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Covestro sets issue price at EUR 24.00 per share

- Total IPO volume of EUR 1.5 billion
 - First listing on the Frankfurt Stock Exchange on October 6
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Leverkusen, Germany, October 2, 2015 – The shares of Covestro AG will be offered on the stock market for EUR 24.00. The company, one of the world's leading polymer manufacturers, is issuing 62.5 million new shares by way of a capital increase. The gross proceeds therefore amount to EUR 1.5 billion. Based on the total number of shares and the offer price, the market capitalization of Covestro amounts to EUR 4.9 billion. Following adjustment of the price range, the order book was filled within a day and was several times oversubscribed. The first listing in the regulated market segment (Prime Standard) of the Frankfurt Stock Exchange is planned for next Tuesday, October 6.

The issue price has been set by Covestro (formerly Bayer MaterialScience) and Bayer AG (as the sole shareholder to date) together with Deutsche Bank and Morgan Stanley, the two joint global coordinators for the transaction. The new bearer shares (ISIN DE0006062144, ticker symbol 1COV) were offered publicly in Germany and Luxembourg to private and institutional investors. In other countries, only institutional investors were contacted in the course of private placements.

The offering was adjusted on October 1 to reflect the current deterioration and volatility in the capital market environment. This had worsened considerably since the start of the bookbuilding process on September 21.

“We are very satisfied with the positive response to our adjusted offering – especially in light of the difficult capital market situation,” said Covestro CEO Patrick Thomas. “It is an indication of confidence in our company and its long-term growth strategy. The IPO will

enable us to deploy our strengths more quickly, effectively and flexibly so that we can continue expanding our competitive advantages. We intend to share our commercial success with our stockholders by way of dividend payments from the start.”

Covestro has been a separate legal and economic entity since September 2015. The free float will be around 31 percent in the future. The remaining shares will be held by Bayer AG. Customary stabilization measures equivalent to as much as 10 percent of the emission volume are possible up to 30 calendar days after the start of trading in Covestro shares.

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