

News Release

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BASF to expand capacity for methane sulfonic acid at its Ludwigshafen site

- **Global capacity to increase to 50,000 metric tons per year**
- **BASF to meet growing customer demand for state-of-the-art formulations**

Ludwigshafen, Germany – December 20, 2018 – BASF intends to expand the production capacity for methane sulfonic acid (MSA) at its Ludwigshafen site by around 65 percent and increase the global capacity to 50,000 metric tons per year. With the investment the company further strengthens its position as the leading global producer of MSA. The volumes from the additional capacity are expected to be available late in 2021 for customers in all regions.

“The demand for MSA increased strongly across industries. This expansion will allow us to support the rapid growth of our customers, especially in Asia. Beyond the increase in Ludwigshafen, we evaluate investment options outside of Europe to continuously expand our MSA capacities,” says Martin Widmann, Global Strategic Marketing and Development, Care Chemicals division at BASF. “We focus our extensive know-how and highly efficient manufacturing processes on our customers’ needs to enhance their applications’ performance, sustainability and efficacy.”

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. The expansion is in line with the trend for top-performance and at the same time environmentally friendly technologies in various industries. BASF's proprietary process enables the production of Lutropur[®] MSA – a high-purity methane sulfonic acid. Lutropur MSA is a sustainable alternative to other acids such as sulfuric, phosphoric or acetic acid. As part of the natural sulfur cycle MSA is readily biodegradable. Further benefits in practical applications come, for example, from its nonoxidizing nature, 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, hygiene, home care, industrial & institutional cleaning, and technical applications. We are the leading global supplier for the cosmetics industry as well as the detergents and cleaners 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. Superabsorbent polymers developed for the full spectrum of hygiene applications complete the range. 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 more than 115,000 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 four segments: Chemicals, Performance Products, Functional Materials & Solutions and Agricultural Solutions. BASF generated sales of more than €60 billion in 2017. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (BAS). Further information at www.basf.com.