



Investor News

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Covestro stock market listing: price range and gross proceeds adjusted

- Current deterioration and high volatility in capital markets
 - Targeted gross proceeds reduced from EUR 2.5 billion to EUR 1.5 billion
 - Bookbuilding range reduced from EUR 21.50 to EUR 24.50
 - Net indebtedness unchanged at EUR 4 billion
 - Initial listing now planned for October 6, 2015
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Leverkusen, Germany, October 1, 2015 – In light of the current deterioration and volatility in the capital market environment, Bayer and Covestro have adjusted the targeted gross proceeds and price range for the issuance of Covestro shares ahead of the planned stock market listing of the polymer company. The proceeds from the capital increase are now expected to be EUR 1.5 billion instead of EUR 2.5 billion originally. The issue price is now in the range of EUR 21.50 to EUR 24.50 per share. It was previously intended to offer the shares at between EUR 26.50 and EUR 35.50. The reduced proceeds will be mitigated by increasing the capital contribution by EUR 1 billion. Thus Covestro's net debt together with pension liabilities will be unchanged at EUR 4 billion.

The addendum to the stock market prospectus indicating the amended terms of issue still requires approval from the German Financial Supervisory Authority (BaFin), which is expected during the course of today. The offer period for the new shares is being extended until 12:00 midday on Friday, October 2, 2015 for retail investors interested in subscribing for the shares being offered publicly in Germany and Luxembourg. An extension until 1:00 p.m. on the same day applies for institutional investors.

Since the start of the bookbuilding phase on September 21, 2015, the capital market situation has deteriorated significantly. External factors such as uncertainty surrounding

future economic growth in China or the Federal Reserve's interest rate policy have contributed to increased market volatility. In addition, the stock market has been impacted by the negative headlines from the automotive sector.

Covestro, one of the world's leading polymer manufacturers, intends to issue between 61.2 million and 69.8 million new shares by way of a capital increase. The number of shares issued will be aligned with the issue price. On account of the changed parameters, the free float will be between around 30.4 and 33.3 percent. The remaining shares will be held by Bayer AG. Stabilization measures equivalent to as much as 10 percent of the emission volume are possible within 30 days of the initial listing in the regulated market segment (Prime Standard) of the Frankfurt Stock Exchange, now planned for October 6, 2015.

The new bearer shares (ISIN DE0006062144, ticker symbol 1 COV) are being offered publicly in Germany and Luxembourg to private and institutional investors. In other countries, only institutional investors are being contacted in the course of private placements.

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