



Joint News Release

BASF and TODA further strengthen their collaboration and increase investments in Cathode Materials to enable e-mobility

- **BASF TODA Battery Materials LLC creates the world's largest calcination facility for high nickel Cathode Active Materials in Japan**
- **BASF and TODA combine manufacturing activities in the United States to supply the growing North American battery materials market**

Ludwigshafen/Germany and Tokyo/Japan, December 14, 2017 – BASF and TODA KOGYO CORP. (TODA) announced two significant steps to further enhance their collaboration. A strengthening of production capabilities both in the United States and Japan will help enable e-mobility and generate business opportunities for the two companies.

BASF TODA Battery Materials LLC (BTBM), a joint venture between BASF and TODA, has now tripled its high nickel Cathode Active Materials (CAMs) capacity at its Onoda site in Japan.

BTBM was established as a BASF-majority owned joint venture in 2015 to build up production capacity to meet customers' needs in the rapidly evolving CAMs market. With the completion of this expansion, BTBM is now operating the world's largest calcination facility for already qualified high nickel CAMs for its growing customer base.

Furthermore, both parties announced their plan to collaborate in the United States. Manufacturing facilities in Elyria, Ohio, and Battle Creek, Michigan, will be combined to form BASF Toda America LLC (BTA). This new entity, majority owned and controlled by BASF, will provide unique solutions supporting customers' needs in high

energy CAMs and will establish a strong position for BTA in the fast-growing North American e-mobility market.

“BASF and TODA anticipate the fast-growing market needs in e-mobility. The further collaboration in North America supports BASF’s strategy to be a global leader in the cathode materials market and reinforces BASF’s commitment to explore a broad range of opportunities to accelerate our growth and expansion in battery materials,” said Kenneth Lane, President of BASF’s Catalysts division.

Tadashi Kubota, Chairman of TODA KOGYO CORP., added, “The success of BTBM is purely led by the integration of an unparalleled technology of TODA and the global market presence of BASF. We are continuously making developments together to achieve a profitable business which is demonstrated by a strong relationship and trust that has been built overtime. We are confident to realize further business success together in the battery materials market through our collaboration both in Japan and in the United States.”

“With the capacity expansion in Japan, BASF becomes one of the world’s leading cathode materials suppliers, further strengthening our market position in high energy cathode active materials for e-mobility applications,” said Jeffrey Lou, Senior Vice President of Battery Materials at BASF. “Our collaboration with TODA in the North American market further expands our global manufacturing footprint, positioning BASF as a reliable partner to support customer needs in key regions with local production.”

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 114,000 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 about €58 billion in 2016. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (BAS). Further information at www.basf.com.

About BASF's Catalysts Division

BASF's Catalysts division is the world's leading supplier of environmental and process catalysts. The group offers exceptional expertise in the development of technologies that protect the air we breathe, produce the fuels that power our world and ensure efficient production of a wide variety of chemicals, plastics and other products, including advanced battery materials. By leveraging our industry-leading R&D platforms, passion for innovation and deep knowledge of precious and base metals, BASF's Catalysts division develops unique, proprietary solutions that drive customer success. Further information on BASF's Catalysts division is available on the Internet at www.catalysts.basf.com.

About TODA KOGYO CORP.

TODA KOGYO CORP. is specialized in the Wet Synthesis Technology of metal oxide, and manufacturing cathode materials for lithium-ion batteries, coloring materials including pigments and toners, magnetic powder materials, ferrite materials and other various magnetic materials. We aim to expand our business globally along with our fundamental line to provide solutions to support society in the aspects of information, environment and energy. TODA KOGYO CORP. had consolidated net sales of about 27.9 billion JPY in the fiscal year 2016, as well as about 1,200 employees at the end of 2016. More information on TODA KOGYO CORP. is available at www.todakogyo.co.jp.

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