News Release

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BASF breaks down the 2017 automotive colors market

- **White remains in top position globally**
- **The SUV market is booming and features a diverse range of colors**
- **Blues and grays have the most variation among the segments**

With the “BASF Color Report For Automotive OEM Coatings”, BASF’s Coatings division provides a global analysis of the color distribution in the 2017 automotive market. Globally, white maintains its strong position in all segments and still is the number one color with a market share of almost 40 percent. Together with black, gray, and silver, the achromatic colors continue to be the most prominent. When it comes to chromatic colors, the share of blue and red is almost equal, followed by brown. The global overview of the car segments shows: the smaller the car the more vivid the color.

With increasing sales and number of models, Sport Utility Vehicles (SUVs) significantly influence the popularity data. While white and black are still strong colors within this segment, red, blue, and especially brown are showing up more and more. This mirrors the expected growth and diversification of the model range of these robust vehicles.

» Further information on the global color distribution

Blue and gray shades strengthen their positions on European roads

The figures of the European Color Report 2017 reveal that achromatic colors are

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still the most popular. About 78 percent of all cars were painted white, black, gray or silver last year, marking a continuing trend. Among the achromatic colors, the proportion of gray increased to 19 percent. Gray has now attained the same popularity as black. The growing share of gray is underlined by the increasing diversity of gray shades. With more than 100 variations, gray has the second highest number of shades after blue.

“Gray – with its associations with concrete and glass – represents the most urban color and has increased strongly over the past years. With shades from light and mid-grays to dark anthracite, it represents a huge variety and in so doing has gained its strong market position,” said Mark Gutjahr, head of Automotive Color Design EMEA at BASF’s Coatings division.

Of the chromatic colors, blue continues to trend strongly. While the overall share of 10 percent remained stable, the proportion of blue increased considerably in terms of its share in the chromatic palette: nearly every second chromatic car produced in Europe 2017 was blue – a trend predicted by BASF’s Coatings color designers and reflected in the numerous blue shades in the last color trend collections. With nearly 130 different variations, blue also remained number one in terms of color diversity.

» Further information on the BASF European Color Report For Automotive OEM Coatings 2017

Achromatic vehicle colors with special effects are dominant in North America

The North American Color Report 2017 points out that new pigment technologies increase the demand for special effects that shimmer and shine. This leads to a larger variety within the color segments – especially with the achromatics white, black and silver/gray, which are the most popular vehicle colors in North America.

Even in the growing segment of electric vehicles achromatic colors are still preferred – although gray/silver appears to be more popular than white or black at this early stage in electric vehicle development. Color aesthetics are being increasingly considered in combination with functionality, so the ability to be detected by sensors has more relevance than ever before, and BASF will continue to monitor these developments.

“Our trend research shows the continued importance of the achromatic color space, dominated by white, black, and gray. It’s critical for us to innovate in these areas, so

we look for unique ways to find colors that capture the essence of the customer's brand to how it helps define the shape of the car," said Paul Czornij, head of design for BASF Color Design Excellence Group in North America.

Blue and red are the key chromatic colors in North America. The blue color space is also very versatile and can achieve a large diversity of shades, ranging in lightness, saturation, and subtle hue changes. Other colors, such as orange, are showing up in the analysis. These shades provide more options for the consumers to tie in to their particular preferences.

» Further information on the BASF North American Color Report For Automotive OEM Coatings 2017

Bright reds and classy colors expressing individuality continue to gain popularity in the Asia Pacific markets

The automotive coatings market in Asia Pacific is being driven by the increasing vehicle population and the diversity of the different regional conditions which is also reflected in the Asia Pacific Color Report 2017. With an overall distribution of 49 percent, white is the most favorite color in the region. Due to the cultural context in Asia Pacific, white colors are associated with the positive image of purity and intelligent advanced technology. Thus, white cars have been gaining a high-volume growth in Asia Pacific over the past couple of years. Apart from white, brown colors are also gaining popularity – especially for mid-size SUVs. Both white – especially pearl white – and brown are positioned as stylish colors with luxurious flavor that are welcomed by the Asia Pacific market.

Bright red, as a provocative yet smartly individual color area, is highly popular in the chromatic range of automotive colors within the automotive market in Asia Pacific. In general, red for automotive attracts attention, which is an important factor in the mature markets of Asia Pacific.

» Further information on the BASF Asia Pacific Color Report For Automotive OEM Coatings 2017

Trend competence and innovative color concepts

With the analysis of the global distribution of automotive colors, BASF's Color Report For Automotive OEM Coatings supplements the Automotive Color Trends published annually by BASF's Coatings division. While the trend collection presents color

concepts that will shape the automotive future, the Color Report is concerned with the present-day market situation and thus refers to the data of the previous year. Within the last years, color diversity has increased and the possibilities for innovative color concepts are multifaceted. Therefore, BASF works closely with OEMs to compose the desired look and feel, underlining the spirit of the automotive brands.

Hundreds of colors are currently in the market and include a broad selection of unique effects. Moreover, functionalities of coatings play an increasing role. Paints with an integrated temperature management, for instance, strengthen a sustainable future mobility. As they minimize the heating of the car surface and thus the heating of the interior, savings in air conditioning lead to reduced fuel consumption or an extended range of electric cars.

About BASF's Coatings division

The Coatings division of BASF is a global expert in the development, production and marketing of innovative and sustainable automotive OEM and refinish coatings, as well as decorative paints. We create advanced performance solutions and drive performance, design and new applications to meet our partners' needs all over the world. BASF shares skills, knowledge and resources of interdisciplinary and global teams for the benefit of customers by operating a collaborative network of sites in Europe, North America, South America and Asia Pacific. In 2016, the Coatings division achieved global sales of about €3.2 billion.

In 2016, BASF acquired Chemetall, a leading global supplier of applied surface treatments for metal, plastic and glass substrates in a wide range of industries and end markets. With this expansion in portfolio, BASF becomes a more complete solution provider for coatings.

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About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 114,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas. BASF generated sales of about €58 billion in 2016. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (BAS). Further information at www.basf.com.