

News Release

P115/20e
20. January 2020

BASF invests in capacity expansion for methane sulfonic acid

- **BASF is investing in the higher double-digit million euro range in sustainable technology at the Ludwigshafen Verbund site**
- **Capacity expansion to 50,000 metric tons per year in response to rising global demand**
- **Additional capacities to be available from the fourth quarter of 2021**

As already announced at the end of 2018, BASF will proceed with expanding global capacities for methane sulfonic acid (MSA) to 50,000 metric tons per year. This involves a higher double-digit million euro investment in constructing a new methane sulfonic acid plant at the Ludwigshafen site. The construction works started recently. The volumes from the additional capacity are expected to be available from the end of 2021 and are dedicated to mainly serve European customers as well as the rapidly growing Asian market.

“We want to meet our customers' growing demand for high-quality, sustainable and high-performance technologies in the best possible way now and in future. To achieve that, we continuously invest in expanding our capacities and production technologies. To this end, we acquired an innovative process approach for producing MSA from Grillo-Werke AG in mid 2019 to strengthen our own R&D activities and to accelerate the development of a new manufacturing process for methane sulfonic acid. In doing so, we support as reliable partner the growth of our customers across the world,” said Ralph Schweens, President Care Chemicals, BASF.

Sustainable alternative to conventional acids

Methane sulfonic acid is a strong organic acid used in numerous applications ranging from chemical and biofuel synthesis to industrial cleaning and metal surface treatment in the electronics industry. BASF's high-purity methane sulfonic acid – sold under the brand name Lutropur® MSA – is a sustainable alternative to other acids such as sulfuric, phosphoric or acetic acid. As part of the natural sulfur cycle, Lutropur MSA is readily biodegradable. Further benefits of using methane sulfonic acid come from its non-oxidizing character, the high solubility of its salts and the absence of color and odor.

About the Care Chemicals division at BASF

The BASF division Care Chemicals offers a broad range of ingredients for personal care, home care, industrial & institutional cleaning, and technical applications. We are a leading global supplier for the cosmetics industry as well as the detergent and cleaner industry, and support our customers with innovative and sustainable products, solutions and concepts. The division's high-performance product portfolio includes surfactants, emulsifiers, polymers, emollients, chelating agents, cosmetic active ingredients and UV filters. We have production and development sites in all regions and are expanding our presence in emerging markets. Further information is available online at www.care-chemicals.basf.com.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 122,000 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 six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions. BASF generated sales of around €63 billion in 2018. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the U.S. Further information at www.basf.com.