OSLO, NORWAY, and FLORHAM PARK, NJ, July, 27, 2015
Yara International ASA and BASF broke ground today on a world scale ammonia plant at the BASF site in Freeport, Texas. Total capital investment for the plant - which is expected to come online in 2017 - is estimated at $600 million. As part of the project, Yara will build an ammonia tank at the BASF terminal and BASF will upgrade its current terminal and pipeline assets for the export of ammonia from the new plant.

"I am very pleased to be here today, initiating the construction of an important investment for Yara - alongside our partners at BASF. The building of the Freeport Ammonia plant is a firm demonstration of how we deliver on our growth strategy," said Torgeir Kvidal, President and CEO of Yara.

"BASF is in a period of significant investment in North America," said Wayne T. Smith, Chairman & CEO of BASF Corporation and member of the Board of Executive Directors of BASF SE. "Through the joint investment with Yara, we can take advantage of world-scale production economics and the attractive raw material costs in the United States; strengthening our operations in Freeport and the competitiveness of our customer value chain in the region."

The plant will have a capacity of about 750,000 metric tons per year and will be owned 68 percent by Yara and 32 percent by BASF. Each party will off-take ammonia from the plant in accordance with its equity share. BASF will use its share of ammonia from the plant to produce caprolactam, a key ingredient in the manufacture of nylons for carpet, textiles, film, monofilaments, and wire and cable. Yara will market the remainder mostly to industrial customers in North America, in addition to supplying the agricultural sector.

The hydrogen based process that will be used in the new plant significantly reduces capital expenditures and maintenance compared to a traditional natural gas based ammonia plant. A long-term supply agreement for nitrogen and hydrogen has been signed with Praxair Inc, the largest industrial gases company in North America, linking the feedstock variable cost to the advantageous natural gas prices available at the U.S. Gulf coast.

KBR, Inc, Houston, Texas, has been awarded a fixed price turnkey contract for the engineering, procurement and construction. The plant is expected to be completed by the end of 2017. Yara will manage construction of the plant; BASF will operate the plant.

Peak construction for the project will create up to 550 jobs. Once completed, operation of the plant will add approximately 35 full time BASF positions in Freeport.

For press photos, please go to the following link: http://basf.us/yara-groundbreaking

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About Yara
Yara's knowledge, products and solutions grow farmers' and industrial customers' businesses profitably and responsibly, while nurturing and protecting the earth's resources, food and environment. Our fertilizers, crop nutrition programs and technologies increase yields, improve product quality and reduce the environmental impact of agricultural practices. Our industrial and environmental solutions improve air quality by reducing emissions from industry and transportation, and serve as key ingredients in the production of a wide range of goods.

We foster a culture that promotes the safety of our employees, contractors and societies. Founded in 1905 to solve emerging famine in Europe, today, Yara has a worldwide presence, with more than 12,000 employees and sales to more than 150 countries. www.yara.com

About BASF

BASF Corporation, headquartered in Florham Park, New Jersey, is the North American affiliate of BASF SE, Ludwigshafen, Germany. BASF has more than 17,000 employees in North America, and had sales of $20.6 billion in 2014. For more information about BASF's North American operations, visit www.basf.us.

At BASF, we create chemistry - and have been doing so for 150 years. Our portfolio ranges from chemicals, plastics, performance products and crop protection products to oil and gas. As the world's leading chemical company, we combine economic success with environmental protection and social responsibility. Through science and innovation, we enable our customers in nearly every industry to meet the current and future needs of society. Our products and solutions contribute to conserving resources, ensuring nutrition and improving quality of life. We have summed up this contribution in our corporate purpose: We create chemistry for a sustainable future. BASF had sales of over ?74 billion in 2014 and around 113,000 employees as of the end of the year. Further information on BASF is available on the Internet at www.basf.com