

News Release



BASF realigns caprolactam production in Europe

- **Capacity to be reduced by 100,000 metric tons**
- **Four production plants in Ludwigshafen to be fully or partially closed**
- **New production structure will further improve cost structure in BASF's polyamide 6 value chain**

Ludwigshafen, Germany – September 12, 2016 – BASF is realigning its caprolactam production in Europe and will gradually reduce capacity by 100,000 metric tons to 400,000 metric tons over the next 18 months. In Ludwigshafen, parts of the caprolactam production as well as plants producing the precursors anolone and oleum will be closed.

Caprolactam is the starting material for the plastic polyamide 6. BASF's polyamide 6 value chain is integrated in the Verbund and ranges from precursors such as ammonia to engineering plastics used, for example, in the growing automotive and electrical industries market.

The aim of this measure is to further strengthen BASF's polyamide 6 value chain in a difficult market environment. "The realigned production structure will further enhance our competitiveness," said Joachim Queisser, head of the European business unit Polyamides and Precursors at BASF. "At the same time, it gives us greater flexibility in managing our capacities. As a result, we can respond even better to changing market conditions."

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The measures will affect around 80 employees in Ludwigshafen, all of whom will be offered new jobs at the site.

In 2013, BASF had adjusted its production capacity for adipic acid, a precursor for the plastic polyamide 6.6, by more than 20 percent to 210,000 metric tons annually in response to a changing business environment.

With more than 60 years of experience, BASF will also in the future remain the leading supplier of high-quality polyamides and polyamide intermediates for engineering plastics, films, fibers and monofilaments. BASF's product portfolio comprises Ultramid B (polyamide 6), Ultramid C (polyamide 6/6.6 copolymer) and Ultramid A (polyamide 6.6). The company's offerings also include technical customer service.

BASF operates polyamide production plants in Ludwigshafen, Germany; Antwerp, Belgium; Freeport, Texas and Shanghai, China.

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.