

BASF on the capital market

€91.74

BASF share closing price
up by 3.9% year-on-year

€3.10

Proposed dividend
per share

CDP, MSCI ESG

BASF once again recognized
in sustainability indexes

The BASF share price rose by 3.9% in 2017, trading at €91.74 at the year-end. We stand by our ambitious dividend policy and will propose a dividend of €3.10 per share at the Annual Shareholders' Meeting – an increase of 3.3% compared with the previous year. BASF enjoys solid financing and good credit ratings.

the end of 2007 and reinvested the dividends in additional BASF shares would have increased to €2,676 by the end of 2017. This represents an annual yield of 10.3%, placing BASF shares above the returns for the DAX 30 (4.8%), EURO STOXX 50 (0.8%) and MSCI World Chemicals (6.8%) indexes.

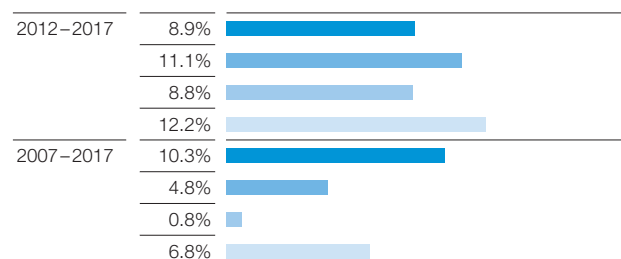
BASF share performance

- BASF share gains 3.9% in 2017
- Long-term performance continues to clearly exceed benchmark indexes

The BASF share closed the 2017 stock market year with a closing price of €91.74. This equates to a 3.9% rise in the value of BASF shares compared with the previous year's closing price, which also marked the high for 2016. Assuming that dividends were reinvested, BASF shares gained 7.4% in value in 2017. The benchmark indexes of the German and European stock markets – the DAX 30 and the EURO STOXX 50 – rose by 12.5% and 9.2% over the same period, respectively. The global industry index MSCI World Chemicals gained 23.6%.

The BASF share reached a new high of €97.46 over the course of 2017. Viewed over a 10-year period, the long-term performance of BASF shares still clearly surpasses the German, European and global benchmark indexes. The assets of an investor who invested €1,000 in BASF shares at

Long-term performance of BASF shares compared with indexes (Average annual increase with dividends reinvested)



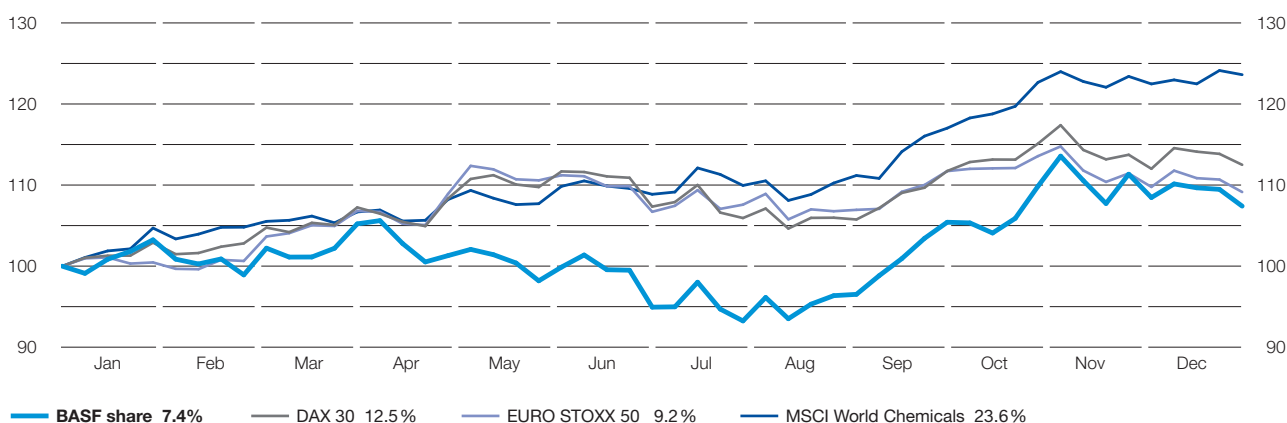
■ BASF share ■ DAX 30 ■ EURO STOXX 50 ■ MSCI World Chemicals

Weighting of BASF shares in important indexes as of December 31, 2017

DAX 30	8.1%
EURO STOXX 50	3.5%
MSCI World Chemicals	8.6%

Change in value of an investment in BASF shares in 2017

(With dividends reinvested; indexed)

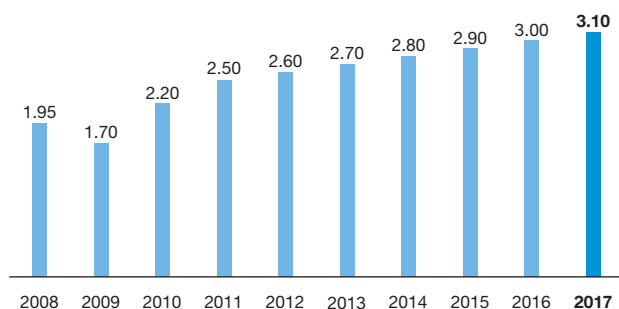


Proposed dividend of €3.10 per share

At the Annual Shareholders' Meeting, the Board of Executive Directors and the Supervisory Board will propose a dividend payment of €3.10 per share. We stand by our ambitious dividend policy and plan to pay out €2.8 billion to our shareholders.

Based on the year-end share price for 2017, BASF shares offer a high dividend yield of around 3.4%. BASF is part of the DivDAX share index, which contains the 15 companies with the highest dividend yield in the DAX 30. We aim to increase our dividend each year, or at least maintain it at the previous year's level.

Dividend per share (€ per share)

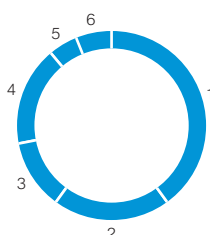


Broad base of international shareholders

With over 500,000 shareholders, BASF is one of the largest publicly owned companies with a high free float. An analysis of the shareholder structure carried out at the end of 2017 showed that, at around 20% of share capital, the United States and Canada made up the largest regional group of institutional investors. Institutional investors from Germany accounted for around 11%. Shareholders from the United Kingdom and Ireland hold 12% of BASF shares, while investors from the rest of Europe hold a further 17% of capital. Approximately 29% of the company's share capital is held by private investors, nearly all of whom reside in Germany. BASF is therefore one of the DAX 30 companies with the largest percentage of private shareholders.

Shareholder structure (by region, rounded)

1	Germany	40%
2	United States and Canada	20%
3	United Kingdom and Ireland	12%
4	Rest of Europe	17%
5	Rest of world	5%
6	Not identified	6%



Employees becoming shareholders

In many countries, we offer share purchase programs that turn our employees into BASF shareholders. In 2017, for example, 23,700 employees (2016: approximately 24,000) purchased employee shares worth €63 million (2016: €59 million).

For more information on employee share purchase programs, see page 46

BASF a sustainable investment

- CDP again awards BASF leadership status and honors company's sustainable water management
- BASF continues to be included in MSCI ESG Ratings with score of AA

Since 2004, BASF has participated in the CDP's program for reporting on data relevant to climate protection. The international organization CDP represents more than 800 institutional investors who manage over \$100 trillion in assets. BASF again achieved a score of A- in 2017, awarding it "Leadership" status. Companies on this level are distinguished by factors such as the completeness and transparency of their reporting. They also have approaches in place for managing the opportunities and risks associated with climate change as well as corporate strategies to reduce emissions. BASF has also reported on water management to CDP since 2010 and was again included in the CDP Water A List in 2017. This assessment includes how transparently companies report on water management activities, the degree to which risks are reduced and the extent to which product developments contribute to sustainable water management at customers. Efficient water use and the development of sustainable local solutions are important elements of BASF's water stewardship strategy.

BASF continued to be included in the MSCI ESG Ratings in 2017 with a score of AA. MSCI made special mention of BASF's leading environmental protection programs. The analysts recognized that BASF has made further progress in reducing greenhouse gas emissions and has one of the lowest emissions intensities in the chemical industry.

For more information on the key sustainability indexes, see basf.com/sustainabilityindexes

For more information on energy and climate protection, see page 104 onward

For more information on water, see page 108 onward

Analysts' recommendations

Around 30 financial analysts regularly publish studies on BASF. The latest analyst recommendations for our shares as well as the average target share price ascribed to BASF by analysts can be found online at basf.com/analystestimates.

Close dialog with the capital market

- Roadshows for institutional investors and talks with rating agencies
- BASF R&D Roundtable
- Informational events for private investors

Our corporate strategy aims to create long-term value. We support this strategy through regular and open communication with all capital market participants. We engage with institutional investors and rating agencies in numerous one-on-one meetings, as well as at roadshows and conferences worldwide, and give private investors an insight into BASF at informational events. In 2017, around 2,000 private investors took the opportunity to attend such events.

At the end of June 2017, we discussed the opportunities and potential of digitalization along our value chains with analysts and investors at an R&D Roundtable held in Ludwigs-hafen, Germany. We presented digital methods, various tools and the wide range of applications in research at BASF. The growing use of digital technologies secures our leading position in chemistry-based innovations.

In 2017, we once again held special events aimed toward investors who base their investment decisions on sustainability criteria. There, we outlined in particular our measures for climate protection, energy efficiency, health and safety. In addition, we offered several creditor relations roadshows, where credit analysts and creditors could learn more about our business and financing strategy.

For more information on our credit ratings, see the Financial Position on page 58

Analysts and investors have confirmed the quality of our financial market communications: We took first place in the "Best IR" category of the Materials sector in the annual survey conducted by Britain's IR Magazine. In addition, Institutional Investor Magazine recognized BASF for the best investor relations program in the Chemicals market segment. The IR Society awarded BASF first place in the "Best use of digital communications – international" category of the Best Practice Awards 2017.

For more information about BASF stock, see basf.com/share

Register for the newsletter with current topics and dates at basf.com/share/newsletter

Contact the Investor Relations team by phone at +49 621 60-48230 or email ir@basf.com

Further information on BASF share

Securities code numbers	
Germany	BASF11
United Kingdom	0083142
Switzerland	11450563
United States (CUSIP number)	055262505
ISIN International Securities Identification Number	DE000BASF111
International ticker symbols	
Deutsche Börse	BAS
London Stock Exchange	BFA
Swiss Exchange	BAS

Key BASF share data

		2013	2014	2015	2016	2017
Year-end price	€	77.49	69.88	70.72	88.31	91.74
Year high	€	78.97	87.36	96.72	88.31	97.46
Year low	€	64.79	65.61	65.74	56.70	79.64
Year average	€	71.96	77.93	79.28	70.96	88.16
Daily trade in shares ¹						
	million €	200.8	224.5	264.5	201.9	185.7
	million shares	2.8	2.9	3.3	2.9	2.1
Number of shares December 31	million shares	918.5	918.5	918.5	918.5	918.5
Market capitalization December 31	billion €	71.2	64.2	65.0	81.1	84.3
Earnings per share	€	5.22	5.61	4.34	4.42	6.62
Adjusted earnings per share	€	5.31	5.44	5.00	4.83	6.44
Dividend per share	€	2.70	2.80	2.90	3.00	3.10
Dividend yield ²	%	3.48	4.01	4.10	3.40	3.38
Payout ratio	%	52	50	67	68	47
Price-earnings ratio (P/E ratio) ²		14.8	12.5	16.3	20.0	13.9

¹ Average, Xetra trading

² Based on year-end share price