

Date: 04/09/2008

Consensus Rating*: +0.67 (Acc.)

Previous rating	+0.93 (Acc.)
Stock price (in €)	89.35
High/Low (52 weeks)	104.82/80.51
Market cap (in €m)	44,138.9
ISIN	DE0005151005
Reuters	BASF.DE
Bloomberg	BAS GY
Exchange	XETRA
Sector	Chemicals
Internet	www.basf.de/share
Coverage	16

Clean EPS Estimates in Euro

Q1 Estimates vs. Actual

	Q1 2008E	Q1 2007A	Delta
Sales	14,727	14,632	0.7%
EBIT clean	2,074	2,116	-2.0%
EBIT	2,015	2,010	0.2%
EPS clean	2.23	2.21	0.7%
EPS	2.18	2.06	5.8%

*** Consensus Rating (CR):**
Classification:

Buy:	1.50 = CR < 2.00
Accumulate:	0.50 = CR < 1.50
Hold:	-0.50 < CR < 0.50
Reduce:	-1.50 = CR < -0.50
Sell:	-2.00 = CR < -1.50

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BASF

Summary

Outlook given by the company (after FY 2007 results):

The BASF forecast for 2008 is now based on the following conditions:

- A moderate slowdown in global economic growth and growth in chemical production (excluding pharmaceuticals) of 2.8%
- Declining interest rates in the United States in the course of 2008 with moderate knock-on effects for Europe
- An average dollar/euro exchange rate of \$1.45/€
- An average oil price of approximately \$78/barrel in 2008

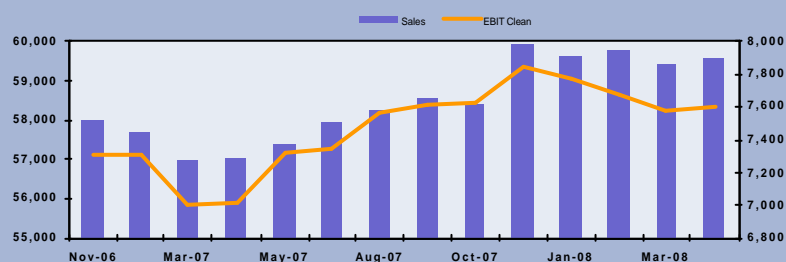
In 2008, assuming there are no changes made to the BASF portfolio, BASF aims to increase sales and improve income from operations before special items slightly. The company expects to grow faster than the chemical market each year and BASF is confident of earnings at least its cost of capital in any given year. BASF aims to further increase the dividend annually and match the previous year's level even in years in which the business environment is difficult. Moreover, BASF also intends to continue to buy back shares.

Price Targets in Euro

	Current	Previous	Change	Up-/Downside
Current price	89.35			
Highest	115.00	115.00	0.0%	28.7%
Consensus	99.98	101.67	-1.7%	11.9%
Median	103.84	107.34	-3.3%	16.2%
Lowest	75.00	76.00	-1.3%	-16.1%

Consensus Valuation

	EPS Clean	EBIT Clean	P/E	EV/Sales	EV/EBITDA	EV/EBIT
2005	6.32	6,138	9.04	0.76	3.78	5.26
2006	6.98	7,257	9.29	0.81	4.18	5.90
2007	8.69	7,614	10.29	0.92	5.08	7.02
2008e	8.30	7,602	10.76	0.90	5.09	7.03
2009e	7.95	7,303	11.23	0.88	5.18	7.32

FY 2008 Consensus Estimates (in Euro m)

Quarterly Development (in Euro m)
