

# 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 112,000 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 well-balanced portfolio in % of sales 2015



### 3rd Quarter 2016 results

Million €	Q3 2016	Q3 2015	Δ%
Sales	14,013	17,424	(20)
EBITDA	2,437	2,872	(15)
EBIT before special items	1,516	1,603	(5)
EBIT	1,464	1,889	(22)
Income before taxes and minority interests	1,181	1,714	(31)
Net income	888	1,209	(27)
EPS (€)	0.97	1.31	(26)
Adjusted EPS (€)	1.10	1.07	3

### Outlook 2016

**We confirm our forecast for sales, EBIT before special items, and EBIT of the BASF Group:** Sales will decrease considerably in 2016. As a consequence of the asset swap with Gazprom, contributions to the Oil & Gas segment have ceased from the natural gas trading and storage business in particular. In the first three quarters of 2015, these activities had contributed a total of around €10.1 billion to sales. Sales will be furthermore reduced by lower prices for oil and gas. We want to increase sales volumes, excluding the effects of acquisitions and divestitures. We expect both EBIT before special items and EBIT to be slightly below 2015 levels. This remains an ambitious goal in the current volatile and challenging environment, and in light of the fire of October 17 and its consequences.

We have adjusted our expectations for the global economic environment in 2016 as follows (previous forecast from the BASF Report 2015 in parentheses):

Growth in gross domestic product: 2.3% (2.3%)

Growth in industrial production: 2.0% (2.0%)

Growth in chemical production: 3.4% (3.4%)

Average €/US\$ exchange rate: \$1.10 per euro (\$1.10 per euro)

Annualized average price of a barrel of oil: \$45 (\$40 per barrel)

### 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 113 to 120 of the BASF Report 2015. 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, plasticizers and high-volume monomers to glues and electronic chemicals as well as raw materials for detergents, plastics, textile fibers, paints and coatings, crop protection and medicines.

**Performance Products** – Our Performance Products lend stability, color or 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.

**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 for household applications and sports and leisure.

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



## Reasons to invest in BASF:

- The world's leading chemical company – uniquely positioned with broad market access, portfolio of technologies and expertise
- **Strong competitiveness:** innovation, sustainability and emerging markets
- Competitive advantage based on **Verbund concept** and operational excellence
- **Long-term value creation** based on a sound balance sheet and financial strength

### Details of the BASF share

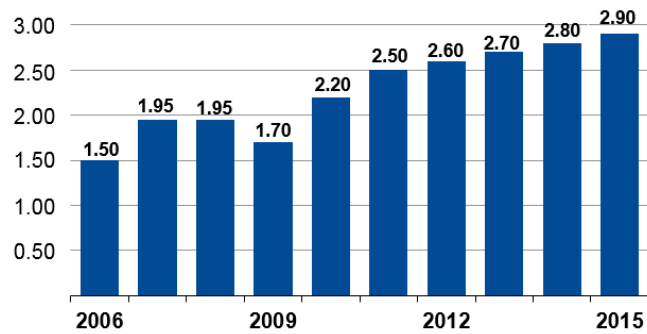
Market capitalization*	€69.9 billion
Share price*	€76.11
High/low 01/01/2016 – 09/30/2016	€76.11 / €56.70
Share performance 2005–2015**	+12.3% per year
Share performance** 01/01/2016 – 09/30/2016	+12.1%
Ticker symbol	BAS (Germany)
Securities code numbers	BASF11 ISIN DE000BASF111

\* as of September 30, 2016, close

\*\* with dividends reinvested

### Ambitious dividend policy

Dividend in € per share



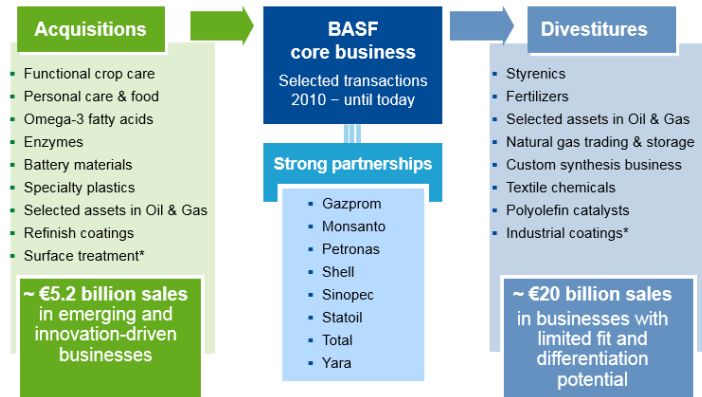
Dividend 2015: €2.90 per share

Attractive dividend yield of 4.1% based on the share price at year-end 2015

Dividend yield above 3.5% in any given year since 2006

### Active portfolio management

Towards more market-driven and innovative businesses



\* Closing expected in 2016

### We serve customers in almost all industries

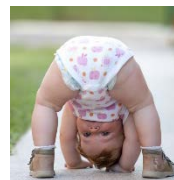
Percentage of sales\*

> 15%	Chemicals and plastics   Energy and resources
10 - 15%	Consumer goods   Transportation
5 - 10%	Agriculture   Construction
< 5%	Health and nutrition   Electronics

\* Distribution by direct customers of BASF

Other industries: approx. 10-15% of total sales in 2015

### Chemistry in everyday life



#### Superabsorbents

Diapers are becoming ever thinner, superabsorbents are highly effective



#### Construction materials

Saving energy with BASF's products



#### Trilon® M

Alternative to phosphate, no more tea stains and chalky deposits



#### PolyTHF®

Resilient riding fun for cool cruisers, long-board wheels of polyurethane

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

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**BASF**  
We create chemistry