



The Chemical Company

Agricultural Solutions

Sustainable growth through market-driven innovations

**BASF
Roundtable
Agricultural
Solutions**

November 12, 2012
London



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1 | Introduction

Dr. Andreas Kreimeyer

Member of the Board of Executive Directors

2 | BASF Crop Protection

3 | BASF Plant Biotechnology



- 1 | BASF maintains good business performance in Q3 2012**
- 2 | 'We Create Chemistry' strategy on track; Agricultural Solutions is a key contributor**
- 3 | Agricultural Solutions offers attractive growth opportunities with strong commitment to innovation**

BASF maintains good business performance in Q3 2012

Business Performance	Q3'12	vs. Q3'11	Q1-Q3'12	vs. Q1-Q3'11
▪ Sales	€19.0 billion	+8%	€59.1 billion	+7%
▪ EBITDA	€2.8 billion	+4%	€9.8 billion	+8%
▪ EBIT before special items	€2.1 billion	+5%	€7.1 billion	+2%
▪ EBIT	€2.0 billion	+6%	€7.4 billion	+11%
▪ Net Income	€0.9 billion	(21)%	€3.9 billion	(23)%
▪ EPS	€1.03	(21)%	€4.25	(23)%
▪ Adjusted EPS	€1.19	(22)%	€4.36	(16)%

Sales development

Period	Volumes	Prices	Portfolio	Currencies
Q3'12 vs. Q3'11	↑ 7%	↓ (4%)	↓ (1%)	↑ 6%

- Favorable business development in Agricultural Solutions and Oil & Gas
- Earnings in chemical activities did not match the previous year's level

Ongoing portfolio optimization

Becker Underwood



- BASF to acquire Becker Underwood
- \$1.02 billion (€785 million) purchase price
- Strengthens global crop protection business
- Leading global provider of technologies for biological seed treatment
- 2012 (E) Sales \$240 million (€185 million)
- Merger control approvals pending

Restructuring of Construction Chemicals



- BASF is strengthening competitiveness of Construction Chemicals in Europe
- Measures include:
 - Adjusting business to declining markets in Southern Europe and Great Britain
 - Enhancing overall efficiency and customer focus
- About 400 positions in Europe are affected

Asset swap with Statoil



- Acquisition of equity in 3 producing fields in Norway: Brage (32.7%), Gjøa (15%), Vega (30%)
- 2P reserves of ~100 million boe
- Rise in daily production in Norway from 3,000 to 40,000 boepd
- Statoil to receive
 - 15% in development field Edvard Grieg
 - \$1.35 billion
 - up to additional \$100 million depending on success of Vega

Outlook 2012 confirmed

Outlook 2012

- For the FY 2012, BASF aims to exceed the record levels of sales and EBIT before special items achieved in 2011
- BASF will strive again to earn a high premium on cost of capital
- Chemical activities
 - We do not expect demand to pick up in the fourth quarter 2012
 - Therefore, 2012 EBIT before special items of chemical activities will come in below the level of the previous year.

Assumptions 2012

- | | | |
|--------------------------|-------|----------------|
| ■ GDP: | +2.2% | (before: 2.3%) |
| ■ Industrial production: | +2.8% | (before: 3.4%) |
| ■ Chemical production: | +2.9% | (before: 3.5%) |
| ■ US\$/Euro: | 1.30 | (unchanged) |
| ■ Oil price (US\$/bbl): | 110 | (unchanged) |



- 1 | **BASF maintains good business performance in Q3 2012**
- 2 | **‘We Create Chemistry’ strategy on track; Agricultural Solutions is a key contributor**
- 3 | **Agricultural Solutions offers attractive growth opportunities with strong commitment to innovation**

BASF – The Chemical Company. We create chemistry for a sustainable future



Positioning



- The #1 chemical company. 2011: €73.5 billion sales, €8.4 billion EBIT bSI
- #1- #3 in >75% of business, present in >200 countries
- Production in 41 countries, 6 integrated Verbund sites

Performance



- 10 years of outperformance
- 16% average annual stock performance*
- 15% average annual dividend increase, >3% yield every single year**

* Nov. 2002 - Oct. 2012

** For 2002-2011

Perspective



- Chemistry as an enabler
- BASF has superior growth opportunities: Innovation, sustainability, Emerging Markets, ...
- Long-term value creation, ambitious financial targets

'We Create Chemistry' strategy defines clear financial targets for 2015 and 2020

	Growth targets	Profitability targets
	<ul style="list-style-type: none">■ Grow at least 2 percentage points above chemical production	<ul style="list-style-type: none">■ Earn a premium on cost of capital of at least €2.5 billion on average p.a.
2015	<ul style="list-style-type: none">■ Sales ~€85 billion	<ul style="list-style-type: none">■ EBITDA ~€15 billion■ EPS ~€7.50
2020	<ul style="list-style-type: none">■ Sales ~€115 billion	<ul style="list-style-type: none">■ Double EBITDA to ~€23 billion (compared with 2010)

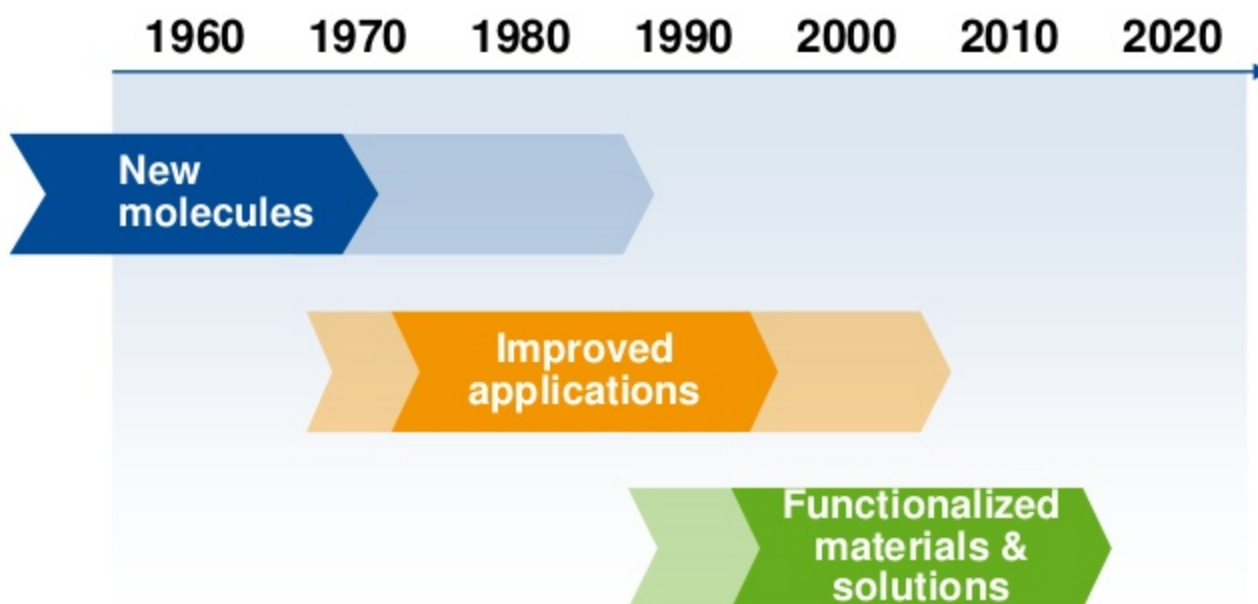
Demographic challenges set the stage for the future of the chemical industry

Nine billion people in 2050 **but** only one earth



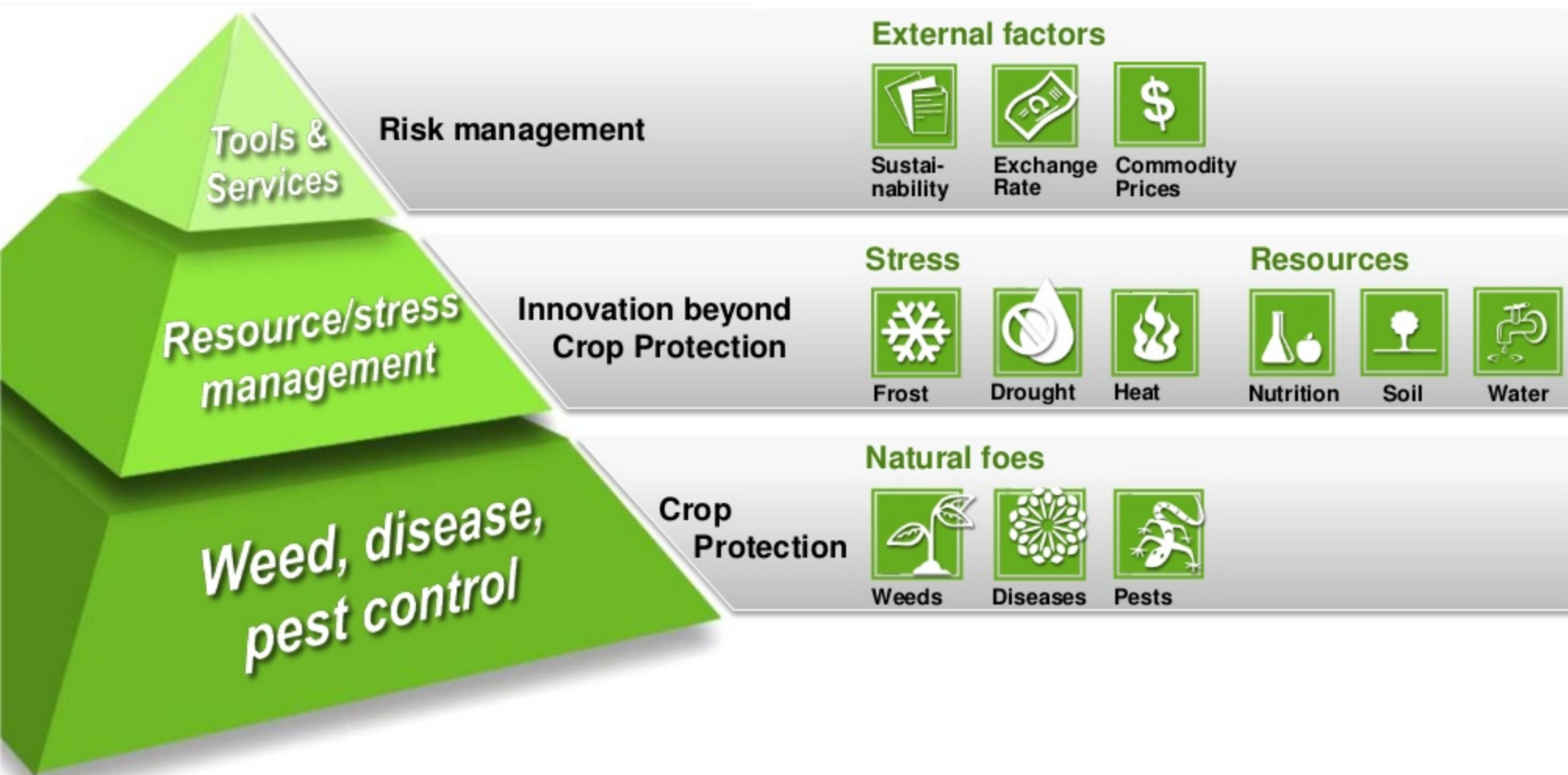
Chemistry as an enabler

We expand from chemicals to chemistry



- Chemistry as key enabler for functionalized materials & solutions
- Deep understanding of customer value chains required
- Agricultural Solutions perfectly matches BASF's focus on solutions business

BASF Crop Protection's offering goes beyond weed, disease and pest control



BASF Plant Science – Trait Technology Partner



Growers

Trait &
Seed
Partners

Trait
Technology
Partner



Concept and strengths

- BASF has focused on trait technologies early on
- Cutting-edge technology and trait portfolio attracts top partners (seeds, food)
- Products to be marketed via our partners' channels
- Partnership business model provides high flexibility and keeps asset costs low

Multiple synergies between Agricultural Solutions and BASF Verbund



Strong contributor to BASF's profitable growth

Non-cyclical, adds earnings resilience

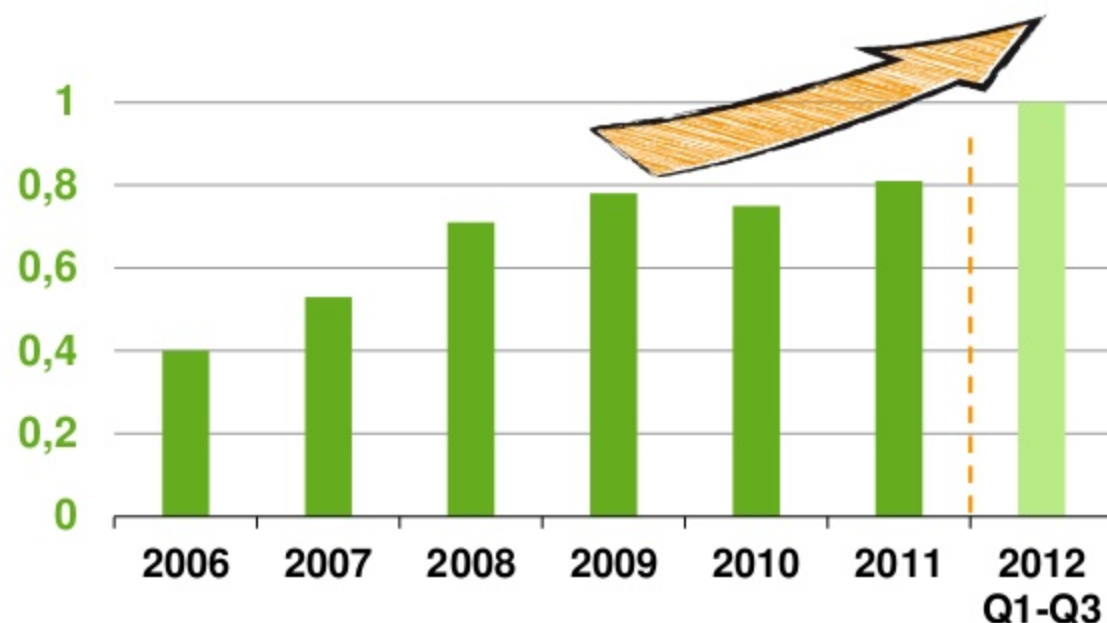
Backward-integration and sourcing synergies

Technological synergies through Know-how Verbund

Agricultural Solutions

Agricultural Solutions has increased its earnings contribution to BASF sustainably

EBIT before special items
in billion €



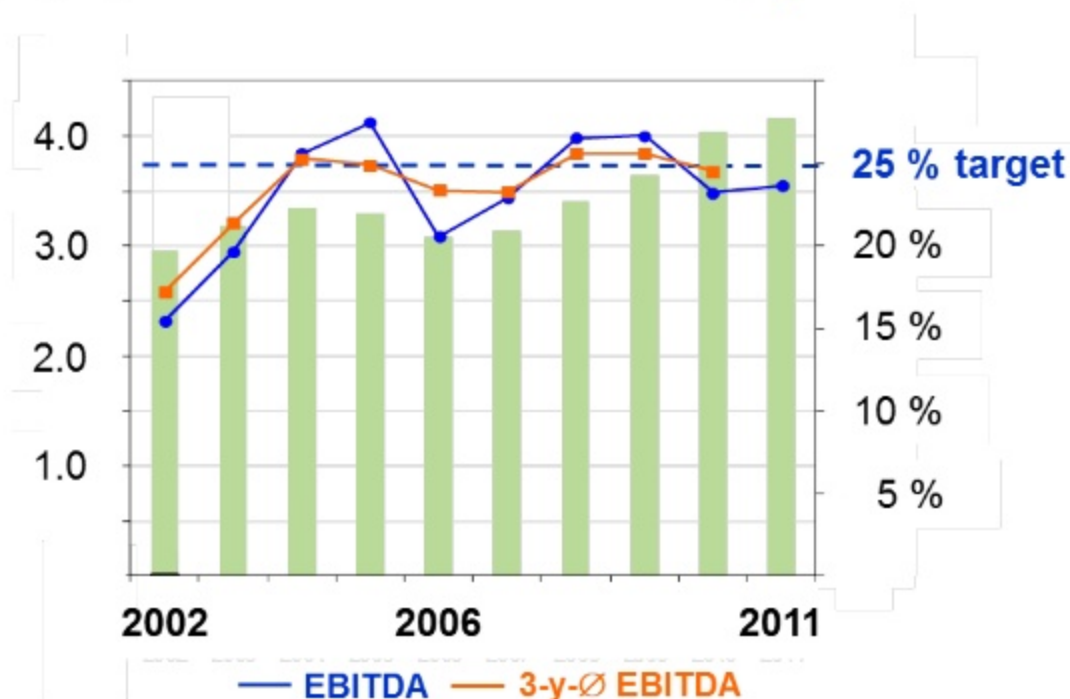
Sustainably increased earnings

- EBIT bSI more than doubled from 2006 to 2011
- New record in 2011: €810 million
- FY 2011 record has been already significantly surpassed: Q1-Q3 2012: €1,004 million

Agricultural Solutions has demonstrated profitable growth and sustained margins

Sales to 3rd parties
in billion €

EBITDA margin*



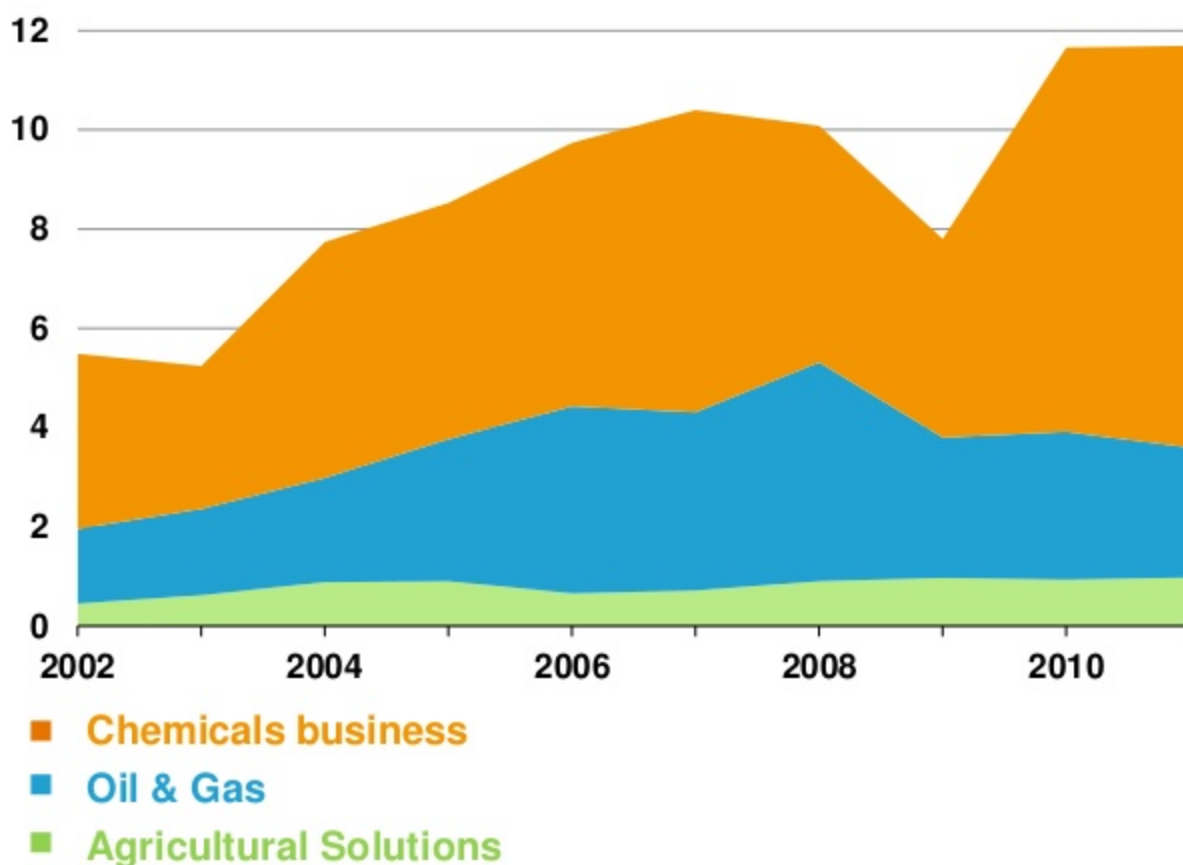
Strong business performance

- Profitable growth over the past 5 years; high EBITDA margin level since 2004
- EBITDA margin target: 25% on average
- Committed to sustain the high margin level ...
- ... while continuing to invest into innovation, leveraging BASF's know-how Verbund

* Before Special Items.
2004 onwards according to IFRS. 2006 onwards excl. corporate cost

Agricultural Solutions is adding to BASF Group's earnings resilience

EBITDA by activity (excluding Other)
in billion €



Agro adds to earnings resilience

- Agriculture not coupled to chemical cycle
- Agricultural Solutions delivered substantial contribution even in 2009 trough

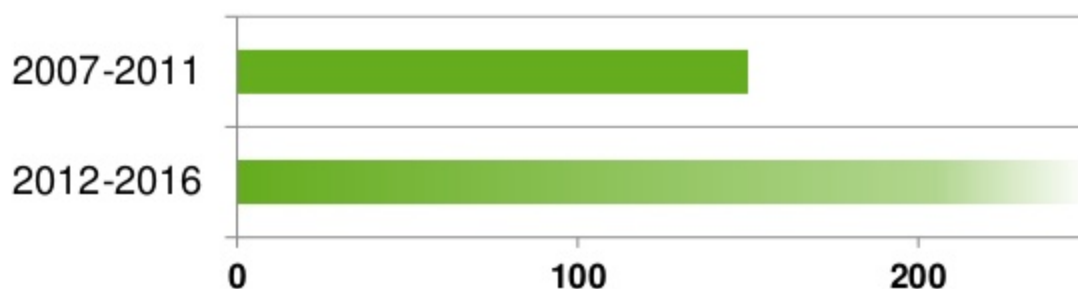
Our growth in Crop Protection is backed by a high level of backward integration

Sourcing of Top-100 raw materials* (by value) in 2011 in million €



* Without a.i. tolling, formulants, packaging

Capex in million €/a



Make or buy

■ Verbund back-integration

- security & flexibility of supply
- market-based transfer pricing
- typically ~40% of the Top-100 raws come from Verbund

■ Sourcing synergies

- economy of scale via joint BASF procurement

■ Capex

- capex will increase to >€250 M/y in 2012-2016 (on average)
- insourcing of advanced intermediates
- capacity expansions

Large share of R&D spending committed to Crop Protection, Plant Biotechnology

Total R&D expenditures 2011
in billion €

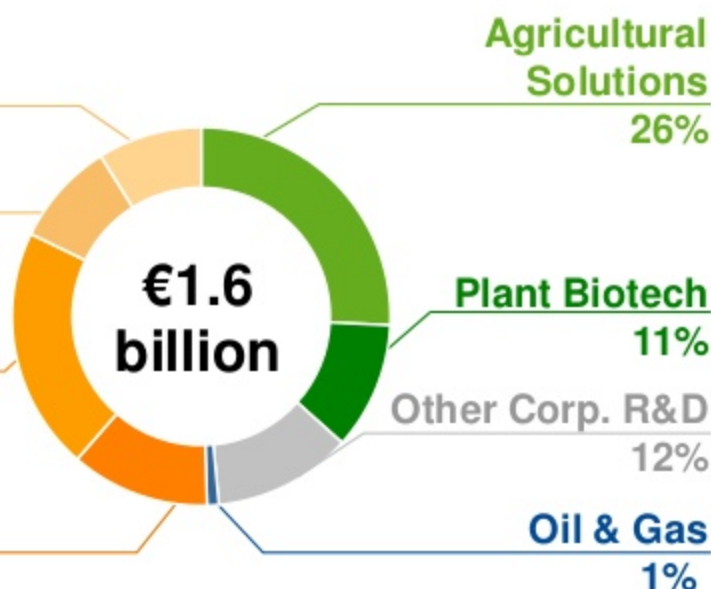
Chemicals Business

Chemicals
8%

Plastics
9%

Performance Products
21%

Functional Solutions
12%



Strong innovation platform

- €1.6 billion R&D expenditures in 2011, ~€1.7 billion in 2012
- 2020 target: ~€30 billion in sales with innovations <10 years
- 10,100 people; 2,800 projects
- Research Verbund ~1,950 partnerships with universities, start-ups, industry partners
- Agro benefits from Know-how Verbund synergies, especially in process design, formulation technologies, biotechnology