



JOINT NEWS RELEASE

Colorcon and BASF advance co-operation to offer superior functional coatings for pharmaceutical tablets.

Harleysville, PA, USA / Ludwigshafen, Germany, May 25, 2016 – Colorcon, Inc. and BASF announced today that they have signed an agreement to further strengthen their co-operation in the area of pharmaceutical film coatings. As part of this agreement, BASF will sell its Kollicoat® IR Coating Systems product line to Colorcon; including the current customer business, inventory and relevant know-how. The addition of the Kollicoat® IR Coating Systems complements Colorcon's existing film coating product line and position as a leading innovator of fully formulated film coating systems and provides Kollicoat® IR Coating Systems customers with a wide range of film coating options. Final closure of the transaction is subject to review of the Brazilian competition authorities.

By acquiring the Kollicoat® IR Coating Systems, Colorcon further strengthens its existing activities with PVA-based pigmented, ready-to-use film coatings, for use on immediate release forms of pharmaceuticals and dietary supplements. Kelly Boyer, General Manager Coatings at Colorcon, explains "This sale enables both companies to focus on their core competencies, and further strengthens our existing cooperation." After final closure of the transaction all existing customers of Kollicoat® IR Coating Systems will be served by Colorcon from its worldwide production facilities.

Both BASF and Colorcon look forward to the opportunity to expand the cooperation between both companies in the film coating area by combining BASF's polymer expertise and Colorcon's formulation and application knowledge. Frank Stein, Vice President Global Segment Management Pharma Solutions at BASF, states "Customers will benefit from both the exceptional functional performance of the products as well as from Colorcon's worldwide unique, customized services. BASF will focus on developing and promoting innovative film coating polymers including Kollicoat® IR. The transfer of Kollicoat® IR Coating Systems does not affect BASF's Kollicoat® IR polymer business".

Colorcon and BASF previously announced their cooperation in October 2014 for using immediate release coating polymer Kollicoat® IR for Colorcon's fully formulated ready-to-use coatings.

About Colorcon

Colorcon is a world leader in the development, supply and technical support of formulated film coating systems, modified release technologies, and functional excipients for the pharmaceutical industry. Our best-in-class products and technologies are complemented by our extensive application data and value-added services to support all phases of solid oral dose design, development and manufacture. Our focus on market issues and technology development has earned Colorcon an international reputation as a pharmaceutical supplier of choice. That reputation is based on superior product quality, unparalleled technical support, extensive regulatory assistance and reliable supply from multiple locations.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 112,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas. BASF generated sales of more than €70 billion in 2015. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information at www.basf.com.

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