

News Release



BASF reaches agreement with Cognis Holding Luxembourg S.à r.l. to purchase Cognis

- **Enterprise value €3.1 billion**
- **Attractive addition to BASF's portfolio for personal care, home care, health and nutrition as well as functional products**

June 23, 2010 – Ludwigshafen, Germany – BASF SE has reached an agreement with Cognis Holding Luxembourg S.à r.l. controlled by Permira Funds, GS Capital Partners and SV Life Sciences to acquire the specialty chemicals company Cognis for an equity purchase price of €700 million. Including net financial debt and pension obligations, the enterprise value of the transaction is €3.1 billion. The acquisition is subject to clearance by the competent merger control authorities. Closing of the transaction is expected for November 2010 at the latest.

“With the acquisition of Cognis, we are strengthening our portfolio with cyclically robust and profitable businesses and further expanding our position as the world’s leading chemical company,” said Dr. Jürgen Hambrecht, Chairman of the Board of Executive Directors of BASF SE.

Cognis is a worldwide supplier of innovative solutions and products based on renewable raw materials for the health and nutrition market as well as the cosmetics, detergents and cleaners industries. Another main focus is on products for a number of other industries, such as mining, lubricants, coatings as well as agriculture. The company

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employs about 5,500 people, and it operates production sites and service centers in 30 countries. In 2009, Cognis had sales of about €2.6 billion and an EBITDA (earnings before interest, taxes, depreciation and amortization) of €322 million.

“With the support of our owners Permira Funds and CS Capital Partners, we have become a leading innovative supplier of specialty chemicals,” stated Dr. Antonio Trius, Chief Executive Officer of Cognis. “In particular, our focus on wellness and sustainability and our expertise in renewable raw-material based products have been our main success factors. We are convinced that there are excellent opportunities through combining the strengths of Cognis and BASF.”

The customers of Cognis include global consumer goods companies as well as regional suppliers from the personal and home care industries, as well as from the area of health and nutrition. The company also offers products for coatings and paints, lubricants for the transport industries and additives for chemical-technical applications for agriculture and mining.

Growth – Value – Sustainability

“With this acquisition, we want to achieve a leading position in personal care ingredients, strengthen our leading position in value added products for home care and establish a strong position in health and nutrition products,” said Dr. John Feldmann, member of the Board of Executive Directors of BASF and responsible for the Performance Products segment. “By purchasing Cognis, we will in particular expand our portfolio with products based on renewable raw materials. A broader and more attractive offering of products and services combined with our research and development expertise will allow us to become an even more important partner for joint development projects with our customers. This will contribute to making them even more successful.”

Following the necessary approvals, the business will be integrated into BASF's Performance Products segment. The segment had sales of €9.4 billion in 2009. Performance products help customers to improve their products and processes. They give special characteristics to countless everyday products: for example diapers, paper, vitamins for food supplements, UV filters for sunscreen, plastic additives and products for water treatment, mining applications and for the oil, automotive and coatings industries. "The acquisition of Cognis is an important step in our segment strategy of Growth, Value and Sustainability," explained Feldmann.

Note to Editors:

Current press photos are available at:
www.basf.de/pressphotos (Categories "Detergents and Cleaners", "Nutrition", "Cosmetics")

Current TV footage is available at:
tvservice.basf.com/en

You can find more information as well as a live transmission of the Conference Call (June 23, 2010, 9:00 a.m.) under:
www.basf.com/transaction

About Cognis

Cognis was created in 1999 from the chemicals business of Henkel, one of the leading German producers of consumer goods. Since November 2001, Cognis has been owned by Cognis Holding Luxembourg S.à r.l. which is controlled by Permira Funds, GS Capital Partners, and SV Life Sciences. Cognis offers added-value solutions and products on the basis of natural raw materials for the health and nutrition markets as well as the cosmetics, detergents and cleaners industries. Another main focus is on products for a number of other industries, such as coatings and inks, lubricants, as well as agriculture and mining. Further information about Cognis on the internet under www.cognis.com

About BASF

BASF is the world's leading chemical company: The Chemical Company. Its portfolio ranges from chemicals, plastics and performance products to agricultural products,

fine chemicals as well as oil and gas. As a reliable partner BASF creates chemistry to help its customers in virtually all industries to be more successful. With its high-value products and intelligent solutions, BASF plays an important role in finding answers to global challenges such as climate protection, energy efficiency, nutrition and mobility. BASF posted sales of more than €50 billion in 2009 and had approximately 105,000 employees as of the end of the year. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information on BASF is available on the Internet at www.basf.com.