

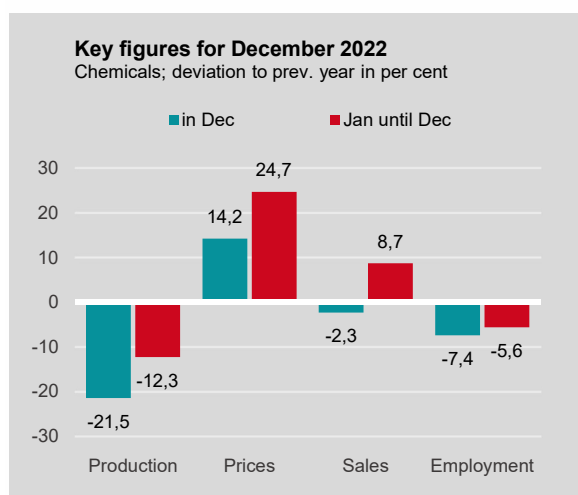
Economic stenogram

Chemical-pharmaceutical industry Hesse - Edition February 2023

General economic situation

In December, *seasonally adjusted production* in the chemical-pharmaceutical industry in Hesse stagnated slightly compared with the previous month (+0.2%), but was still well below the level of the same month of the previous year (-10.6%). While production in the "classical" chemical divisions slumped year-on-year (-21.5%), it rose slightly in the pharmaceuticals sector (+3.2%).

Producer prices fell again slightly in December compared with the previous month (-0.4%), but remained markedly higher year-on-year (+9.8%). In particular, prices for chemical products rose sharply compared with the same month last year (+14.2%). The corresponding price increase for pharmaceutical products was much more moderate (+2.9%).



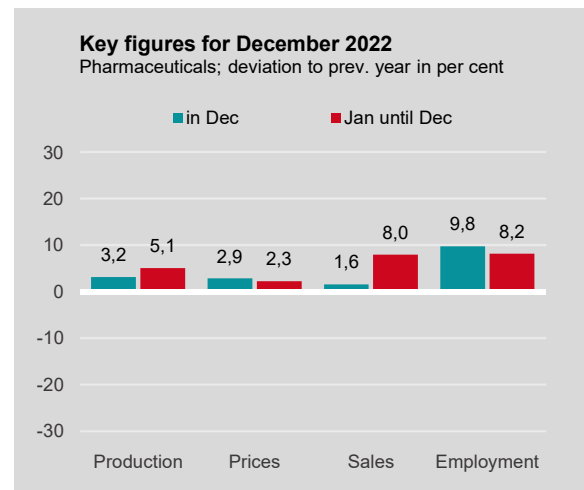
Sales in companies with 50 or more employees fell slightly year-on-year (-0.6%).

Key figures at a glance for December 2022

Chemicals / Pharmaceutical
Companies with 50 or more employees

| | prev. month | prev. year | cumulated |
|------------|-------------|------------|-----------|
| Production | +0,2% | -10,6% | -5,2% |
| Prices | -0,4% | +9,8% | +15,6% |
| Sales | +7,5% | -0,6% | +8,4% |
| Domestic | +3,7% | -4,8% | +3,3% |
| Foreign | +9,3% | +1,4% | +11,2% |
| Employment | -0,4% | -1,1% | -0,5% |

In this context, foreign sales (+1.4%) rose slightly, while domestic business declined (-4.8%). Compared to the previous month, however, total sales were up (+7.5%).



The *number of persons employed* in December was slightly lower than in the previous month (-0.4%). Employment was also slightly lower than in the previous year (-1.1%). The pharmaceutical industry showed a noticeable increase (+9.8%).

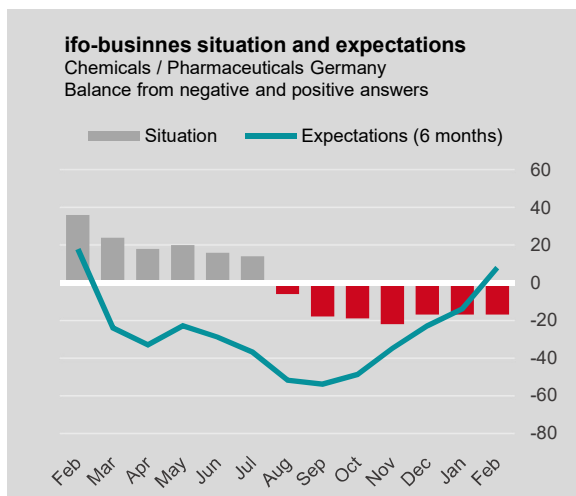
Economic stenogram

Chemical-pharmaceutical industry Hesse - Edition February 2023

Classical chemistry, on the other hand, recorded a marked decrease (-7.4%). This is primarily due to statistical special effects, caused by a technical shift of companies within the chemical and pharmaceutical divisions during the year by official statistics.

ifo Business Climate

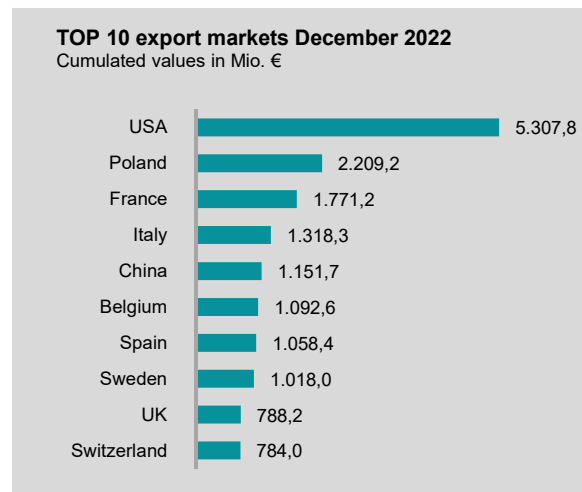
The assessment of the current *ifo business situation* at the federal level remains at a value of -17 points in February 2023 compared to the previous month.



Ifo expectations also stabilized further, from -14 to 8 points. Thus, for the first time after one year, more companies expect better business for the next six months than worse.

Exports and imports

In December, *exports* of chemical and pharmaceutical products, measured in terms of value of goods, increased compared with the previous year (+3.9%). *Imports*, on the other hand, stagnated (+0.1%). Up to and including December, the value of exports was 14.9 percent higher than in the same period of the previous year, imports by 15.8 percent.



The *strongest* year-on-year *increases* in value to December were recorded for exports to the USA (+39.6%), Italy (+34.1%) and France (+22.1%), followed by Belgium (+19.5%) and Spain (+19.1%). Business with Great Britain (+16.6%), Sweden (+12.8%), Switzerland (+10.8%) and Poland (+6.4%) also increased. By contrast, export business with China declined (-7.3%).