

News Release

BASF and Gazprom agree to complete asset swap

- **BASF subsidiary Wintershall to focus on oil and gas exploration and production and exit gas trading business**
- **Completion of transaction expected by the end of 2015**

Ludwigshafen, Germany and Moscow, Russia – September 4, 2015 – BASF and Gazprom have agreed to complete the swap of assets with equivalent value signed in December 2013 and originally intended to be completed by the end of 2014. With the swap, BASF will further expand its production of oil and gas and will exit the gas trading and storage business. The completion of the asset swap is expected by the end of 2015 and, as agreed upon in December 2013, will be financially retroactive to April 1, 2013. The swap was already approved by the European Commission at the beginning of December 2013.

Through the transaction, Wintershall, a 100% subsidiary of BASF, receives the economic equivalent of 25% plus one share of the blocks IV and V in the Achimov formation of the Urengoy natural gas and condensate field in western Siberia. The two blocks will be jointly developed by Gazprom and Wintershall. According to the development plan confirmed by the Russian mining authority, blocks IV and V have total hydrocarbon resources of 274 billion cubic meters of natural gas and 74 million metric tons of condensate. This is equivalent to a total of 2.4 billion barrels of oil equivalent (boe). An annual plateau production of at least 8 billion cubic meters of natural gas is expected from the two blocks. Production is planned to start in 2018.

September 4, 2015
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In return, Wintershall will transfer its share in the currently jointly operated natural gas trading and storage business to its long-term partner Gazprom. This includes the 50% participation in the gas trading companies WINGAS, WIEH (Wintershall Erdgas Handelshaus Berlin) and WIEE (Wintershall Erdgas Handelshaus Zug) including shares in astora, which operates the natural gas storage facilities in Rehden and Jemgum, Germany, as well as a share in the natural gas storage in Haidach, Austria. Gazprom will also receive a 50% share in the activities of Wintershall Noordzee B.V., which is active in the exploration and production of oil and gas in the southern North Sea (Netherlands, UK and Denmark). Together these activities contributed about €12.2 billion to sales and around €260 million to EBITDA of BASF Group in 2014 and about €7.2 billion to sales and around €240 million to EBITDA of BASF Group in the first half of 2015. The partnership in the area of gas transportation activities will continue.

“In Oil & Gas, we are continuing our strategy of focusing on profitable growth at the source in our targeted oil and gas-rich regions,” said Dr. Kurt Bock, Chairman of the Board of Executive Directors of BASF SE. “We look forward to further expanding the joint production of natural gas and condensate with our partner Gazprom in western Siberia.”

“This year marks the 25th anniversary of our successful partnership. Today’s signing represents a further milestone in this cooperation and will open new possibilities for our companies to implement important projects,” said Alexey Miller, Chairman of the Gazprom Management Committee.

About BASF

At BASF, we create chemistry – and have been doing so for 150 years. Our portfolio ranges from chemicals, plastics, performance products and crop protection products to oil and gas. As the world’s leading chemical company, we combine economic success with environmental protection and social responsibility. Through science and innovation, we enable our customers in nearly every industry to meet the current and future needs of society. Our products and solutions contribute to conserving resources, ensuring nutrition and improving quality of life. We have summed up this contribution in our corporate purpose: We create chemistry for a

sustainable future. BASF had sales of over €74 billion in 2014 and around 113,000 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.

About Wintershall

Wintershall Holding GmbH, based in Kassel, Germany, is a wholly owned subsidiary of BASF in Ludwigshafen. The company has been active in the extraction of natural resources for 120 years, and in the exploration and production of crude oil and natural gas for over 80 years. Wintershall focuses on selected core regions, where the company has built up a high level of regional and technological expertise. These are Europe, Russia, North Africa, South America, and increasingly the Middle East region. The company wants to expand its business further with exploration and production, selected partnerships, innovation and technological competence. The company employs more than 2,500 staff worldwide from 40 nations and is now Germany's largest crude oil and natural gas producer.