



Joint News Release of BASF and Markor

BASF and Markor start up new Polytetrahydrofuran plant in Xinjiang, China

Shanghai, China – July 6, 2016 – Today BASF and Xinjiang Markor Chemical Industry Co., Ltd. (“Markor”) inaugurated a new PolyTHF[®] (polytetrahydrofuran, chemical name: polytetramethylene ether glycol) plant in Korla, Xinjiang Uygur autonomous region in northwest China. Commercial products are now available for delivery to local customers in China.

The plant, with an annual capacity of 50,000 tons of PolyTHF, is operated by a [joint venture between BASF and Markor](#) registered under the name of BASF Markor Chemical Manufacturing (Xinjiang) Co., Ltd. It will support customers' increasing demand. The plant complements BASF's existing Asian production facilities in Shanghai, China and Ulsan, Korea. BASF also produces PolyTHF in Geismar, Louisiana, and Ludwigshafen, Germany, with a global annual PolyTHF capacity of 350,000 metric tons.

PolyTHF is primarily used to make elastic spandex fibers for a wide variety of textiles, including swimsuits, sportswear, underwear and outerwear. It also serves as a chemical building block for thermoplastic polyurethanes (TPU), used to make hoses, films and cable sheathing mainly for the automotive industry. Other applications include thermoplastic polyetheresters, polyetheramides and cast elastomers for the production of (for example) wheels for skateboards and inline skates.

In January 2016 BASF and Markor inaugurated a 1,4-butanediol (BDO) plant, also at the Korla site. The plant, with an annual capacity of 100,000 tons, is operated by another joint venture between Markor and BASF, registered under the name of Markor Meiou Chemical (Xinjiang) Co., Ltd. The two projects mark BASF's first investment in Xinjiang with a local private enterprise.

About BASF

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 112,000 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 five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas. BASF generated sales of more than €70 billion in 2015. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information at www.basf.com.

About Markor

Xinjiang Markor Chemical Industry Co., Ltd. is a subsidiary of Markor Investment Group Co., Ltd. which was founded in 2004. It is located in Markor Chemical Park in Economic and Technological Development zone, Korla, Xinjiang, China. By leveraging the comprehensive advantages of local natural gas resources in Korla, Markor's BDO production has achieved outstanding performance in energy saving and environmental protection. Markor is one of the leading manufacturers in the BDO downstream market, and has achieved outstanding performance in product quality and customer service.

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