



## Joint news release

### **BASF to acquire parts of Ciech's TDI business**

#### ➤ **Position in worldwide market strengthened**

Ludwigshafen, Germany and Bydgoszcz/Warsaw, Poland – October 12, 2012 – BASF and Ciech today announced the acquisition of parts of Ciech's global TDI (toluene diisocyanate) business by BASF. The acquisition is subject to approval by the appropriate antitrust authorities. Closing of the transaction is expected in the first quarter of 2013. Financial terms of the agreement were not disclosed.

The agreement involves parts of Ciech's worldwide TDI business. Production facility of Ciech's subsidiary Zachem, Poland, is not part of the transaction. Ciech and BASF will cooperate closely to facilitate an effective transition of supply agreements and support services for Ciech's TDI customers.

"This acquisition underlines our strong commitment to the TDI markets in Europe, the Middle East, Africa and worldwide", said Raimar Jahn, President of BASF's Polyurethanes division. "We are looking forward to establishing a successful partnership with Ciech's customers." BASF's strong commitment to the TDI business is also illustrated by the construction of the world's largest single-train TDI plant in Ludwigshafen.

Dariusz Krawczyk, President of the Management Board of Ciech, added: "We are confident that with BASF we have found the ideal purchaser of our TDI business. Our customers will benefit from BASF's broad knowledge and experience in the polyurethanes market and its strong global set-up."

TDI is a key component for the polyurethanes industry. To a large extent it is used in the furniture segment (e.g. flexible foams for mattresses, cushions or wood coating) as well as in the automotive industry (e.g. seating cushions and interior applications).

BASF is a leading supplier of basic products for polyurethanes and operates TDI plants in Geismar, Louisiana; Yeosu, Korea; Caojing, China; Schwarzheide, Germany; and as of 2014 in Ludwigshafen, Germany.

### **About BASF**

BASF is the world's leading chemical company: The Chemical Company. Our portfolio ranges from chemicals, plastics, performance products and crop protection products to oil and gas. We combine economic success, social responsibility and environmental protection. Through science and innovation we enable our customers in almost all industries to meet the current and future needs of society. Our products and system solutions contribute to conserving resources, ensuring healthy food and nutrition and helping to improve the quality of life. We have summed up this contribution in our corporate purpose: We create chemistry for a sustainable future. BASF posted sales of about €73.5 billion in 2011 and had more than 111,000 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](http://www.basf.com).

### **About Ciech**

The Ciech Chemical Group is one of the leaders of the European chemical market. It consists of eight production entities and service companies. The Group has a well-developed production structure and business network in Poland, Europe and Asia. The main Group's products include soda ash, baking soda, salt, fertilizers, plant protection chemicals, epoxy and polyester resins and other organic chemical products used in the glassmaking, furniture, chemical, construction and agricultural industries. With annual revenues of approximately PLN 4 billion, the Ciech Chemical Group is among the 50 largest Polish enterprises. Since February 2005 Ciech SA has been listed on the Warsaw Stock Exchange. The largest shareholders of the company include the State Treasury (38.7% of stocks and votes on General Meeting) and Pioneer Pekao Investment Management SA, and Open-End Pension Fund PZU "Złota Jesień", ING Open-End Pension Fund. More information at [www.ciech.com](http://www.ciech.com).

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