

# Corteva Reports Strong Results for First Quarter 2021 – Increases Net Sales Guidance

WILMINGTON, Del., May 4, 2021 – Corteva, Inc. (NYSE: CTV) (“Corteva” or the “Company”) today reported financial results for the three months ended March 31, 2021.

## 1Q 2021 Results Overview

	Net Sales	Income from Cont. Ops (After Tax)	EPS
<b>GAAP</b> vs. 1Q 2020	<b>\$4.18B</b> +6%	<b>\$613M</b> +118%	<b>\$0.81</b> +125%
	Organic <sup>1</sup> Sales	Operating EBITDA <sup>1</sup>	Operating EPS <sup>1</sup>
<b>NON-GAAP</b> vs. 1Q 2020	<b>\$4.20B</b> +6%	<b>\$904M</b> +14%	<b>\$0.79</b> +34%

## First Quarter 2021 Highlights

- Ongoing penetration of new products, coupled with favorable overall market fundamentals, drove volume and price gains globally. First quarter 2021 net sales and organic<sup>1</sup> sales both increased 6% versus prior year. Gains were reported in most regions, led by double-digit growth in Latin America.
- Sales of new and differentiated products drove volume and price gains in Crop Protection. Net sales and organic<sup>1</sup> sales both grew 12%, with double-digit net sales increases in every region. New product sales in Crop Protection increased more than \$120 million compared to prior year.
- Seed net sales rose 2% and organic<sup>1</sup> sales grew 3% year over year, driven by continued new product penetration and local price gains which more than offset the impact of seasonal timing of seed deliveries in North America<sup>2</sup>.
- GAAP income and earnings per share (EPS) from continuing operations were \$613 million and \$0.81 per share for the first quarter 2021, respectively.
- Strong price execution and volume gains, which collectively more than offset cost headwinds, drove an Operating EBITDA<sup>1</sup> increase of 14% to \$904 million versus the same quarter last year.
- The Company experienced market-driven cost headwinds in the quarter, including cost increases in freight and logistics, as well as raw materials. These headwinds were partially offset by the Company’s ongoing execution on its productivity programs.
- SG&A expense as a percentage of sales improved approximately 160 basis points.
- Management increased full year 2021 net sales guidance<sup>3</sup> to a range of \$14.6 to \$14.8 billion – and affirmed full year 2021 Operating EBITDA<sup>1</sup> guidance in the range of \$2.4 billion to \$2.5 billion.

(\$ in millions, except where noted)	1Q 2021	1Q 2020	% Change	% Organic <sup>1</sup> Change
<b>Net Sales</b>	<b>\$4,178</b>	<b>\$3,956</b>	<b>6%</b>	<b>6%</b>
North America	\$1,743	\$1,765	(1)%	(2)%
EMEA <sup>2</sup>	\$1,602	\$1,467	9%	6%
Latin America	\$518	\$434	19%	38%
Asia Pacific	\$315	\$290	9%	9%

1. Organic Sales, Operating EPS and Operating EBITDA are non-GAAP measures. See page A-5 for further discussion. 2. North America is defined as U.S. and Canada. EMEA is defined as Europe, Middle East and Africa. 3. Corteva is not able to reconcile its forward-looking non-GAAP financial measures to its most comparable U.S. GAAP financial measures, as it is unable to predict with reasonable certainty items outside of its control, such as Significant Items, without unreasonable effort.



“Building on the momentum from the finish in 2020, the first quarter 2021 results reflect continued strong execution from our global teams. Corteva delivered increased sales across both Seed and Crop Protection, substantial Operating EBITDA<sup>1</sup> growth and margin expansion. This performance demonstrates demand for the innovative and differentiated technology that we bring to the market and the ongoing cost and productivity performance, while also managing externally driven cost headwinds.

The first quarter results further demonstrate our commitment to delivering value for our shareholders, which is reflected in the return of approximately \$450 million in the first quarter via share repurchases and dividends. We expect to complete the majority of our \$1 billion authorized share repurchase program by the end of the first half of 2021.

We are encouraged by a strengthening agriculture outlook, while maintaining agility given market volatility from the variations in the pace and path of recovery across global economies, including rising input costs. We are closely monitoring these factors and remain focused on driving revenue growth while continuing to deliver on our productivity and margin expansion commitments through the remainder of the year.”

**Jim Collins**  
Chief Executive Officer

## Company Update

### Accelerating Capital Return to Shareholders

The Company returned approximately \$450 million to shareholders in the form of dividends and repurchases during the first quarter. Corteva remains on an accelerated pace to complete its authorized share repurchase program in 2021, with the majority expected to be completed in the first half.

### Strengthening Position in High-Value Biologicals Market Sector

The Company took actions in the first quarter to strengthen its access and position in the high-margin biologicals market sector – and announced three new collaboration agreements during the period. Through this expanded technology access, the Company aims to further accelerate Corteva’s pace of innovation and existing leadership position in this high-value sector to meet the increasing market demand for naturally derived products. Taken together with its diverse and balanced portfolio of new and differentiated Crop Protection technologies – such as supply-constrained naturally derived Qalcova™ and Jemvelva™ insecticides, as well as Inatreq™ fungicide – these agreements are expected to provide a complementary portfolio of sustainable solutions to help farmers address pressing crop protection challenges.

### Driving Sustainability Commitments

In connection with its 10-year sustainability targets introduced in 2020, recently, the Company introduced a Carbon and Ecosystem Services portfolio, focused on improving the carbon sequestration process and creating additional solutions to help farmers increase profitability while enabling climate resilience.

## Crop Protection Summary

Crop Protection net sales were \$1.7 billion in the first quarter of 2021, up 12% from \$1.5 billion in the first quarter of 2020. Gains were driven by 6% increases in both volume and price and a 1% favorable impact from currency, partially offset by a 1% impact from portfolio.

Volume gains were driven by strong demand for new products globally, including Arylex™, Enlist™ and Rinskor™ herbicides and Isoclast™ and Pyraxalt™ insecticides. These volume gains were partially offset by an approximate \$70 million impact from our decision to phase out select low-margin, generic products.

Local price rose due to increases in Latin America, coupled with favorable product mix globally and strategic price increases in North America. Favorable currency impacts primarily from the Euro more than offset unfavorable impacts from the Brazilian Real. The portfolio impact was driven by prior-year divestitures in Asia Pacific.

Segment operating EBITDA was \$321 million in the first quarter of 2021, up 35% from \$238 million in the first quarter of 2020. Price and volume gains and ongoing cost and productivity actions more than offset higher input costs, including raw materials costs. Segment operating EBITDA margin improved by more than 300 basis points versus prior-year.

(\$ in millions, except where noted)	1Q 2021	1Q 2020	% Change	% Organic <sup>1</sup> Change
North America	\$533	\$475	12%	11%
EMEA	\$655	\$586	12%	7%
Latin America	\$244	\$218	12%	28%
Asia Pacific	\$254	\$222	14%	14%
<b>Total 1Q Crop Protection Net Sales</b>	<b>\$1,686</b>	<b>\$1,501</b>	<b>12%</b>	<b>12%</b>

## Seed Summary

Seed net sales were up 2% compared with the first quarter of 2020. Gains were driven by a 2% increase in local price and a 1% increase in volume, partially offset by a 1% impact from currency.

Pricing gains were driven by strong adoption of new Seed technology, including price execution in EMEA and Latin America, with corn price up 2% globally. Volume growth was driven by record corn and sunflower volume in EMEA due to a shift in customer demand on local supply concerns and an early start to the spring, coupled with strong Safrinha sales in Brazil and early demand in other parts of Latin America. Gains were partially offset by the impact of seasonal timing of deliveries in North America. Unfavorable currency impacts, led by the Brazilian Real, were partially offset by favorable impacts from the Euro.

Segment operating EBITDA was \$617 million in the first quarter of 2021, up 6% from \$581 million in the first quarter of 2020. Price execution, lower SG&A and ongoing cost and productivity actions more than offset higher input costs from unfavorable yields on European corn, higher freight costs and the unfavorable impact of currency. Segment operating EBITDA margin improved by more than 100 basis points versus the prior-year period.

(\$ in millions, except where noted)	1Q 2021	1Q 2020	% Change	% Organic <sup>1</sup> Change
North America	\$1,210	\$1,290	(6)%	(7)%
EMEA	\$947	\$881	7%	5%
Latin America	\$274	\$216	27%	48%
Asia Pacific	\$61	\$68	(10)%	(7)%
<b>Total 1Q Seed Net Sales</b>	<b>\$2,492</b>	<b>\$2,455</b>	<b>2%</b>	<b>3%</b>

## Outlook

The Company increased its previously provided net sales guidance<sup>3</sup> for the full year 2021 and now expects net sales in the range of \$14.6 to \$14.8 billion, which at the mid-point represents expected net sales growth of 3-4% for the year and organic sales growth of 3% for the year. Corteva affirmed its previously provided earnings guidance. Operating EBITDA is expected to be in the range of \$2.4 billion to \$2.5 billion and operating EPS range is expected to be between \$1.85 and \$1.95 per share. Corteva is not able to reconcile its forward-looking non-GAAP financial measures to its most comparable U.S. GAAP financial measures, as it is unable to predict with reasonable certainty items outside of its control, such as Significant Items, without unreasonable effort.

## First Quarter Conference Call

The Company will host a live webcast of its first quarter earnings conference call with investors to discuss its results and outlook tomorrow, May 5, 2021, at 9:00 a.m. ET. The slide presentation that accompanies the conference call is posted on the Company's Investor Events and Presentations page. A replay of the webcast will also be available on the [Investor Events and Presentations page](#).

### About Corteva

Corteva, Inc. (NYSE: CTVA) is a publicly traded, global pure-play agriculture company that provides farmers around the world with the most complete portfolio in the industry – including a balanced and diverse mix of seed, crop protection and digital solutions focused on maximizing productivity to enhance yield and profitability. With some of the most recognized brands in agriculture and an industry-leading product and technology pipeline well positioned to drive growth, the Company is committed to working with stakeholders throughout the food system as it fulfills its promise to enrich the lives of those who produce and those who consume, ensuring progress for generations to come. Corteva became an independent public company on June 1, 2019 and was previously the Agriculture Division of DowDuPont. More information can be found at [www.corteva.com](http://www.corteva.com).

Follow Corteva on [Facebook](#), [Instagram](#), [LinkedIn](#), [Twitter](#) and [YouTube](#).

### Cautionary Statement About Forward-Looking Statements

This communication contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, which are intended to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and may be identified by their use of words like “guidance”, “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates,” “outlook,” or other words of similar meaning. All statements that address expectations or projections about the future, including statements about Corteva's strategy for growth, product development, regulatory approval, market position, anticipated benefits of recent acquisitions, timing of anticipated benefits from restructuring actions, outcome of contingencies, such as litigation and environmental matters, expenditures, and financial results, as well as expected benefits from, the separation of Corteva from DowDuPont, are forward looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events which may not be accurate or realized. Forward-looking statements also involve risks and uncertainties, many of which are beyond Corteva's control. While the list of factors presented below is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Corteva's business, results of operations and financial condition. Some of the important factors that could cause Corteva's actual results to differ materially from those projected in any such forward-looking statements include: (i) failure to obtain or maintain the necessary regulatory approvals for some Corteva's products; (ii) failure to successfully develop and commercialize Corteva's pipeline; (iii) effect of the degree of public understanding and acceptance or perceived public acceptance of Corteva's biotechnology and other agricultural products; (iv) effect of changes in agricultural and related policies of governments and international organizations; (v) effect of competition and consolidation in Corteva's industry; (vi) effect of competition from manufacturers of generic products; (vii) costs of complying with evolving regulatory requirements and the effect of actual or alleged violations of environmental laws or permit requirements; (viii) effect of climate change and unpredictable seasonal and weather factors; (ix) risks related to oil and commodity markets; (x) competitor's establishment of an intermediary platform for distribution of Corteva's products; (xi) impact of Corteva's dependence on third parties with respect to certain of its raw materials or licenses and commercialization; (xii) effect of industrial espionage and other disruptions to Corteva's supply chain, information technology or network systems; (xiii) effect of volatility in Corteva's input costs; (xiv) failure to realize the anticipated benefits of the internal reorganizations taken by DowDuPont in connection with the spin-off of Corteva and other cost savings initiatives; (xv) failure to raise capital through the capital markets or short-term borrowings on terms acceptable to Corteva; (xvi) failure of Corteva's customers to pay their debts to Corteva, including customer financing programs; (xvii) increases in pension and other post-employment benefit plan funding obligations; (xviii) risks related to the indemnification obligations of legacy EID liabilities in connection with the separation of Corteva; (xix) effect of compliance with laws and requirements and adverse judgments on litigation; (xx) risks related to Corteva's global operations; (xxi) failure to effectively manage acquisitions, divestitures, alliances and other portfolio actions; failure to enforce; (xxii) risks related to COVID-19; (xxiii) risks related to activist stockholders; (xxiv) Corteva's intellectual property rights or defend against intellectual property claims asserted by others; (xxv) effect of counterfeit products; (xxvi) Corteva's dependence on intellectual property cross-license agreements; and (xxvii) other risks related to the Separation from DowDuPont. Additionally, there may be other risks and uncertainties that Corteva is unable to currently identify or that Corteva does not currently expect to have a material impact on its business. Where, in any forward-looking statement, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of Corteva's management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Corteva disclaims and does not undertake any obligation to update or revise any forward-looking statement, except as required by applicable law. A detailed discussion of some of the significant risks and uncertainties which may cause results and events to differ materially from such forward-looking statements or other estimates is included in the “Risk Factors” section of Corteva's Annual Report on Form 10-K, as modified by subsequent Quarterly Reports on Forms 10-Q and Current Reports on Form 8-K.

## Regulation G (Non-GAAP Financial Measures)

This earnings release includes information that does not conform to U.S. GAAP and are considered non-GAAP measures. These measures may include organic sales, organic growth (including by segment and region), operating EBITDA, operating earnings per share, and base tax rate. Management uses these measures internally for planning and forecasting, including allocating resources and evaluating incentive compensation. Management believes that these non-GAAP measures best reflect the ongoing performance of the Company during the periods presented and provide additional, useful information to investors as they provide insight with respect to ongoing operating results of the Company and a useful comparison of year over year results. These non-GAAP measures supplement the Company's U.S. GAAP disclosures and should not be viewed as an alternative to U.S. GAAP measures of performance. Furthermore, such non-GAAP measures may not be consistent with similar measures provided or used by other companies. Reconciliations for these non-GAAP measures to U.S. GAAP are provided in the Selected Financial Information and Non-GAAP Measures starting on page A-5 of the Financial Statement Schedules.

Corteva is not able to reconcile its forward-looking non-GAAP financial measures to their most comparable U.S. GAAP financial measures, as it is unable to predict with reasonable certainty items outside of the Company's control, such as Significant Items, without unreasonable effort. For Significant items reported in the periods presented, refer to page A-8 of the Financial Statement Schedules. Beginning January 1, 2020, the Company presents accelerated prepaid royalty amortization expense as a significant item. Accelerated prepaid royalty amortization represents the noncash charge associated with the recognition of upfront payments made to Monsanto in connection with the Company's non-exclusive license in the United States and Canada for Monsanto's Genuity® Roundup Ready 2 Yield® Roundup Ready 2 Xtend® herbicide tolerance traits. During the five-year ramp-up period of Enlist E3TM, Corteva is expected to significantly reduce the volume of products with the Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits beginning in 2021, with expected minimal use of the trait platform after the completion of the ramp-up. Additionally, on February 1, 2021, Corteva approved restructuring actions designed to right-size and optimize footprint and organizational structure according to the business needs in each region with the focus on driving continued cost improvement and productivity. Corteva expects to record total pre-tax restructuring and asset-related charges of approximately \$130 million to \$170 million. The restructuring actions associated with this charge are expected to be substantially complete in 2021. Organic sales is defined as price and volume and excludes currency and portfolio impacts. Operating EBITDA is defined as earnings (i.e., income from continuing operations before income taxes) before interest, depreciation, amortization, non-operating benefits, net, foreign exchange gains (losses) net, and net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting, excluding the impact of significant items (including goodwill impairment charges). Non-operating benefits, net consists of non-operating pension and other post-employment benefit (OPEB) credits, tax indemnification adjustments, environmental remediation and legal costs associated with legacy businesses and sites of Historical DuPont. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the Company as pre-tax income or expense.

Operating earnings per share are defined as "Earnings per common share from continuing operations - diluted" excluding the after-tax impact of significant items (including goodwill impairment charges), the after tax impact of non-operating benefits, net, the after-tax impact of amortization expense associated with intangible assets existing as of the Separation from DowDuPont, and the after-tax impact of net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting. Although amortization of the Company's intangible assets is excluded from these non-GAAP measures, management believes it is important for investors to understand that such intangible assets contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in amortization of additional intangible assets. Net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting represents the non-cash net gain (loss) from changes in fair value of certain undesignated foreign currency derivative contracts. Upon settlement, which is within the same calendar year of execution of the contract, the net gain (loss) from the changes in fair value of the non-qualified foreign currency derivative contracts will be reported in relevant non-GAAP financial measures, allowing quarterly results to reflect the economic effects of the foreign currency derivative contracts without the resulting unrealized mark to fair value volatility. Base tax rate is defined as the effective tax rate excluding the impacts of foreign exchange gains (losses) net, non-operating benefits, net, amortization of intangibles as of the Separation from DowDuPont, and significant items (including goodwill impairment charges).

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**A-1**  
**Corteva, Inc.**  
**Consolidated Statements of Operations**  
*(Dollars in millions, except per share amounts)*

	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>Net sales</b>	<b>\$ 4,178</b>	<b>\$ 3,956</b>
Cost of goods sold	2,420	2,269
Research and development expense	281	280
Selling, general and administrative expenses	733	757
Amortization of intangibles	183	163
Restructuring and asset related charges - net	100	70
Other income — net	337	1
Interest expense	7	10
<b>Income from continuing operations before income taxes</b>	<b>791</b>	<b>408</b>
Provision for income taxes on continuing operations	178	127
<b>Income from continuing operations after income taxes</b>	<b>613</b>	<b>281</b>
(Loss) income from discontinued operations after income taxes	(10)	1
<b>Net income</b>	<b>603</b>	<b>282</b>
Net income attributable to noncontrolling interests	3	10
<b>Net income attributable to Corteva</b>	<b>\$ 600</b>	<b>\$ 272</b>
<b>Basic earnings per share of common stock:</b>		
Basic earnings per share of common stock from continuing operations	\$ 0.82	\$ 0.36
Basic earnings per share of common stock from discontinued operations	(0.01)	—
<b>Basic earnings per share of common stock</b>	<b>\$ 0.81</b>	<b>\$ 0.36</b>
<b>Diluted earnings per share of common stock:</b>		
Diluted earnings per share of common stock from continuing operations	\$ 0.81	\$ 0.36
Diluted earnings per share of common stock from discontinued operations	(0.01)	—
<b>Diluted earnings per share of common stock</b>	<b>\$ 0.80</b>	<b>\$ 0.36</b>
<b>Average number of shares outstanding used in earnings per share (EPS) calculation (in millions)</b>		
Basic	743.4	749.9
Diluted	749.6	752.5

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Corteva, Inc.  
Condensed Consolidated Balance Sheets  
(Dollars in millions, except share amounts)

Assets	March 31, 2021	December 31, 2020	March 31, 2020
<b>Current assets</b>			
Cash and cash equivalents	\$ 2,404	\$ 3,526	\$ 1,963
Marketable securities	114	269	10
Accounts and notes receivable, net	6,792	4,926	6,775
Inventories	4,321	4,882	4,401
Other current assets	1,405	1,165	1,530
<b>Total current assets</b>	<b>15,036</b>	<b>14,768</b>	<b>14,679</b>
Investment in nonconsolidated affiliates	64	66	64
Property, plant and equipment - net of accumulated depreciation (March 31, 2021 - \$3,874; December 31, 2020 - \$3,857; March 31, 2020 - \$3,406)	4,299	4,396	4,358
Goodwill	10,146	10,269	10,027
Other intangible assets	10,584	10,747	11,241
Deferred income taxes	433	464	273
Other assets	1,987	1,939	2,336
<b>Total Assets</b>	<b>\$ 42,549</b>	<b>\$ 42,649</b>	<b>\$ 42,978</b>
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Short-term borrowings and finance lease obligations	\$ 1,250	\$ 3	\$ 1,996
Accounts payable	3,098	3,615	3,021
Income taxes payable	165	123	143
Deferred revenue	2,247	2,662	1,996
Accrued and other current liabilities	2,239	2,145	2,043
<b>Total current liabilities</b>	<b>8,999</b>	<b>8,548</b>	<b>9,199</b>
Long-Term Debt	1,102	1,102	614
Other Noncurrent Liabilities			
Deferred income tax liabilities	902	893	911
Pension and other post employment benefits - noncurrent	4,954	5,176	6,186
Other noncurrent obligations	1,814	1,867	1,989
<b>Total noncurrent liabilities</b>	<b>8,772</b>	<b>9,038</b>	<b>9,700</b>
<b>Commitments and contingent liabilities</b>			
<b>Stockholders' equity</b>			
Common stock, \$0.01 par value; 1,666,667,000 shares authorized; issued at March 31, 2021 - 738,321,000; December 31, 2020 - 743,458,000; and March 31, 2020 - 748,369,000	7	7	7
Additional paid-in capital	27,630	27,707	27,906
Retained earnings / (accumulated deficit)	268	—	(155)
Accumulated other comprehensive loss	(3,367)	(2,890)	(3,933)
<b>Total Corteva stockholders' equity</b>	<b>24,538</b>	<b>24,824</b>	<b>23,825</b>
Noncontrolling interests	240	239	254
<b>Total equity</b>	<b>24,778</b>	<b>25,063</b>	<b>24,079</b>
<b>Total Liabilities and Equity</b>	<b>\$ 42,549</b>	<b>\$ 42,649</b>	<b>\$ 42,978</b>

A-3  
**Corteva, Inc.**  
**Consolidated Statement of Cash Flows**  
*(Dollars in millions, except per share amounts)*

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>Operating activities</b>		
Net income	\$ 603	\$ 282
Adjustments to reconcile net income to cash used for operating activities:		
Depreciation and amortization	304	283
Provision for deferred income tax	47	26
Net periodic pension and OPEB benefit, net	(318)	(85)
Pension and OPEB contributions	(84)	(95)
Net loss on sales of property, businesses, consolidated companies, and investments	—	46
Restructuring and asset related charges - net	100	70
Other net loss	54	138
Changes in assets and liabilities - net		
Accounts and notes receivable	(2,012)	(1,685)
Inventories	467	398
Accounts Payable	(448)	(557)
Deferred revenue	(401)	(575)
Other assets and liabilities	(262)	(176)
Cash used for operating activities	(1,950)	(1,930)
<b>Investing activities</b>		
Capital expenditures	(137)	(128)
Proceeds from sales of property, businesses, and consolidated companies - net of cash divested	20	11
Purchases of investments	(40)	(67)
Proceeds from sales and maturities of investments	194	58
Other investing activities - net	(1)	(4)
Cash provided by (used for) investing activities	36	(130)
<b>Financing activities</b>		
Net change in borrowings (less than 90 days)	828	1,619
Proceeds from debt	419	875
Payments on debt	—	(1)
Repurchase of common stock	(350)	(50)
Proceeds from exercise of stock options	38	14
Dividends paid to stockholders	(97)	(97)
Other financing activities	(17)	(16)
<b>Cash provided by financing activities</b>	<b>821</b>	<b>2,344</b>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(50)	(117)
(Decrease)/increase in cash, cash equivalents and restricted cash	(1,143)	167
Cash, cash equivalents and restricted cash at beginning of period	3,873	2,173
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>\$ 2,730</b>	<b>\$ 2,340</b>



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**Corteva, Inc.**  
**Consolidated Segment Information**  
*(Dollars in millions, except per share amounts)*

<u>SEGMENT NET SALES - SEED</u>	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Corn	\$ 1,888	\$ 1,864
Soybean	177	181
Other oilseeds	296	248
Other	131	162
<b>Seed</b>	<b>\$ 2,492</b>	<b>\$ 2,455</b>

<u>SEGMENT NET SALES - CROP PROTECTION</u>	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Herbicides	\$ 986	\$ 823
Insecticides	385	378
Fungicides	261	229
Other	54	71
<b>Crop Protection</b>	<b>\$ 1,686</b>	<b>\$ 1,501</b>

<u>GEOGRAPHIC NET SALES - SEED</u>	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>North America</b> <sup>1</sup>	\$ 1,210	\$ 1,290
EMEA <sup>2</sup>	947	881
Latin America	274	216
Asia Pacific	61	68
<b>Rest of World</b> <sup>3</sup>	<b>1,282</b>	<b>1,165</b>
<b>Net Sales</b>	<b>\$ 2,492</b>	<b>\$ 2,455</b>

<u>GEOGRAPHIC NET SALES - CROP PROTECTION</u>	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>North America</b> <sup>1</sup>	\$ 533	\$ 475
EMEA <sup>2</sup>	655	586
Latin America	244	218
Asia Pacific	254	222
<b>Rest of World</b> <sup>3</sup>	<b>1,153</b>	<b>1,026</b>
<b>Net Sales</b>	<b>\$ 1,686</b>	<b>\$ 1,501</b>

1. Reflects U.S. & Canada

2. Reflects Europe, Middle East, and Africa

3. Reflects EMEA, Latin America, and Asia Pacific

A-5  
Corteva, Inc.  
**Reconciliation of Non-GAAP Measures**  
(Dollars in millions, except per share amounts)

	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	
<b>Net Sales (GAAP)</b>	\$	4,178
Less: Impacts from Currency and Portfolio		(25)
<b>Organic Sales (Non-GAAP)</b>	\$	4,203

	<b>Three Months Ended March 31,</b>			
	<b>2021</b>		<b>2020</b>	
<b>OPERATING EBITDA</b>				
Seed	\$	617	\$	581
Crop Protection		321		238
Corporate Expenses		(34)		(25)
<b>Operating EBITDA (Non-GAAP)</b>	\$	904	\$	794

	<b>Three Months Ended March 31,</b>			
	<b>2021</b>		<b>2020</b>	
<b>RECONCILIATION OF INCOME FROM CONTINUING OPERATIONS AFTER INCOME TAXES TO OPERATING EBITDA</b>				
<b>Income from continuing operations after income taxes (GAAP)</b>	\$	613	\$	281
Provision for income taxes on continuing operations		178		127
<b>Income from continuing operations before income taxes (GAAP)</b>		791		408
Depreciation and amortization		304		283
Interest income		(21)		(18)
Interest expense		7		10
Exchange losses - net <sup>1</sup>		35		61
Non-operating benefits - net <sup>2</sup>		(311)		(73)
Mark-to-market gains on certain foreign currency contracts not designated as hedges <sup>3</sup>		(1)		
Significant items charge <sup>4</sup>		100		123
<b>Operating EBITDA (Non-GAAP)</b>	\$	904	\$	794

1. Refer to page A-12 for pre-tax and after tax impacts of exchange losses - net.
2. Non-operating benefits—net consists of non-operating pension and other post-employment benefit (OPEB) (benefits) costs, tax indemnification adjustments, environmental remediation and legal costs associated with legacy EID businesses and sites. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense.
3. Effective January 1, 2021, on a prospective basis, the company excludes net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting. There was no activity in the three months ended March 31, 2020.
4. Refer to page A-8 for pre-tax and after tax impacts of significant items.

## Corteva, Inc.

## Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share amounts)

PRICE - VOLUME - CURRENCY ANALYSISREGION

	Q1 2021 vs. Q1 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change <sup>1</sup> (Non- GAAP)		Local Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
<b>North America</b>	\$ (22)	(1)%	\$ (30)	(2)%	1 %	(3)%	1 %	— %	
EMEA	135	9 %	86	6 %	3 %	3 %	3 %	— %	
Latin America	84	19 %	166	38 %	14 %	24 %	(19)%	— %	
Asia Pacific	25	9 %	26	9 %	3 %	6 %	4 %	(4)%	
<b>Rest of World</b>	244	11 %	278	13 %	5 %	8 %	(1)%	(1)%	
<b>Total</b>	\$ 222	6 %	\$ 248	6 %	3 %	3 %	— %	— %	

SEED

	Q1 2021 vs. Q1 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change <sup>1</sup> (Non- GAAP)		Local Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
<b>North America</b>	\$ (80)	(6)%	\$ (84)	(7)%	(1)%	(6)%	1 %	— %	
EMEA	66	7 %	47	5 %	3 %	2 %	2 %	— %	
Latin America	58	27 %	104	48 %	9 %	39 %	(21)%	— %	
Asia Pacific	(7)	(10)%	(5)	(7)%	5 %	(12)%	(3)%	— %	
<b>Rest of World</b>	117	10 %	146	13 %	5 %	8 %	(3)%	— %	
<b>Total</b>	\$ 37	2 %	\$ 62	3 %	2 %	1 %	(1)%	— %	

CROP PROTECTION

	Q1 2021 vs. Q1 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change <sup>1</sup> (Non- GAAP)		Local Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
<b>North America</b>	58	12 %	\$ 54	11 %	6 %	5 %	1 %	— %	
EMEA	69	12 %	39	7 %	3 %	4 %	5 %	— %	
Latin America	26	12 %	62	28 %	18 %	10 %	(16)%	— %	
Asia Pacific	32	14 %	31	14 %	2 %	12 %	5 %	(5)%	
<b>Rest of World</b>	127	12 %	132	13 %	6 %	7 %	— %	(1)%	
<b>Total</b>	\$ 185	12 %	\$ 186	12 %	6 %	6 %	1 %	(1)%	

## Corteva, Inc.

## Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share amounts)

**SEED PRODUCT LINE**

	Q1 2021 vs. Q1 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change <sup>1</sup> (Non- GAAP)		Local Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Corn	\$ 24	1 %	\$ 43	2 %	2 %	— %	(1)%	— %	
Soybeans	(4)	(2)%	(7)	(4)%	(4)%	— %	2 %	— %	
Other oilseeds	48	19 %	54	22 %	4 %	18 %	(3)%	— %	
Other	(31)	(19)%	(28)	(17)%	(5)%	(12)%	(2)%	— %	
<b>Total</b>	<b>\$ 37</b>	<b>2 %</b>	<b>\$ 62</b>	<b>3 %</b>	<b>2 %</b>	<b>1 %</b>	<b>(1)%</b>	<b>— %</b>	

**CROP PROTECTION PRODUCT LINE**

	Q1 2021 vs. Q1 2020				Percent Change Due To:				
	Net Sales Change (GAAP)		Organic Change <sup>1</sup> (Non- GAAP)		Local Price & Product Mix	Volume	Currency	Portfolio / Other	
	\$	%	\$	%					
Herbicides	\$ 163	20 %	\$ 142	17 %	5 %	12 %	3 %	— %	
Insecticides	7	2 %	15	4 %	8 %	(4)%	(2)%	— %	
Fungicides	32	14 %	43	19 %	5 %	14 %	(1)%	(4)%	
Other	(17)	(24)%	(14)	(20)%	(1)%	(19)%	(4)%	— %	
<b>Total</b>	<b>\$ 185</b>	<b>12 %</b>	<b>\$ 186</b>	<b>12 %</b>	<b>6 %</b>	<b>6 %</b>	<b>1 %</b>	<b>(1)%</b>	

1. Organic sales is defined as price and volume and excludes currency and portfolio impacts.

**A-8**  
**Corteva, Inc.**  
**Significant Items**

*(Dollars in millions, except per share amounts)*

**SIGNIFICANT ITEMS BY SEGMENT (PRE-TAX)**

	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Seed	\$ (21)	\$ (10)
Crop Protection	(32)	(71)
Corporate	(47)	(42)
Total significant items before income taxes	<u>\$ (100)</u>	<u>\$ (123)</u>

**SIGNIFICANT ITEMS - PRE-TAX, AFTER TAX, AND EPS IMPACTS**

	<b>Pre-tax</b>		<b>After tax<sup>4</sup></b>		<b>(\$ Per Share)</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>1st Quarter</b>						
Restructuring and asset related charges, net <sup>1</sup>	\$ (100)	\$ (70)	\$ (77)	\$ (57)	\$ (0.10)	\$ (0.08)
Loss on divestiture <sup>2</sup>	—	(53)	—	(43)	—	(0.06)
Income tax items <sup>3</sup>	—	—	—	(19)	—	(0.02)
1st Quarter — Total	<u>\$ (100)</u>	<u>\$ (123)</u>	<u>\$ (77)</u>	<u>\$ (119)</u>	<u>\$ (0.10)</u>	<u>\$ (0.16)</u>

1. First quarter 2021 includes restructuring and asset related charges of \$(100). The charges primarily relate to a \$(89) charge associated to the 2021 Restructuring Actions and a \$(7) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits.

First quarter 2020 includes restructuring and asset related charges of \$(70). The charge included a \$(63) charge related to the Execute to Win Productivity Program, a \$(10) charge related to non-cash accelerated prepaid royalty amortization expense related to Roundup Ready 2 Yield® and Roundup Ready 2 Xtend® herbicide tolerance traits, and a \$3 asset related benefit associated with the DowDuPont Synergy Program.

2. First quarter 2020 includes a loss of \$(53) included in other income - net related to the sale of the La Porte site, for which the company signed an agreement during the first quarter 2020, and closed during the first quarter of 2021.
3. First quarter 2020 includes an after tax charge related to the impact of a state tax valuation allowance in the U.S. based on a change in judgment about the realizability of a deferred tax asset.
4. Unless specifically addressed in notes above, the income tax effect on significant items was calculated based upon the enacted tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

## Corteva, Inc.

## Reconciliation of Non-GAAP Measures

(Dollars in millions, except per share amounts)

## Operating Earnings Per Share (Non-GAAP)

Operating earnings per share is defined as earnings per share from continuing operations – diluted, excluding non-operating benefits - net, amortization of intangibles (existing as of Separation), net unrealized gain or loss from mark-to-market activity on certain foreign currency derivative instruments that do not qualify for hedge accounting, and significant items.

	Three Months Ended March 31,			
	2021	2020	2021	2020
	\$	\$	EPS (diluted)	EPS (diluted)
<b>Net income from continuing operations attributable to Corteva (GAAP)</b>	\$ 610	\$ 271	\$ 0.81	\$ 0.36
Less: Non-operating benefits - net, after tax <sup>1</sup>	237	57	0.31	0.08
Less: Amortization of intangibles (existing as of Separation), after tax	(143)	(114)	(0.19)	(0.15)
Less: Mark-to-market gains on certain foreign currency contracts not designated as hedges, after tax <sup>2</sup>	1		—	
Less: Significant items charge, after tax	(77)	(119)	(0.10)	(0.16)
<b>Operating Earnings (Non-GAAP)</b>	<b>\$ 592</b>	<b>\$ 447</b>	<b>\$ 0.79</b>	<b>\$ 0.59</b>

1. Non-operating benefits—net consists of non-operating pension and other post-employment benefit (OPEB) benefits (costs), tax indemnification adjustments, and environmental remediation and legal costs associated with legacy EID businesses and sites. Tax indemnification adjustments relate to changes in indemnification balances, as a result of the application of the terms of the Tax Matters Agreement, between Corteva and Dow and/or DuPont that are recorded by the company as pre-tax income or expense.
2. Effective January 1, 2021, on a prospective basis, the company excludes net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting. There was no activity in the three months ended March 31, 2020.

**A-10**  
**Corteva, Inc.**  
**Operating EBITDA to Operating Earnings Per Share**  
*(Dollars in millions, except per share amounts)*

**Operating EBITDA to Operating Earnings Per Share**

	<b>Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>Operating EBITDA (Non-GAAP)<sup>1</sup></b>	\$ 904	\$ 794
Depreciation	(121)	(120)
Interest Income	21	18
Interest Expense	(7)	(10)
Provision for income taxes on continuing operations before significant items, non-operating benefits - net, amortization of intangibles (existing as of Separation), mark-to-market gains on certain foreign currency contracts not designated as hedges, and exchange gains/(losses), net <b>(Non-GAAP)<sup>1</sup></b>	(162)	(147)
Base income tax rate from continuing operations <b>(Non-GAAP)<sup>1</sup></b>	20.3 %	21.6 %
Exchange losses - net, after tax <sup>2</sup>	(40)	(78)
Net income attributable to non-controlling interests	(3)	(10)
<b>Operating Earnings (Non-GAAP)<sup>1</sup></b>	\$ 592	\$ 447
Diluted Shares (in millions)	749.6	752.5
<b>Operating Earnings Per Share (Non-GAAP)<sup>1</sup></b>	\$ 0.79	\$ 0.59

1. Refer to pages A-5 through A-7 for Non-GAAP reconciliations.
2. Refer to page A-12 for pre-tax and after tax impacts of exchange gains (losses) - net.

**A-11**  
**Corteva, Inc.**  
**Reconciliation of Non-GAAP Measures**  
*(Dollars in millions, except per share amounts)*

**Reconciliation of Base Income Tax Rate to Effective Income Tax Rate**

Base income tax rate is defined as the effective income tax rate less the effect of exchange (losses) gains, significant items, amortization of intangibles (existing as of Separation), mark-to-market gains on certain foreign currency contracts not designated as hedges, and non-operating benefits - net.

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2021</b>	<b>2020</b>
Income from continuing operations before income taxes <b>(GAAP)</b>	\$ 791	\$ 408
Add: Significant items - charge <sup>1</sup>	100	123
Non-operating benefits - net	(311)	(73)
Amortization of intangibles (existing as of Separation)	183	163
Mark-to-market gains on certain foreign currency contracts not designated as hedges <sup>2</sup>	(1)	
Less: Exchange losses, net <sup>3</sup>	(35)	(61)
Income from continuing operations before income taxes, significant items, non-operating benefits - net, amortization of intangibles (existing as of Separation), mark-to-market gains on certain foreign currency contracts not designated as hedges, and exchange losses, net <b>(Non-GAAP)</b>	<u>\$ 797</u>	<u>\$ 682</u>
Provision for income taxes on continuing operations <b>(GAAP)</b>	\$ 178	\$ 127
Add: Tax benefits on significant items charge <sup>1</sup>	23	4
Tax expenses on non-operating benefits - net	(74)	(16)
Tax benefits on amortization of intangibles (existing as of Separation)	40	49
Tax benefits on mark-to-market gains on certain foreign currency contracts not designated as hedges <sup>2</sup>	—	
Tax expenses on exchange losses, net <sup>3</sup>	(5)	(17)
Provision for income taxes on continuing operations before significant items, non-operating benefits - net, amortization of intangibles (existing as of Separation), mark-to-market gains on certain foreign currency contracts not designated as hedges, and exchange losses, net <b>(Non-GAAP)</b>	<u>\$ 162</u>	<u>\$ 147</u>
Effective income tax rate <b>(GAAP)</b>	22.5 %	31.1 %
Significant items, non-operating benefits, amortization of intangibles (existing as of Separation), and mark-to-market gains on certain foreign currency contracts not designated as hedges effect	(0.6)%	(4.7)%
Tax rate from continuing operations before significant items, non-operating benefits - net, amortization of intangibles (existing as of Separation), and mark-to-market gains on certain foreign currency contracts not designated as hedges	21.9 %	26.4 %
Exchange losses, net effect <sup>3</sup>	(1.6)%	(4.8)%
Base income tax rate from continuing operations <b>(Non-GAAP)</b>	<u>20.3 %</u>	<u>21.6 %</u>

1. See Significant Items table for further detail.

2. Effective January 1, 2021, on a prospective basis, the company excludes net unrealized gain or loss from mark-to-market activity for certain foreign currency derivative instruments that do not qualify for hedge accounting. There was no activity in the three months ended March 31, 2020.

3. See page A-12 for further details of exchange gains (losses).



## Corteva, Inc.

**Reconciliation of Non-GAAP Measures**  
*(Dollars in millions, except per share amounts)*

**Exchange Gains/Losses**

The company routinely uses foreign currency exchange contracts to offset its net exposures, by currency, related to the foreign currency-denominated monetary assets and liabilities. The objective of this program is to maintain an approximately balanced position in foreign currencies in order to minimize, on an after-tax basis, the effects of exchange rate changes on net monetary asset positions. The hedging program gains (losses) are largely taxable (tax deductible) in the United States (U.S.), whereas the offsetting exchange gains (losses) on the remeasurement of the net monetary asset positions are often not taxable (tax deductible) in their local jurisdictions. The net pre-tax exchange gains (losses) are recorded in other income (expense) - net and the related tax impact is recorded in provision for (benefit from) income taxes on continuing operations in the Consolidated Statements of Operations.

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b><u>Subsidiary Monetary Position Loss</u></b>		
Pre-tax exchange losses	\$ (51)	\$ (226)
Local tax (expenses) benefits	(1)	23
Net after tax impact from subsidiary exchange losses	<u>\$ (52)</u>	<u>\$ (203)</u>
<b><u>Hedging Program Gain</u></b>		
Pre-tax exchange gains	\$ 16	\$ 165
Tax expenses	(4)	(40)
Net after tax impact from hedging program exchange gains	<u>\$ 12</u>	<u>\$ 125</u>
<b><u>Total Exchange Loss</u></b>		
Pre-tax exchange losses	\$ (35)	\$ (61)
Tax expenses	(5)	(17)
Net after tax exchange losses	<u>\$ (40)</u>	<u>\$ (78)</u>

As shown above, the "Total Exchange Loss" is the sum of the "Subsidiary Monetary Position Loss" and the "Hedging Program Gain."