

News Release



BASF breaks ground on new automotive coatings plant in Shanghai

- **Expands production capacity to support growing demand for automotive coatings in China**
- **World-scale facility planned for start-up in Q4 2017**

BASF Shanghai Coatings Co., Ltd. broke ground today on a new, world-scale automotive coatings plant at the company's existing site at the Shanghai Chemical Industry Park in Caojing, Shanghai, China. The new plant represents an investment of around €140 million and is expected to start operation in the fourth quarter of 2017.

As the latest investment of the joint venture between BASF and Shanghai Huayi Fine Chemical Co., Ltd, the new plant is an expansion of the automotive coatings plant, which began production in 2014 at the same site.

“With the expansion, we continue to invest in local production to get even closer to China's automotive industry,” said Dr. Stephan Kothrade, President and Chairman Greater China, BASF. “As the leading chemical supplier to the automotive industry, BASF will take an active role in developing this rapidly growing business, based on our local production network, innovative power and market knowledge.”

“Our automotive OEM customers in China are increasingly looking for innovative, eco-efficient coatings solutions to drive sustainability in their processes. Adding world-class manufacturing and R&D capabilities in the country is our contribution to the rapidly evolving expectations of the automotive industry,” said Dr. Markus Kamieth,

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President, Coatings Solutions, BASF. “This new investment in China is another example of our ongoing growth strategy in this region and in our automotive coatings business.”

“We have been investing in parallel with the growth of the automotive industry, strengthening our presence where our customers are located. Further investment into China reflects our strong commitment to our customers in order to provide faster and more efficient solutions that support their business growth,” said Peter Fischer, Senior Vice President, Coatings Solutions Asia Pacific, BASF.

In addition to this new plant, BASF also operates a production facility for resins and electrocoat at the same location. The close proximity of these plants allows for more synergies and efficiency. All plants are designed in a highly energy-efficient and sustainable manner, offering the potential for future expansion and the flexibility to adapt to new production requirements in the years ahead.

About BASF's Coatings division

The Coatings division of BASF is a global expert in the development, production and marketing of innovative and sustainable automotive OEM and refinish coatings, industrial coatings and decorative paints. We create advanced performance solutions and drive performance, design and new applications to meet our partners' needs all over the world. BASF shares skills, knowledge and resources of interdisciplinary and global teams for the benefit of customers by operating a collaborative network of sites in Europe, North America, South America and Asia Pacific. In 2015, the Coatings division achieved global sales of about €3.2 billion.

Solutions beyond your imagination – Coatings by BASF. For more information about the Coatings division of BASF and its products, visit www.basf-coatings.com.

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.