

News Release



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"Closer to the Customer through Local Presence": BASF opens a second polyurethane systems site in Russia

- **Continuous expansion of global PU System House network**
- **Comprehensive sales and technology services for an increasing PU market**
- **Second site of the joint venture with OAO Nishnekamskneftechim (NKNC)**

With a second Russian polyurethane systems site, BASF strengthens its worldwide network of close to the customer PU System Houses. In spring 2012, the applications technology center near St. Petersburg will start operations which will provide polyurethane customers with comprehensive local sales and technology services. Like the System House in Nishnekamsk, which went into operation in 2000, this site will also be a part of the joint venture with the Russian company OAO Nishnekamskneftechim (NKNC). This means that BASF can draw on local polyol production in Russia, and be a reliable partner for its customers and a sustainable supplier of PU products. With 38 System Houses worldwide, as well as production sites for the main precursor PU products, the PU system market leader BASF can reliably supply its global customers from local production sites.

"With this investment into a second Russian site we show our local customers that we want to be their preferred partner and support their growth by having regard for special local requirements," stated Wayne T. Smith, President BASF Polyurethanes. "This is the systematic implementation of our successful worldwide strategy of having sites that are close to the customer which will strengthen our leadership position

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in the polyurethane market.” Only recently BASF opened PU System Houses in Poland and Dubai and has started the construction of two further sites in Tianjin and Chongqing (China).

The applications technology center near St. Petersburg will provide comprehensive technical services and sales know-how for modern polyurethane systems to quickly and competently serve customers from a wide range of businesses. The focus is on the automotive and construction industries as well as on CASE (Coatings, Adhesives, Sealants, Elastomers). The building will house a modern technology center and office space alongside storage areas and test laboratory.

Dr. Uwe Hartwig, Senior Vice President BASF Polyurethanes Europe, stressed: “This additional site will further strengthen our partnership-based customer relations in Russia, particularly in the St. Petersburg region. In this way we have created a perfect basis for our customer’s success in a strongly growing market for polyurethane applications; and we are considering further expansions of the site in the long term.”

Through its existing System House in Nishnekamsk, BASF already has a strong market position in polyurethane system solutions. BASF sees significant potential for growth especially in the automotive and construction segments of the market for applications using high quality polyurethane system solutions.

About BASF Polyurethanes

BASF is the leading supplier of Polyurethane Solutions for systems, specialties and PU basic products. With its global network of 38 polyurethane system houses and its comprehensive product and service portfolio, BASF is the preferred partner of its customers in many industries.

The BASF brand “Cellasto – the NVH Solution” represents the 50 years of experience of the market and technology leader with Polyurethane specialty elastomers.

In the extremely service-oriented business of polyurethane systems and specialties, reliable PU experience and competence are crucial. Through its system house

network, BASF provides fast local support, from technical service and sales to production and marketing during the development of customized solutions. With its world-scale plants, BASF secures its leading market position in the production of polyurethane basic products in all regions of the world.

Polyurethanes make life more comfortable, safer and more pleasant while helping to save energy sustainably. They contribute to the improved insulation of buildings and the more attractive, lightweight design of cars. Producers of shoe soles, mattresses and household goods as well as sports equipment use the unique advantages of polyurethanes together with the knowledge and expertise of the polyurethane experts of BASF worldwide.

About BASF

BASF is the world's leading chemical company: The Chemical Company. Its portfolio ranges from chemicals, plastics and performance products to agricultural products, fine chemicals as well as oil and gas. As a reliable partner BASF helps its customers in virtually all industries to be more successful. With its high-value products and intelligent solutions, BASF plays an important role in finding answers to global challenges such as climate protection, energy efficiency, nutrition and mobility. BASF posted sales of more than €63 billion in 2010 and had approximately 109.000 employees as of the end of the year. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information on BASF is available on the Internet at www.bASF.com.