

# News Release



## BASF refocuses Nutrition business

BASF is taking a series of measures to refocus its animal and human nutrition business in its Fine Chemicals division. "Our market environment has changed drastically in the past few years," said Dr. Wolfgang Büchele, head of the Fine Chemicals division. "It has become more competitive and prices for many products have fallen significantly."

In order to optimally utilize the various synergies between the business units *Human Nutrition* and *Animal Nutrition* and to serve the market more efficiently, the two businesses are being combined to form the unit *Nutrition* as of November 1, 2006. "The new setup and the associated synergies allow us to mount a speedier and more flexible response to market requirements," stated Büchele.

In addition, BASF's animal nutrition station in Offenbach (Rheinland-Palatinate), Germany, will cease operations in the second quarter of 2007. The station was established in 1985 in order to execute development for nutritional additives in animal nutrition. BASF was pioneering in having such a facility. At the station, tests are carried out to analyze nutritional benefits and dosage forms of BASF vitamins, carotenoids and other additives in feeding animals. "Today the technology in animal nutrition has spread to the extent that there is a generally accepted standard of additive technology, also

October 06, 2006  
P 432e

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available to customers,” explained Büchele. “Test runs for products are now done by many other service providers.”

The reorganization of the Nutrition business and the closure of the animal nutrition station in Offenbach will lead to a reduction of 73 positions at BASF Aktiengesellschaft. The affected employees will be offered other positions at BASF or voluntary redundancy packages.

“By refocusing our nutrition activities, we are in a better position to serve the market in a cost-effective manner and improve our situation in the animal and human nutrition business in the long term,” said Büchele.

### **Fine Chemicals at BASF**

BASF’s Fine Chemicals division develops, produces and markets more than 1,000 products for the health, nutrition and beauty sectors. As a result of targeted research and development, the company is a preferred partner of customers from the cosmetic and pharmaceutical industries as well as for human and animal nutrition. The products offered by BASF Fine Chemicals include vitamins, carotenoids, enzymes and organic acids, active pharmaceutical ingredients and intermediates, aroma chemicals, polymers and UV filters. The strict official conditions and regulations applicable to the market licenses for numerous products ensure a high standard of safety and effectiveness. In 2005, the Fine Chemicals division posted sales of € 1.73 billion.

### **BASF – The Chemical Company**

BASF is the world’s leading chemical company: The Chemical Company. Its portfolio ranges from chemicals, plastics, performance products, agricultural products and fine chemicals to crude oil and natural gas. As a reliable partner to virtually all industries, BASF’s intelligent system solutions and high-value products help its customers

to be more successful. BASF develops new technologies and uses them to open up additional market opportunities. It combines economic success with environmental protection and social responsibility, thus contributing to a better future. BASF has approximately 94,000 employees and posted sales of more than €42.7 billion in 2005. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA), New York (BF) and Zurich (AN). Further information on BASF is available on the Internet at [www.basf.com](http://www.basf.com).