

BASF Aktiengesellschaft
Annual Meeting of BASF Aktiengesellschaft
on April 26, 2007

Invitation
to the Annual Meeting
on April 26, 2007

 **BASF**
The Chemical Company

Dear Shareholders,

The 55th Annual Meeting of BASF Aktiengesellschaft will again be held at the Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim, Germany, at 10:00 a.m., on Thursday, April 26, 2007. Please accept our cordial invitation to this meeting.

With this letter you will find the notice of the Annual Meeting which was published in the electronic Federal German Gazette with the detailed Agenda of the Annual Meeting required by law and one report from the Board of Executive Directors.

At this year's Annual Meeting, the Board of Executive Directors and the Supervisory Board will propose under Item 7 of the Agenda that BASF Aktiengesellschaft be converted into the new European legal form of a European Company (Societas Europaea, SE). With the change of the legal form, we also want to outwardly manifest the way we see ourselves as a corporate group with European and global orientation. Additionally, we see in the European Company the opportunity to develop our Corporate Governance structure and shape the work of the corporate organs more efficiently. A detailed description of the change of legal form is to be found in the Conversion Report, which is published on our Internet site <http://www.basf.de> and will be sent to any shareholder on request.

In connection with the change of the legal form, the members of the first Supervisory Board of the future BASF SE to be appointed by the shareholders will also be appointed. Their term of office will begin with the recording of the conversion in the Commercial Register. Until then, the current members of the Supervisory Board will remain in office. With the conversion, the Supervisory Board, which will continue to have equal numbers of shareholder and employee representatives, will be reduced to a total of 12 members. The Supervisory Board proposes the following persons as representatives of the shareholders in the first Supervisory Board of the future BASF SE:

1. Professor Dr. François N. Diederich, Zurich, Switzerland
Professor at the Swiss Technical University, Zurich
2. Michael Diekmann, Munich
Chairman of the Board of Executive Directors of Allianz SE
3. Franz Fehrenbach, Stuttgart
Chairman of the Management of Robert Bosch GmbH

4. Dr. Tessen von Heydebreck, Frankfurt am Main
Member of the Board of Executive Directors of Deutsche Bank AG
5. Max Dietrich Kley, Heidelberg
Attorney at law
6. Professor Dr. Jürgen F. Strube, Mannheim
Chairman of the Supervisory Board of BASF Aktiengesellschaft

Subject to the decision competence of the Supervisory Board of the future BASF SE, Professor Dr. Jürgen F. Strube is to be proposed as Chairman of the Supervisory Board at its first meeting.

We would like to supply the following supplementary information on Items 2 and 6 of the Agenda:

In 2006, we bought back a total of 14,699,000 shares using the buyback authorizations granted by the Annual Meeting. Of these shares, 13,289,000 have been canceled. In 2006, we also cancelled 680,000 shares that had already been bought back in 2005. The company's share capital has been reduced by a total of €35,760,640 by these measures. From the beginning of this year up to the date of approval of the Consolidated Financial Statements by the Board of Executive Directors, we bought back an additional 1,345,000 shares. In the event of the buyback of further shares between the date of approval of the Consolidated Financial Statements by the Board of Executive Directors and the day of the Annual Meeting, the number of dividend-bearing shares and thus the dividend payout may decrease again. If necessary, we will announce at the Annual Meeting the number of shares that we have repurchased up to this date and adjust the motion for a resolution on the appropriation of profit accordingly.

In the future, we want to continue to buy back our own shares in order to reduce the equity ratio and increase earnings per share in the interest of the shareholders. In order to retain this possibility, we again need an authorization by this year's Annual Meeting, which can only be granted for a limited time under law. Under Item 6 of the Agenda, we therefore propose to renew last year's authorization. As in previous years, we would simultaneously like to extend the authorization requested to allow the use, at a later date, of the shares so acquired for the acquisition of companies or holdings. In this connection, we also refer to the enclosed report of the Board of Executive Directors in accordance with Section 71 (1) and Section 186 (4) of the

German Stock Corporation Act concerning the exclusion of the subscription right.

Attendance and proxies

As in previous years, we have a particular interest in shareholders exercising their right to vote at the Annual Meeting and safeguarding their rights in coadministering the company.

Shareholders who do not attend the Annual Meeting in person can exercise their voting rights as usual either through a proxy of their choice with written authorization (for example through a bank or an association of shareholders) or by issuing (in writing or electronically via the Internet) a power of attorney to proxies appointed by our company. In the latter case, the power of attorney must contain instructions on the exercise of the voting right.

Authorizing proxies of our company can be of particular interest to you if your depository bank refuses to exercise your right to vote at the Annual Meeting.

We would like to point out that even if you cannot or do not wish to attend the Annual Meeting in person, you first need an entrance ticket to authorize in writing or electronically the proxies appointed by our company. You will find further information on proxy in the enclosed **leaflet entitled "Information on attending the Annual Meeting and on proxies"**.

A short report on the business year 2006 is also enclosed with this letter. It includes key financial data. Once again, we are not sending copies of the Corporate Report, the Financial Statements of BASF Aktiengesellschaft or the Financial Report 2006 with the complete BASF Group Consolidated Financial Statements this year. All these documents, however, will be sent to any shareholder upon request or they can be viewed together with other information about the Annual Meeting on the Internet at <http://www.basf.com> via the "Annual Meeting" link.

Very truly yours

BASF Aktiengesellschaft



Hambrecht



Voscherau

We hereby give notice of our

Annual Meeting

on Thursday, April 26, 2007, 10:00 a.m., at the Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim, Germany.

Agenda

1. Presentation of the Financial Statements of BASF Aktiengesellschaft and the BASF Group Consolidated Financial Statements for 2006; presentation of Management's Analysis of BASF Aktiengesellschaft and of the BASF Group for 2006; presentation of the Report of the Supervisory Board

2. Adoption of a resolution on the appropriation of profit

The Board of Executive Directors and the Supervisory Board propose to pay a dividend of €3.00 per qualifying share from the profit retained in 2006 by BASF Aktiengesellschaft in the amount of €2,225,141,391.67. If the shareholders approve this proposal, a total dividend of €1,495,005,000.00 will be payable on the 498,335,000 qualifying shares as of the date of approval of the Financial Statements for 2006 (February 20, 2007).

The Board of Executive Directors and the Supervisory Board propose that the remaining profit retained of €730,136,391.67 be carried forward and the profit carried forward be increased accordingly if the number of shares qualifying for dividend and the total dividend paid out are further reduced in the event that further shares are bought back up to the date of the Annual Meeting.

3. Adoption of a resolution giving formal approval to the actions of the Supervisory Board

The Board of Executive Directors and the Supervisory Board propose that formal approval be given to the actions of the Supervisory Board in 2006.

4. Adoption of a resolution giving formal approval to the actions of the Board of Executive Directors

The Supervisory Board and the Board of Executive Directors propose that formal approval be given to the actions of the Board of Executive Directors in 2006.

5. Election of an auditor for the financial year 2007

The Supervisory Board proposes that KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt, be appointed auditors of BASF Aktiengesellschaft and the BASF Group for the financial year 2007.

6. Authorization to buy back shares and to put them to further use including the authorization to redeem bought-back shares and reduce capital

The Board of Executive Directors and the Supervisory Board propose that the following resolution be adopted:

The company is authorized to purchase shares of the company in an amount of up to 10 percent of the company's share capital. The shares will be purchased at the discretion of the Board of Executive Directors, via the stock exchange or a public purchase offer addressed to all shareholders. The purchase price per share to be paid by the company may not, subject to sentence 5, exceed the highest market price (plus costs and charges) quoted on the floor or electronically on the Frankfurt Stock Exchange on the date of purchase. It must not be less than 75 percent of this highest price. In the event of a public offer to buy back shares, the purchase price offered and paid for each share may exceed the highest market price by up to 10 percent on the third trading day prior to the publication of the share buyback offer.

Subject to sentences 8 and 9, the Board of Executive Directors may only sell shares purchased on the basis of this authorization after a corresponding additional resolution has been adopted at the Annual Meeting by a majority comprising at least three-quarters of the share capital represented at the meeting. Irrespective of this, the Board of Executive Directors is authorized to redeem the shares purchased on the basis of this authorization without the adoption of a further resolution by the Annual Meeting and to reduce the share capital by the part of the share capital accounted for by the redeemed shares.

The Board of Executive Directors is authorized to use, with the approval of the Supervisory Board, shares acquired by virtue of this authorization for the acquisition of companies, parts of companies or holdings in companies in return for the transfer of shares. The subscription right of shareholders is excluded in respect of these company shares if the shares are sold or transferred under the authorizations specified in the preceding sentence 8.

The authorizations to buy back shares and/or to redeem or resell them may be exercised wholly or partially one or more times. The authorizations to buy back company shares and to resell them may also be carried out, at the discretion of the Board of Executive Directors, by companies of the BASF Group or by third parties for the account of the company or Group companies. The authorization to buy back shares will expire on October 25, 2008.

The authorization to buy back company shares granted by the Annual Meeting on May 4, 2006, terminates with the coming into effect of this new authorization as far as the Board of Executive Directors is authorized to purchase shares. The authorizations, granted at the same time, to redeem shares purchased thereunder and to use the shares for acquiring companies, parts of companies or holdings in companies remain valid.

7. Conversion of BASF Aktiengesellschaft into a European Company (*Societas Europaea*, SE)

The Board of Executive Directors and the Supervisory Board propose that the following resolution be adopted, although according to Section 124 (3), Sentence 1, of the German Stock Corporation Act, only the Supervisory Board submits the proposal for the appointment of the auditor for the first financial year of the future BASF SE (Section 8 of the Conversion Plan) and the proposal for the appointment of members of the first Supervisory Board of the future BASF SE (Paragraph 10, Section 2, of the Articles of Association of the future BASF SE, which are attached to the Conversion Plan proposed for adoption as Annex 1):

The Conversion Plan of February 27, 2007 (Document of Notary Public Ludwig Draxel-Fischer, Doc. Reg. No. 494/2007) concerning the conversion of BASF Aktiengesellschaft into a European Company (*Societas Europaea*, SE) be adopted and the Articles of Association of BASF SE that are attached to the Conversion Plan as Annex I be approved.

The Conversion Plan and the Articles of Association of BASF SE are worded as follows:

CONVERSION PLAN

for the conversion with a change of the legal form of

BASF Aktiengesellschaft, Ludwigshafen am Rhein, Germany

– hereinafter also referred to as “BASF AG” – into the

legal form of a *Societas Europaea* (SE)

– hereinafter also referred to as “BASF SE” –

Preamble

BASF AG is a stock corporation (*Aktiengesellschaft*) under German law with its registered office and head office in Ludwigshafen am Rhein, Germany. It is registered in the commercial register of the local court in Ludwigshafen am Rhein under the entry number HRB 3000. Its business address is Carl-Bosch-Straße 38, 67056 Ludwigshafen, Germany. BASF AG is the largest operating company within BASF Group (“BASF Group”) and holds, directly or indirectly, the shares in the companies belonging to BASF Group.

As of today, the subscribed capital of BASF AG amounts to Euro 1,282,790,400.00 and is divided into 501,090,000 no-par value shares. The proportionate amount per share of the subscribed capital of BASF AG is Euro 2.56 per share. Pursuant to Section 3 No. 3 of the articles of association of BASF AG, the shares are made out to the bearer.

It is intended to convert BASF AG into a European Company (*Societas Europaea*, SE) pursuant to Art. 2 para. 4 in connection with Art. 37 of Council Regulation (EC) No. 2157/2001 of October 8, 2001, on the Statute for a European company (SE) (“SE Regulation”). The legal form of an SE is the only supranational legal form based on European law currently available to a listed company with its registered office in Germany.

The change of the legal form from a stock corporation into a European Company demonstrates also externally the self-conception of BASF as a company with a European and global orientation. Furthermore, the legal form of a European Company presents an opportunity to further develop the corporate governance structure of BASF AG and to continue to optimize the work of the corporate bodies of the company. The opportunity to reduce the size of the supervisory board makes an important contribution

in this regard. The supervisory board will continue to be composed on a parity basis so that half of its members will be employee representatives. However, subject to an agreement to this effect in the course of the involvement of employees, these representatives will not be exclusively appointed by the employee representatives of BASF Group in Germany and the German labour unions, but with the involvement of the employee representatives and labour unions from other member states of the European Union ("EU") or, respectively, a signatory state to the European Economic Area ("EEA").

The registered office and the head office of the company will continue to be situated in Germany.

The board of executive directors of BASF AG therefore prepares the following conversion plan:

Section 1

Conversion of BASF AG into BASF SE

BASF AG is being converted into a European Company (*Societas Europaea*, SE) pursuant to Art. 2 para. 4 in connection with Art. 37 SE Regulation.

For more than two years BASF AG has had a large number of subsidiaries which are governed by the laws of other member states of the EU, amongst others BASF Nederland B.V. with its registered office in Arnhem, the Netherlands, which was established by BASF AG on November 2, 1954, and which is registered in the commercial register (Handelsregister van de Kamers van Koophandel voor Centraal Gelderland). The requirements for the conversion of BASF AG into BASF SE pursuant to Art. 2 para. 4 SE Regulation are thereby fulfilled.

The conversion of BASF AG into an SE does neither lead to a liquidation of the company nor to the formation of a new legal entity. The interests of the shareholders in the Company continue to exist unchanged because of the preservation of the identity of the legal entity.

Section 2

Effectiveness of the conversion

The conversion becomes effective upon the registration in the commercial register.

Section 3

Company name, registered office, subscribed capital and statutes of BASF SE

- 3.1 The company name of the SE is "BASF SE".
- 3.2 The registered office of BASF SE is located at Ludwigshafen am Rhein, Germany; this is also the place of its head office.
- 3.3 The entire subscribed capital of BASF AG in the amount existing at the point in time of the registration of the conversion in the commercial register (current amount: Euro 1,282,790,400.00) and as divided into no-par value shares made out to the bearer (current number of shares: 501,090,000) becomes the subscribed capital of BASF SE. The persons and companies who are shareholders of BASF AG at the point in time of the registration of the conversion in the commercial register become shareholders of BASF SE to the same extent and with the same number of shares in the subscribed capital of BASF SE corresponding to their participation in the subscribed capital of BASF AG immediately prior to the conversion becoming effective. The arithmetic portion of each no-par value share in the subscribed capital (currently Euro 2.56) is maintained in exactly the way it existed immediately prior to the conversion becoming effective.
- 3.4 BASF SE shall have the statutes enclosed as an **Annex**. It constitutes an integral part of this conversion plan. In this regard, at the point in time of the effectiveness of the conversion of BASF AG into an SE the following applies:
 - (i) the amount of the subscribed capital of BASF SE with its division into no-par value shares as stipulated in Section 5 Nos. 1 and 2 of the statutes of BASF SE corresponds to the amount of the subscribed capital of BASF AG with its division into no-par value shares (Section 3 Nos. 1 and 2 of the articles of association of BASF AG) and
 - (ii) the amount of the authorized capital pursuant to Section 5 No. 8 of the statutes of BASF SE corresponds to the amount of the authorized capital still available pursuant to Section 3 No. 7 of the articles of association of BASF AG.

The conditional capitals provided for in the articles of association of BASF AG in Section 3 Nos. 8 to 11 have become irrelevant or the underlying claims have become subject to the statute of limitations, respectively. Therefore, they are not included in the statutes of BASF SE.

In view of this, the supervisory board of BASF SE is authorized and instructed to make any amendments to the wording of the enclosed statutes of BASF SE which relate to the amounts or the division of the capitals and which result from the aforementioned before the registration of the conversion in the commercial register of BASF AG.

- 3.5 Shareholders who object to the conversion are not being offered a cash compensation, since this is not provided for by statutory law.

Section 4 Board of executive directors

Notwithstanding the statutory competences of the supervisory board of BASF SE, it is to be assumed that the current acting members of the board of executive directors of BASF AG will be appointed as members of the board of executive directors of BASF SE. The current members of the board of executive directors of BASF AG are Dr. Jürgen Hambrecht (Chairman), Eggert Voscherau (Vice Chairman), Dr. Kurt Bock, Dr. Martin Bruder Müller, Dr. John Feldmann, Dr. Andreas Kreimeyer, Klaus Peter Löbbe, Dr. Stefan Marcinowski and Peter Oakley.

Section 5 Supervisory board

- 5.1 Pursuant to Section 10 No. 1 of the statutes of BASF SE (cf. the **Annex**), BASF SE is to have a supervisory board which, in deviation from the current situation at BASF AG, comprises twelve instead of twenty members. Of the twelve members, six members are appointed upon proposals of the employees. The proposals of the employees are binding on the general meeting. If an agreement regarding the participation of the employees concluded in accordance with the Act on the Participation of Employees in a European Company (*SE-Beteiligungsgesetz* – “SEBG”) stipulates a different appointment procedure for the employee representatives on the supervisory board, the employee

representatives will not be appointed by the general meeting, but in accordance with the agreed appointment procedure.

- 5.2 The terms of office of the shareholder representatives as well as the terms of office of the employee representatives on the supervisory board of BASF AG terminate upon the effectiveness of the conversion.

Of the shareholder representatives on the supervisory board of BASF AG, the following members are to be appointed as members of the supervisory board of BASF SE (see Section 10 No. 2 of the statutes of BASF SE which are enclosed to this conversion plan as an **Annex**):

- Prof. Dr. François N. Diederich,
Zurich/Switzerland
Professor at the Swiss Federal Institute of
Technology Zurich (*Eidgenössische Technische
Hochschule Zürich*)
- Michael Diekmann, Munich
Chairman of the management board of Allianz SE
- Dr. Tessen von Heydebreck, Frankfurt am Main
Member of the board of management of
Deutsche Bank AG
- Max Dietrich Kley, Heidelberg
Attorney at law
- Prof. Dr. Jürgen Strube, Mannheim
Chairman of the supervisory board of
BASF Aktiengesellschaft

Furthermore, as shareholder representative on the supervisory board of BASF SE shall be appointed:

- Franz Fehrenbach, Stuttgart
Chairman of the board of management of
Robert Bosch GmbH

The shareholder representatives on the supervisory board of BASF SE are to be appointed taking into account the results of the employee involvement procedure (see Section 6 below).

Section 6

Information on the procedure for arrangements for employee involvement

6.1 In order to safeguard the rights to participate in entrepreneurial decisions acquired by the employees of BASF AG, in the course of the conversion into an SE a procedure for the involvement of the employees at BASF SE is to be conducted. The objective is the conclusion of an agreement regarding the involvement of employees in the SE, i. e., in particular, regarding the participation of the employees in the supervisory board of BASF SE and the procedure for the information and consultation of employees either by establishment of an SE works council or in another way to be agreed upon with the board of executive directors of BASF AG.

The procedure for the involvement of employees is characterised by the principle of protecting the acquired rights of the employees of BASF AG. The extent of the involvement of the employees in the SE is determined by Section 2 para. 8 SEBG which, essentially, follows Art. 2 lit. h) of Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees. Involvement of employees is the collective term for any mechanism, including, in particular, information, consultation and participation, through which employees' representatives may exercise an influence on decisions to be taken within the company. Information in this context means the informing of the SE works council or other employees' representatives by the management of the SE on questions which concern the SE itself and any of its subsidiaries or establishments situated in another member state or which exceed the powers of the decision-making organs in a single member state. Consultation means, in addition to employees' representatives expressing an opinion on matters relevant for the decision-making process, the exchange of views between employees' representatives and management and a dialogue with the objective of reaching agreement, however, with the company management remaining free in its decision. The most far-reaching influence is being conferred by participation; pursuant to Section 2 para. 12 SEBG the term either refers to the right to appoint or elect members of the supervisory organ or, alternatively, to recommend such

members for appointment or to reject such recommendations made by a third party.

6.2 As parent company of BASF Group, BASF AG currently has a supervisory board with twenty members which is composed on a parity basis in accordance with the German Co-Determination Act 1976 (*Mitbestimmungsgesetz* – "MitBestG 1976"). With regard to the ten employee representatives on the supervisory board of BASF AG, presently only the employees of the group companies employed in Germany have the active and passive voting right in accordance with the MitbestG 1976. The provisions of the MitBestG 1976 regarding the representation of employees on the supervisory board of BASF AG are being replaced by the stipulations of the SEBG. (With regard to the other consequences of the change of the legal form for the employees and their representative bodies see Section 7 below.) Upon the effectiveness of the conversion of BASF AG into an SE, the terms of office of the employee representatives as well as the terms of office of the shareholder representatives on the supervisory board of BASF AG terminate (see Section 5 above). The shareholder representatives on the new supervisory board of BASF SE are already appointed in the statutes of BASF SE. The employee representatives on the first supervisory board of BASF SE will be appointed after the completion of the procedure for the involvement of employees. It is to be expected that the appointment of the first employee representatives will be made by the local court of Ludwigshafen am Rhein (court of registration) as the competent court for BASF SE, unless the agreement regarding the participation of the employees stipulates a different appointment procedure.

In addition to the supervisory board of BASF AG, there are additional bodies at the level of its group companies in which the employees have participation rights.

In the companies of BASF Group in the EU and the EEA there are bodies representing employees in accordance with legal requirements under applicable national laws. The works council structure of BASF AG follows a two-tier system with the works council in the Ludwigshafen plant and the joint works council. Currently, the joint works council comprises 42 representatives of the German

companies within BASF Group. 13 companies delegate two representatives each and 16 companies delegate one representative each to this body.

At the European level, the employee representative bodies are organized within the BASF Euro Dialog, a voluntary agreement on cross-national information and consultation pursuant to Section 41 para. 1 of the European Works Councils Act (*Europäische Betriebsrätegesetz* – “EBRG”).

- 6.3 The initiation of the procedure for the involvement of the employees is conducted in accordance with the provisions of the SEBG. The latter requires that the management body of the participating company, i. e. the board of executive directors of BASF AG, notifies the employees or their representative bodies involved, respectively, about the conversion project and requests them to establish a Special Negotiating Body. The procedure is to be initiated unrequested and without undue delay after the board of executive directors of BASF AG has published the conversion plan prepared by it. The publication is made by virtue of the filing of the conversion plan recorded by a notary public with the competent commercial register in Ludwigshafen am Rhein. The notification of the employees or their representative bodies, respectively, includes, in particular, (i) the names and structure of BASF AG, concerned subsidiaries and concerned establishments, and their distribution among the member states; (ii) the bodies representing employees existing within these companies and establishments; (iii) the number of persons employed in these companies and establishments, and the total number of persons employed in a given member state determined on the basis thereof, and (iv) the number of employees enjoying participation rights in the corporate bodies of these companies.

- 6.4 It is provided by statutory law that within a period of ten weeks after the notification of the employees or, respectively, their representative bodies described in Section 6.3 the employees or their representative bodies, respectively, elect or appoint the members of the Special Negotiating Body, which is composed of employee representatives from all member states of the EU and from all signatory states of the EEA involved.

It is the task of this Special Negotiating Body to negotiate with the management of the company the procedural details of the involvement procedure and the determination of the participation right of the employees within the SE.

The establishment and composition of the Special Negotiating Body are, in principle, subject to German law (Sections 4 to 7 SEBG). The allocation of the seats in the Special Negotiating Body to the individual member states of the EU and the signatory states to the EEA in which BASF Group has employees is governed, in respect of the formation of an SE with its registered office in Germany, by Section 5 para. 1 SEBG: The allocation of the seats follows the following basic principles:

Each member state of the EU and signatory state to the EEA in which BASF Group has employees is allocated at least one seat. The number of seats allocated to a member state of the EU or a signatory state to the EEA is increased by 1 in each case where the number of employees employed in this member state of the EU or signatory state to the EEA exceeds the thresholds of 10 %, 20 %, 30 % etc. of all employees of BASF Group within the EU or of the EEA, respectively. The relevant point in time for the determination of the allocation of seats is, in principle, the time of the notification of the employees or the respective employee representative bodies (cf. Section 4 para. 4 SEBG).

On the basis of the employee figures of BASF Group in the individual member states of the EU and the signatory states to the EEA as of December 31, 2006, the following allocation of seats applies:

Country	Number of employees	% (rounded)	Representatives in the Special Negotiating body
Austria	119	0.18	1
Belgium	4,101.1	6.25	1
Bulgaria	17	0.03	1
Czech Republic	230	0.35	1
Denmark	297	0.45	1
Finland	128	0.20	1
France	2,351.5	3.58	1
Germany	51,148.45	77.98	8
Greece	79	0.12	1
Hungary	132	0.20	1
Ireland	16	0.02	1
Italy	1,517	2.31	1
Lithuania	16	0.02	1
Malta	1	0.00	1
The Netherlands	1,096	1.67	1
Norway	32	0.05	1
Poland	271	0.41	1
Portugal	450	0.69	1
Romania	32	0.05	1
Sweden	198	0.30	1
Slovakia	130	0.20	1
Slovenia	38	0.06	1
Spain	1,919	2.93	1
United Kingdom	1,270.5	1.94	1
Total (24 countries)	65,589.55	100	31

With regard to the election or appointment, respectively, of the members of the Special Negotiating Body from the individual EU member states and EEA signatory states the relevant national provisions of law apply. Thus, a variety of procedures are being applied, such as the election by direct vote, appointment by labour unions or, as is the case under German law, the election by an election body (cf. Section 8 SEBG); in the case of BASF AG, this body is the joint works council. The election or, respectively, appointment of the members as well as the establishment of the Special Negotiating Body is, in principle, the responsibility of the employees and their representative bodies involved and of the relevant unions, respectively.

6.5 At the earliest after the determination of all members of the Special Negotiating Body, but no later than 10 weeks after the notification pursuant to Section 4 para. 2 and para. 3 SEBG (cf. Sections 12 para. 1, 11 para. 1 SEBG), the board of executive directors of BASF AG has to issue, without undue delay, the

invitations for the constituent meeting of the Special Negotiating Body. On the day of the constituent meeting, the procedure for the establishing of the Special Negotiating Body ends and the negotiations begin for which a duration of up to six months is provided for under statutory law. This period may be extended to a period of up to one year by mutual consent of the parties to the negotiation.

The negotiation procedure takes place also if the period for the election or appointment of individual or all members of the Special Negotiating Body is exceeded for reasons within the responsibility of the employees (Section 11 para. 2 sentence 1 SEBG).

Members who are being elected or appointed during the course of the negotiations are not finally excluded; they may, at any time, participate in the negotiation procedure (Section 11 para. 2 sentence 2 SEBG). However, a member joining the ongoing negotiations has to accept the current status of the negotiations at that time. There is no claim for an extension of the six-months negotiation period (Section 20 SEBG).

The objective of the negotiations is the conclusion of an agreement regarding the involvement of employees in BASF SE. The subject matter of the negotiations is the participation of the employees in the supervisory board of BASF SE and the determination of the procedure for the information and consultation of employees either by establishment of an SE works council or in another way.

6.6 As required by Art. 40 para. 3 SE Regulation, Section 17 para. 1 SE Implementation Act (*SE-Ausführungsgesetz* – “SEAG”), the statutes have to stipulate the number of members of the supervisory board or the rules for the determination of such number. Section 10 No. 1 of the statutes of BASF SE stipulates that the future supervisory board shall comprise twelve members. In this regard, it is mandatory that the principle of composition on a parity basis be maintained (cf. Sections 15 para. 5, 16 para. 3 SEBG). Accordingly, the statutes of BASF SE provide that six of the members of the supervisory board are to be appointed upon the proposal of the employees.

Art. 12 para. 4 SE Regulation stipulates that the statutes of the SE may not, at any time, contradict a negotiated agreement. Therefore, if necessary, the statutes have to be amended by resolution of the general meeting of BASF AG in case that a deviating stipulation regarding the participation of the employees is laid down in an agreement on the involvement of employees in the future BASF SE. The conversion of BASF AG into an SE would only become effective after the registration of the alteration of the statutes in the commercial register of the company.

No resolution may be adopted which results in a reduction of employee participation rights (cf. Section 15 para. 5 SEBG). Equally, no resolution may be adopted to the effect that no negotiations should be entered into or that negotiations already entered into should be broken off (cf. Section 16 para. 3 SEBG). In the event that such agreement regarding employee involvement is not concluded, employee participation is governed by the subsidiary regulation by operation of law which is explained in Section 6.9 below.

- 6.7 Furthermore, in the agreement between the executive board of directors and the Special Negotiating Body a procedure is to be stipulated for the purpose of the information and consultation of the employees in the SE. This may be achieved by establishing an SE works council or by another procedure stipulated by the parties to the negotiations which facilitates the information and consultation of the employees of BASF SE. In the case of the establishment of an SE works council, the following has to be stipulated: the scope of application, the number of its members and the allocation of seats, the functions and the procedure for its information and consultation, the frequency of meetings, the financial and material resources to be made available, the date of entry into force and the duration of the agreement as well as the circumstances in which the agreement is to be renegotiated and the procedure to be used in this regard. Instead of establishing an SE works council, another procedure may also be stipulated which facilitates the information and consultation of the employees.

Further, it is to be stipulated in the agreement that negotiations concerning the involvement of employees in the SE shall also be opened prior to structural changes to the SE.

- 6.8 The conclusion of an agreement between the management of the company and the Special Negotiating Body regarding the involvement of employees requires a resolution adopted by the Special Negotiating Body. The resolution is to be adopted by a majority of the appointed members, provided that this majority also represents a majority of the represented employees. No resolution may be adopted which results in a reduction of employee participation rights (cf. Section 15 para. 5 SEBG). It is also not permissible to refrain from entering into or to abandon negotiations (cf. Section 16 para. 3 SEBG).

- 6.9 If no agreement regarding the involvement of employees is being reached within the negotiation period, a subsidiary regulation by operation of law applies; the latter may also be agreed upon from the outset as the content of the agreement.

In the event that the subsidiary regulation by operation of law applies, it is mandatory that with regard to employee participation the principle of participation on a parity basis, which is already applied at BASF AG, is continued also in respect of the supervisory board of BASF SE, with the consequence that half of the members of the supervisory board of BASF SE would be employee representatives. However, in contrast to the current situation regarding the employee representatives on the supervisory board of BASF AG, these representatives would no longer be exclusively appointed by the employees in Germany, but by all employees in the member states of the EU and the signatory states to the EEA to which seats on the supervisory board have been allocated pursuant to Section 36 para. 1 SEBG. The employees would have to appoint, in accordance with the respective provisions applicable in these countries their employee representatives who are to be elected by the general meeting of BASF SE. If no appointment were made, the SE works council would have to make it.

On the basis of the current number of employees and their distribution by countries, in accordance with Section 36 para. 1 SEBG on the supervisory board composed of twelve members on a parity basis there would be five seats for the employees from Germany and one seat for employees of BASF SE from Belgium, with that latter seat to be allocated at the expense of the employees from Germany. This follows from Section 36 para. 1 sentence 3 SEBG, according to which in the event that in the course of the proportionate allocation the employees of one or more member states are not allocated a seat the last seat to be allocated is to be allocated to one of the so far non-represented member states. It follows from the rationale of Section 5 para. 3 SEBG that the seat to be allocated is to be allocated to that member state which has the largest number of employees among the non-represented member states.

With regard to the protection of the right to information and consultation of the employees of BASF SE, the subsidiary regulation by operation of law would have the consequence that an SE works council would have to be established, the function of which would be to safeguard the right to information and consultation of the employees in the SE. The council would be responsible for matters which affect the SE itself, one of its subsidiaries or one of its establishments in another member state or which go beyond the powers of the competent bodies at the level of the individual member states. The SE works council would have to be notified and consulted annually with regard to the development of the business situation and the future prospects of the SE. It would have to be notified and consulted with regard to extraordinary circumstances. The composition of the SE works council as well as the election of its members would be determined, in principle, in accordance with the provisions applicable to the composition and appointment of the members of the Special Negotiating Body.

- 6.10 In case the subsidiary regulation by operation of law applies, it is to be reviewed every two years during the existence of the SE by the management of the SE whether changes within the SE, its subsidiaries or its establishments require an alteration of the composition of the SE works council. Besides, in case the subsidiary regulation by operation of

law applies, four years after its establishment the SE works council has to resolve with the majority of its members whether negotiations shall be reopened with regard to an agreement for the involvement of employees within the SE or whether the existing regulations are to remain in place. If a resolution is adopted to enter into negotiations for an agreement regarding the involvement of employees, for the purpose of these negotiations the SE works council replaces the Special Negotiating Body.

- 6.11 The necessary costs arising from the establishment and operation of the Special Negotiating Body will be borne by BASF AG and, after the conversion, by BASF SE. The obligation to bear the costs includes the material and personal expenses incurred in connection with the activities of the Special Negotiating Body, including the negotiations. In particular, premises, material resources (e. g. telephone, telefax, required literature), interpreters and clerical staff required for meetings are to be provided and the travel and subsistence expenses of the members of the Special Negotiating Body are to be met.

Section 7 Other consequences of the conversion for the employees and their representative bodies

- 7.1 The employment contracts of the employees of BASF AG as well as the employment contracts of the employees of BASF Group with the respective Group companies are not affected by the conversion. Equally, with the exception of the procedure for the involvement of employees described in Section 6, the conversion of BASF AG into an SE does not have any consequences for the employees of BASF Group with regard to the participation rights of the employees of BASF AG and of the companies of BASF Group.
- 7.2 Further, there are no other measures intended or planned as a consequence of the conversion which would affect the situation of the employees.

Section 8
Auditor

KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, is
appointed as auditor for the first financial year of BASF SE.

Section 9
No Additional Rights or Special Rights

- 9.1 To persons in terms of Section 194 para. 1 No. 5 of
the German Transformation Act (*Umwandlungs-*
gesetz) and/or Art. 20 para. 1 lit. f) SE Regulation no
rights will be granted in addition to the shares
referred to in Section 3.3 and special arrangements
are not provided for with regard to these persons.
- 9.2 To persons in terms of Art. 20 para. 1 lit. g) SE
Regulation no special rights will be granted within
the scope of the conversion.

Ludwigshafen, February 27, 2007

BASF Aktiengesellschaft
The Board of Executive Directors



Hambrecht



Voscherau

Annex: Statutes of BASF SE



The Chemical Company

*Translation for convenience –
Only the original German version is authoritative and binding.*

Statutes BASF SE
as of April 2007

Chapter I

General Provisions

Article 1 Legal Form, Name and Registered Office

1. The Company is a European Company with the name BASF SE.
2. Its registered office is situated in Ludwigshafen am Rhein, Germany.

Article 2 Purpose of the Company

1. The purpose of the Company is to engage in the following areas of activity:
 - chemistry and related areas,
 - agriculture and nutrition,
 - extraction and production of and dealing in oil, natural gas, mineral oil products and energies,
 - development and production of and dealing in products and the provision of services in the area of environmental technology,as well as the carrying out of any other activities incidental to the activity in said areas or conducive to promoting the same.
2. The Company is authorized to establish branches both in Germany and abroad, and to establish and acquire business undertakings the purposes of which are consistent with, related to or conducive to promoting the ones stipulated in No. 1, both in Germany and abroad, or to acquire interests therein.

Article 3 Financial Year

The financial year corresponds to the calendar year.

Article 4 Announcements

Announcements by the Company shall be made in the electronic German Federal Gazette.

Chapter II

Subscribed Capital and Shares

Article 5 Subscribed Capital and Shares

1. The subscribed capital of the Company amounts to Euro 1,282,790,400.00 (in words: Euro one thousand two hundred eighty-two million seven hundred ninety thousand four hundred).
2. The subscribed capital of the Company was provided by way of conversion of BASF Aktiengesellschaft into a European Company (SE).
3. The shares of the Company are no-par value shares. The subscribed capital of the Company is divided into 501,090,000 shares.
4. The shares shall be made out to the bearer. Provided that no resolution to the contrary is passed, this provision shall also apply to the new shares in the case of capital increases.
5. The Company may evidence shares by individual or collective certificates. The form and content of the share certificates and of the dividend coupons and talons shall be determined by the Board of Executive Directors, with the consent of the Supervisory Board.
6. The shareholder's right to certificated evidence of his holdings is excluded, unless certification is required under the rules applicable at a stock exchange where the shares are admitted.
7. In the event of a capital increase, participation in profits of the new shares may be determined in deviation from Section 60 of the German Stock Corporation Act.

8. The Board of Executive Directors is authorized, with the consent of the Supervisory Board, to increase until May 1, 2009, on a one-off basis or in portions on a number of occasions, the Company's subscribed capital by a total of up to Euro 500,000,000.00 by issuing new shares against contributions in cash or in kind, however, by no more than up to the amount in which the authorized capital pursuant to Art. 3 No. 7 of the articles of association of BASF Aktiengesellschaft is still existent at the point in time when BASF Aktiengesellschaft is converted into a European Company (SE) in accordance with the conversion plan dated February 27, 2007 (authorized capital). The new shares may be taken over by a bank appointed by the Board of Executive Directors with instructions to offer them to the shareholders (indirect subscription right).

The Board of Executive Directors is authorized to issue up to 15,000,000 of these new shares to employees of the Company and of companies affiliated with the Company. To this extent, the statutory subscription right of shareholders is excluded.

The Board of Executive Directors is further authorized, with the consent of the Supervisory Board, to exclude the statutory subscription right of the shareholders,

a) in order to acquire companies, parts of companies or holdings in companies in return for the transfer of shares in appropriate individual cases,

b) as far as this is necessary to prevent dilution in order to grant the owners of option certificates and the creditors of convertible bonds which are issued by the Company or its affiliates in connection with an authorization granted to the Board of Executive Directors by the General Meeting of Shareholders or to grant subscription rights to the holders of option rights issued in connection with share option programs for senior executives submitted to the general meetings on April 29, 1999 and April 26, 2001 to the extent that this would be due to them after exercising the option or conversion right or after fulfilling conversion obligations, and

c) in order to use any residual amounts.

In the case of capital increases in return for cash contributions, the Board of Executive Directors is also authorized to exclude the statutory subscription right of shareholders, if the issue price of the new shares is not substantially lower than the stock market price and the total number of shares issued under this authorization is not more than 10 percent of the subscribed capital on the date of issue.

Chapter III

Constitution

Article 6 Corporate Bodies of the Company

The corporate bodies of the Company are the Board of Executive Directors, the Supervisory Board and the General Meeting of Shareholders.

A. Board of Executive Directors

Article 7 Composition

1. The members of the Board of Executive Directors shall be appointed and dismissed by the Supervisory Board. The Board of Executive Directors shall consist of at least two members. The Supervisory Board may stipulate a larger number of members.
2. The members of the Board of Executive Directors shall be appointed by the Supervisory Board for a maximum term of five years. Reappointments are permissible.
3. The Supervisory Board may appoint one member of the Board of Executive Directors as Chairman of the Board of Executive Directors and one or more members of the Board of Executive Directors as Vice Chairman.

Article 8 Quorum, Passing of Resolutions

1. The Board of Executive Directors shall constitute a quorum if all members of the Board of Executive Directors have been invited and at least half of its members participate in a meeting in person or by means of electronic media. Members of the Board of Executive Directors who are not present at the passing of a resolution may cast their vote in writing, by telephone, telefax or by means of electronic media.

2. Resolutions of the Board of Executive Directors shall be passed by simple majority of the votes of the members of the Board of Executive Directors participating in the passing of the resolution, unless a larger majority is stipulated by mandatory statutory law. In cases where resolutions are to be passed by a simple majority and there is an equality of votes, the Chairman shall have a casting vote.

Article 9 Representation

1. The Company shall be legally represented by two members of the Board of Executive Directors or by one member of the Board of Executive Directors together with a *Prokurist*.
2. The Board of Executive Directors may grant authority to represent the Company in legal transactions, in particular, in the form of a *Prokura* in accordance with the provisions of the German Commercial Code. *Prokura* should only be granted in the form of a joint power of attorney (*Gesamtprokura*) together with at least one other person.

B. Supervisory Board

Article 10 Composition, Election, Term of Office

1. The Supervisory Board shall comprise twelve members who are elected by the General Meeting. Of the twelve members, six members shall be elected upon proposals of the employees. The proposals for the election of the employee representatives are binding on the General Meeting. Apart from this, the General Meeting is not bound to proposals for the election. If an agreement regarding the participation of the employees concluded in accordance with the Act on the Participation of Employees in a European Company (*SE-Beteiligungsgesetz – SEBG*) stipulates a different appointment procedure for the employee representatives on the Supervisory Board, the employee representatives shall not be appointed by the General Meeting, but in accordance with the agreed appointment procedure.

2. The following persons are appointed as members of the first Supervisory Board with a term of office ending upon the conclusion of the General Meeting resolving on a formal discharge of the Supervisory Board for the financial year of the Company ending on December 31, 2008:

- Prof. Dr. François N. Diederich,
Zurich/Switzerland
Professor at the Swiss Federal Institute of
Technology Zurich (*Eidgenössische
Technische Hochschule Zürich*)
- Michael Diekmann, Munich
Chairman of the management board of
Allianz SE
- Franz Fehrenbach, Stuttgart
Chairman of the board of management of
Robert Bosch GmbH
- Dr. Tessen von Heydebreck,
Frankfurt am Main
Member of the board of management of
Deutsche Bank AG
- Max Dietrich Kley, Heidelberg
Attorney at law
- Prof. Dr. Jürgen Strube, Mannheim
Chairman of the Supervisory Board of
BASF Aktiengesellschaft

The other six members of the Supervisory Board are appointed upon proposals of the employees.

3. Subject to No. 2, the appointment of the members of the Supervisory Board is made for a term until the conclusion of the General Meeting resolving on the formal discharge of the Supervisory Board for the fourth financial year after the term of office commenced, with the financial year in which the term of office commences not being taken into account, however, for no longer than for a period of six years. Reappointments are permissible.

4. A member of the Supervisory Board may, upon giving one month's notice in writing, resign from office at any time. Any member elected by the General Meeting may be removed from office prior to the end of the term for which he has been elected by a resolution of the General Meeting.

5. Elections of substitutes for retired members who are not replaced by substitute members shall be made for the remainder of the term of office of the retired member. Elections of substitutes should be conducted at the next General Meeting following the retiring of a member.

Article 11 Chairmanship

1. The Supervisory Board shall elect a Chairman and one or more Deputy Chairmen. Only a shareholder representative elected as a member by the General Meeting may be elected as Chairman. For the election of the Chairman, the oldest member in terms of age among the shareholder representatives shall have the chair; Article 12 No. 2 sentence 3 shall apply accordingly.
2. In case the membership of the Chairman or one of his deputies should cease before the expiry of his term of office, the Supervisory Board shall conduct a new election for the office without undue delay.

Article 12 Convening, Quorum, Voting

1. Meetings of the Supervisory Board shall be convened and the place of such meetings determined by the Chairman or, in case he is unavailable, by his deputy determined for such eventuality. All meetings shall be convened by at least a fortnight's notice in writing. The individual items on the agenda shall be specified so that it is possible to vote by correspondence. In urgent cases, the convening period may be shortened. In the event that the Chairman or, if he is unavailable, his deputy determined for such eventuality so determines in an individual case, meetings may also be held using telecommunications or individual members of the Supervisory Board may take part in meetings using telecommunications.

2. The Supervisory Board shall constitute a quorum only if, after all members have been invited, at least one half of the total number of members which it is required to have participates in the passing of a resolution. Unless stipulated otherwise by law, resolutions shall be passed by a majority of the votes cast. In the event that a member of the Supervisory Board abstains from voting, such member participates in the resolution; however, the abstention shall not count as a vote cast. In the event that a Supervisory Board vote results in an equality of votes, the vote of the Chairman of the Supervisory Board or, if he does not participate in the passing of the resolution, the vote of the Deputy Chairman, provided that he is a shareholder representative, shall be the casting vote.
3. The members of the Supervisory Board may, if prevented from attending a meeting, arrange for their written vote to be submitted at the Supervisory Board meeting by other members of the Supervisory Board. A vote transmitted by telefax or by means of electronic media shall be deemed to be a written vote. The Chairman of the Supervisory Board or, if he is unavailable, his deputy determined for such eventuality may cause a resolution of the Supervisory Board to be passed by obtaining declarations in writing, by telefax or telephone or transmitted by means of other electronic media.
4. The members of the Board of Executive Directors are entitled to attend the meetings of the Supervisory Board in an advisory capacity, unless the Chairman of the Supervisory Board or the Supervisory Board excludes such right in an individual case.
5. Declarations of intent on behalf of the Supervisory Board shall be made by the Chairman or, if he is unavailable, by his deputy determined for such eventuality.
6. The Supervisory Board is authorized to make amendments to the statutes which only concern their wording.

Article 13 Transactions Requiring Consent

1. The Board of Executive Directors shall require the previous consent of the Supervisory Board for the following transactions of the Company:
 - a) the acquisition and disposal of enterprises, interests in enterprises and parts of enterprises, provided that the acquisition or disposal price in an individual case exceeds 3 percent of the equity reported in the last consolidated financial statements of the Company which were approved by the Supervisory Board. This shall not apply in the event of intra-group acquisitions and disposals;
 - b) commencement of operations in new and cessation of operations in existing areas of business to the extent that this is of significant importance for the entire Group;
 - c) the issuing of bonds and comparable financial instruments, the taking up of and granting of long-term loans and the granting of guarantees, warranties or other assumptions of liability, provided that in an individual case the latter exceed 3 percent of the equity reported in the last consolidated financial statements of the Company which were approved by the Supervisory Board. This shall not apply to the taking up and granting of loans and the granting of securities within the company group.
2. The consent of the Supervisory Board required under No. 1 may also be granted in the form of a general authorization for certain kinds of the aforementioned transactions. Such authorizations have to state specifically the eligible transactions as well as their purpose and the period of time within which they have to be conducted.

Article 14 Remuneration of the Supervisory Board

1. Each member of the Supervisory Board shall receive annually
 - a) a fixed remuneration of Euro 60,000 and
 - b) a performance-related variable remuneration for each full Euro 0.01 by which the earnings per share (EPS) of BASF Group declared in the consolidated financial statements for the year for which the remuneration is being paid exceeds the minimum EPS. The minimum EPS for the financial year 2007 shall be Euro 2.60. The performance-related variable remuneration shall be Euro 400 for each full Euro 0.01 of EPS up to an EPS of Euro 4.10, Euro 300 for each further Euro 0.01 of EPS up to an EPS of Euro 5.10 and Euro 200 for each Euro 0.01 beyond this. The performance-related variable remuneration shall be limited to a maximum amount of Euro 120,000. The minimum EPS shall increase by Euro 0.10 for each subsequent financial year. This shall apply *mutatis mutandis* to the threshold values specified in sentence 3.

The Chairman of the Supervisory Board shall receive two and a half times, a Deputy Chairman one and a half times the remuneration of a regular Supervisory Board member.

2. Members of the Supervisory Board who are members of a committee shall receive a further fixed remuneration for this purpose in the amount of Euro 12,500. In the case of the Audit Committee, the further fixed remuneration shall be Euro 25,000. The Chairman of a committee shall receive twice, a Deputy Chairman one and a half times the further fixed remuneration.
3. The Company shall reimburse the members of the Supervisory Board for out-of-pocket expenses and value added tax to be paid with regard to their activities as members of the Supervisory Board or of a committee. The Company shall further grant the mem-

bers of the Supervisory Board an attendance fee of Euro 500 for attending a meeting of the Supervisory Board or one of its committees to which they belong and shall include the performance of the duties of the members of the Supervisory Board in the coverage of a directors' and officers' loss liability insurance concluded by it.

4. Supervisory Board members or members of a committee, who served on the Supervisory Board or the committee for only part of a financial year, shall receive one twelfth of the remuneration for each month or part of a month of service.
5. The remuneration pursuant to Nos. 1 and 2 shall become due after the conclusion of the General Meeting to which the consolidated financial statements specified in No. 1 are submitted or which decides on the approval thereof.

Article 15 Confidentiality

1. The members of the Supervisory Board shall keep secret any confidential information, reports and consultations as well as secrets of the Company, in particular company and business secrets, that have become known to them in connection with their work as members of the Supervisory Board.
2. Upon retirement from office, every member of the Supervisory Board shall return to the Company all confidential documents of the Company still held by him.

C. General Meeting of Shareholders

Article 16 Convening the General Meeting

1. The General Meeting shall be convened with at least 30 days' notice prior to the day by the end of which the shareholders have to register for participation in the General Meeting.
2. The annual General Meeting of Shareholders shall be held within the first six months of each financial year. It shall resolve, in particular, on the distribution of retained profits, on the appointment of the auditor, on the formal discharge of the members of the Board of Executive Directors and the Supervisory Board, on the appointment of the members of the Supervisory Board and, to the extent required by law, on the approval of the financial statements and the consolidated financial statements.
3. The General Meeting shall take place at the Company's registered office or in another city in the Federal Republic of Germany with at least 100,000 inhabitants.
4. The annual General Meeting of Shareholders shall be convened by the Board of Executive Directors. In addition, a General Meeting may be convened at any time by the Board of Executive Directors or by the Supervisory Board and the convening of the General Meeting and the drawing-up of the agenda therefore may be requested by one or more shareholders who together hold at least 5% of the subscribed capital.

Article 17 Attendance at the General Meeting

1. The right to attend and vote at a General Meeting shall be restricted to those shareholders who have registered for attendance before the General Meeting in writing, by telefax or in text form. The registration must be received by the office specified in the invitation no later than the end of the seventh day before the General Meeting. The Company must be provided with evidence of the right to attend the General Meeting and to exercise the voting right. Evidence of the shareholding shall be provided in writing, by telefax or in text form. Confirmation by the depository holding the shares shall suffice as evidence. The evidence shall be provided in the German or English language. It shall refer to the date prior to the General Meeting specified in the invitation and shall be received by the office specified in the invitation no later than the end of the seventh day before the General Meeting.
2. The deadlines pursuant to the provisions of Articles 16 and 17 shall be calculated backward from the date of the General Meeting, which itself shall not be counted; in the event that the deadline does not expire on a working day, the previous working day that is counted shall be relevant.
3. The shareholder may authorize a proxy to exercise his voting right in writing or in any other manner specified by the Board of Executive Directors and announced by the Company in the invitation to the General Meeting.

Article 18 Chairman of the General Meeting

1. The Chairman of the Supervisory Board shall preside as chairman at the General Meeting of Shareholders. If he is unavailable, a member of the Supervisory Board chosen by the Supervisory Board members who were elected by the General Meeting as shareholder representatives from their ranks shall take the chair at the General Meeting. In the event that no member of the Supervisory Board who was elected by the General Meeting as a shareholder representative takes the chair, the chairman shall be elected by the General Meeting of Shareholders.
2. The chairman of the General Meeting may determine a sequence of the items of the agenda which deviates from the sequence announced in the agenda. Within the framework of the applicable legal provisions, the chairman shall determine the course of the proceedings at the General Meeting, in particular the sequence of speakers as well as the manner, form and sequence of the voting. At the beginning or in the course of the General Meeting, the chairman may reasonably restrict, in terms of time, the right of shareholders to put questions and to speak; such restriction may be employed for the whole course of the General Meeting, for the discussion on individual items of the agenda as well as for individual questions and speaking contributions.

Article 19 Voting and Resolutions

1. Each share shall entitle the holder to one vote at the General Meeting.
2. Resolutions of the General Meeting shall require a majority of the votes cast, unless a larger majority or further requirements are stipulated by the SE Regulation (Council Regulation (EC) No. 2157/2001 of October 8, 2001) or the laws applicable to stock corporations in the jurisdiction where the SE has its registered office.

Chapter IV

Financial Statements, Distribution of Profits

Article 20 Financial Statements

The Board of Executive Directors shall, in the first three months of the financial year, prepare the financial statements and management report as well as the consolidated financial statements and the group management report for the preceding financial year and promptly thereafter submit them to the Supervisory Board and to the auditor. At the same time, the Board of Executive Directors shall submit to the Supervisory Board the proposal for the distribution of retained profits which it intends to submit to the General Meeting.

Article 21 Distribution of Retained Profits

The retained profits resulting from the financial statements after depreciation, value adjustments, provisions and reserves shall be distributed among the shareholders, unless the General Meeting resolves otherwise. Instead of or in addition to a cash distribution, a distribution in kind may also be resolved by the General Meeting.

Chapter V

Formation Expenses

Article 22 Formation Expenses

With regard to the conversion of BASF Aktiengesellschaft into BASF SE, the formation expenses up to an amount of Euro 5,000,000 shall be borne by the Company.

Attendance at the Annual Meeting

Shareholders who have registered in writing, by telefax or in text form prior to the Annual Meeting shall be entitled to attend the Annual Meeting and to exercise their right to vote. The registration must be received by the registration office specified below not later than the end of April 19, 2007. Evidence must be provided of the authorization to attend the Annual Meeting and to exercise one's voting right, for example by confirmation from the depository institute. The evidence must be provided in writing, by telefax or in text form. The evidence must be in German or English. It must refer to April 5, 2007, and must be received by the registration office specified below not later than the end of April 19, 2007.

The address of the registration office mentioned above is:

BASF Aktiengesellschaft
c/o Deutsche Bank AG
– General Meetings –
60272 Frankfurt/Main
Telefax: +49 69 910-86045
E-Mail: WP.HV@Xchanging.com

The Conversion Plan including the Annex (Articles of Association) and the Conversion Report (with the certificate of the court-appointed independent expert) may be inspected by the shareholders on the company's business premises and during the Annual Meeting.

A copy of these documents, the Financial Statements of BASF Aktiengesellschaft, the 2006 Financial Report with the BASF Group Consolidated Financial Statements or the Corporate Report will be sent to any shareholder free of charge on request. For this purpose, please contact

BASF Aktiengesellschaft
Mediencenter, GP/MS – D 107
67056 Ludwigshafen
Germany
Telephone: +49 621 60-91827
Telefax: +49 621 60-20162
E-Mail: global.info@basf.com
Internet: www.basf.de/mediaorders

The Conversion Plan, the reports mentioned and further information about the 2007 Annual Meeting are published on the Internet at <http://www.basf.de> via the "Annual Meeting" link and can be viewed there.

Shareholders' motions to be made available in accordance with the German Stock Corporation Act will be published by us on the Internet at <http://www.basf.com> via the "Annual Meeting" link if they are received at the following address not later than two weeks before the date of the Annual Meeting:

BASF Aktiengesellschaft
Corporate Legal Dept, ZRR – D 100
67056 Ludwigshafen
Germany
Telefax: +49 621 60-6641475
or +49 621 60-6649255

At the time of this invitation, 496,325,000 shares of the company of the total of 501,090,000 shares issued entitle the holders to attend and vote.

Report of the Board of Executive Directors to the Annual Meeting on April 26, 2007

In respect of Item 6 of the Agenda, the Board of Executive Directors submits, in accordance with Section 71 (1) No. 8 in combination with Section 186 (4), sentence 2, of the German Stock Corporation Act and Section 193 (2) No. 4 of the German Stock Corporation Act, the following

Report on the exclusion of the subscription right in the event of the reissue of the company's own shares

The resolution proposed to the Annual Meeting under Item 6 of the Agenda (Authorization to buy back shares and on the further use thereof) is intended to enable the Board of Executive Directors to use, with the approval of the Supervisory Board, company shares acquired by virtue of the buyback authorization for the acquisition of companies, parts of companies, or holdings in companies in return for the transfer of shares. This reissue authorization will significantly increase the company's room for maneuver in company mergers or the acquisition of companies and holdings. Particularly with the increasingly large corporate units that are involved in such transactions, the considerations can frequently not, or not alone, be met with money without putting undue strain on the company's liquidity or raising its indebtedness to an undesirable extent. The Board of Executive Directors will study on a case-by-case basis whether the reissue or transfer of shares for the purpose of acquiring a company and the associated exclusion of the subscription rights, also taking into consideration the interests of the previous shareholders, is in the well-understood interests of the company.

Details according to Section 125 (1) of the German Stock Corporation Act concerning the members of the Supervisory Board proposed under Item 7 of the Agenda in the Articles of Association of BASF SE (Annex to the Conversion Plan):

Professor Dr. François N. Diederich, Zurich, Switzerland

Michael Diekmann, Munich

Membership in supervisory boards to be formed by law:

Allianz Deutschland AG
(Chairman of Supervisory Board)
Allianz Global Investors AG
(Chairman of Supervisory Board)
Dresdner Bank AG (Chairman of Supervisory Board)
Linde AG (Deputy Chairman of Supervisory Board)
Deutsche Lufthansa AG
(Member of Supervisory Board)

Membership in comparable German and foreign control bodies:

Assurances Générales de France
(Member of the Administrative Council)
Riunione Adriatica di Sicurtà S.p.A.
(Member of the Administrative Council)

Franz Fehrenbach, Stuttgart

Membership in German and foreign control bodies that are comparable to supervisory boards to be formed by law:

Robert Bosch Industrietreuhand KG (Limited Partner)
Robert Bosch Corporation
(Member of the Administrative Council)

Dr. Tessen von Heydebreck, Frankfurt am Main

Membership in supervisory boards to be formed by law:

Deutsche Bank Privat- und Geschäftskunden AG
(Member of Supervisory Board)
DWS Investment GmbH
(Member of Supervisory Board)
BVV Versicherungsverein des Bankgewerbes a. G.
(Member of Supervisory Board)
Dürr AG (Member of Supervisory Board until 05/2006)

Membership in comparable German and foreign control bodies:

Deutsche Bank OOO (Chairman of Supervisory Board)
Deutsche Bank Luxembourg S.A.
(Member of the Administrative Council)
Deutsche Bank Polska S.A.
(Chairman of Supervisory Board)
Deutsche Bank Rt. (Chairman of Supervisory Board)
Deutsche Bank Trust Corp.
(Member of Supervisory Board)
DB Trust Company America
(Member of Supervisory Board)

Max Dietrich Kley, Heidelberg

Membership in supervisory boards to be formed by law:
HeidelbergCement AG (Member of Supervisory Board)

Infineon Technologies AG
(Chairman of Supervisory Board)

Schott AG (Member of Supervisory Board)

SGL Carbon AG (Chairman of Supervisory Board)

Membership in comparable German and foreign control
bodies:

UniCredito Italiano S.p.A.
(Member of the Administrative Council)

Professor Dr. Jürgen F. Strube, Mannheim

Membership in supervisory boards to be formed by law:

Allianz Deutschland AG
(Member of Supervisory Board since 10/2006)

Allianz Lebensversicherungs-AG
(Member of Supervisory Board until 10/2006)

Bayerische Motoren Werke AG
(Member of Supervisory Board)

Bertelsmann AG
(Deputy Chairman of Supervisory Board)

Commerzbank AG (Member of Supervisory Board)

Fuchs Petrolub AG (Chairman of Supervisory Board)

Hapag-Lloyd AG (Member of Supervisory Board)

Linde AG (Member of Supervisory Board)

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