



Joint News Release

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Kikusui and BASF partner to promote importance of architectural coatings to keep Japan's building exteriors durable and attractive

- Co-branding activities to raise awareness of the importance of durability in paint
- BASF's customized dispersion using BASF's light stabilizer, Tinuvin[®], protects KIKUSUI's Waterborne Fine Coat Silicon from harmful UV rays
- Durable paints extend lifespan of houses while maintaining attractive appearance

Tokyo, Japan – April 18, 2019 – BASF Japan Ltd. (BASF) and KIKUSUI Chemical Industries Co., Ltd. (KIKUSUI) will collaborate on a new branding activity to raise awareness of the importance of durability in architectural paints from April. The activities are founded on the two companies' successful development of a highly weather-resistant, acrylate-silicone dispersion type coating for the construction and housing market in Japan: KIKUSUI's Waterborne Fine Coat Silicon.

Made with a BASF customized acrylic dispersion with multi-layer particles, based on core shell technology and using BASF's Tinuvin[®] light stabilizer, the KIKUSUI Waterborne Fine Coat Silicon prevents deterioration over time from ultraviolet (UV) light. In this way, it can help maintain an attractive appearance for exterior walls for many years.

“KIKUSUI is very pleased to partner with BASF, a global innovation pioneer, to develop a high-performance waterborne coating with longer durability. In Japan, social challenges such as the aging population and increasing vacancy in residential buildings make large-scale repairs difficult due to lack of maintenance funds. This

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coating system can effectively extend the expected maintenance cycle of buildings to 12-16 years, compared to standard silicone coatings of 10-12 years. It is an environmentally-friendly, cost-saving solution for property management companies and home owners in Japan,” said Hitoshi Yamaguchi, President and CEO of KIKUSUI.

Buildings and houses are coated with paint to protect exterior walls. However, some paint will crack and peel gradually when it is exposed directly to sunlight, rain, dust and wind, losing its protective function over time. BASF’s Tinuvin® Hindered-Amine Light Stabilizer (HALS), used in KIKUSUI’s waterborne coatings, is designed to protect against harmful UV rays and minimizes defects such as cracking and gloss reduction.

“We are proud to have played a critical part in the development of this excellent KIKUSUI product,” said Kouzoh Kubota, Vice President of BASF Japan. “Through this partnership, we hope to raise awareness of Tinuvin® contributing to the durability in architectural coatings, as this is one of the efficient ways to extend the lifetime of a building. We are also glad that we are able to provide a new option for KIKUSUI’s customers through co-branding.”

“KIKUSUI is celebrating its 60th anniversary in May this year,” said Yamaguchi. “We are happy to build a stronger bond with BASF on this special occasion. This partnership will not only strengthen our position in the Japanese paint market, but will also showcase the benefits of Tinuvin® to end-users, such as contractors, designers, and even home owners,” Yamaguchi added.

“With BASF’s in-depth technological know-how, our R&D center in Amagasaki and dispersion production plant in Yokkaichi will continue to work closely with KIKUSUI to develop more innovative and sustainable coatings solutions for Japanese customers,” added Kubota.

As a market leader in environmentally-friendly, waterborne coatings in Japan, KIKUSUI launched an upgraded version of “Waterborne Fine Coat Silicon” in 2018. From April onwards, the two parties will jointly launch a co-branded product packaging endorsing the use of BASF’s Tinuvin® high-quality light stabilizer in KIKUSUI’s waterborne silicon and brochure explaining how the durability realized. QR code of the Tinuvin® website that introduces mechanism on how this light stabilizer contributes to the durability of coatings etc. will be also attached to the packaging.

Further information about BASF's Tinuvin® for coatings applications:

<https://www.basf.com/jp/ja/products/paint-coating-industry/tinuvin.html> (Japanese language only)

KIKUSUI Chemical Industries Co., Ltd.

KIKUSUI Chemical Industries was established in 1959. Since its establishment, we have focused on the development of environmentally friendly inorganic and water-based products, and are the only comprehensive paint manufacturer in the industry capable of coordinating everything from foundation to finish. Listed on the Nagoya Stock Exchange and the Second Section of the Tokyo Stock Exchange, headquartered in Nagoya City, Aichi Prefecture, with capital of 1,972,730,000 yen, net sales of 20,718,580,000 yen and 439 employees (Consolidated in March 2018). For more information about Kikusui Chemical, please visit <http://www.kikusui-chem.co.jp>.

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.