BASF 4th Quarter / FY'2012 Analyst Conference

February 26, 2013, 16:00 (CET)

Ludwigshafen, Germany

Analyst Conference Call Script

Kurt Bock, CEO

Hans-Ulrich Engel, CFO

The spoken word applies.

Cautionary note regarding forward-looking statements

This presentation may contain forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realized from the proposals described herein. Forward-looking statements may include, in particular, statements about future events, future financial performance, plans, strategies, expectations, prospects, competitive environment, regulation and supply and demand. BASF has based these forward-looking statements on its views and assumptions with respect to future events and financial performance. Actual financial performance could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated. Given these uncertainties, readers should not put undue reliance on any forward-looking statements. The information contained in this presentation is subject to change without notice and BASF does not undertake any duty to update the forward-looking statements, and the estimates and assumptions associated with them, except to the extent required by applicable laws and regulations.

BASF increased sales and earnings

Business performance	Q4'12	vs. Q4'11	FY'12	vs. FY'11
Sales	€19.6 billion	+9%	€78.7 billion	+7%
EBITDA	€2.7 billion	(8%)	€12.5 billion	+4%
EBIT before special items	€1.8 billion	+18%	€8.9 billion	+5%
EBIT	€1.6 billion	(16%)	€9.0 billion	+5%
Net income	€1.0 billion	(13%)	€4.9 billion	(21%)
Reported EPS	€1.06	(14%)	€5.31	(21%)
Adjusted EPS	€1.35	+29%	€5.71	(9%)
Operating cash flow	€1.6 billion	(24%)	€6.7 billion	(5%)

Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q4'12 vs. Q4'11	↑ 6%	↑ 1%	0%	↑ 2%
FY'12 vs. FY'11	↑ 3%	↑ 1%	↓ (1%)	↑ 4%

Kurt Bock

Good afternoon ladies and gentlemen,

Thank you for joining us and welcome to our investor and analyst conference.

[Chart "BASF increased sales and earnings"]

Let me start with a short overview of our full year 2012 results.

- Last year, we increased sales and earnings – despite a significantly weaker economic development than in 2011 and than expected by us at the beginning of last year.
- Sales improved to 78.7 billion euros, up more than 5 billion euros compared to 2011. The main drivers were an excellent development of our Agricultural Solutions business and higher volumes in Oil & Gas. Currency tailwinds also contributed to the topline. By contrast, our chemical business[1] stayed behind expectations. Volumes in the chemical business declined 3 percent compared to 2011, reflecting the overall weaker economic development.
- At 12.5 billion euros, EBITDA rose by more than 500 million euros versus the strong prior-year result.
- EBIT before special items increased by 5 percent to 8.9 billion euros. Special items were positive, but slightly below the previous year. EBIT came in at 9 billion euros, up 5 percent. EBIT after cost of capital was 1.5 billion euros after 2.6 billion euros in 2011.

[1] Our chemical business includes the Chemicals, Plastics, Performance Products and Functional Solutions segments.

- Net income decreased by 21 percent to 4.9 billion euros, mainly due to a higher tax rate resulting from a larger share of the highly taxed Oil & Gas business and a lower contribution from the chemical business. Moreover, the 2011 result included a capital gain of almost 900 million euros from the sale of our K+S stake, which to a large extent was tax-free.
- Adjusted EPS was 5.71 euros, 9 percent lower than a year ago.
- At 6.7 billion euros, operating cash flow was once again very strong. The decline of almost 400 million euros compared with 2011 was primarily the result of reduced net income.

Let's now have a look at the business development in the fourth quarter 2012.

- Sales in Q4 increased by 9 percent to 19.6 billion euros, primarily driven by higher volumes. Slightly higher prices and positive currency effects also contributed to sales growth. The main driver for the strong volume growth was Oil & Gas. In the chemical business, we were also able to grow volumes by 1 percent.
- At 2.7 billion euros, EBITDA was some 200 million euros below Q4 2011. The prior-year quarter, however, was positively impacted by the disposal gain of Styrolution in the amount of almost 600 million euros.
- EBIT before special items rose to 1.8 billion euros, up 18 percent compared to the weak fourth quarter 2011.

- In special items, we have seen a big swing year-over-year. While in Q4 2011 we had positive special items in EBIT of more than 400 milion euros – heavily influenced by the aforementioned disposal gain – we incurred negative special items of about 160 million euros in Q4 2012.
- As a consequence, EBIT came in at 1.6 billion euros, a decrease of roughly 300 million euros.
- Net income was 1.0 billion euros, a decline of 13 percent versus Q4 2011. The prior-year quarter was positively impacted by the disposal gain of Styrolution while Q4 2012 benefitted from the reversal of a tax provision.
- Adjusted earnings per share were 1.35 euros, up 29 percent.

Ongoing portfolio development

BASF The Chemical Company

Upstream

Transaction with Statoil

Gazprom asset swap

Downstream

Becker Underwood

Pronova BioPharma

[Chart "Ongoing portfolio development"]

In 2012, we continued to shape our portfolio for future growth:

- At the beginning of 2012, BASF announced the creation of a new Battery Materials unit focused on developing value-adding solutions to propel the evolution of batteries for electromobility. This comprised a couple of acquisitions:
  An equity ownership position in Sion Power, a global leader in the development of lithium-sulfur batteries, followed by the acquisition of Ovonic Battery Company, a global leader in nickel-metalhydride battery technology, Merck's battery electrolyte technologies business and Novolyte Technologies, a global leader in electrolyte formulations for lithium-ion batteries. Three months ago we started up our cathode materials production plant in Elyria, Ohio.
- In the fourth quarter of 2012, we acquired Becker Underwood, a leading global player in biological seed treatment and biological crop protection.
- Another important step in further strengthening our downstream businesses was the acquisition of Pronova BioPharma in January of this year. With this acquisition, BASF will achieve a leading position in the fast growing and attractive market for omega-3 fatty acids. It complements the prior acquisition of Equateq in May 2012 and offers significant expansion opportunities for BASF's existing dietary supplements business.

We also keep building our upstream activities in Oil & Gas for further growth:

- In October, we announced a transaction with Statoil, substantially expanding our production and reserves of oil and gas in the North Sea. Please note, that this transaction is expected to close in the middle of this year with economic effect as of January 1, 2013. You will see volumes, sales and earnings from this transaction only from closing onwards. Earnings, which are generated between the beginning of this year and closing, will be booked against the financial compensation of 1.35 billion US dollars. This means that the actual payment to Statoil will be reduced.
- And last but not least, in November we announced an asset swap with Gazprom. As part of this deal, we will get access to blocks IV and V in the Achimov formation in Western Siberia and transfer our 50 percent stake in the gas trading and storage business to our partner Gazprom. Closing of this transaction is expected by end of this year.

During 2012, we divested non-core businesses like our fertilizer activities and announced the sale of smaller non-strategic businesses such as Relius Coatings and Meyco Equipment for tunneling and mining. In addition, we implemented restructuring measures in Paper Chemicals, Construction Chemicals, and Performance Polymers, where we closed EPS plants in India and Malaysia.

Strong commitment to R&D

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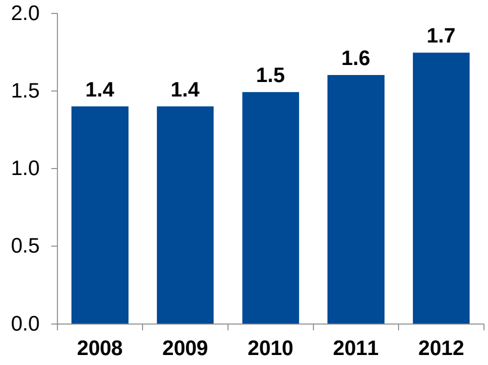
R&D expenditures
(billion €)



Key facts

- €1.7 billion R&D expenditures in 2012
- Increase of R&D spending planned for 2013
- ~10,500 employees in R&D
- ~3,000 projects
- Research Verbund: About 1,950 partnerships with universities, start-ups and industry partners
- Target 2020: €30 billion in sales from innovations younger than 10 years

[Chart "Strong commitment to R&D"]

As you know our growth plan is based on our innovation pipeline. We continue to increase our R&D spending – up by 9 percent to 1.7 billion euros last year. We keep increasing our budget based on very good ideas and our excellent R&D Verbund. We also continue to deepen our collaboration with customers around the world.

Innovation example: BOOST™ cushioning material

Photo: adidas

Key facts

- Joint development with adidas, illustrating our customer focus
- Revolutionary cushioning technology that provides highest energy return in the running industry
- Solid granular material (TPU) is literally blown up and turned into thousands of small energy capsules
- With their unique cell structure, these energy capsules store and unleash energy more efficiently in every stride

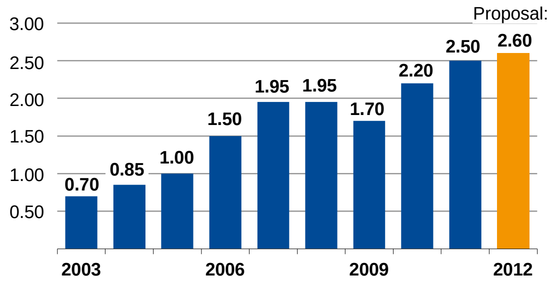
[Chart "Innovation example: BOOST cushioning material"]

One of the most recent innovation examples is a brand-new midsole technology developed by adidas and BASF:

- Please have a look at the cushioning material of adidas' newest creation: you can see that it consists of thousands of small energy capsules. These capsules are the secret to the highest energy return in the running industry. A new development process turns solid granular material – a thermoplastic polyurethane – into these capsules which make the shoe's distinctive midsole. These capsules store and unleash energy more efficiently in every stride.
- This innovative running shoe was presented by adidas in New York just two weeks ago. It will be available in stores as of tomorrow (February 27, 2013).

Attractive shareholder return

Dividend per share (€)



Yield*	3.1%	3.2%	3.1%	4.1%	3.8%	7.0%	3.9%	3.7%	4.6%	**3.7%**

* Dividend yield based on share price at year-end

Key facts

- Dividend proposal of €2.60 per share (+4%)
- Average annual dividend increase of 15.7% (2003-2012)
- Attractive dividend yield of 3.7% in 2012**
- Dividend yield above 3% in any given year since 2003

** Based on BASF share price of €71.15 on Dec 28, 2012

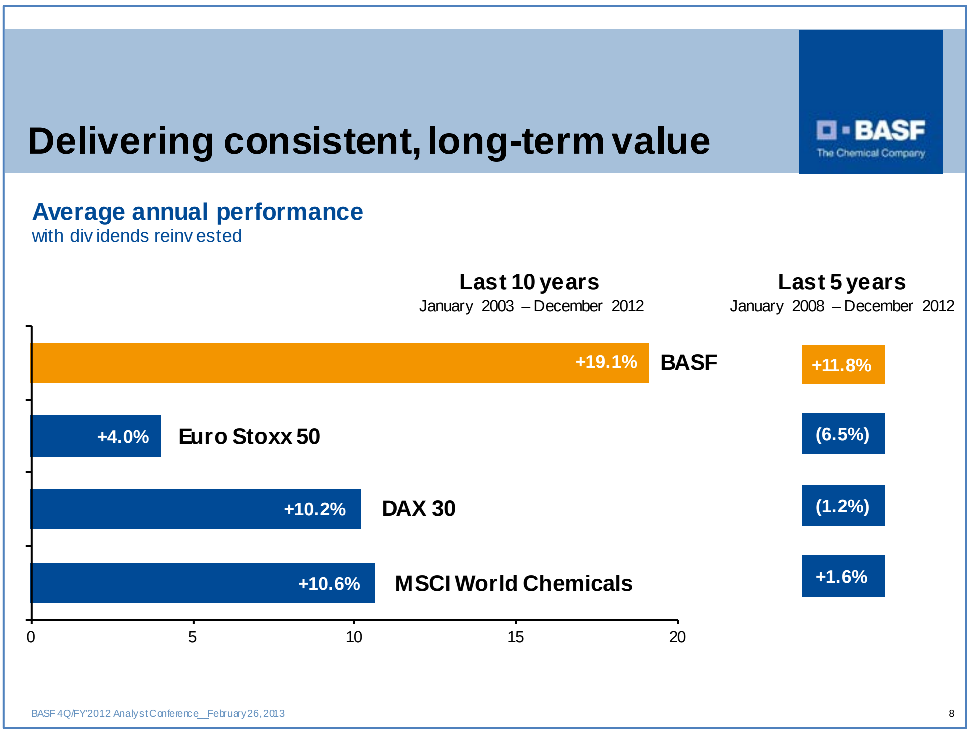
[Chart "Attractive shareholder return"]

Ladies and Gentlemen,

As you know, shareholder return is of utmost importance to us!

- We stand by our dividend policy to increase our dividend each year, or at least maintain it at the previous year's level.
- As announced this morning, we will propose to the Annual Shareholders' Meeting to pay out a dividend of 2.60 euros per share, an increase of 10 euro-cents or 4 percent.
- Over the past ten years, we have raised our dividend on average by almost 16 percent per year.

- Based on the share price of 71 euros at the end of 2012, we are offering once again an attractive dividend yield of 3.7 percent.


Delivering consistent, long-term value
BASF
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Average annual performance
with dividends reinvested
Last 10 years
January 2003 – December 2012
Last 5 years
January 2008 – December 2012
+19.1%
BASF
+11.8%
+4.0%
Euro Stoxx 50
(6.5%)
+10.2%
DAX 30
(1.2%)
+10.6%
MSCI World Chemicals
+1.6%
0
5
10
15
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[Chart "Delivering consistent, long-term value"]

We continue to deliver consistent long-term value for our shareholders:

- Over the past ten years, the average annual return on BASF stock was 19 percent, clearly outperforming the German and European stock markets as well as the MSCI World Chemicals index.

Outlook 2013
Expectations for the global economy

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	2012	Forecast 2013
GDP	2.2%	2.4%
Chemicals (excl. pharma)	2.6%	3.6%
Industrial production	2.4%	3.4%
US$ / Euro	1.28	1.30
Oil price: Brent (US$ / bbl)	112	110

[Chart "Outlook 2013 – Expectations for the global economy]

This leads us directly to our outlook for 2013. Even if many of us feel a reduced level of uncertainty heading into 2013 – I think we should be prepared for continuous high volatility and unpleasant surprises. What is our baseline for 2013?

- We expect global GDP to grow by 2.4 percent, only slightly higher than in 2012. Significant economic risks will remain. Austerity measures to improve public finances will continue to dampen demand in the eurozone and the United States. However, worldwide economic growth will be bolstered by low interest rates and government stimulus measures in the emerging markets.
- At 3.4 percent, global industrial production is expected to grow slightly faster than last year, driven by both the industrialized countries as well as the emerging markets.
- We assume an average oil price of 110 dollars per barrel Brent as well as an average exchange rate of 1.30 dollars per euro.

Outlook 2013 by region
Chemical production (excl. pharma)

BASF The Chemical Company

	2012	Forecast 2013
World	2.6%	3.6%
EU-27	(1.4%)	0.3%
USA	2.5%	1.9%
Asia (excl. Japan)	7.7%	8.1%
Japan	(4.5%)	(0.6%)
South America	1.9%	3.7%

[Chart "Outlook by region – Chemical production"]

Now, to our assumptions for the chemical industry:

- At 3.6 percent, we predict global chemical production (excluding pharma) to recover in 2013.
- After a contraction in 2012, we expect Europe to grow at a very low rate of 0.3 percent this year.
- Growth in the United States is likely to come down a little due to lower growth in automotive and construction. For 2013, we anticipate a growth of 1.9 percent.
- In Asia (excluding Japan), growth will probably somewhat exceed the previous year's pace and reach 8.1 percent while Japan is likely to see another contraction. After slower than projected growth in China in 2012, we expect additional stimuli from sectors like construction, automotive, electronics and consumer goods.
- Chemical production in South America is expected to grow faster than last year. We expect a growth of 3.7 percent, mainly driven by an economic recovery in Brazil.

Outlook BASF Group 2013*

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- Excluding the effects of acquisitions and divestitures, we strive to increase our sales volumes in 2013.
- We want to exceed the 2012 levels in sales and EBIT before special items.
- The expected increase in demand, together with our measures to improve operational excellence and raise efficiency, will contribute to this.
- We aim to earn a high premium on cost of capital once again in 2013.

* In our forecast, we have applied the previous consolidation method in order to ensure comparability with the prior year. Changes due to IFRS 10 and 11 are not considered yet. However, the qualitative statements made in our forecast remain valid.

[Chart "Outlook BASF Group 2013"]

Based on these assumptions, our outlook for the year 2013 is as follows:

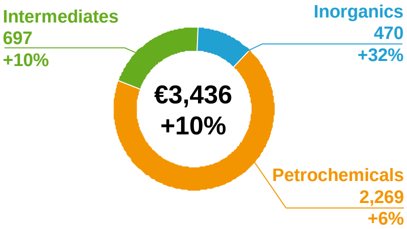
- We strive to increase volumes in 2013 excluding the effects of acquisitions and divestitures.
- We want to exceed the 2012 levels in sales and EBIT before special items.
- The expected increase in demand, together with our measures to improve operational excellence and raise efficiency, will contribute to this. The NEXT program has been completed successfully and delivered 1 billion euros by the end of 2012. Our current efficiency program STEP, which strives for an additional earnings contribution of 1 billion euros by the end of 2015, is well on track. For 2013, we expect the program to deliver about 300 million euros.
- We will also continue to invest for future profitable growth. In 2013, we plan capital expenditures of up to 4.5 billion euros.
- And last but not least, we aim to earn a high premium on our cost of capital once again in 2013.

I will now hand over to Hans, who will give you some more details regarding the business development of our segments.

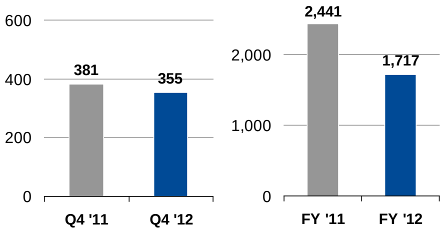
Chemicals

Lower margins and plant shutdowns

Q4’12 segment sales (million €) **vs. Q4’11**



EBIT before special items (million €)



Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q4’12 vs. Q4’11	↑ 2%	↑ 3%	↑ 3%	↑ 2%
FY’12 vs. FY’11	↓ (3%)	↓ (2%)	↑ 8%	↑ 4%

Hans-Ulrich Engel

Good afternoon ladies and gentlemen.

Let me highlight the financial performance of each segment in more detail. I will focus on the respective business development in comparison to the fourth quarter of 2011.

[Chart "Chemicals – Lower margins and plant shutdowns"]

In Chemicals, sales in the fourth quarter 2012 increased, equally driven by price and portfolio effects, the latter resulting from feedstock sales to the new owner of the divested fertilizer business. Volume growth and currency tailwinds also contributed to topline growth. EBIT before special items declined mainly due to lower margins and shutdowns.

- Sales in Petrochemicals increased. Higher selling prices and a favorable exchange rate development more than offset a slight decrease in volumes due to weaker demand. Higher raw material costs could not be fully passed on and cracker margins came under pressure, especially in Asia and the United States. Planned and unplanned shutdowns at our sites in Ludwigshafen and Port Arthur, Texas also negatively impacted earnings. Thus, EBIT before special items was lower.

- In Inorganics, sales increased. The main driver was feedstock sales to the new owner of the divested fertilizer business, which are now reported as third-party sales. Slightly higher prices and the start-up of our new sodium methylate plant in Brazil also contributed to growth. EBIT before special items, however, was below Q4 2011, which had benefitted from the dissolution of provisions.
- Improved demand in Q4 2012 led to an increase in sales in Intermediates, continuing the positive trend of the previous quarters. Despite higher fixed costs, mainly related to scheduled turnarounds, EBIT before special items came in above the previous year.

Plastics

Polyurethanes drive earnings

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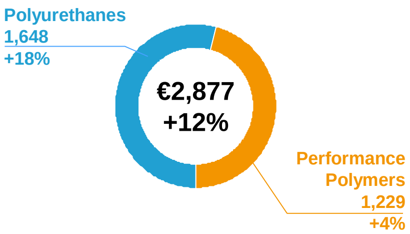
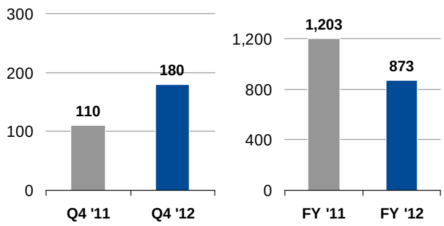
Q4'12 segment sales (million €) **vs. Q4'11**



EBIT before special items (million €)



Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q4'12 vs. Q4'11	↑ 4%	↑ 5%	0%	↑ 3%
FY'12 vs. FY'11	↓ (3%)	↑ 2%	↑ 1%	↑ 4%

[Chart "Plastics – Polyurethanes drive earnings"]

Sales in Plastics increased due to stronger volumes, higher prices and positive currency effects. EBIT before special items rose substantially due to a significant improvement in Polyurethanes.

- In Performance Polymers, sales increased due to slightly higher volumes, prices and currency effects. Demand for polyamide precursors remained weak and margins continued to be under pressure. Our engineering plastics business developed positively due to continuing strong demand from the automotive industry, particularly in North America and Asia. However, EBIT before special items declined considerably, primarily as a result of weaker margins for polyamide precursors.
- Sales in Polyurethanes grew strongly driven by higher volumes and prices. Demand from the automotive industry was again on a high level, particularly in North America and Asia, while demand from the construction industry remained subdued. Compared to the very weak fourth quarter of 2011, the supply/demand balance for polyurethane basic products improved significantly and we were able to raise prices. System houses and PU specialities continued to perform strongly. As a consequence, EBIT before special items rose sharply.

Performance Products

Lower margins and higher fixed costs impact earnings

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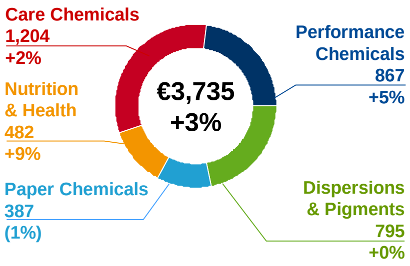
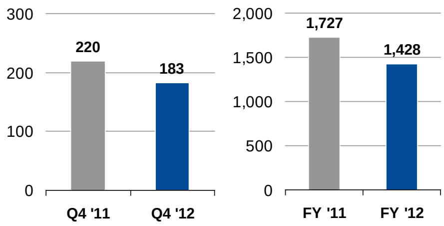
Q4'12 segment sales (million €) **vs. Q4'11**



EBIT before special items (million €)



Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q4'12 vs. Q4'11	↑ 4%	↓ (2%)	↓ (1%)	↑ 2%
FY'12 vs. FY'11	↓ (2%)	0%	0%	↑ 3%

[Chart “Performance Products – Lower margins and higher fixed costs impact earnings”]

Sales in Performance Products came in above the prior-year quarter, mainly driven by higher volumes. Price declines were offset by positive currency effects. EBIT before special items decreased. We continued to optimize our asset base and business models, which resulted in special items of minus 33 million euros.

- In Dispersions & Pigments sales were flat. Higher volumes and favorable currency effects compensated for lower prices. We were able to significantly grow volumes in additives. Demand across the other businesses remained stable. EBIT before special items declined significantly due to lower margins as a result of increased raw material costs.
- Sales in Care Chemicals rose slightly. Higher volumes more than offset lower prices. The hygiene business experienced strong volume growth, benefitting from product tightness. The market environment for formulation technologies as well as personal care, however, remained challenging and margins declined. Consequently, EBIT before special items was lower.
- In Nutrition & Health, sales grew compared to the weak prior-year level, primarily due to higher volumes in all businesses. Prices declined mainly as a result of lower vitamin prices in animal nutrition. Continuing margin pressure and higher fixed costs kept EBIT before special items below the level of last year’s fourth quarter.

- In Paper Chemicals, sales almost reached the prior-year level. Favorable currency effects nearly compensated for lower volumes and prices. We continued to implement restructuring measures, which negatively affected volumes. Volumes of the continued business, however, rose slightly. EBIT before special items decreased due to lower margins and higher fixed costs, mainly as a result of the start-up of two new plants in China.
- In Performance Chemicals, sales increased thanks to higher volumes and a positive currency impact. While demand for fuel and lubricants was slightly lower, we were able to increase volumes for oilfield and mining chemicals as well as plastic additives. As a result, EBIT before special items went up.

Functional Solutions

Strong automotive demand drives earnings

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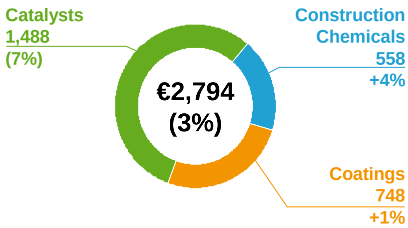
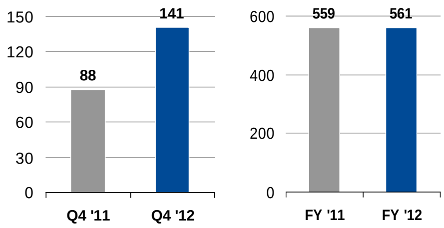
Q4'12 segment sales (million €) **vs. Q4'11**



EBIT before special items (million €)



Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q4'12 vs. Q4'11	↓(5%)	↓(1%)	↑ 2%	↑ 1%
FY'12 vs. FY'11	↓(3%)	↓(2%)	↑ 2%	↑ 4%

[Chart "Functional Solutions – Strong automotive demand drives earnings"]

Sales in Functional Solutions decreased slightly. Overall volumes were down, especially due to lower precious metals trading. A small decrease in pricing was compensated for by currency tailwinds. We saw healthy demand in Catalysts and Coatings driven by automotive. Our strict fixed cost management led to a substantial increase in EBIT before special items. Special charges of 147 million euros mainly resulted from restructuring measures in the Construction Chemicals division.

- Sales in Catalysts were down. Precious metal trading decreased by 35 million euros to 640 million euros. We saw double-digit unit growth in mobile emission catalysts. This was driven by strong OEM business in Asia and North America, which more than offset the weaker demand in Europe. An improved product mix and lower manufacturing costs led to an increase of EBIT before special items.
- Construction Chemicals sales rose, driven by significantly improved demand in North America and Middle East. Weaker admixture sales in China were the main cause for a business decline in Asia. European sales were lower due to the continued weakness in the southern part of the region. EBIT before special items increased strongly because we were able to raise prices and improve margins. On top, we realized the first benefits from the implementation of restructuring measures.

- Sales in Coatings increased slightly. OEM coatings demand grew strongly in the Americas and with European premium manufacturers, while refinish coatings performed well in Asia. However, demand for decorative paints in Brazil was lower compared to a very strong previous year quarter. Due to better margins, EBIT before special items was up.

Agricultural Solutions

Record year with earnings above the €1 billion mark

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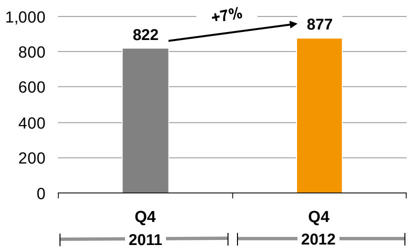
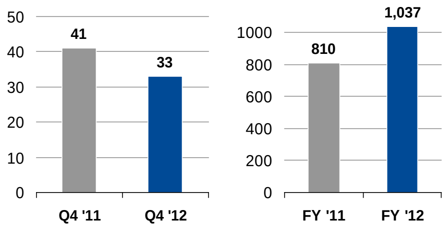
Q4’12 segment sales (million €) **vs. Q4’11**



EBIT before special items (million €)



Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q4’12 vs. Q4’11	↑ 2%	↓ (1%)	↑ 2%	↑ 4%
FY’12 vs. FY’11	↑ 6%	↑ 1%	↑ 0%	↑ 5%

[Chart “Agricultural Solutions – Record year with earnings above the €1 billion mark”]

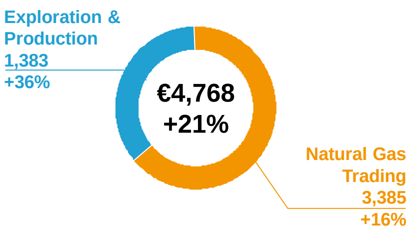
Sales in Agricultural Solutions were up in the fourth quarter. Growth was driven by higher volumes, the consolidation of the Becker Underwood acquisition, and a favorable currency impact. Prices were almost at the same level as in the prior year quarter.

- The season in South America is in full swing. Our products were in high demand, and we increased sales significantly despite dry weather conditions in Brazil.
- North American business was slightly lower as royalties have been already reported in Q3 2012. Last year, they were booked in Q4.
- Business in Europe did not fully match last year's level due to a timing effect, as sales in Germany and France are expected to materialize closer to application date in Q1 of 2013.
- Business in Asia developed very positively, as the season in Japan and Australia caught up from a late start. In China, fungicide sales developed well. This positive impact was partly offset by unfavorable weather conditions in India.
- EBIT before special items in Q4 was below prior year’s level due to the timing effects, higher R&D spendings and investments in growth markets.
- On a full-year level, 2012 was another record year. Sales rose by 12 percent to 4.7 billion euros. EBIT before special items grew by 28 percent to more than 1 billion euros and we delivered on our EBITDA margin target of 25 percent.

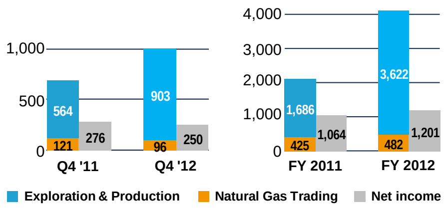
Oil & Gas

Significantly higher production

Q4'12 segment sales (million €) vs. Q4'11



EBIT before special items / Net income (million €)



Non-compensable oil taxes:
Q4 2011: € 159 million
Q4 2012: € 492 million
FY 2011: € 439 million
FY 2012: €1,880 million

Sales development

Period	Volumes	Price/Currencies	Portfolio
Q4'12 vs. Q4'11	↑18%	↑ 3%	0%
FY'12 vs. FY'11	↑29%	↑ 10%	0%

[Chart "Oil & Gas – Significantly higher production"]

Sales in Oil & Gas grew strongly mainly due to higher volumes in Exploration & Production as well as in Natural Gas Trading. EBIT before special items grew substantially. Special charges amounted to 120 million euros and were related to an impairment of the Yme development project in Norway. Non-compensable taxes on oil production amounted to 492 million euros. Net income decreased by 9 percent and was 250 million euros.

- Sales in Exploration & Production increased. Oil production in Libya was on average about 85,000 barrels of oil per day in the fourth quarter of 2012 compared to roughly 40,000 barrels of oil per day in Q4 2011. The start-up of additional wells in the Achimgaz joint venture also contributed to topline growth. EBIT before special items was significantly up due to higher volumes and a higher oil price in euro terms.
- In Natural Gas Trading, sales grew considerably driven by higher volumes. Earnings, however, declined mainly as a result of lower trading margins given a competitive market environment.

Review of 'Other'

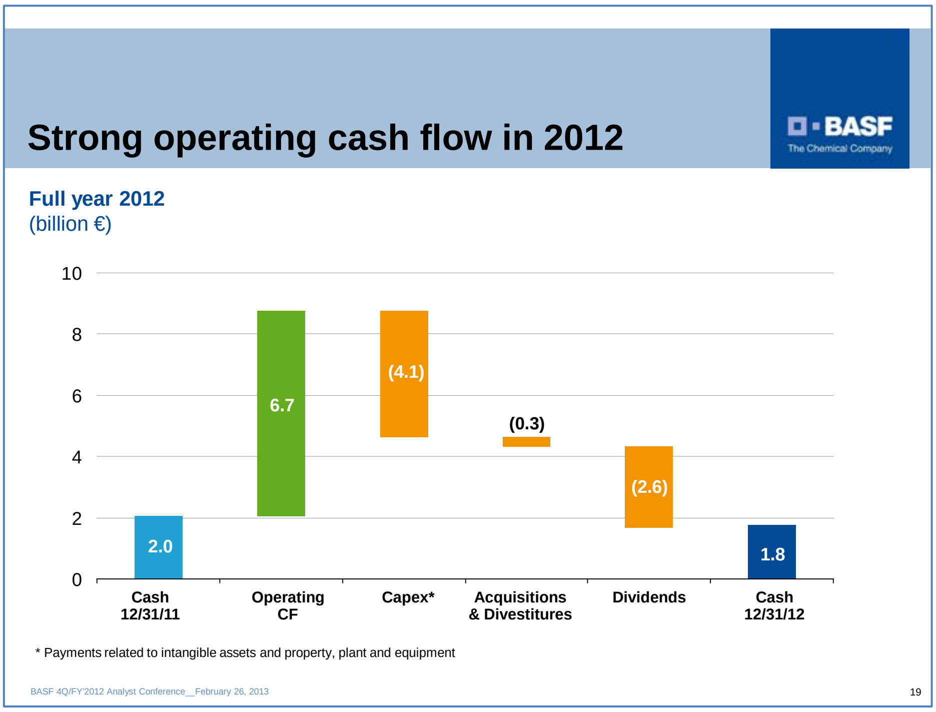
(million €)	Q4 2012	Q4 2011	2012	2011
Sales	**1,161**	**1,112**	**4,793**	**6,275**
thereof Styrenics	*—*	*—*	*—*	*2,393*
EBIT before special items	**(102)**	**(11)**	**(839)**	**(404)**
thereof Corporate research	*(105)*	*(92)*	*(391)*	*(348)*
Group corporate costs	*(73)*	*(74)*	*(255)*	*(246)*
Currency results, hedges and other valuation effects	*(92)*	*(107)*	*(460)*	*(199)*
Styrenics, fertilizers, other businesses	*18*	*65*	*183*	*408*
Special items	154	623	572	582
EBIT	**52**	**612**	**(267)**	**178**

[Chart "Review of 'Other'"]

Sales of 1.2 billion euros reported in 'Other' mainly comprise the sale of raw materials, engineering and other services, rental income and leases.

EBIT before special items declined by 91 million euros mainly due to lower earnings of other businesses. As a result of the share price increase in the fourth quarter, we incurred a sizeable provision for the long-term incentive program.

In Q4 2012, the allocation of special items to the operating divisions resulted in a positive contribution of approximately 150 million euros to Other. In the previous year's fourth quarter we reported special items of roughly plus 600 million euros, which primarily came from the disposal gain of Styrolution.


Strong operating cash flow in 2012
BASF
The Chemical Company
Full year 2012
(billion €)
10
8
6
4
2
0
2.0
6.7
(4.1)
(0.3)
(2.6)
1.8
Cash
12/31/11
Operating
CF
Capex*
Acquisitions
& Divestitures
Dividends
Cash
12/31/12
* Payments related to intangible assets and property, plant and equipment
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[Chart “Strong operating cash flow in 2012”]

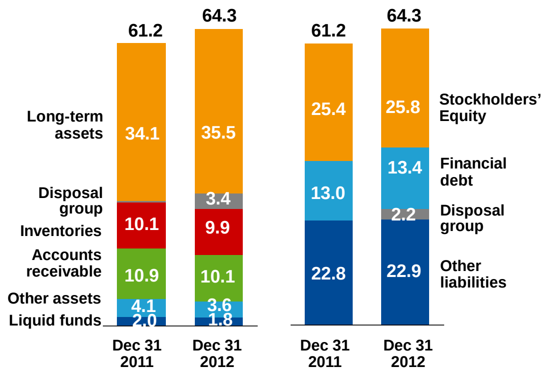
Let's now come to cash flow.

- We started the year 2012 with a cash position of about 2 billion euros.
- With 6.7 billion euros, we generated again a strong cash flow from operations in 2012, thereof 1.6 billion euros in Q4.
- In 2012, we stepped up capital expenditures. We spent 4.1 billion euros, an increase of more than 700 million euros versus 2011.
- Free cash flow reached 2.6 billion euros. It decreased 1.1 billion euros versus 2011, mainly as a result of the rise in capex.
- And, we paid 2.6 billion euros in dividends to our shareholders and minority interest holders.
- Thus, we ended last year with a cash position of 1.8 billion euros.

Balance sheet remains strong

BASF The Chemical Company

Balance sheet 2012 vs. 2011
(billion €)



Highlights 2012

- Increase of long-term assets by €1.5 billion, mainly due to acquisitions
- Creation of disposal group for natural gas trading leads to lower inventories, receivables and payables
- Higher provisions for pension obligations due to reduced discount rates
- Equity ratio: 40%
- Net debt: €11.6 billion
- Net debt/EBITDA ratio: 0.9

[Chart "Balance sheet remains strong"]

Let's now have a look at our balance sheet.

- Total assets rose by 3.1 billion euros to 64.3 billion euros.
- Long-term assets increased by 1.5 billion euros, mainly as a result of acquisitions in 2012.
- Due to the agreed upon asset swap with Gazprom we put our natural gas trading and storage business into a disposal group. This led to the reclassification of long- and short-term assets. In total, long-term assets of 1.1 billion euros and short-term assets of 2.3 billion euros were transferred to assets of the disposal group.
- Our financial indebtedness rose by approximately 350 million euros to 13.4 billion euros.
- Net debt amounted to 11.6 billion euros, an increase of roughly 600 million euros versus the end of 2011. Our net debt-to-EBITDA ratio stayed below one.
- Liabilities of the disposal group for natural gas trading amounted to 2.2 billion euros. As this reclassification of liabilities was in the same magnitude as the increase of provisions for pension obligations, other liabilities remained fairly stable. Provisions for pension obligations rose primarily as a result of reduced discount rates.
- At 40 percent, our equity ratio remained on a healthy level.

Ladies and gentlemen,

Before we go into the Q&A session, just a few words on the upcoming IFRS changes:

As of January this year, we are following IFRS 10 and 11, which leads to reporting changes, especially for some of our joint ventures. Overall, the application of IFRS 10 and 11 will lead to lower reported sales and income from operations, in particular in the Oil & Gas segment, where we will eliminate the effect of deductible and non-deductible oil taxes in Libya. Net income will only be slightly influenced by the changes in accounting standards. The qualitative statements in our 2013 outlook, given by Kurt earlier, remain valid.

We will explain to you in detail the impacts these changes will have on our financial statements in a separate event on March 22nd. We will then also provide you with restated figures for 2012 reflecting our new segment structure.

Thank you for your attention. We are now happy to take your questions.