

News Release

P395/20e
December 16, 2020

BASF reaches milestone of MDI capacity expansion project at Geismar site

- **The first phase of a new methylene diphenyl diisocyanate (MDI) synthesis unit at BASF's Geismar, Louisiana site is complete and in operation. An older MDI synthesis unit is no longer in service.**
- **Construction of the second phase, which consists of capacity increases of several upstream units, is ongoing. Start-up is expected for the second half of 2021 and will increase MDI capacity by approximately one third.**
- **The final phase, which is expected to bring the capacity to approximately 600,000 metric tons per year, should start-up around the middle of the decade.**

The implementation of the methylene diphenyl diisocyanate (MDI) capacity increase program for production facilities at BASF's Verbund site in Geismar, Louisiana, is progressing on schedule. Over time, BASF targets to double the capacity from 300,000 metric tons per year to approximately 600,000 metric tons per year. With this stepwise capacity addition, BASF will support the ongoing growth of its North American MDI customers.

"The North American MDI market and our customers remain a key focus and we are pursuing this investment to support their growth," said Ramkumar Dhruva, President of BASF's Monomers division. "BASF supports customer growth by providing innovative polyurethane solutions that reduce energy consumption and carbon emissions. Some examples include improved insulation for buildings and lightweight materials for the automotive industry," he explained.

Stefan Doerr, Head of BASF's Monomers business in North America added: "The Geismar site is ideally suited for this investment thanks to its existing infrastructure, competitive raw materials and ongoing strong business support from state and local government. With this integrated facility, BASF will continue to be a leading MDI supplier in North America as well as globally."

The first phase, which is the construction of a new MDI synthesis unit, is complete and in operation. At the same time, an older MDI synthesis unit is no longer in service. Although the instant capacity addition is limited, the new MDI production unit sets the foundation for future growth through capacity increases of upstream units.

In the second phase, for which construction is currently ongoing, BASF will be expanding several upstream units and by doing so, increase MDI overall output of the Geismar complex by approximately one third. Startup of this second phase is expected in the second half of 2021.

The potential final phase is targeted to be completed by mid of the decade; it is expected to bring the MDI capacity to approximately 600,000 metric tons per year.

Receive up-to-date news releases from BASF via push notification on your smartphone. Register for our news service at [basf.com/pushnews](https://www.basf.com/pushnews).

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. More than 117,000 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 €59 billion in 2019. 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.