

At BASF, we create chemistry for a sustainable future



At BASF, we create chemistry for a sustainable future. As the world's leading chemical company, 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 arranged into five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas.

BASF segments – a broad and resilient portfolio



Full-Year Results 2016

Million €	2016	2015	Δ%
Sales	57,550	70,449	(18)
EBITDA	10,526	10,649	(1)
EBIT before special items	6,309	6,739	(6)
EBIT	6,275	6,248	0
Income before taxes and minority interests	5,395	5,548	(3)
Net income	4,056	3,987	2
EPS (€)	4.42	4.34	2
Adjusted EPS (€)	4.83	5.00	(3)

Outlook 2017

For 2017, we expect the global economy and chemical production to grow at around the same pace as 2016. We assume an average price of \$55 for a barrel of Brent blend crude oil and an exchange rate of \$1.05 per euro.

In an environment that remains volatile, we aim to grow profitably and considerably raise the BASF Group's sales. For income from operations (EBIT) before special items as well as for EBIT, we anticipate a slight increase compared with the previous year.

Underlying assumptions for 2017

- Growth in gross domestic product: 2.3%
- Growth in industrial production: 2.3%
- Growth in chemical production: 3.4%
- Average US dollar exchange rate: \$1.05 per euro
- Average price of \$55 for a barrel of Brent blend crude oil

Forward-looking statements

This report contains forward-looking statements. These statements are based on current estimates and projections of BASF management and currently available information. Future statements are not guarantees of the future developments and results outlined therein. These are dependent on a number of factors; they involve various risks and uncertainties; and they are based on assumptions that may not prove to be accurate. Such factors include those discussed in the Opportunities and Risks Report from pages 111 to 118 of the BASF Report 2016. We do not assume any obligation to update the forward-looking statements contained in this report.

Chemicals – The Chemicals segment comprises our business with basic chemicals and intermediates. Its portfolio ranges from solvents and plasticizers to high-volume monomers and glues as well as raw materials for detergents, plastics, textile fibers, paints and coatings, crop protection and medicines. In addition to supplying customers in the chemical industry and numerous other sectors, we also ensure that other BASF segments are supplied with chemicals for producing downstream products.

Performance Products – Our Performance Products lend stability, color and better application properties to many everyday products. Our product portfolio includes vitamins and other food additives in addition to ingredients for pharmaceuticals, personal care and cosmetics, as well as hygiene and household products. Other products from this segment improve processes in the paper industry, in oil, gas and ore extraction, and in water treatment. They furthermore enhance the efficiency of fuels and lubricants, the effectiveness of adhesives and coatings, and the stability of plastics.

Functional Materials & Solutions – In the Functional Materials & Solutions segment, we bundle system solutions, services and innovative products for specific sectors and customers, especially the automotive, electrical, chemical and construction industries, as well as applications for household, sports and leisure. Our portfolio comprises catalysts, battery materials, engineering plastics, polyurethane systems, automotive coatings, surface treatment solutions and concrete admixtures as well as construction systems like tile adhesives and decorative paints.

Agricultural Solutions – The Agricultural Solutions segment provides innovative solutions in the areas of chemical and biological crop protection, seed treatment and water management as well as solutions for nutrient supply and plant stress.

Oil & Gas – In the Oil & Gas segment, we focus on exploration and production in oil and gas-rich regions in Europe, North Africa, Russia, South America and the Middle East. Together with our Russian partner Gazprom, we are also active in the transport of natural gas in Europe.



BASF shares – an attractive investment

- Growth above chemical industry average – driven by innovative and sustainable products and solutions
- Broad and resilient portfolio – with global market access and strong customer relationships
- Unique Verbund concept – competitive advantage based on integrated sites, operational excellence and best-in-class technologies
- Earnings growth and strong cash flow generation – based on operational and financial strength
- Long-term value creation with progressive dividend policy

Key BASF share data

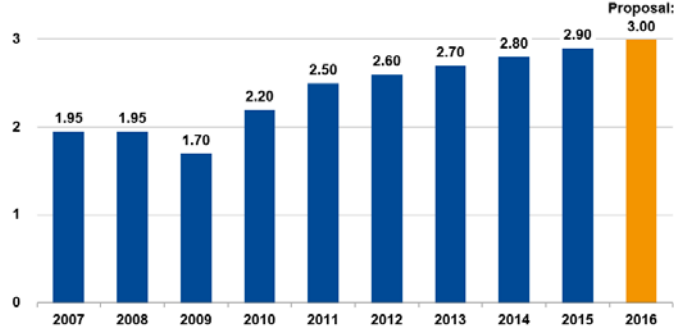
Market capitalization*	€81.1 billion
Share price*	€88.31
High/low 01/01/2016 – 12/31/2016	€88.31 / €56.70
Share performance 2006–2016**	+13.5% per year
Share performance** 01/01/2016 – 12/31/2016	+30.1%
Ticker symbol	BAS (Germany)
Securities code numbers	BASF11 ISIN DE000BASF111

* as of December 31, 2016, close

** with dividends reinvested

Ambitious dividend policy

Dividend in € per share

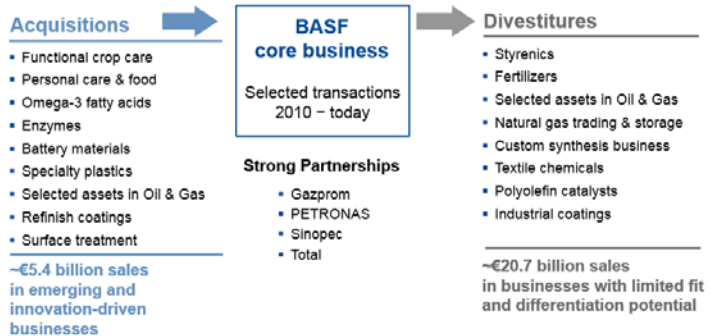


Dividend proposal 2016: €3.00 per share

Attractive dividend yield of 3.4%
based on the share price at year-end 2016

Active portfolio management

Towards more market-driven and innovative businesses



We serve customers in almost all industries

Percentage of sales 2016*

>20%	Chemicals and plastics
10–20%	Consumer goods Transportation
5–10%	Agriculture Construction Energy and resources
<5%	Health and nutrition Electronics

*Distribution by direct customers of BASF

Solutions for a sustainable future



SLENTITE® – high-performance insulation material



Trilon® M – phosphate alternative for dishwashing detergents



ecovio® – biodegradable and compostable polymer solutions



Green Sense® – resource-efficient concrete production

Please feel free to contact us – we are looking forward to your request!

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We create chemistry