

News Release



Acquisition strengthens BASF's leading position in plant biotechnology research and development

Ludwigshafen, Germany

May 17, 2006

P 245/06e

Dr. Susanne Benner

Telefon: +49 621 60-28574

Telefax: +49 621 60-28117

e-mail: susanne.benner@basf.com

- **BASF Plant Science acquires Belgian biotechnology company CropDesign.**
- **BASF's plant biotechnology company now leading in agronomically important traits to develop higher yielding crops such as corn, soy bean and rape seed.**

BASF, The chemical company, and a global leader in agricultural products and fine chemicals, today May 17th, 2006 announced the acquisition of CropDesign. The Belgian biotech enterprise will become part of BASF Plant Science, BASF's plant biotechnology company. Both parties agreed not to disclose financial details.

CropDesign's employees will continue to work at the research facilities in Gent, Belgium, which will become a unit within BASF Plant Science.

The acquisition complements BASF Plant Science's existing gene discovery activities and extends its leading position in access to agronomically important genetic traits. CropDesign specializes on traits for yield-enhancement, drought tolerance and improved nutrient use efficiency of crops such as corn and rice. Traits are important plant characteristics driven by genes and are the basis of the commercial use of plant biotechnology. BASF Plant Science's

BASF Plant Science
Agricultural Center
67117 Limburgerhof, Germany
Phone: +49 621 60-28574
<http://www.basf.com/biotechnology>

long-term strategy is to develop the next generation plant biotechnology products that offer clear benefits for consumers and the environment.

BASF is convinced that crops with higher yields will become increasingly important to meet the nutritional needs of a growing global population. “In 15 years we will have close to eight billion people on our planet, almost 1.5 billion more than today. With lead times of 12 to 15 years in research we have no time to lose,” states BASF Board Member Peter Oakley.

In addition, the increasing use of crops as renewable resources such as biofuels or biopolymers will also strain supplies due to the limited availability of suitable land for agriculture.

“CropDesign’s excellent portfolio of important agronomical traits will significantly strengthen our product pipeline of higher yielding crops,” comments Hans Kast, president and CEO of BASF Plant Science. “The screening capacities of CropDesign and the BASF Plant Science Company Metanomics in Berlin offer us both a worldwide unique combination of screening parameters and an extremely high throughput of genes to be tested. This secures us a strong and sustainable competitive advantage to continuously develop our position among the market leaders in plant biotechnology.”

“Becoming a part of BASF’s plant biotechnology platform clearly validates the competitive edge of our discovery capabilities and the quality of our trait portfolio,” adds Johan Cardoen, CEO of CropDesign.

CropDesign’s genetic traits based on rice further strengthens BASF Plant Science’s unique gene-discovery research. This research is based on the metabolic profiling technology at Metanomics. Here, scientists identify the metabolic functions of every plant gene, which allows for the development of plants with desired characteristics. The

database contains metabolic profiles associated with approximately 30,000 plant genes - knowledge that is already unique to BASF in plant biotech industry.

In December 2005, BASF Plant Science and CropDesign already signed a broad licence and research agreement. The acquisition now secures BASF Plant Science full access to additional traits and to all research and development options of the company that were not yet covered.

About CropDesign

CropDesign is a biotechnology company delivering traits for the global seed market and for plant-based products. CropDesign uses its proprietary TraitMill™ platform to discover genetic traits for the improvement of corn, rice and other plants. Founded in 1998, CropDesign employs more than 70 people at its research facilities in Gent, Belgium and has an extensive network of research and commercial partners.

About BASF Plant Science

All BASF activities involving plant biotechnology are incorporated in BASF Plant Science. BASF Plant Science coordinates an international research and technology platform with seven sites in four countries in Europe and North America with more than 500 employees. In addition, BASF Plant Science has established numerous complementary co-operations with research institutes, universities and biotechnology companies in Europe and North America.

The research activities of BASF Plant Science are concentrated in the areas of more efficient agriculture, healthier nutrition and use of plants for the production of renewable raw materials. These include for example plants with improved tolerance to drought. Another research focus is to develop plants with a higher level of vitamins or with omega-3-fatty acids that can prevent cardiovascular diseases.

Within the next three years BASF will invest €270 million in the expansion of its plant biotechnology operations.

BASF is the world's leading chemical company: The Chemical Company. In 2005, BASF had approximately 81,000 employees and posted sales of approximately € 42,7 billion.

To find out more about BASF Plant Science, please see our web site at:

<http://www.basf.com/biotechnology>

To find out more about CropDesign, please see the web site at:

<http://www.cropdesign.com>

Note to editors: press photos can also be downloaded at www.basf.de/pressphotos under the heading biotechnology.