, there was a considerable decrease in the segment cash flow, mainly attributable to cash tied up in working capital. Earnings growth in both divisions could not compensate for this.

In the **Agricultural Solutions** segment, sales declined considerably in the first half of 2024. Overall, slight price increases were unable to compensate for the decline in volumes, especially of herbicides and fungicides, as well as for negative currency effects. In the first half of 2024, lower prices were recorded for glufosinate-ammonium along with considerably lower volumes. EBITDA before special items also decreased significantly due to lower volumes. The EBITDA margin before special items decreased from 29.8% to 27.6%. Segment cash flow declined slightly compared with the prior-year period, primarily due to lower earnings. Positive effects in working capital had an offsetting effect.

Compared with the prior-year period, lower sales in energy trading led to a decline in sales in **Other**. EBITDA before special items declined significantly, partly due to lower earnings contributions from BASF's captive insurance companies.

EBITDA before special items H1 2024

Million €



Net assets and Financial Position

Net assets

As of June 30, 2024, **total assets** amounted to €82,447 million, €5,052 million above the figure as of the end of 2023.

Noncurrent assets increased by €2,771 million to €48,694 million. The increase in property, plant and equipment by €1,279 million was mainly attributable to additions, which exceeded depreciation by €1,132 million, as well as to currency effects in the amount of €164 million. Intangible assets decreased by €141 million, mainly due to amortization and impairments. Currency effects of €166 million had an offsetting effect. The carrying amount of the integral investments accounted for using the equity method increased by €506 million, mainly due to the addition of the interest in the wind farm projects Nordlicht 1 and 2. The €372 million increase in the carrying amounts of the non-integral shareholdings accounted for using the equity method resulted mainly from the €367 million increase of the carrying amount of Wintershall Dea AG, Kassel/Hamburg, Germany to €4,618 million due to positive equity-accounted income and to currency effects. Higher defined benefit assets were the main reason for the increase in other receivables and miscellaneous assets by €736 million.

Current assets were €2,280 million above the figure as of December 31, 2023. This was mainly due to the €1,777 million increase in trade accounts receivable, which rose seasonally primarily in the Agricultural Solutions segment, as well as in the Materials and Chemicals segments. Furthermore, inventories increased by €757 million compared with the end of the previous year.

Financial position

Equity was recorded at €36,721 million, on a level with the figure as of December 31, 2023. Retained earnings declined by €1,240 million, mainly due to the payment of dividends to the shareholders of BASF SE in the amount of €3,035 million in the second quarter. Net income had an offsetting effect. The increase of other comprehensive income was mainly due to actuarial gains. At 44.5%, the equity ratio was below the prior year-end figure (47.3%).

Noncurrent liabilities rose by €930 million to €25,809 million, mainly due to the €1,617 million increase in noncurrent financial indebtedness. This resulted particularly from the issue of new bonds in the amount of around €1.7 billion, of which around €1.4 billion were private placements, and the utilization of the credit line in China for the construction of the Verbund site in Zhanjiang, which accounted for around €1.2 billion. This was partially offset by the reclassification of four bonds with a carrying amount of around €1.4 billion from noncurrent to current financial indebtedness. The €422 million decrease in provisions for pensions and similar obligations was mainly due to increasing interest rates. Deferred tax liabilities declined by €234 million compared with the figure as of December 31, 2023.

Current liabilities were €4,046 million above the 2023 year-end figure, mainly because of the €2,845 million increase in current financial indebtedness. The increase was mainly attributable to the issue of commercial paper in the amount of approximately €1.8 billion and the reclassification of the abovementioned bonds from noncurrent to current financial indebtedness. The scheduled repayment of a bond with a carrying amount of €500 million had an offsetting effect. Current provisions rose by €952 million, mainly due to higher provisions for discounts. Tax liabilities also increased by €286 million.

Compared with December 31, 2023, **net debt**¹ increased by €4,851 million to €21,441 million, mainly due to increased financial indebtedness.

Net debt	June 30, 2024	Dec. 31, 2023
Million €		
Noncurrent financial indebtedness	18,702	17,085
+ Current financial indebtedness	5,027	2,182
Financial indebtedness	23,729	19,268
– Marketable securities	59	53
– Cash and cash equivalents	2,229	2,624
Net debt	21,441	16,590

¹ For an explanation of this indicator, see [Financial Position](#) from page 68 onward of the BASF Report 2023.

In the first half of 2024, **cash flows from operating activities** amounted to €1,437 million, €275 million above the prior-year period. The dividends received from investments accounted for using the equity method declined by €383 million to €88 million. In the first half of 2023, these included the dividends from Wintershall Dea in the amount of €291 million and from BASF-YPC Company Ltd., Nanjing, China, in the amount of €87 million.

Cash inflow from income after taxes after adjustments for noncash items and reclassifications was €101 million higher compared with the first half of 2023.

Cash tied up in net working capital decreased by €293 million. The change in trade accounts payable resulted in a decrease of cash tied up amounting to €2,302 million compared with the prior-year period. By contrast, a build-up of inventories in the first half of 2024 led to cash tied up in the amount of €720 million, while €418 million was released from inventories in the prior-year period. At the same time, the increase in trade accounts receivable tied up additional cash amounting to €871 million.

The payments for variable compensation components decreased by €675 million compared with the prior-year period.

In the first half of 2024, **cash flows from investing activities** recorded an outflow of cash of €3,010 million, which was €1,032 million higher than in the first half of the previous year. The main reason for this was payments totaling €522 million for the acquisition of the equity-accounted shareholdings for the Nordlicht 1 and 2 wind farm projects as well as the subsequent capital increase. The €284 million increase in payments made for intangible assets as well as property, plant and equipment was incurred in particular in connection with investments in the new Verbund site in China.

In the first half of 2024, €202 million was spent on acquisitions. This mainly concerned the acquisition of MDI production plants in Shanghai, China, which BASF and Huntsman previously operated together.

In the first half of the previous year, payments of €83 million for the sale of an office building in Europe were included in cash flows from investing activities; there were no payments made for acquisitions.

Cash flows from financing activities amounted to €1,184 million and increased by €310 million compared with the first half of the previous year. In the previous year, own shares worth around €70 million were repurchased. Additionally, the repayment of financial and similar liabilities declined. Overall, their net change led to an improvement in cash flows from financing activities of €287 million. The payment of dividends to BASF SE shareholders in the amount of €3,035 million remained unchanged compared with the previous year. By contrast, the dividends paid to minority shareholders increased by €46 million to €90 million.

Free cash flow,¹ which remains after deducting payments made for property, plant and equipment and intangible assets from cash flows from operating activities, represents the financial resources remaining after investments. Free cash flow was recorded at -€986 million, following -€977 million in the first half of 2023.

H1 free cash flow

Million €

	2024	2023
Cash flows from operating activities	1,437	1,163
– Payments made for property, plant and equipment and intangible assets	2,423	2,140
Free cash flow	-986	-977

BASF enjoys good **credit ratings**, especially compared with competitors in the chemical industry. Standard & Poor's confirmed its rating of A-/A-2/outlook stable on April 18, 2024. Moody's rating of A3/P-2/outlook stable also remained unchanged on April 17, 2024. Fitch confirmed its rating of A/F1/outlook stable on November 8, 2023.

¹ For an explanation of this indicator, see [Financial Position from page 68 onward of the BASF Report 2023](#).

Economic Environment and Outlook

Economic Environment

In the first half of 2024, **global gross domestic product (GDP)** grew by around 2.5% compared with the first six months of the previous year according to the most recent estimates. This increase was slightly above our expectations (2.2%). The services sector continued to expand at a higher rate than global industrial production, which is only showing a restrained recovery.

Growth in the **E.U.** continued to be weak compared with the previous year. Germany's GDP merely stagnated according to the most recent estimates. GDP growth in Italy and France was slightly higher compared with the first half of 2023 (around 1%). Only in Spain is GDP growth, at more than 2%, expected to have been considerably stronger, especially in the services sector. The **U.S.** economy is expected to have grown by almost 3% compared with the prior-year period. Compared with the second half of 2023, however, this growth momentum slowed considerably. Here too, the largest contributions came from services consumption, while goods consumption only expanded weakly compared with the previous year. **China's** GDP grew by 5%. However, retail sales growth, which is a key indicator of private domestic demand, stayed considerably below that rate. Consumer sentiment in China remained subdued due to the crisis in the construction sector and general economic uncertainty.

Based on preliminary, partly estimated data, **global industrial production** expanded by 1.4%. Production in the automotive industry nearly stagnated on a global level, albeit with significant regional differences. While production in China grew by around 5% and in North America by nearly 2%, the E.U. saw a decline of more than 5%. Production of consumer durables (furniture, textiles, electrical appliances) fell in the E.U. and the United States. In China, by contrast, production increased considerably in these industries. In the food industry, production grew in China and the E.U. while dropping slightly in the United States. Residential

construction was dampened by high interest rates; public investment in infrastructure expansion and other building construction provided a counterbalance. In the E.U., building construction decreased slightly overall, while activity in the infrastructure segment increased. In the United States, construction spending – including residential construction – rose, although building permits and construction starts fell compared with the previous year. In China, the crisis in the real estate market had a negative impact on residential construction. Compared with the previous year, overall construction activity was slightly negative in Europe but positive in the United States and China according to the latest available data. In agriculture, demand weakened in the first half of the year due to existing agrochemical inventories held by distributors, falling agricultural prices (for soy, wheat, corn [maize]) and unfavorable regional weather conditions.

Global chemical production grew considerably by around 6%. In the E.U., production grew by some 3%, and in Germany by as much as around 4%. Production in North America, by contrast, decreased by around 1%. By contrast, production in China, the world's largest chemical market, increased by more than 10% according to official data, with varying growth rates for individual products and segments. The high growth rate was nevertheless largely attributable to base effects. Compared with the second half of 2023, production only increased by around 2%.

The price of oil averaged \$84 per barrel (Brent crude) in the first half of 2024, slightly above the average for the prior-year period (\$80 per barrel). After multiple oil production cuts by OPEC+ producers, global oil supply increased by only around 0.3 million barrels/day compared with the prior-year period. This increase was contrasted by oil demand growth of 1.1 million barrels/day.

Outlook

The assumptions regarding the global economic environment in 2024 from the BASF Report 2023 remain unchanged:

- Growth in gross domestic product: +2.3%
- Growth in industrial production: +2.2%
- Growth in chemical production: +2.7%
- Average euro/dollar exchange rate of \$1.10 per euro
- Average annual oil price (Brent crude) of \$80 per barrel

For the second half of 2024, BASF expects a sideways trend in demand at the global level. While leading economic indicators for our European customer industries remain weak, suggesting a further drop in demand for consumer durables and in the automotive industry, they point to a slight increase in demand in Asia and North America.

The BASF Group's forecast for the 2024 business year published in the BASF Report 2023 also remains unchanged:

- EBITDA before special items of between €8.0 billion and €8.6 billion
- Free cash flow of between €0.1 billion and €0.6 billion
- CO₂ emissions of between 16.7 million metric tons and 17.7 million metric tons

The market risks forecast in the BASF Report 2023 for the Agricultural Solutions segment partially materialized and contributed to the slight decline in the BASF Group's earnings in the first half of 2024.

For the second half of 2024, there are risks from a stronger price reduction and lower volume growth than expected. Opportunities may arise from a positive development in demand and margins.

The **statements on opportunities and risks** made in the BASF Report 2023 continue to apply overall. According to the company's assessment, neither existing individual risks nor the sum of individual risks pose a threat to the continued existence of the BASF Group.

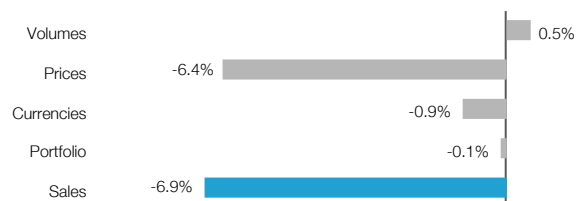
For more information on opportunities and risks, see [page 173 onward of the BASF Report 2023](#)

Information on Q2 2024

BASF Group

Sales amounted to €16,111 million, €1,194 million below the figure of the prior-year period (€17,305 million). Lower prices in all segments, but particularly in Surface Technologies, were the main driver of this development. Negative currency effects, predominantly relating to the Chinese renminbi, as well as minor portfolio effects contributed to the decline in sales. Slightly higher volumes had a positive impact on sales. Volume growth in the Industrial Solutions, Chemicals, Nutrition & Care and Materials segments more than compensated for the lower volumes in the Surface Technologies and Agricultural Solutions segments.

Factors influencing BASF Group sales in Q2 2024



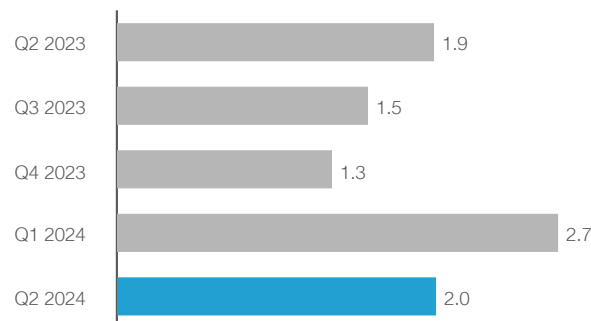
EBITDA before special items increased to €1,957 million; this represents a rise of €13 million compared with the prior-year quarter. The increase was primarily attributable to the considerable increase in earnings in the Industrial Solutions, Chemicals and Nutrition & Care segments, mainly the result of an increase in the contribution margin. This contrasted with a considerable decline in earnings in the Agricultural Solutions segment, mainly due to a decrease in volumes and lower prices for glufosinate-ammonium. EBITDA before special items decreased slightly in the Materials and Surface Technologies segments. Earnings in the Materials segment declined due to positive one-off effects in the Monomers division in the prior-year quarter. In Surface Technologies, the low precious metal prices in the Catalysts division were the main

reason for the earnings decline in the segment. EBITDA before special items attributable to Other improved considerably, mainly as a result of the release of bonus provisions. The **EBITDA margin before special items** was 12.1%, following 11.2% in the prior-year quarter.

EBITDA amounted to €1,563 million following €1,908 million in the prior-year period.

Sequential development of EBITDA before special items

Billion €



EBITDA included **special items** in the amount of -€394 million. Special charges resulted mainly from expenses for the out-of-court settlement, which does not constitute any admission of liability, in connection with the Aqueous Film Forming Foam (AFFF) multidistrict litigation in the United States as well as from restructuring measures.

At €516 million, **EBIT** was €458 million below the figure of the prior-year quarter. Depreciation and amortization¹ amounted to €1,047 million (prior-year period: €934 million).

Net income from shareholdings declined by €52 million, mainly due to the lower earnings contribution from Wintershall Dea AG, Kassel/Hamburg, Germany, which amounted to €38 million following €88 million in the prior-year period.

The **financial result** improved by €57 million to €158 million. This was predominantly due to an improvement in the other financial result of €45 million, in particular due to lower net expenses in connection with bonds in foreign currency and the corresponding hedging instruments. Furthermore, the interest result improved by €12 million due to higher interest income.

As a result, **income before income taxes** amounted to €398 million, €452 million below the prior-year quarter. The **tax rate** was -18.0%, which was considerably below the level of the previous year (34.7%), due to the recognition of deferred tax assets affecting the income statement. This was primarily due to the capitalization of deferred taxes on loss carryforwards as a result of updated usage expectations. This reduced the tax expense and led overall to a tax income and, due to positive income before income taxes, to a negative tax rate.

Overall, **income after taxes** declined by €86 million compared with the second quarter of 2023 to €470 million. **Noncontrolling interests** amounted to €40 million, down €16 million from the prior-year period. **Net income** was €430 million compared with €499 million in the prior-year quarter.

¹ Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

Earnings per share amounted to €0.48 in the second quarter of 2024 (prior-year quarter: €0.56). **Earnings per share adjusted** for special items and amortization of intangible assets amounted to €0.93 (prior-year quarter: €0.72).

Cash flows from operating activities amounted to €1,951 million in the second quarter, €228 million below the figure of the prior-year quarter.

The change was the result of several offsetting effects. The €363 million decrease in dividends received from equity-accounted shareholdings contributed to the decline in particular. In the previous year, these included the dividends of Wintershall Dea in the amount of €291 million and of BASF-YPC Company Ltd, Nanjing, China, in the amount of €87 million.

Cash released in net working capital was reduced by €118 million. An inventories buildup in the second quarter of 2024 tied up cash in the amount of €403 million, while €608 million was released from inventories in the prior-year quarter. At the same time, cash released from the reduction in trade accounts receivable decreased by €371 million to €1,028 million in the second quarter of 2024. This was offset by a slight release of cash from the change in trade accounts payable amounting to €86 million, compared with cash tied up of €1,178 million in the prior-year quarter.

Furthermore, payments for variable compensation components decreased by €541 million compared with the prior-year quarter.

Cash inflow from income after taxes after adjustment for noncash items and reclassifications was €130 million higher compared with the first half of 2023.

Cash flows from investing activities recorded a cash outflow of €2,147 million in the second quarter of 2024, an increase of €873 million compared with the prior-year quarter. This was mainly caused by payments in the amount of €522 million for the acquisition of equity-accounted shareholdings in the Nordlicht 1

and 2 wind farm projects as well as a subsequent capital increase. The €207 million increase in payments made for intangible assets and property, plant and equipment related mainly to investments in the new Verbund site in Zhanjiang, China.

While there were no payments for acquisitions in the previous year, in the second quarter of 2024, €169 million was paid for the takeover of plants for MDI production in Shanghai, China, which had been jointly operated by BASF and Huntsman until now.

In the prior-year quarter, payments of €83 million received for the divestiture of an office building in Europe had been included in cash flows from investing activities.

Net cash outflow in **cash flows from financing activities** declined by €579 million compared with the prior-year period to €354 million. This was mainly attributable to lower repayments of financial and similar liabilities. The dividends paid to the shareholders of BASF SE, which amounted to €3,035 million, remained unchanged compared with the previous year.

Free cash flow was €471 million in the second quarter of 2024 following €905 million in the prior-year period.

Q2 free cash flow

Million €

	2024	2023
Cash flows from operating activities	1,951	2,178
– Payments made for property, plant and equipment and intangible assets	1,480	1,273
Free cash flow	471	905

Chemicals

Q2 2024

**EBITDA
before special items**

€444 million

(Q2 2023: €393 million)

Segment cash flow

-€406 million

(Q2 2023: €31 million)

Sales in the Chemicals segment rose considerably compared with the prior-year quarter. This was attributable to strong sales growth in the Petrochemicals division. In contrast, sales declined in the Intermediates division.

Factors influencing sales in Q2 2024 – Chemicals

	Chemicals	Petrochemicals	Intermediates
Volumes	7.4 %	7.0 %	8.2 %
Prices	-1.5 %	3.8 %	-15.1 %
Currencies	0.1 %	0.2 %	-0.3 %
Portfolio	-	-	-
Sales	6.0%	11.1%	-7.3%

Both divisions increased volumes considerably, especially in Europe. This was mainly driven by lower imports by competitors as a result of supply chain disruptions caused by the conflict in the Red Sea. In the Petrochemicals division, volumes increased, primarily for acrylics, styrenics and superabsorbents. The Intermediates division increased sales volumes in all business areas.

Overall, lower prices had a slightly offsetting effect due to the significant price decreases in all business areas of the Intermediates division as a result of competition. Slightly higher prices in the Petrochemicals division driven by higher feedstock costs, especially for steam cracker products, were able to partially compensate for this.

Compared with the prior-year quarter, the segment's **EBITDA before special items¹** increased considerably. The Petrochemicals division increased earnings, mostly driven by higher volumes. Higher fixed costs relating to the construction of the Verbund site in Zhanjiang, China, dampened earnings growth in the division. In the Intermediates division, EBITDA before special items declined considerably, especially as the result of a price-related lower contribution margin. Slightly reduced fixed costs had an offsetting effect.

The **segment cash flow¹** of the Chemicals segment declined considerably in both operating divisions compared with the prior-year period. This was mainly due to higher capital expenditures, especially for the construction of the Verbund site in China.

Segment data – Chemicals

Million €

	Q2			H1			
	2024	2023	+/-	2024	2023	+/-	
Sales to third parties	2,838	2,679	6.0%	5,603	5,512	1.6%	
of which Petrochemicals	2,144	1,930	11.1%	4,150	3,920	5.8%	
Intermediates	695	750	-7.3%	1,453	1,592	-8.7%	
EBITDA before special items	444	393	13.0%	896	819	9.4%	
EBITDA	443	399	10.9%	896	825	8.7%	
EBITDA margin before special items	%	15.6	14.7	-	16.0	14.9	-
Depreciation and amortization ^a	213	187	14.3%	413	372	11.1%	
Income from operations (EBIT)	230	213	8.0%	483	453	6.7%	
Special items	0	10	.	0	9	.	
EBIT before special items	230	202	13.8%	483	443	9.0%	
Investments including acquisitions ^b	908	674	34.7%	1,468	1,057	38.9%	
Segment cash flow	-406	31	.	-962	-156	-517.5%	
Assets (June 30)	13,034	10,750	21.2%	13,034	10,750	21.2%	
Research and development expenses	20	22	-9.2%	42	45	-7.3%	

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

¹ For EBITDA before special items and segment cash flow, "slight" means a change of 0.1%–10.0%, while "considerable" and its synonyms are used for changes of 10.1% and higher. "At prior-year level" indicates no change (+/-0.0%).

Materials

Q2 2024

**EBITDA
before special items**

€448 million

(Q2 2023: €462 million)

Segment cash flow

€137 million

(Q2 2023: €573 million)

Sales in both operating divisions declined compared with the second quarter of 2023.

Factors influencing sales in Q2 2024 – Materials

	Materials	Performance Materials	Monomers
Volumes	0.6%	2.2%	-1.2%
Prices	-5.1%	-6.8%	-3.4%
Currencies	-0.6%	-0.7%	-0.6%
Portfolio	-0.1%	-0.3%	–
Sales	-5.3%	-5.6%	-5.1%

Sales performance was mainly due to lower prices. Prices in the Performance Materials division decreased particularly in Europe and North America. The Monomers division recorded lower prices in nearly all regions and value chains. In Asia Pacific, prices in the Monomers division were almost on a level with the prior-year quarter, as higher MDI prices compensated for lower TDI prices.

Furthermore, negative currency effects, especially from the Chinese renminbi, contributed to the decline in sales.

Slightly higher sales volumes overall, particularly in the Asia Pacific region, had a positive impact on sales performance.

The segment's **EBITDA before special items** was slightly below the figure of the prior-year quarter. This was mainly driven by the considerably lower earnings in the Monomers division, which resulted from positive one-off effects in the prior-year period. A higher contribution margin in the ammonia value chain and higher MDI prices had a positive impact on the division's EBITDA before special items. Performance Materials increased EBITDA before special items considerably, primarily due to higher volumes.

The **EBITDA** of the Materials segment included special charges totaling €19 million, which were primarily expenses related to adaptations to the production structure at the Verbund site in Ludwigshafen, Germany.

The **segment cash flow** recorded a considerable decline compared with the second quarter of 2023. In both operating divisions, this development resulted from cash tied up in inventories and trade accounts receivable, after cash was released in the prior-year period. This could not be offset by the higher earnings of the Performance Materials division and lower capital expenditures.

Segment data – Materials

Million €

	Q2			H1			
	2024	2023	+/-	2024	2023	+/-	
Sales to third parties	3,416	3,609	-5.3%	6,857	7,453	-8.0%	
of which Performance Materials	1,740	1,843	-5.6%	3,499	3,793	-7.8%	
Monomers	1,675	1,765	-5.1%	3,358	3,659	-8.2%	
EBITDA before special items	448	462	-3.2%	956	910	5.0%	
EBITDA	429	425	0.9%	978	876	11.7%	
EBITDA margin before special items	%	13.1	12.8	–	13.9	12.2	–
Depreciation and amortization ^a	208	197	5.7%	412	402	2.4%	
Income from operations (EBIT)	221	228	-3.2%	567	474	19.5%	
Special items	-19	-36	47.6%	15	-33	–	
EBIT before special items	240	265	-9.3%	551	507	8.6%	
Investments including acquisitions ^b	220	223	-1.3%	512	420	21.9%	
Segment cash flow	137	573	-76.2%	222	684	-67.6%	
Assets (June 30)	10,386	10,499	-1.1%	10,386	10,499	-1.1%	
Research and development expenses	45	46	-2.8%	91	94	-3.1%	

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Industrial Solutions

Q2 2024

**EBITDA
before special items**

€320 million

(Q2 2023: €207 million)

Segment cash flow

€150 million

(Q2 2023: €414 million)

The Industrial Solutions segment increased **sales** compared with the prior-year period. Both operating divisions contributed to the increase.

Factors influencing sales in Q2 2024 – Industrial Solutions

	Industrial Solutions	Dispersions & Resins	Performance Chemicals
Volumes	10.2%	10.9%	9.1%
Prices	-4.5%	-2.7%	-7.3%
Currencies	-1.0%	-1.4%	-0.4%
Portfolio	–	–	–
Sales	4.8%	6.9%	1.4%

Sales growth was attributable to strongly increased volumes as a result of heightened demand. The Dispersions & Resins division increased sales volumes, especially in the dispersions, additives and electronic materials businesses. In the Performance Chemicals division, volumes increased in nearly all business areas.

Sales performance in the segment was particularly dampened by the lower prices in all business areas as a result of lower raw materials prices.

Negative currency effects, mainly due to the Chinese renminbi, reduced sales slightly.

The segment recorded considerable growth in **EBITDA before special items**, primarily due to increased volumes and lower fixed costs in both operating divisions. The **EBITDA margin before special items** increased to 14.9% due to the segment's earnings performance, following 10.1% in the prior-year period.

Compared with the second quarter of 2023, the **segment cash flow** decreased considerably in both divisions, especially due to cash tied up in inventories and receivables. By contrast, cash was released in the prior-year period, mainly as a result of measures to reduce inventories.

Segment data – Industrial Solutions

Million €

	Q2			H1		
	2024	2023	+/-	2024	2023	+/-
Sales to third parties	2,147	2,050	4.8%	4,204	4,193	0.3%
of which Dispersions & Resins	1,354	1,266	6.9%	2,629	2,574	2.1%
Performance Chemicals	794	783	1.4%	1,575	1,618	-2.7%
EBITDA before special items	320	207	54.3%	652	507	28.5%
EBITDA	320	278	15.0%	650	570	14.1%
EBITDA margin before special items	14.9	10.1	–	15.5	12.1	–
Depreciation and amortization ^a	86	83	3.0%	170	178	-4.5%
Income from operations (EBIT)	234	195	20.1%	480	392	22.6%
Special items	0	71	.	-2	52	.
EBIT before special items	234	124	88.7%	482	340	41.6%
Investments including acquisitions ^b	56	69	-18.4%	104	122	-15.0%
Segment cash flow	150	414	-63.8%	209	562	-62.8%
Assets (June 30)	5,986	6,046	-1.0%	5,986	6,046	-1.0%
Research and development expenses	35	39	-11.8%	71	80	-11.4%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Surface Technologies

Q2 2024

**EBITDA
before special items**

€366 million

(Q2 2023: €374 million)

Segment cash flow

€190 million

(Q2 2023: €427 million)

Compared with the prior-year period, both divisions recorded a decline in **sales** in the second quarter of 2024. The Catalysts division burdened the segment's sales performance significantly.

Factors influencing sales in Q2 2024 – Surface Technologies

	Surface Technologies	Catalysts	Coatings
Volumes	-9.2%	-11.5%	-2.8%
Prices	-13.0%	-18.2%	1.3%
Currencies	-1.0%	-0.1%	-3.4%
Portfolio	-0.3%	-0.4%	-
Sales	-23.4%	-30.2%	-4.9%

Sales performance was mainly driven by the significantly declined precious metal prices and lower prices for mobile emissions catalysts in the Catalysts division. Sales in precious metal trading and precious metal sales in the mobile emissions catalysts business¹ were €1,274 million, which was considerably below the level of the prior-year quarter (€2,019 million). This decline could not be offset by slight price increases in the automotive OEM coatings and surface treatment business areas of the Coatings division.

Furthermore, considerably lower sales volumes reduced sales. In the Catalysts division, volumes decreased in all business areas. In the Coatings division, volume growth in the surface treatment

business was able to partially offset the decline in volumes in the other business areas.

Negative currency effects, particularly in the Coatings division, resulted mainly from the Argentine peso and the Turkish lira. Portfolio effects resulted from the divestiture of the production site in De Meern, Netherlands, as of August 31, 2023.

The segment's **EBITDA before special items** declined slightly. This was due to the considerably lower precious metal prices in the Catalysts division. This decline could not be offset by the higher EBITDA before special items in the battery materials business. The Coatings division increased EBITDA before special items slightly. In this division, a higher contribution margin was able to offset the inflation-driven increase in fixed costs.

The segment's **EBITDA margin before special items** was 11.3%, following 8.8% in the prior-year quarter. Special items in the **EBITDA** of the Surface Technologies segment were -€46 million in the second quarter of 2024, which mainly resulted from special charges in connection with the conversion of the ERP system for a differentiated steering of the business.

The strong decline in the **segment cash flow** affected both divisions. This development in the Catalysts division was primarily attributable to less cash released from working capital compared with the prior-year period. The cash flow in the Coatings division was mainly burdened by special items.

Segment data – Surface Technologies

Million €

	Q2			H1		
	2024	2023	+/-	2024	2023	+/-
Sales to third parties	3,235	4,226	-23.4%	6,583	8,804	-25.2%
of which Catalysts	2,163	3,099	-30.2%	4,478	6,638	-32.5%
Coatings	1,072	1,127	-4.9%	2,105	2,166	-2.8%
EBITDA before special items	366	374	-2.1%	722	776	-7.0%
EBITDA	320	334	-4.2%	647	703	-8.0%
EBITDA margin before special items	11.3	8.8	-	11.0	8.8	-
Depreciation and amortization ^a	148	144	3.0%	294	283	3.6%
Income from operations (EBIT)	171	190	-9.7%	353	420	-15.9%
Special items	-46	-40	-14.5%	-75	-74	-2.0%
EBIT before special items	218	230	-5.5%	428	494	-13.2%
Investments including acquisitions ^b	109	130	-15.7%	203	232	-12.7%
Segment cash flow	190	427	-55.4%	482	734	-34.3%
Assets (June 30)	12,552	13,552	-7.4%	12,552	13,552	-7.4%
Research and development expenses	81	77	6.2%	164	159	3.4%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Nutrition & Care

Q2 2024

**EBITDA
before special items**

€183 million

(Q2 2023: €140 million)

Segment cash flow

€19 million

(Q2 2023: €186 million)

Sales in the Nutrition & Care segment were slightly below the figure of the second quarter of 2023. While the Care Chemicals division recorded slightly lower sales than in the prior-year quarter, sales in the Nutrition & Health division decreased considerably.

Factors influencing sales in Q2 2024 – Nutrition & Care

	Nutrition & Care	Care Chemicals	Nutrition & Health
Volumes	7.6%	9.4%	3.8%
Prices	-9.1%	-9.2%	-8.8%
Currencies	-1.1%	-1.1%	-1.2%
Portfolio	-0.1%	–	-0.3%
Sales	-2.7%	-0.9%	-6.5%

Price decreases in all business areas as a result of highly competitive market conditions were partially offset by increased sales volumes in both operating divisions. The Care Chemicals division considerably increased volumes in the home care, industrial and institutional cleaning, and industrial formulators business areas as well as in the oleochemical surfactants and alcohols business. Sales volumes in the Nutrition & Health division grew mainly in the aroma and nutrition business areas.

Currency effects had a slightly negative impact on sales.

Compared with the prior-year period, both operating divisions increased **EBITDA before special items**, particularly as a result of higher volumes in connection with reduced raw materials costs. Higher fixed costs negatively impacted earnings performance. Fixed costs in the Nutrition & Health division rose slightly, especially due to scheduled turnarounds. Earnings performance consequently increased the segment's **EBITDA margin before special items** to 11.0%. It was 8.2% in the prior-year quarter.

The **segment cash flow** declined considerably. This was primarily driven by cash tied up due to an increase in inventories in preparation for scheduled turnarounds. Furthermore, the Care Chemicals division recorded less cash released from receivables compared with the prior-year quarter. In the Nutrition & Health division, higher capital expenditures for the aroma projects in Zhanjiang, China, and Ludwigshafen, Germany, also contributed to the lower cash flow. The cash released from receivables – cash had been tied up in the prior-year quarter – and higher earnings in the division had an offsetting effect.

Segment data – Nutrition & Care

Million €

	Q2			H1		
	2024	2023	+/-	2024	2023	+/-
Sales to third parties	1,667	1,712	-2.7%	3,396	3,538	-4.0%
of which Care Chemicals	1,164	1,175	-0.9%	2,381	2,475	-3.8%
Nutrition & Health	503	538	-6.5%	1,015	1,063	-4.6%
EBITDA before special items	183	140	31.1%	445	331	34.4%
EBITDA	195	168	16.0%	456	358	27.2%
EBITDA margin before special items %	11.0	8.2	–	13.1	9.4	–
Depreciation and amortization ^a	175	107	63.4%	306	217	41.0%
Income from operations (EBIT)	20	61	-67.2%	150	141	6.0%
Special items	-35	28	.	-36	27	.
EBIT before special items	54	33	67.4%	186	114	62.5%
Investments including acquisitions ^b	189	180	5.1%	327	323	1.2%
Segment cash flow	19	186	-90.0%	-45	189	.
Assets (June 30)	7,775	7,832	-0.7%	7,775	7,832	-0.7%
Research and development expenses	35	40	-11.3%	74	79	-6.5%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Agricultural Solutions

Q2 2024

**EBITDA
before special items**

€135 million

(Q2 2023: €392 million)

Segment cash flow

€1,005 million

(Q2 2023: €1,079 million)

In the Agricultural Solutions segment, **sales** in the second quarter of 2024 decreased considerably compared with the prior-year quarter, mainly due to lower sales in North America.

Factors influencing sales in Q2 2024 – Agricultural Solutions

Volumes	-8.5%
Prices	-2.1%
Currencies	-2.6%
Portfolio	–
Sales	-13.2%

Sales in **Europe** increased slightly due to higher volumes of fungicides and insecticides. Negative currency effects, primarily relating to the Turkish lira, were almost completely compensated for by higher prices.

In **North America**, sales declined, mainly as a result of lower sales volumes of seeds and traits. In addition, lower volumes and prices for fungicides and herbicides contributed to this negative development.

In **Asia**, sales were considerably above the prior-year quarter due to higher volumes of crop protection products. Negative currency effects – primarily relating to the Japanese yen and the Chinese renminbi – and lower prices dampened performance.

Sales in the region **South America, Africa, Middle East** fell considerably. Negative currency effects, mainly from the Argentine peso and the Brazilian real, and lower volumes could not be fully offset by price increases.

The decline in volumes and considerably lower prices for glufosinate-ammonium due to difficult market conditions were the main drivers of the lower **EBITDA before special items** and the lower **EBITDA margin before special items** compared with the second quarter of 2023.

The **segment cash flow** was slightly below the previous year. An increase in cash released from trade accounts receivable and lower cash tied up in inventories almost compensated for the lower EBITDA.

Segment data – Agricultural Solutions

Million €

	Q2			H1		
	2024	2023	+/-	2024	2023	+/-
Sales to third parties	1,937	2,231	-13.2%	5,415	6,122	-11.5%
of which Fungicides	594	660	-9.9%	1,655	1,869	-11.5%
Herbicides	720	863	-16.7%	1,640	2,085	-21.3%
Insecticides	243	220	10.2%	520	533	-2.4%
Seed Treatment	119	132	-9.4%	258	298	-13.3%
Seeds & Traits	261	355	-26.6%	1,342	1,337	0.4%
EBITDA before special items	135	392	-65.7%	1,496	1,824	-18.0%
EBITDA	123	388	-68.4%	1,481	1,821	-18.7%
EBITDA margin before special items	% 6.9	17.6	–	27.6	29.8	–
Depreciation and amortization ^a	168	179	-6.4%	333	352	-5.1%
Income from operations (EBIT)	-45	208	.	1,148	1,469	-21.9%
Special items	-14	-5	-187.2%	-17	-3	-415.8%
EBIT before special items	-31	213	.	1,165	1,473	-20.9%
Investments including acquisitions ^b	72	72	0.7%	119	162	-26.5%
Segment cash flow	1,005	1,079	-6.8%	291	321	-9.4%
Assets (June 30)	17,116	18,153	-5.7%	17,116	18,153	-5.7%
Research and development expenses	249	222	12.1%	451	447	1.0%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

Other

Q2 2024

Sales

€870 million

(Q2 2023: 799 million)

EBITDA

before special items

€62 million

(Q2 2023: -€24 million)

Sales of Other increased in the second quarter of 2024 mainly as a result of sales growth in commodity trading.

Compared with the prior-year period, **EBITDA before special items** could be considerably improved. This resulted in particular from the reversal of bonus provisions.

The **EBITDA** of Other included special items in the amount of -€328 million in the second quarter of 2024. This included special charges in the amount of €293 million for the out-of-court settlement, which does not constitute any admission of liability, in connection with Aqueous Film Forming Foam (AFFF) multidistrict litigation in the United States.

Financial data – Other

Million €

	Q2			H1		
	2024	2023	+/-	2024	2023	+/-
Sales	870	799	8.9%	1,607	1,676	-4.1%
EBITDA before special items	62	-24	.	-498	-359	-38.7%
of which costs for cross-divisional corporate research	-49	-66	26.1%	-102	-125	18.2%
costs of corporate headquarters	-58	-60	2.5%	-118	-120	1.4%
other businesses	61	43	42.9%	70	59	18.8%
foreign currency results, hedging and other measurement effects	17	12	44.0%	-36	-26	-40.7%
miscellaneous income and expenses	91	48	90.1%	-312	-148	-111.0%
EBITDA	-266	-84	-214.8%	-890	-434	-105.0%
Depreciation and amortization ^a	49	37	33.6%	85	75	14.0%
Income from operations (EBIT)	-315	-121	-159.9%	-975	-509	-91.7%
Special items	-339	-61	-455.3%	-403	-75	-435.8%
EBIT before special items	24	-60	.	-572	-434	-32.0%
Investments including acquisitions ^b	82	41	99.1%	110	72	53.7%
Assets (June 30) ^c	15,598	16,672	-6.4%	15,598	16,672	-6.4%
Research and development expenses	59	70	-15.6%	121	149	-19.2%

^a Depreciation and amortization of property, plant and equipment and intangible assets (including impairments and reversals of impairments)

^b Additions to property, plant and equipment and intangible assets

^c Includes assets of businesses recognized under Other and reconciliation to assets of the BASF Group

Regions

Q2 2024

Sales at companies located in **Europe** declined by 4.2% to €6,697 million compared with the prior-year quarter. Lower prices in almost all segments were the main driver of this development. Slight price increases in the Agricultural Solutions and Chemicals segments were unable to compensate for lower prices in the other segments. Negative currency effects, especially in the Agricultural Solutions segment, as well as portfolio effects in the Surface Technologies segment, among others, additionally reduced sales. Volume growth in all segments apart from Surface Technologies and Materials was unable to offset this.

Compared with the prior-year period, sales at companies located in **North America** declined to €4,365 million; this corresponds to a decrease of 11.0%. In local currency terms, sales declined by 11.9%. Higher volumes in the Industrial Solutions, Chemicals and Nutrition & Care segments were unable to compensate for the negative sales volume development of the other segments. Furthermore, all segments were affected by negative price developments. Positive currency effects were only able to slightly mitigate the decline in sales.

The **Asia Pacific** region recorded a decline in sales of 6.6% to €4,065 million. In local currency terms, sales decreased by 4.5%. At €2,276 million, sales in Greater China were 5.3% below the figure of the prior-year period. The negative sales performance in the Asia Pacific region was mainly driven by lower prices in all segments. Negative currency effects had an impact on all segments. Positive volume effects, mainly in the Materials and Industrial Solutions segments, had an offsetting effect.

In the **South America, Africa, Middle East** region, sales declined by 7.0% to €984 million. In local currency terms, sales rose by 0.4%. The decline in sales was mainly driven by currency and price effects in almost all segments. The price increases in the Agricultural Solutions and Surface Technologies segments only partially offset the price decreases in the other segments. Overall, volumes were slightly above the level of the second quarter of 2023. The strong volume growth particularly in the Chemicals and Industrial Solutions segments contrasted with a decline in volumes in the Agricultural Solutions and Surface Technologies segments.

Regions

Million €

Q2	Sales by location of company			Sales by location of customer		
	2024	2023	+/-	2024	2023	+/-
Europe	6,697	6,991	-4.2%	6,335	6,567	-3.5%
of which Germany	2,838	2,891	-1.8%	1,554	1,739	-10.6%
North America	4,365	4,905	-11.0%	4,291	4,890	-12.2%
Asia Pacific	4,065	4,351	-6.6%	4,182	4,427	-5.5%
of which Greater China	2,276	2,404	-5.3%	2,267	2,387	-5.1%
South America, Africa, Middle East	984	1,058	-7.0%	1,303	1,422	-8.4%
BASF Group	16,111	17,305	-6.9%	16,111	17,305	-6.9%
H1						
Europe	14,107	15,591	-9.5%	13,461	14,768	-8.8%
of which Germany	5,778	6,263	-7.7%	3,236	3,742	-13.5%
North America	9,740	10,838	-10.1%	9,523	10,811	-11.9%
Asia Pacific	7,895	8,806	-10.3%	8,106	8,941	-9.3%
of which Greater China	4,378	4,713	-7.1%	4,338	4,663	-7.0%
South America, Africa, Middle East	1,922	2,062	-6.8%	2,574	2,777	-7.3%
BASF Group	33,664	37,297	-9.7%	33,664	37,297	-9.7%

Reconciliation Tables of Various Earnings Indicators H1 2024

H1 EBITDA before special items

Million €	2024	2023
EBIT	2,205	2,841
– Special items	-517	-98
EBIT before special items	2,723	2,938
+ Depreciation and amortization before special items	1,919	1,851
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	27	19
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	1,946	1,871
EBITDA before special items	4,669	4,809
Sales revenue	33,664	37,297
EBITDA margin before special items %	13.9	12.9

H1 EBITDA

Million €	2024	2023
EBIT	2,205	2,841
+ Depreciation and amortization	1,919	1,851
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets	93	26
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets	2,012	1,878
EBITDA	4,218	4,718

H1 adjusted earnings per share

Million €	2024	2023
Income after taxes	1,880	2,159
– Special items ^a	-454	-98
+ Amortization, impairments and reversals of impairments on intangible assets	342	308
– Amortization, impairments and reversals of impairments on intangible assets contained in special items	46	–
– Adjustments to income taxes	218	107
Adjusted income after taxes	2,412	2,457
– Adjusted noncontrolling interests	89	93
Adjusted net income	2,323	2,364
Weighted average number of outstanding shares ^b	in thousands 892,522	892,761
Adjusted earnings per share	€ 2.60	2.65

^a Includes special items in net income from shareholdings of €64 million for the first half of 2024.

^b Due to the share buyback program terminated in February 2023, the weighted average number of outstanding shares in the first half of 2024 was 892,522,164 and 892,760,923 in the first half of 2023.

Reconciliation Tables of Various Earnings Indicators Q2 2024

Q2 EBITDA before special items

Million €	2024	2023
EBIT	516	974
– Special items	-453	-33
EBIT before special items	969	1,007
+ Depreciation and amortization before special items	972	924
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	15	14
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets before special items	988	937
EBITDA before special items	1,957	1,944
Sales revenue	16,111	17,305
EBITDA margin before special items %	12.1	11.2

Q2 EBITDA

Million €	2024	2023
EBIT	516	974
+ Depreciation and amortization	972	924
+ Impairments and reversals of impairments on property, plant and equipment and intangible assets	75	10
Depreciation, amortization, impairments and reversals of impairments on property, plant and equipment and intangible assets	1,047	934
EBITDA	1,563	1,908

Q2 adjusted earnings per share

Million €	2024	2023
Income after taxes	470	555
– Special items ^a	-455	-33
+ Amortization, impairments and reversals of impairments on intangible assets	190	153
– Amortization, impairments and reversals of impairments on intangible assets contained in special items	46	–
– Adjustments to income taxes	198	50
Adjusted income after taxes	869	692
– Adjusted noncontrolling interests	43	48
Adjusted net income	826	644
Weighted average number of outstanding shares	in thousands 892,522	892,522
Adjusted earnings per share	€ 0.93	0.72

a Includes special items in net income from shareholdings of -€1 million for the second quarter of 2024.

Condensed Consolidated Half-Year Financial Statements 2024

Statement of Income

Statement of income

Million €

	Explanations in note	Q2		H1	
		2024	2023	2024	2023
Sales revenue		16,111	17,305	33,664	37,297
Cost of sales		-11,920	-13,162	-24,524	-27,906
Gross profit on sales		4,191	4,143	9,140	9,391
Selling expenses		-2,253	-2,194	-4,375	-4,425
General administrative expenses		-374	-382	-745	-748
Research and development expenses		-524	-515	-1,014	-1,053
Other operating income	[5]	390	586	768	875
Other operating expenses	[5]	-956	-687	-1,660	-1,302
Income from integral companies accounted for using the equity method		41	22	93	103
Income from operations (EBIT)		516	974	2,205	2,841
Income from non-integral companies accounted for using the equity method		41	96	257	275
Income from other shareholdings		18	3	44	21
Expenses from other shareholdings		-19	-7	-32	-21
Net income from shareholdings		40	92	269	275
Interest income		91	66	184	126
Interest expenses		-239	-226	-458	-405
Interest result		-147	-159	-274	-279
Other financial income		38	24	78	58
Other financial expenses		-48	-80	-108	-113
Other financial result		-11	-56	-31	-55
Financial result		-158	-215	-304	-334
Income before income taxes		398	851	2,170	2,781
Income taxes		72	-296	-290	-622
Income after taxes		470	555	1,880	2,159
of which attributable to shareholders of BASF SE (net income)		430	499	1,797	2,061
attributable to noncontrolling interests		40	56	83	98
Basic earnings per share	€	0.48	0.56	2.01	2.31
Diluted earnings per share	€	0.48	0.56	2.01	2.31

Statement of Income and Expense Recognized in Equity

BASF Group statement of comprehensive income

Million €

	H1	
	2024	2023
Income after taxes	1,880	2,159
Remeasurement of defined benefit plans	1,284	-31
Deferred taxes on the remeasurement of defined benefit plans	-338	21
Investments accounted for using the equity method — share of nonreclassifiable gains/losses (after taxes)	31	0
Nonreclassifiable gains/losses	976	-11
Unrealized gains/losses from debt instruments measured at fair value through other comprehensive income	-5	-
Unrealized gains/losses in connection with cash flow hedges	47	-55
Reclassification of realized gains/losses recognized in the statement of income in connection with cash flow hedges	-62	6
Unrealized gains/losses from currency translation	280	-862
Deferred taxes on reclassifiable gains/losses	-6	17
Investments accounted for using the equity method — share of reclassifiable gains/losses (after taxes)	61	261
Reclassifiable gains/losses	313	-633
Other comprehensive income after taxes	1,290	-644
of which attributable to shareholders of BASF SE	1,266	-576
attributable to noncontrolling interests	23	-68
Comprehensive income	3,170	1,516
of which attributable to shareholders of BASF SE	3,064	1,485
attributable to noncontrolling interests	106	30

Balance Sheet

Assets

Million €

	June 30, 2024	December 31, 2023	June 30, 2023
Intangible assets	12,075	12,216	12,846
Property, plant and equipment	25,359	24,080	23,186
Integral investments accounted for using the equity method	2,560	2,054	2,129
Non-integral investments accounted for using the equity method	4,890	4,518	5,023
Other financial assets	1,103	1,099	1,181
Deferred tax assets	632	617	887
Receivables for income taxes	84	80	91
Other receivables and miscellaneous assets	1,991	1,258	1,548
Noncurrent assets	48,694	45,923	46,890
Inventories	14,633	13,876	15,438
Accounts receivable, trade	12,192	10,414	12,832
Receivables for income taxes	619	717	893
Other receivables and miscellaneous assets	4,020	3,787	4,755
Marketable securities	59	53	223
Cash and cash equivalents	2,229	2,624	2,474
Current assets	33,753	31,472	36,615
Total assets	82,447	77,395	83,505

Equity and liabilities

Million €

	Explanations in note	June 30, 2024	December 31, 2023	June 30, 2023
Subscribed capital		1,142	1,142	1,142
Capital reserves		3,139	3,139	3,147
Retained earnings		31,277	32,517	34,414
Other comprehensive income		-221	-1,521	-711
Equity attributable to shareholders of BASF SE		35,337	35,277	37,993
Noncontrolling interests		1,384	1,368	1,336
Equity	[6]	36,721	36,646	39,328
Provisions for pensions and similar obligations		2,474	2,896	2,605
Deferred tax liabilities		906	1,140	1,189
Tax provisions		369	335	332
Other provisions		1,689	1,684	1,552
Financial indebtedness	[7]	18,702	17,085	17,624
Other liabilities		1,668	1,739	1,653
Noncurrent liabilities		25,809	24,879	24,954
Accounts payable, trade		6,776	6,741	6,011
Provisions		4,167	3,214	4,153
Tax liabilities		1,088	801	1,267
Financial indebtedness	[7]	5,027	2,182	5,321
Other liabilities		2,859	2,931	2,471
Current liabilities		19,917	15,871	19,223
Total equity and liabilities		82,447	77,395	83,505

Statement of Cash Flows

Statement of cash flows

Million €

	Q2		H1	
	2024	2023	2024	2023
Net income	430	499	1,797	2,061
Depreciation and amortization of property, plant and equipment and intangible assets ^a	1,047	934	2,012	1,878
Equity-accounted income	-83	-118	-350	-377
Other noncash items	23	38	94	-56
Gains (-) / losses (+) from the disposal of noncurrent assets and securities	-8	-74	-35	-88
Dividends received from equity-accounted investments	76	438	88	471
Changes in inventories	-403	608	-720	418
Changes in accounts receivable, trade	1,028	1,398	-1,767	-896
Changes in accounts payable, trade	86	-1,178	0	-2,302
Changes in provisions	-203	-433	949	288
Changes in other operating assets	-283	291	-403	519
Changes in other operating liabilities and pension provisions	241	-225	-230	-754
Cash flows from operating activities	1,951	2,178	1,437	1,163
Payments made for property, plant and equipment and intangible assets	-1,480	-1,273	-2,423	-2,140
Payments made for financial assets and securities	-804	-207	-969	-366
Payments made for acquisitions	-169	-	-202	-
Payments received for divestitures	17	-	33	22
Payments received from the disposal of noncurrent assets and securities	288	206	552	506
Cash flows from investing activities	-2,147	-1,274	-3,010	-1,978
Capital increases/repayments and other equity transactions	-	-	-	-70
Additions to financial and similar liabilities	3,066	3,779	5,482	7,459
Repayment of financial and similar liabilities	-332	-1,635	-1,173	-3,436
Dividends paid	-3,088	-3,078	-3,125	-3,078
Cash flows from financing activities	-354	-934	1,184	874
Cash-effective changes in cash and cash equivalents	-551	-30	-388	59
Changes in cash and cash equivalents from foreign exchange rates and changes in the scope of consolidation	-6	-58	-7	-100
Cash and cash equivalents at the beginning of the period	2,786	2,562	2,624	2,516
Cash and cash equivalents at the end of the period	2,229	2,474	2,229	2,474

^a This item includes depreciation and amortization, impairments and reversals of impairments.

Q2 Reconciliation of segment cash flow to free cash flow

Million €

	2024	2023
Segment cash flow	1,095	2,710
+ Net income from shareholdings	40	92
+ Financial result	-158	-215
+ Income taxes ^a	72	-296
+ Cash flows not allocated to segments, changes in other balance sheet items and adjustment of other noncash effects	-578	-1,386
Free cash flow	471	905

H1 Reconciliation of segment cash flow to free cash flow

Million €

	2024	2023
Segment cash flow	196	2,334
+ Net income from shareholdings	269	275
+ Financial result	-304	-334
+ Income taxes ^a	-290	-622
+ Cash flows not allocated to segments, changes in other balance sheet items and adjustment of other noncash effects	-857	-2,629
Free cash flow	-986	-977

^a The value corresponds to the amount recognized in the statement of income and does not represent a cash flow.

Statement of Changes in Equity

H1 2024^a

Million €

	Subscribed capital	Capital reserves	Retained earnings	Remeasurement of defined benefit plans	Currency translation	Measurement of securities at fair value	Cash flow hedges	Other comprehensive income ^b	Equity attributable to shareholders of BASF SE	Non-controlling interests	Equity
As of January 01, 2024	1,142	3,139	32,517	-1,739	320	-167	65	-1,521	35,277	1,368	36,646
Treasury shares	–	–	–	–	–	–	–	–	–	–	–
Dividends paid	–	–	-3,035	–	–	–	–	–	-3,035	-90 ^c	-3,125
Income after taxes	–	–	1,797	–	–	–	–	–	1,797	83	1,880
Other comprehensive income after taxes	–	–	–	976	345	-3	-51	1,266	1,266	23	1,290
Gains and losses on cash flow hedges and hedging costs, eliminated from other comprehensive income not affecting profit and loss	–	–	–	–	–	–	33	33	33	–	33
Changes in scope of consolidation and other changes	–	–	-3	–	–	–	–	–	-3	–	-3
As of June 30, 2024	1,142	3,139	31,277	-763	665	-171	48	-221	35,337	1,384	36,721

H1 2023^a

Million €

	Subscribed capital	Capital reserves	Retained earnings	Remeasurement of defined benefit plans	Currency translation	Measurement of securities at fair value	Cash flow hedges	Other comprehensive income ^b	Equity attributable to shareholders of BASF SE	Non-controlling interests	Equity
As of January 01, 2023	1,144	3,147	35,453	-1,207	1,540	0	-504	-171	39,573	1,350	40,923
Treasury shares	-2	–	-68	–	–	–	–	–	-70	–	-70
Dividends paid	–	–	-3,035	–	–	–	–	–	-3,035	-44 ^c	-3,078
Income after taxes	–	–	2,061	–	–	–	–	–	2,061	98	2,159
Other comprehensive income after taxes	–	–	–	-10	-968	0	402	-576	-576	-68	-644
Gains and losses on cash flow hedges and hedging costs, eliminated from other comprehensive income not affecting profit and loss	–	–	–	–	–	–	34	34	34	–	34
Changes in scope of consolidation and other changes	–	–	2	2	–	–	–	2	4	–	4
As of June 30, 2023	1,142	3,147	34,414	-1,216	572	0	-68	-711	37,993	1,336	39,328

^a For more information on the items relating to equity, see Note 6 on page 36.

^b Details are provided in the Statement of Income and Expense Recognized in Equity on page 25.

^c Including profit and loss transfers

Segment Reporting

H1

Million €

	Sales		EBITDA before special items ^{a, d}		EBITDA ^a		Income from operations (EBIT) before special items	
	2024	2023	2024	2023	2024	2023	2024	2023
	Chemicals	5,603	5,512	896	819	896	825	483
Materials	6,857	7,453	956	910	978	876	551	507
Industrial Solutions	4,204	4,193	652	507	650	570	482	340
Surface Technologies	6,583	8,804	722	776	647	703	428	494
Nutrition & Care	3,396	3,538	445	331	456	358	186	114
Agricultural Solutions	5,415	6,122	1,496	1,824	1,481	1,821	1,165	1,473
Other	1,607	1,676	-498	-359	-890	-434	-572	-434
BASF Group	33,664	37,297	4,669	4,809	4,218	4,718	2,723	2,938

H1

Million €

	Segment cash flow ^{b, d}		Research and development expenses		Assets		Investments including acquisitions ^c	
	2024	2023	2024	2023	2024	2023	2024	2023
Chemicals	-962	-156	42	45	13,034	10,750	1,468	1,057
Materials	222	684	91	94	10,386	10,499	512	420
Industrial Solutions	209	562	71	80	5,986	6,046	104	122
Surface Technologies	482	734	164	159	12,552	13,552	203	232
Nutrition & Care	-45	189	74	79	7,775	7,832	327	323
Agricultural Solutions	291	321	451	447	17,116	18,153	119	162
Other	-	-	121	149	15,598	16,672	110	72
BASF Group	-	-	1,014	1,053	82,447	83,505	2,842	2,387

^a For an explanation of this indicator, see [Results of Operations from page 61 onward of the BASF Report 2023](#).

^b For an explanation of this indicator, see [Our Steering Concept from page 37 onward of the BASF Report 2023](#). For a reconciliation of the total segment cash flow of €196 million for the first half of 2024 to the BASF Group's free cash flow, see [page 28 of this half-year financial report](#).

^c Additions to property, plant and equipment and intangible assets

^d Based on the Differentiated Steering approach, EBITDA before special items and segment cash flow have been used as the most important key performance indicators of the BASF Group since the 2024 financial year. The prior-year figures have been adjusted to the new key performance indicators.

Other in H1

Million €

	2024	2023
Sales	1,607	1,676
EBITDA before special items^d	-498	-359
of which costs for cross-divisional corporate research	-102	-125
costs of corporate headquarters	-118	-120
other businesses	70	59
foreign currency results, hedging and other measurement effects	-36	-26
miscellaneous income and expenses	-312	-148
Special items in EBITDA	-392	-75
EBITDA	-890	-434

Notes to the Consolidated Half-Year Financial Statements

1 Basis of presentation

The Consolidated Financial Statements of BASF SE for the year ending December 31, 2023, were prepared in accordance with the International Financial Reporting Standards (IFRS) and pronouncements of the International Financial Reporting Interpretations Committee (IFRIC) applicable as of the balance sheet date.

The Consolidated Half-Year Financial Statements as of June 30, 2024, have been prepared – in line with the rules of International

Accounting Standard 34 – in abbreviated form and continuing the same accounting policies. This does not apply to those policies named in the table below.

All amounts, including the figures for previous years, are given in million euros unless otherwise indicated. Due to rounding, individual figures in this report may not add up to the totals shown and percentages may not correspond exactly to the figures shown.

The Condensed Consolidated Half-Year Financial Statements and the Consolidated Interim Management's Report underwent an auditor's review for the first time in the first half of 2024. They are written in German and translated into English.

 The BASF Report 2023 containing the Consolidated Financial Statements as of December 31, 2023, can be found online at [basf.com/report](https://www.basf.com/report)

Accounting policies applied for the first time in 2024

Standard/interpretation	Name of standard/interpretation or amendments	Date of publication	Date of endorsement by the E.U.
Amendments to IFRS 16	Leases (Accounting of a Lease Liability in a Sale and Leaseback)	September 22, 2022	November 20, 2023
Amendments to IAS 1	Presentation of Financial Statements – Classification of Liabilities as Current or Noncurrent – Deferral of Effective Date – Classification of Noncurrent Liabilities with Covenants	January 23, 2020 July 15, 2020 October 31, 2022	December 19, 2023
Amendments to IAS 7 and IFRS 7	Statement of Cash Flows / Financial Instruments: Disclosures (Disclosure requirements in connection with supplier finance arrangements)	May 25, 2023	May 15, 2024

These amendments had no material effect on the Consolidated Financial Statements of BASF SE.

IFRSs and IFRICs not yet to be considered – outstanding endorsement by the E.U.

Standard/interpretation	Name of standard/interpretation or amendments	Date of publication	Expected date of initial application
Introduction of IFRS 18	Presentation and Disclosure in Financial Statements (Replaces Policies under the Current IAS 1 and Introduces New Disclosure Requirements)	April 9, 2024	January 1, 2027
Introduction of IFRS 19	Subsidiaries without Public Accountability: Disclosures (Reduced Disclosure Requirements for Eligible Subsidiaries)	May 9, 2024	January 1, 2027
Amendments to IFRS 9 and IFRS 7	Financial Instruments / Financial Instruments: Disclosures (Amendments to the Classification and Measurement of Financial Instruments)	May 30, 2024	January 1, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to – IFRS 1 First-time Adoption of International Financial Reporting Standards (Hedge Accounting by a First-Time Adopter) – IFRS 7 Financial Instruments: Disclosures (Gain or Loss on Derecognition) Guidance on Implementing IFRS 7 – IFRS 9 Financial Instruments (Derecognition of Lease Liabilities / Transaction Price) – IFRS 10 Consolidated Financial Statements (Determination of a “De Facto Agent”) – IAS 7 Statement of Cash Flows (Cost Method)	July 18, 2024	January 1, 2026

The effect of application of IFRS 18 is being reviewed. The introduction of IFRS 19 does not affect the Consolidated Financial Statements of BASF SE as BASF SE does not fall within the scope of application of this standard. The other amendments are not expected to have any material effect on the Consolidated Financial Statements of BASF SE.

The following exchange rates were used for the translation of major currencies in the Group:

Selected exchange rates

EUR 1 equals

	Closing rates		Average rates H1	
	June 30, 2024	Dec. 31, 2023	2024	2023
Brazil (BRL)	5.89	5.36	5.49	5.48
China (CNY)	7.77	7.85	7.80	7.49
Japan (JPY)	171.94	156.33	164.46	145.76
Malaysia (MYR)	5.05	5.08	5.11	4.82
Mexico (MXN)	19.57	18.72	18.51	19.65
Switzerland (CHF)	0.96	0.93	0.96	0.99
South Korea (KRW)	1,474.86	1,433.66	1,460.32	1,400.43
United States (USD)	1.07	1.11	1.08	1.08
United Kingdom (GBP)	0.85	0.87	0.85	0.88

The following assumptions were used to determine the defined benefit obligation:

Assumptions used to determine the defined benefit obligation								
%								
	Germany		United States		Switzerland		United Kingdom	
	June 30, 2024	Dec. 31, 2023	June 30, 2024	Dec. 31, 2023	June 30, 2024	Dec. 31, 2023	June 30, 2024	Dec. 31, 2023
Discount rate	3.60	3.20	5.40	5.00	1.30	1.30	5.10	4.50
Projected pension increase	2.20	2.20	–	–	–	–	3.20	3.20

Internal and external steering and reporting structures were adjusted with the introduction of the Differentiated Steering concept as of 2024. This also resulted in changes to internal goodwill monitoring. For this reason, some cash-generating units have since been combined into groups for the purpose of impairment testing to account for the adjusted structures.

Due to declining demand for battery materials, an indicator-based goodwill impairment test was performed for the battery materials cash-generating unit in the Surface Technologies segment as of June 30, 2024. The impairment test did not result in the need to recognize an impairment loss for the unit.

2 Scope of consolidation

In addition to BASF SE, all material subsidiaries are included in the BASF Group Consolidated Financial Statements on a fully consolidated basis. Joint arrangements that are classified as joint operations according to IFRS 11 are proportionally consolidated. Changes in the number of fully and proportionally consolidated companies are shown in the table.

Scope of consolidation		
Number of companies	2024	2023
As of January 1	269	257
of which proportionally consolidated	9	9
First-time consolidations	7	14
of which proportionally consolidated	–	–
Deconsolidations	1	–
of which proportionally consolidated	–	–
As of June 30	275	271
of which proportionally consolidated	9	9

Of the seven newly consolidated companies, three were included for the first time due to increased importance. In connection with the purchase of 49% of shares in Vattenfall's Nordlicht 1 and 2 wind farm projects, four companies were newly included in the scope of consolidation and one further company was accounted for using the equity method for the first time. One subsidiary was liquidated.

Companies accounted for using the equity method

	2024	2023
As of January 1	21	23
As of June 30	23	21

3 Acquisitions/divestitures

Acquisitions

On July 31, 2023, BASF and Huntsman, together with their Chinese partner companies, announced the separation of their joint MDI production at the Shanghai Lianheng Isocyanate Co., Ltd. joint venture. BASF took over one of the two MDI plants, including production plants for the precursors aniline and nitrobenzene as well as the employees in production. The transaction was completed on January 31, 2024. The purchase price was €192 million and was cash-effective in full. It is attributable entirely to the two plants and, to a lesser extent, to inventories.

Furthermore, BASF acquired 49% of shares of a shareholding in Vattenfall's Nordlicht 1 and 2 wind farm projects on April 22, 2024. The transaction is not being reported as an acquisition. The acquired shares are accounted for using the equity method. The purchase price was €501 million and was cash-effective in full.

Divestitures

No material activities were sold in the first half of 2024.

4 Explanations regarding segment reporting

There were no significant changes in the composition of the segments compared with the 2023 Consolidated Financial Statements.

Reconciliation of segment income to income before income taxes

Million €	H1	
	2024	2023
EBITDA before special items of the segments	5,167	5,168
EBITDA before special items of Other	-498	-359
EBITDA before special items^a	4,669	4,809
Special items excluding depreciation and amortization of the segments	-59	-15
Special items excluding depreciation and amortization of Other	-392	-75
Special items excluding depreciation and amortization	-451	-91
Depreciation and amortization of the segments	1,927	1,803
Depreciation and amortization of Other	85	75
Depreciation and amortization	2,012	1,878
EBIT of the segments	3,181	3,349
EBIT of Other	-975	-509
EBIT	2,205	2,841
Net income from shareholdings	269	275
Financial result	-304	-334
Income before income taxes	2,170	2,781

^a Due to the Differentiated Steering approach, EBITDA before special items has been used as the most important key performance indicator for the BASF Group since the start of the 2024 business year. The prior-year figures have been adjusted to the new key performance indicator.

5 Other operating income and expenses

Other operating income

Million €

	H1	
	2024	2023
Income from the adjustment and release of provisions recognized in other operating expenses	15	59
Revenue from miscellaneous other activities	68	114
Income from hedging transactions and LTI programs	48	34
Income from foreign currency transactions and the translation of financial statements in foreign currencies	42	34
Gains on divestitures and the disposal of noncurrent assets	33	97
Reversals of impairment losses on noncurrent assets	0	4
Gains/losses from precious metal trading	82	141
Income from refunds and government grants	199	87
Other	281	306
Other operating income	768	875

Other operating expenses

Million €

	H1	
	2024	2023
Restructuring and integration measures	246	258
Environmental protection and safety measures, costs of demolition and removal, and project costs not subject to mandatory capitalization	271	264
Depreciation, amortization and impairments of noncurrent assets and of disposal groups	102	37
Costs from miscellaneous revenue-generating activities	63	101
Expenses from hedging transactions and LTI programs	84	50
Losses from foreign currency transactions and the translation of financial statements in foreign currencies	125	198
Losses from divestitures and the disposal of noncurrent assets	9	22
Impairment losses (including reversals of impairments) on business-related receivables	24	-34
Expenses for derecognition of obsolete inventory	109	93
Other	627	314
Other operating expenses	1,660	1,302

The increase in **income from hedging transactions and LTI programs** in the first half of 2024 was attributable to higher income from the valuation of virtual and physical power purchase agreements in North America and Asia. Neither half-year period included income from the release of provisions for the long-term incentive (LTI) programs.

The **gains on divestitures and the disposal of noncurrent assets** in the first half of 2024 and 2023 resulted from the divestiture of some smaller businesses. This item also included income from the sale of an office building in Europe in the first half of 2023.

Other income in the first half of both years resulted from a number of additional items; however, the prior-year period also included income from the sale of CO₂ certificates.

Expenses for restructuring and integration measures in the first half of 2024 were primarily from restructuring measures relating to the cost savings program focusing on Europe, measures to adapt production structures at the Verbund site in Ludwigshafen, Germany, and restructuring measures to improve competitiveness in various operating divisions.

The increase in **expenses from hedging transactions and LTI programs** in the first half of 2024 was attributable to higher expenses from the valuation of virtual power purchase agreements in North America and higher expenses from the LTI programs.

Depreciation, amortization and impairments of noncurrent assets and of disposal groups in the first half of 2024 included impairments primarily relating to intangible assets in the Nutrition & Care segment due to the discontinuation of the relevant business activity and impairments to construction in progress from discontinued investment projects.

The increase in **other expenses** in the first half of 2024 resulted mainly from expenses for the out-of-court settlement, which does not constitute any admission of liability, in connection with the Aqueous Film Forming Foam (AFFF) multidistrict litigation in the United States.

6 Equity

Payment of dividends

In accordance with the resolution of the Annual Shareholders' Meeting on April 25, 2024, BASF SE paid a dividend of €3.40 per qualifying share from the retained profit of the 2023 fiscal year. With 892,522,164 qualifying shares, this represented total dividends of €3,034,575,358 (prior-year period: €3,034,575,358). The remaining €4,399,904,834 in retained profits (prior-year period: €814,148,142) was allocated to retained earnings.

Authorized capital

In accordance with the resolution of the Annual Shareholders' Meeting on May 3, 2019, the Board of Executive Directors was authorized, with the consent of the Supervisory Board, to increase, until May 2, 2024, on a one-off basis or in portions on a number of occasions, the company's share capital by a total of up to €470 million by issuing new shares against contributions in cash or in kind and thereby to also exclude shareholders' statutory subscription right in certain cases (Authorized Capital 2019). This authorization was not exercised. It expired on May 2, 2024.

To enable the company to cover its future financial needs quickly and flexibly, new authorized capital was created against contributions in cash or in kind with the option to exclude subscription rights.

In accordance with the resolution of the Annual Shareholders' Meeting on April 25, 2024, the Board of Executive Directors was authorized, with the consent of the Supervisory Board, to increase, until April 24, 2029, on a one-off basis or in portions on a number of occasions, the company's share capital by a total of up to €300 million by issuing new registered shares with no par value against contributions in cash or in kind and thereby exclude shareholders' statutory subscription right in certain cases (Authorized Capital 2024).

The total shares issued on the basis of the above authorization with the exclusion of the shareholders' subscription right in the case of capital increases in return for contributions in cash or in kind must not exceed 10% of the share capital at the time that this authorization comes into effect or – if this value is lower – at the time of its exercise.

Shares that were issued during the term of this authorization on the basis of other capital measures under the exclusion of the subscription right must be credited against the aforementioned ceiling of 10%.

This authorization has also not been exercised to date.

7 Financial indebtedness

The following overview shows newly issued and redeemed instruments in the reporting period. In the case of commercial paper, the nominal volume relates to June 30, 2024 (December 31, 2023: no commercial paper outstanding).

The balance of liabilities to credit institutions increased from €4,830 million as of December 31, 2023, to €6,271 million as of June 30, 2024.

Financial indebtedness

Million €

	Currency	Nominal value (million, currency of issue)	Effective interest rate	Carrying amounts based on effective interest method	
				June 30, 2024	December 31, 2023
BASF SE					
Commercial paper	EUR	790	–	786	–
Commercial paper	USD	1,100	–	1,023	–
2.500% Bond 2014/2024	EUR	500	2.60 %	–	500
5.520% US Private Placement 2024/2030	USD	350	5.64 %	326	–
5.670% US Private Placement 2024/2033	USD	250	5.78 %	233	–
5.710% US Private Placement 2024/2034	USD	400	5.82 %	373	–
5.810% US Private Placement 2024/2036	USD	200	5.92 %	186	–
5.910% US Private Placement 2024/2039	USD	300	6.01 %	280	–
BASF Ireland DAC					
2.390% Panda Bond 2024/2027	RMB	2,000	2.39 %	257	–

8 Financial instruments

Carrying amounts and fair values of financial instruments as of June 30, 2024

Million €

	Carrying amount	Total carrying amount within scope of application of IFRS 7	Valuation category in accordance with IFRS 9 ^b	Fair value	Of which fair value level 1 ^c	Of which fair value level 2 ^d	Of which fair value level 3 ^e
Shareholdings ^a	522	522	FVTPL	0	–	0	–
Receivables from finance leases	32	32	n.a.	32	–	–	–
Accounts receivable, trade	11,621	11,621	AC	11,621	–	–	–
Accounts receivable, trade	451	451	FVTOCI	451	–	451	–
Accounts receivable, trade	120	120	FVTPL	120	–	120	–
Derivatives – no hedge accounting	640	640	FVTPL	808	26	560	222 ^g
Derivatives – hedge accounting	323	323	n.a.	323	–	323	–
Other receivables and miscellaneous assets ^f	5,630	1,210	AC	1,210	–	–	–
Other receivables and miscellaneous assets ^f	89	89	FVTPL	89	–	89	–
Securities	41	41	AC	41	–	–	–
Securities	334	334	FVTOCI	334	244	90	–
Securities	266	266	FVTPL	266	264	1	–
Cash equivalents	39	39	FVTPL	39	39	–	–
Cash and cash equivalents	2,190	2,190	AC	2,190	–	–	–
Total assets	22,297	17,877		17,523	574	1,635	222
Bonds	15,649	15,649	AC	15,109	11,819	3,290	–
Commercial paper	1,809	1,809	AC	1,809	–	–	–
Liabilities to credit institutions	6,271	6,271	AC	6,990	–	6,990	–
Liabilities from leases	1,668	1,668	n.a.	1,668	–	–	–
Accounts payable, trade	6,776	6,776	AC	6,776	–	–	–
Derivatives – no hedge accounting	252	252	FVTPL	238	20	231	-13 ^h
Derivatives – hedge accounting	2	2	n.a.	2	–	2	–
Other liabilities ^f	2,605	1,719	AC	1,719	–	–	–
Total liabilities	35,032	34,146		34,311	11,839	10,513	-13

^a In general, only significant shareholdings are measured at fair value, which is reported under "Fair value" in the table above. All insignificant shareholdings are measured at cost (carrying amount: €522 million). Fair value level 1 is applied to publicly listed shareholdings. Level 2 is applied to shareholdings for which valuation is based on parameters observable in the market to the greatest extent possible. These may be adjusted to reflect valuation-relevant characteristics of the respective shareholding in the fair value.

^b AC: amortized cost; FVTOCI: fair value through other comprehensive income; FVTPL: fair value through profit or loss.

^c Fair value was determined based on quoted, unadjusted prices on active markets.

^d Fair value was determined based on parameters for which directly or indirectly quoted prices on active markets were available.

^e Fair value was determined based on parameters for which there was no observable market data.

^f Does not include separately shown derivatives or receivables and liabilities from finance leases. If miscellaneous receivables are valued at fair value through profit or loss, their valuation is generally based on parameters observable on the market. These are adjusted to reflect valuation-relevant characteristics of the respective assets in the fair value.

^g The carrying amount of the electricity forward agreements reported in the balance sheet under other receivables and miscellaneous assets is €54 million after subtracting the differences of €168 million described on page 41.

^h The carrying amount of the electricity forward agreements reported in the balance sheet under other liabilities is €1 million after subtracting the differences of €14 million described on page 41.

Carrying amounts and fair values of financial instruments as of December 31, 2023

Million €

	Carrying amount	Total carrying amount within scope of application of IFRS 7	Valuation category in accordance with IFRS 9 ^b	Fair value	Of which fair value level 1 ^c	Of which fair value level 2 ^d	Of which fair value level 3 ^e
Shareholdings ^a	536	536	FVTPL	0	–	0	–
Receivables from finance leases	33	33	n. a.	33	–	–	–
Accounts receivable, trade	9,817	9,817	AC	9,817	–	–	–
Accounts receivable, trade	286	286	FVTOCI	286	–	286	–
Accounts receivable, trade	312	312	FVTPL	312	–	312	–
Derivatives – no hedge accounting	810	810	FVTPL	955	5	752	198 ^g
Derivatives – hedge accounting	242	242	n. a.	242	–	242	–
Other receivables and miscellaneous assets ^f	4,669	1,229	AC	1,229	–	–	–
Other receivables and miscellaneous assets ^f	89	89	FVTPL	89	–	89	–
Securities	39	39	AC	39	–	–	–
Securities	325	325	FVTOCI	325	234	91	–
Securities	253	253	FVTPL	253	252	1	–
Cash equivalents	20	20	FVTPL	20	20	–	–
Cash and cash equivalents	2,605	2,605	AC	2,605	–	–	–
Total assets	20,035	16,595		16,204	510	1,773	198
Bonds	14,438	14,438	AC	13,876	12,468	1,407	–
Commercial paper	–	–	AC	–	–	–	–
Liabilities to credit institutions	4,830	4,830	AC	4,582	–	4,582	–
Liabilities from leases	1,649	1,649	n. a.	1,649	–	–	–
Accounts payable, trade	6,741	6,741	AC	6,741	–	–	–
Derivatives – no hedge accounting	309	309	FVTPL	251	11	288	-48 ^h
Derivatives – hedge accounting	18	18	n. a.	18	–	18	–
Other liabilities ^f	2,694	1,816	AC	1,816	–	–	–
Total liabilities	30,679	29,801		28,933	12,479	6,295	-48

^a In general, only significant shareholdings are measured at fair value, which is reported under "Fair value" in the table above. All insignificant shareholdings are measured at cost (carrying amount: €536 million). Fair value level 1 is applied to publicly listed shareholdings. Level 2 is applied to shareholdings for which valuation is based on parameters observable in the market to the greatest extent possible. These may be adjusted to reflect valuation-relevant characteristics of the respective shareholding in the fair value.

^b AC: amortized cost; FVTOCI: fair value through other comprehensive income; FVTPL: fair value through profit or loss.

^c Fair value was determined based on quoted, unadjusted prices on active markets.

^d Fair value was determined based on parameters for which directly or indirectly quoted prices on active markets were available.

^e Fair value was determined based on parameters for which there was no observable market data.

^f Does not include separately shown derivatives or receivables and liabilities from finance leases. If miscellaneous receivables are valued at fair value through profit or loss, their valuation is generally based on parameters observable on the market. These are adjusted to reflect valuation-relevant characteristics of the respective assets in the fair value.

^g The carrying amount of the contracts for difference for electricity prices reported in the balance sheet under other receivables and miscellaneous assets is €53 million after subtracting the differences of €145 million described on page 41.

^h The carrying amount of the contracts for difference for electricity prices reported in the balance sheet under other liabilities is €10 million after subtracting the differences of €58 million described on page 41.

Financial instruments measured at fair value – valuation methods and input factors

Million €

Financial instrument	Fair value level	Description	Valuation method	Key input factors to determine fair value	June 30, 2024	December 31, 2023
Accounts receivable, trade	Level 2	Receivables with embedded commodity derivatives	Discounting of expected future cash flows	Observable commodity price quotations, yield curves, credit default premiums	120	312
	Level 2	Receivables available for sale under a factoring agreement	Derivation from contractual cash flows	Nominal values as of the balance sheet date	451	286
Derivatives with positive fair values	Level 1	Exchange-traded commodity derivatives	Price quotation on an active market for identical assets	Market price on the balance sheet date	26	5
	Level 2	OTC currency, interest rate and commodity derivatives	Discounting of expected future cash flows, option pricing models	Exchange rate quotations, observable yield curves, commodity price quotations, currency and commodity price volatility, credit default premiums	883	995
	Level 3	Electricity forward agreements	Discounting of expected future cash flows	Electricity price quotations, long-term electricity price forecasts, ^a expected electricity volumes, ^a estimated startup date, ^a yield curves, credit default premiums	222 ^b	198 ^c
Other receivables and miscellaneous assets	Level 2	Performance-based interest-bearing loan to BASF Pensionskasse VVaG	Discounting of expected future cash flows	Expected cash flows from the investment portfolio, discount factors	80	80
	Level 2	Surrender values for insurance policies	Surrender values according to contractual agreement	Surrender values on the balance sheet date	9	9
Securities	Level 1	Publicly traded fund shares	Price quotation on an active market for identical assets	Market price on the balance sheet date	247	234
	Level 1	Publicly traded bonds	Price quotation on an active market for identical assets	Market price on the balance sheet date	261	251
	Level 2	Bonds not publicly traded	Issuer pricing based on recognized valuation methods	Yield curves, credit default premiums	90	91
	Level 2	Fund shares not publicly traded	Consideration of the fair value of the equity and debt instruments in which funds are invested	Market price on the balance sheet date, yield curves, credit default premiums, net asset value of fund investments	1	1
Cash and cash equivalents	Level 1	Publicly traded money market funds	Price quotation on an active market for identical assets	Market price on the balance sheet date	39	20
Derivatives with negative fair values	Level 1	Exchange-traded commodity derivatives	Price quotation on an active market for identical liabilities	Market price on the balance sheet date	20	10
	Level 2	OTC currency, interest rate and commodity derivatives	Discounting of expected future cash flows, option pricing models	Exchange rate quotations, observable yield curves, commodity price quotations, currency and commodity price volatility, credit default premiums	233	306
	Level 3	Electricity forward agreements	Discounting of expected future cash flows	Electricity price quotations, long-term electricity price forecasts, ^a expected electricity volumes, ^a estimated startup date, ^a yield curves, credit default premiums	-13 ^d	-48 ^e

^a Unobservable level 3 input factors

^b The carrying amount of the electricity forward agreements reported in the balance sheet under other receivables and miscellaneous assets is €54 million after subtracting the differences of €168 million described on page 41.

^c The carrying amount of the electricity forward agreements reported in the balance sheet under other receivables and miscellaneous assets is €53 million after subtracting the differences of €145 million described on page 41.

^d The carrying amount of the electricity forward agreements reported in the balance sheet under other liabilities is €1 million after subtracting the differences of €14 million described on page 41.

^e The carrying amount of the electricity forward agreements reported in the balance sheet under other liabilities is €10 million after subtracting the differences of €58 million described on page 41.

The fair values of bonds carried at amortized cost are determined by directly observable exchange prices (level 1), or by the present value of the future cash flows (level 2). The fair values of liabilities to credit institutions are determined by the present value of future cash flows, using term- and credit risk-adequate interest rates.

For trade accounts receivable, other receivables and miscellaneous assets, securities, cash and cash equivalents, commercial paper, trade accounts payable and other liabilities carried at amortized cost, the carrying amount approximates the fair value due to the predominantly short terms.

The electricity forward agreements presented in the previous table are derivatives embedded in virtual and physical power purchase agreements (PPAs) that are not eligible for own use exemption. A change in the key valuation parameters as of June 30, 2024, would have affected the fair value of electricity forward agreements as follows:

Sensitivities of electricity forward agreements

Million €

June 30, 2024				December 31, 2023							
Change in expected electricity prices		Change in expected production volumes		Date of startup ^a		Change in expected electricity prices		Change in expected production volumes		Date of startup ^a	
+10%	-10%	+10%	-10%	3 months later than expected	3 months earlier than expected	+10%	-10%	+10%	-10%	3 months later than expected	3 months earlier than expected
110	-110	28	-28	-2	0	91	-91	29	-29	0	-1

^a Due to differing forward prices for electricity in the relevant months and the seasonality of solar power generation, linear extrapolation of the values is not possible

At the time of initial recognition, the fair values of the electricity forward agreements, which were calculated using a valuation model, were higher than the respective transaction prices of zero. Development of the differences is presented in the table below.

Development of differences yet to be amortized of electricity forward agreements

Million €

	H1	
	2024	2023
Differences yet to be amortized through profit or loss as of January 1, 2024	204	70
Additions in the reporting period	–	–
Amounts recognized in profit or loss in the current reporting period	-26	-2
Currency translation	4	-1
Disposals in the reporting period	–	–
Differences yet to be amortized through profit or loss as of June 30	182	67

Development of assets and liabilities from electricity forward agreements at level 3 fair value

Million €

	H1	
	2024	2023
Carrying amounts as of January 1 ^a	246	61
Purchases	–	–
Settlements	1	–
Reclassification to or from level 3	–	–
Gains and losses recognized in other operating result	-19	12
of which unrealized gains and losses attributable to assets and liabilities held at the end of the reporting period	-18	12
Currency translation	6	-1
Other	–	–
Carrying amounts as of June 30^a	235	72

^a Carrying amounts before subtracting differences presented in the table "Development of differences yet to be amortized of electricity forward agreements"

In the reporting period, there were no reclassifications between fair value levels 1 and 2 for financial assets or liabilities accounted for at fair value.

9 Related party transactions

The balance of valuation allowances on trade accounts receivable from nonconsolidated subsidiaries amounted to €3 million as of both June 30, 2024, and December 31, 2023. The balance with respect to joint ventures amounted to €2 million as of both June 30, 2024, and December 31, 2023.

The balance of valuation allowances on other receivables from nonconsolidated subsidiaries declined from €136 million as of December 31, 2023, to €116 million as of June 30, 2024.

Both the decrease in goods and services rendered to joint ventures and associated companies and the decrease in goods and services received from joint ventures were attributable to a fall in volumes and precious metal prices. The decrease in goods and services received from associated companies was mainly due to the termination of the natural gas supply agreement with Wintershall Dea AG.

The decrease in trade accounts receivable from and trade accounts payable to associated companies was primarily attributable to a decline in volumes.

The increase in other receivables from nonconsolidated subsidiaries and associated companies resulted mainly from outstanding dividend payments, cash pooling accounts and financing activities.

The following tables show the volume of business with related parties that are included in the Consolidated Financial Statements at amortized cost or accounted for using the equity method. Transactions with related parties are carried out under normal market conditions.

There were no reportable related-party transactions with members of the Board of Executive Directors or the Supervisory Board and their related parties during the reporting period.

Sales to related parties H1

Million €

	Goods and services rendered		Goods and services received	
	2024	2023	2024	2023
Nonconsolidated subsidiaries	599	619	201	172
Joint ventures	340	453	506	668
Associated companies	69	95	133	721

Trade accounts receivable from / trade accounts payable to related parties

Million €

	Accounts receivable, trade		Accounts payable, trade		Other receivables		Other liabilities	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Nonconsolidated subsidiaries	433	358	97	80	250	207	140	162
Joint ventures	133	136	121	113	27	24	19	23
Associated companies	20	29	25	67	30	15	10	13

10 Nonadjusting events after the balance sheet date

On July 10, 2024, BASF announced that it would cease production of the active ingredient glufosinate-ammonium (GA) at the Knapsack and Frankfurt am Main sites in Germany by the end of 2024. GA formulation in Frankfurt will end in 2025. Subsequently, both already fully impaired production facilities will be shut down. The active ingredient GA remains a key component of BASF's global herbicide portfolio and will be sourced from third-party suppliers in the future. This measure involves approximately 300 positions. The expected special charges in the low three-digit million euro range will have a negative impact on the earnings of the Agricultural Solutions segment in the third quarter.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for half-year financial reporting, the Condensed Consolidated Half-Year Financial Statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the Consolidated Interim Management's Report includes a fair review of the development and performance of the business as well as the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining fiscal year.

Ludwigshafen, July 22, 2024

BASF SE

The Board of Executive Directors

Review Report

To BASF SE, Ludwigshafen am Rhein

We have reviewed the condensed consolidated half-year financial statements of BASF SE, Ludwigshafen am Rhein, which comprise the statement of income as well as the statement of income and expense recognized in equity, the balance sheet, the statement of cash flows and statement of changes in equity, the segment reporting as well as selected explanatory notes to the consolidated financial statements, and the interim group management report for the period from 1 January to 30 June 2024, that are part of the half-year financial information under Section 115 German Securities Trading Act (WpHG). The preparation of the condensed consolidated half-year financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the executive directors of the Company. Our responsibility is to issue a review report on the condensed consolidated half-year financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated half-year financial statements and of the interim group management report in compliance with the German Generally Accepted Standards for Reviews of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. Those standards require that we plan and perform the review to obtain a certain level of assurance to preclude through critical evaluation that the condensed consolidated half-year financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to

interim group management reports. A review is limited primarily to inquiries of company personnel and to analytical procedures applied to financial data and thus provides less assurance than an audit. Since, in accordance with our engagement, we have not performed an audit, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated half-year financial statements of BASF SE, Ludwigshafen am Rhein, have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Frankfurt am Main, 22 July 2024

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Kirsten Gräbner-Vogel

Wirtschaftsprüferin
(German Public Auditor)

Michael Mehren

Wirtschaftsprüfer
(German Public Auditor)

Selected Key Figures Excluding Precious and Base Metals

The IFRS figures correspond to the amounts presented in the Consolidated Financial Statements. The adjusted figures exclude sales in precious metal trading as well as precious and base metal sales in the Catalysts business.

BASF Group		Q2				H1			
		2024		2023		2024		2023	
		IFRS figure	Adjusted figure	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure
Sales	million €	16,111	14,725	17,305	15,107	33,664	30,778	37,297	32,437
Volumes	%	0.5	2.4	-9.9	-9.7	0.5	2.3	-11.4	-10.9
Prices	%	-6.4	-3.8	-11.8	-9.3	-8.6	-5.5	-6.2	-4.0
Currencies	%	-0.9	-1.1	-2.7	-2.7	-1.6	-1.7	-1.2	-1.2
Portfolio	%	-0.1	-0.1	-0.3	-0.3	-0.1	-0.1	-0.3	-0.3
EBITDA before special items	million €	1,957	1,957	1,944	1,944	4,669	4,669	4,809	4,809
EBITDA margin before special items	%	12.1	13.3	11.2	12.9	13.9	15.2	12.9	14.8

Surface Technologies		Q2				H1			
		2024		2023		2024		2023	
		IFRS figure	Adjusted figure	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure	IFRS figure	Adjusted figure
Sales	million €	3,235	1,849	4,226	2,028	6,583	3,697	8,804	3,944
Volumes	%	-9.2	-5.6	-5.1	5.7	-7.7	-3.3	-9.0	0.9
Prices	%	-13.0	-0.7	-14.1	7.3	-15.6	0.6	-8.8	10.2
Currencies	%	-1.0	-1.9	-3.2	-4.7	-1.7	-2.8	-1.4	-2.7
Portfolio	%	-0.3	-0.6	0.0	-0.1	-0.3	-0.6	0.0	-0.1
EBITDA before special items	million €	366	366	374	374	722	722	776	776
EBITDA margin before special items	%	11.3	19.8	8.8	18.4	11.0	19.5	8.8	19.7

Quarterly Statement Q3 2024

October 30, 2024

Reporting on 2024 Financial Year

February 28, 2025

Quarterly Statement Q1 2025 / Annual Shareholders' Meeting 2025

May 2, 2025

Half-Year Financial Report 2025

July 30, 2025

Quarterly Statement Q3 2025

October 29, 2025

Further information

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Forward-looking statements and forecasts

This half-year financial report contains forward-looking statements. These statements are based on current estimates and projections of the Board of Executive Directors and currently available information. Forward-looking statements are not guarantees of the future developments and results outlined therein. These are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. Such risk factors include those discussed in [Opportunities and Risks on pages 173 to 183 of the BASF Report 2023](#). The BASF Report is available online at basf.com/report. We do not assume any obligation to update the forward-looking statements contained in this half-year financial report above and beyond the legal requirements.



BASF supports the chemical industry's global Responsible Care initiative.