

# News Release



## **BASF completes acquisition of Cognis**

- **Integration process started**
- **Detailed integration plans expected at the end of Q1 2011**

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Ludwigshafen, Germany – December 10, 2010 – BASF successfully completed its acquisition of Cognis Holding GmbH from Cognis Holding Luxembourg S.à r.l. controlled by Permira Funds, GS Capital Partners and SV Life Sciences yesterday (December 9, 2010). The equity purchase price was €700 million. Including net financial debt and pension obligations, the enterprise value of the transaction is €3.1 billion.

“Cognis’ and BASF’s know-how and range of products complement each other very well. The combination will broaden our portfolio of specialty chemicals and boost innovation for our customers,” said Dr. Jürgen Hambrecht, Chairman of BASF’s Board of Executive Directors.

Through the purchase of Cognis, BASF will achieve a leading position in personal care ingredients, strengthen its leading position in value-added products for home care, establish a strong position in human nutrition and further strengthen its position in pharma excipients. BASF will also be able to offer customers of the Performance Chemicals and Dispersions & Pigments divisions an even more attractive portfolio. The acquisition will in particular

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expand BASF's portfolio with products based on renewable raw materials.

BASF intends to fully integrate Cognis into the BASF Group. Detailed integration plans will be developed by the end of the first quarter of 2011. Completion of the structural integration is targeted for the end of 2011.

“Our highest priority is to ensure a smooth and seamless integration process while maintaining the highest standards of customer service and product quality,” said Dr. John Feldmann, member of the Board of Executive Directors of BASF and responsible for the Performance Products segment. Most of Cognis' businesses will be integrated into the divisions of this segment.

“Cognis will make an important contribution to the growth strategy of our Performance Products segment. We aim to grow two percentage points above the relevant markets and achieve an EBITDA margin of minimum 20% as of 2013. The businesses acquired from Cognis will help us to achieve these goals,” explained Feldmann.

#### **About BASF**

BASF is the world's leading chemical company: The Chemical Company. Its portfolio ranges from chemicals, plastics and performance products to agricultural products, fine chemicals as well as oil and gas. As a reliable partner BASF creates chemistry to help its customers in virtually all industries to be more successful. With its high-value products and intelligent solutions, BASF plays an important role in finding answers to global challenges such as climate protection, energy efficiency, nutrition and mobility. BASF posted sales of more than €50 billion in 2009 and had approximately 105,000 employees as of the end of the year. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information on BASF is available on the Internet at [www.basf.com](http://www.basf.com).