Invitation

to the Annual Meeting
on April 24, 2008

The Chemical Company

BASF SE

Annual Meeting of BASF SE
on April 24, 2008

March 13, 2008

Dear Shareholders!

This year's Annual Meeting of BASF is the first Annual Meeting in the new legal form of the European Company (SE). Please accept our cordial invitation to the Annual Meeting of BASF SE on Thursday, April 24, 2008, 10:00 a.m., at the Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim, Germany.

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 three reports by the Board of Executive Directors.

We would like to supply the following supplementary information on Items 2 to 4 and 6 to 9 of the Agenda:

In 2007, we bought back a total of 21,495,000 shares using the buyback authorizations granted by the Annual Meeting. From the beginning of the year up to the date of approval of the Consolidated Financial Statements by the Board of Executive Directors, we bought back an additional 7,020,000 shares. Of these 28,515,000 shares, 26,665,000 shares have been redeemed. In 2007, we also redeemed 1,410,000 shares that had already been bought back in 2006. The company's share capital has been reduced by a total of € 71,872,000.00 by these measures. 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 of the appropriation of profit accordingly.

As regards **Items 3 and 4** of the Agenda, we wish to point out that the formal approvals of the actions refer to the members of the Board of Executive Directors and the Supervisory Board of the company in 2007, in which BASF SE still existed in the legal form of the Aktiengesellschaft. With the registration of the change in form to an SE, the mandates of the members of the Supervisory Board and the Board of Executive Directors of BASF Aktiengesellschaft expired according to the relevant legal provisions. The members of the Board of Executive Directors and the Supervisory Board of the company in 2007 are listed in the BASF Report 2007.

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 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 Art. 9 Council Regulation on the Statute for a European Company, Section 71 (1) and Section 186 (4) of the German Stock Corporation Act concerning the exclusion of the subscription right.

Regarding **Item 7** of the Agenda, we refer to the detailed reports of the Board of Executive Directors that are also enclosed.

Under **Item 8** of the Agenda, we propose a share split. One additional new share is to be issued for each existing share. The purpose of this share split is to further enhance the attractiveness of the BASF share and render the share accessible to an even broader group of investors. The other amendment of the Supervisory Board's remuneration proposed under Item 8 results from the proposed share split. This does not involve any material amendment to the Supervisory Board's remuneration.

Under **Item 9** of the Agenda, two amendments to the Articles of Association are proposed. The amendment proposed under Item 9 (a) affects the Nomination Committee newly formed by the Supervisory Board. Its purpose is to submit nominations to the Annual Meeting for the shareholders' representatives on the Supervisory Board. As the Nomination Committee will meet less frequently than other committees, its members are not to receive any further remuneration – apart from the attendance fee – for their work on the Committee. Under Item 9 (b), we propose a tightening of the rules in Article 17 of the Articles of Association on participation in the Annual Meeting. This does not involve any material amendment of the participation conditions. These two sub-items of Item 9 of the Agenda will be put to the vote separately.

Attendance and proxies

We have a particular interest again this year 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 authorization in writing or by telefax (for example through a bank or an association of shareholders) or by issuing **(in writing, per telefax 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 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 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 (BASF In Brief) on the business year 2007 is enclosed. BASF In Brief also contains the key financial data. Once again we are not sending the Financial Statements of BASF SE or the BASF Report 2007 with the complete BASF Group Consolidated Financial Statements either. All these documents together with all other information about the Annual Meeting can be viewed on the Internet under http://www.basf.com via the "Annual Meeting" link or will be sent to any shareholder on request. For this purpose, please contact the address specified in the notice of the Annual Meeting.

Very truly yours

BASF SE

Hambrecht Voscherau

We hereby give notice of this year's

Annual Meeting

of BASF SE

on Thursday, April 24, 2008, 10:00 a.m., at the Congress Center Rosengarten, Rosengartenplatz 2, 68161 Mannheim, Germany.

Agenda

1. Presentation of the Financial Statements of BASF SE and the BASF Group for the financial year 2007; presentation of Management's Analysis of BASF SE and the BASF Group for the financial year 2007 including the explanatory reports on the data according to Section 289 (4) and Section 315 (4) of the German Commercial Code; 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 € 3.90 per qualifying share from the profit retained by BASF SE in the financial year 2007 in the amount of € 3,008,007,247.16. If the shareholders approve this proposal, a total dividend of € 1,837,543,500.00 will be payable on the 471,165,000 qualifying shares as of the date of approval of the Financial Statements for the financial year 2007 (February 19, 2008).

The Board of Executive Directors and the Supervisory Board propose that the remaining profit retained of € 1,170,463,747.16 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 members of the Supervisory Board

The Board of Executive Directors and the Supervisory Board propose that formal approval be given to the actions of the members of the Supervisory Board in the financial year 2007.

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

The Board of Executive Directors and the Supervisory Board propose that formal approval be given to the actions of the members of the Board of Executive Directors in the financial year 2007.

5. Election of an auditor for the financial year 2008

The Supervisory Board proposes that KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt, be appointed auditors of BASF SE and the BASF Group for the financial year 2008.

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 ten 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 ten 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 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 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 can also redeem the shares by the simplified process without reducing the share capital so that the proportion of the other shares in relation to the share capital is increased through the redemption. If the shares are redeemed in the simplified process without any reduction of the share capital, the Board of Executive Directors is authorized to adjust the number of shares in the Articles of Association.

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 23, 2009.

The authorization to buy back company shares granted by the Annual Meeting on April 26, 2007, terminates with the coming into effect of this new authorization as far as the Board of Executive Directors is authorized to acquire 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. Approval of control and profit and loss transfer agreements

Control and profit and loss transfer agreements have been concluded between BASF SE (hereinafter referred to as "BASF") and

a) BASF Beteiligungsgesellschaft mbH, Carl-Bosch-Straße 38, 67056 Ludwigshafen, Germany (hereinafter referred to as "BBG") and
b) BASF Bank GmbH, Carl-Bosch-Straße 38, 67056 Ludwigshafen, Germany (hereinafter referred to as "BBank"),

which are wholly owned by BASF. The object of BBG is to acquire and sell holdings in other companies in Germany and abroad and to administer such holdings. The object of BBank is to conduct bank transactions of all kinds with the exception of investment transactions. In the control and profit and loss transfer agreements, BBG and BBank each place the management of their companies under the control of BASF, which is entitled to issue instructions. The companies undertake, subject to the creation of specific reserves, to transfer their entire profits to BASF. BASF undertakes to make good any losses of the companies according to Article 9 Council Regulation on the Statute for a European Company in combination with Section 302 of the German Stock Corporation Act. The agreements are valid from January 01, 2008 and are concluded for an indefinite period. They can be terminated at the end of a financial year after three months' notice has been given, but not earlier than December 31, 2012.

The Board of Executive Directors and the Supervisory Board propose that the control and profit and loss transfer agreements be approved.

8. Adoption of a resolution on the new division of the share capital (share split) and the amendment of the Articles of Association

The Board of Executive Directors and the Supervisory Board propose the following resolutions:

a) The share capital is divided into 946,030,000 shares without nominal value. A new share is issued to the shareholders for each share of the company existing prior to the new division (share split). The new shares fully qualify for dividend for the financial year of the company beginning on January 01, 2008.

b) Article 5, para. 3, of the Articles of Association is amended and reworded as follows:

"3. The shares of the company are shares without nominal value. The share capital of the company is divided into 946,030,000 shares."

c) Article 14, para. 1 b, of the Articles of Association is amended and reworded as follows:

"b) a performance-oriented variable remuneration for each full € 0.01 by which the earnings per share (EPS) of the BASF Group shown in the Group Consolidated Financial Statements for the financial year for which the remuneration is paid exceed the minimum EPS. The minimum EPS for the financial year 2008 is € 1.35. The performance-oriented variable remuneration is € 800 per full € 0.01 EPS up to an EPS of € 2.10, € 600 for each further € 0.01 EPS up to an EPS of € 2.60 and € 400 for each € 0.01 exceeding this. The performance-oriented variable remuneration is limited to the maximum sum of € 120,000. The minimum EPS increases for each following business year by € 0.05 in each case. This applies mutatis mutandis for the threshold values specified in sentence 3."

9. Adoption of a resolution on the amendment of Articles 14, para. 2, and 17, para. 1, of the Articles of Association

The Board of Executive Directors and the Supervisory Board propose the following resolutions:

a) Article 14, para. 2, sentence 1, is amended for the first time with effect for the financial year begun on January 01, 2008 and reworded as follows:

   "Supervisory Board members who belong to a committee apart from the Nomination Committee shall receive a further fixed remuneration of € 12,500 for this purpose."

b) Article 17, para. 1, is amended and reworded as follows:

   "Only 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. Evidence must be provided to the company of the authorization to attend the Annual Meeting and to exercise one's voting right. The evidence of share ownership must be provided in German or English in writing, per telefax or in text form. Confirmation by the depository institute shall be sufficient evidence."

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 17, 2008. Evidence must be provided of the authorization to attend the Annual Meeting and to exercise one's voting right, for example by confirmation by 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 the beginning of April 03, 2008, and must be received by the registration office specified below not later than the end of April 17, 2008.

The address of the registration office mentioned above is:

BASF SE
c/o Deutsche Bank AG
– General Meetings –
60272 Frankfurt/Main
Telefax: +49 69 12012-86045
E-Mail: WP.HV@Xchanging.com

Shareholders who do not attend the Annual Meeting in person can exercise their voting rights either through a proxy of their choice with authorization in writing or by telefax (for example through a bank or an association of shareholders) or by issuing (in writing, per telefax 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.

A copy of the Financial Statements of BASF SE, the BASF Report 2007 with the BASF Group Consolidated Financial Statements and the other reports specified under Item 1 of the Agenda will be sent to any shareholder free of charge on request. For this purpose, please contact

BASF SE
Mediencenter, GP/MS – D 107
67056 Ludwigshafen
Germany
Telefon: +49 621 60-91827
Telefax: +49 621 60-20162
E-Mail: medien-service@basf.com
Internet: corporate.basf.com/mediaorders

The reports mentioned above have been published with further documents on the 2008 Annual Meeting on the Internet under http://www.basf.com via the "Annual Meeting" link and may 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 under http://www.basf.com via the link "Annual Meeting", if they are received at the following address not later than two weeks before the date of the Annual Meeting:

BASF SE
Zentralabteilung Recht, ZRR – D 100
67056 Ludwigshafen
Germany
Telefax: +49 621 60-6641475
or +49 621 60-6649255

At the time of this notice of the Annual Meeting, 470,035,000 shares of the company of the total 473,015,000 shares issued entitle the owners to attend and vote.

Reports of the Board of Executive Directors on April 24, 2008

1. In respect of Item 6 of the Agenda, the Board of Executive Directors submits, in accordance with Article 9 Council Regulation on the Statute for a European Company in combination with Section 71 (1) No. 8 and Section 186 (4), sentence 2, 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 (company acquisition) 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. The purpose of the authorization proposed here is to enable the company to take advantage rapidly and flexibly of the opportunities offered to acquire companies, parts of companies, or holdings in companies. Incidentally, this form of consideration is also increasingly widespread in international competition. The Board of Executive Directors will study on a case-by-case basis whether the reissue or transfer of repurchased BASF 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.

2. Under Item 7 of the Agenda, the Board of Executive Directors submits the following

Reports on agreements between business enterprises (control and profit and loss transfer agreements)

a) Control and profit and loss transfer agreement with BASF Beteiligungsgesellschaft mbH of February 15, 2008

On February 15, 2008, BASF SE (hereinafter referred to as "BASF") and its wholly owned subsidiary BASF Beteiligungsgesellschaft mbH (hereinafter referred to as "BBG") concluded a written control and profit and loss transfer agreement. The object of BBG is the acquisition and sale of holdings to other companies in Germany and abroad and the administration of such holdings. BBG has substantial holdings in foreign companies of the BASF Group and is financially, economically and organizationally integrated in BASF.

The main contents of the agreement are as follows:

BBG places the management of its company under the control of BASF as the controlling company. BASF is entitled to give the management of BBG instructions regarding the management of the company. BBG shall conduct its business as a dependent enterprise of BASF but in its own name.

BBG undertakes, subject to the creation of specific reserves, to transfer to BASF its entire profit determined in accordance with the relevant commercial law provisions. The profit transfer must not exceed the maximum sum of profit transfer according to Article 9 Council Regulation on the Statute for a European Company in combination with Section 301 of the German Stock Corporation Act. Furthermore, certain reserves are to be dissolved and used to offset a net loss or distributed as profit at the request of BASF. The transfer of reserves in existence prior to the agreement is excluded. BASF agrees that it will assume any losses under the provisions of Article 9 Council Regulation on the Statute for a European Company in combination with Section 302 of the German Stock Corporation Act. The profit transfer or the offsetting of losses are to be effected in each case with the value date for BBG's balance sheet date. The agreement does not contain provisions on an indemnification or compensation according to Sections 304 and 305 of the German Stock Corporation Act, since BBG is a wholly owned direct subsidiary of BASF.

The agreement is effective from January 01, 2008, but, for the purposes of the right to issue instructions, not until it has been entered in the Commercial Register of BBG. It is concluded for an indefinite period. The agreement may be terminated at the end of a financial year of BBG after three months' notice has been given, but not earlier than December 31, 2012. The right to terminate the agreement for an important reason is not affected. To become effective, the agreement requires the approval of the Annual Meeting of BASF and of the shareholders' meeting of BBG. To be passed by the Annual Meeting of BASF, the resolution must, according to Article 57 Council Regulation on the Statute for a European Company in combination with Section 293 of the German Stock Corporation Act, be approved by a majority of at least three-quarters of the share capital represented when the resolution is voted on.

There are the following reasons for the conclusion of the agreement:

With the 2008 Corporate Tax Reform Act, deduction restrictions for fixing corporate tax were introduced in the case of the interest expenditures (interest barrier) and a general inclusion of the financing shares – in some cases determined at a flat rate – for determining the assessment basis for trade tax. By including BBG in the fiscal group of bodies, determination of the interest barrier at the level of BASF as the parent company is optimized and the inclusions in the case of trade tax on expenditures is restricted vis-à-vis companies not belonging to the group of bodies.

Conditions for substantiating the fiscal unit for corporate tax purposes are not only the financial integration of BBG in BASF but also the conclusion of a control and profit and loss transfer agreement. In the event of the approval by the Annual Meeting and the registration of the control and profit and loss transfer agreement in the Commercial Register in 2008, the fiscal unit for corporate tax purposes would have its effect from January 01, 2008 and make consolidation of the results possible from this date. No corporate risks are evident here that go beyond normal business risks.

We therefore recommend that the Annual Meeting of BASF SE approves the agreement.

b) Control and profit and loss transfer agreement with BASF Bank GmbH of February 15, 2008.

On February 15, 2008, BASF SE (hereinafter referred to as "BASF") and its wholly owned subsidiary BASF Bank GmbH (hereinafter referred to as "BBank") concluded a written control and profit and loss transfer agreement. The object of BBank is the operation of bank transactions of all kinds with the exception of investment business. BBank has the permissions according to the German Banking Act required for the bank business. The activity consists essentially in organizing and handling payment transactions of BASF SE and other companies of the BASF Group, financing companies of the BASF Group and their businesses and administering staff loans. The bank does not operate a retail and branch business for private customers. BBank is financially, economically and organizationally integrated in BASF.

The main contents of the agreement are as follows:

BBank places the management of its company under the control of BASF as the controlling company. BASF is entitled to give the management of BBank instructions regarding the management of the company. BASF sees itself obligated to give instructions only to the extent and only with such contents that BBank does not violate provisions of the German Banking Act in its financial arrangements and in its business conduct and the sole responsibility of the managers under the German Banking Act is not restricted in other ways. BBank shall conduct its business as a dependent enterprise of BASF but in its own name.

BBank undertakes, subject to the creation of specific reserves, to transfer to BASF its entire profit determined in accordance with the relevant commercial law provisions. The profit transfer must not exceed the maximum sum of profit transfer according to Article 9 Council Regulation on the Statute for a European Company in combination with Section 301 of the German Stock Corporation Act. Furthermore, certain reserves are to be dissolved and used to offset a net loss or distributed as profit at the request of BASF. The transfer of reserves in existence prior to the agreement is excluded. BASF agrees that it will assume any losses under the provisions of Article 9 Council Regulation on the Statute for a European Company in combination with Section 302 of the German Stock Corporation Act. The profit transfer or the offsetting of losses are to be effected in each case with the value date for BBank's balance sheet date. The agreement does not contain provisions on an indemnification or compensation according to Sections 304 and 305 of the German Stock Corporation Act, since BBank is a wholly owned direct subsidiary of BASF.

The agreement is effective from January 01, 2008, but, for the purposes of the right to issue instructions, not until it has been entered in the Commercial Register of BBank. It is concluded for an indefinite period. The agreement may be terminated at the end of a financial year of BBank after three months' notice has been given, but not earlier than December 31, 2012. The right to terminate the agreement for an important reason is not affected. To become effective, the agreement requires the approval of the Annual Meeting of BASF and of the shareholders' meeting of BBank. To be passed by the Annual Meeting of BASF, the resolution must be approved by a majority of at least three-quarters of the share capital represented when the resolution is voted on.

There are the following reasons for the conclusion of the agreement:

With the 2008 Corporate Tax Reform Act, deduction restrictions for fixing corporate tax were introduced in the case of the interest expenditure (interest barrier) and a general inclusion of the financing shares – in some cases determined at a flat rate – for determining the assessment basis for trade tax. By including BBank in the fiscal group of bodies, determination of the interest barrier at the level of BASF as the parent company is optimized and the inclusions in the case of trade tax on expenditures is restricted vis-à-vis companies not belonging to the group of bodies.

Conditions for substantiating the fiscal unit for corporate tax purposes are not only the financial integration of BBank in BASF but also the conclusion of a control and profit and loss transfer agreement. In the event of the approval by the Annual Meeting and the registration of the control and profit and loss transfer agreement in the Commercial Register in 2008, the fiscal unit for corporate tax purposes would have its effect from January 01, 2008 and make consolidation of the results possible from this date. No corporate risks are evident here that go beyond normal business risks.

We therefore recommend that the Annual Meeting of BASF SE approves the agreement.

Ludwigshafen/Rhine, March 13, 2008

BASF SE

The Board of Executive Directors

Publisher:
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