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BASF AKTIENGESELLSCHAFT
Form 6-K
April 29, 2004

6-K UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

April 29, 2004

BASF AKTIENGESELLSCHAFT
(Exact name of Registrant as Specified in its Charter)

BASF CORPORATION
(Translation of Registrant's name into English)

Carl Bosch Strasse 38, LUDWIGSHAFEN, GERMANY 67056
(Address of Principal Executive Offices)

Indicate by check mark whether the Registrant files or will file annual reports under cover Form 20-F or Form 40-F
Form 20-F Form 40-F

Indicate by check mark whether the Registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.
Yes No

If "Yes" is marked, indicate below the file number assigned to the Registrant in connection with Rule 12g3-2(b): 82- .

BASF: First-Quarter Results 2004

Energy Editors/Business Editors

LUDWIGSHAFEN, Germany--(BUSINESS WIRE)--April 29, 2004--BASF
(NYSE:BF) (FWB:BAS) (LSE:BFA):

January - March 2004, published on April 29, 2004
Business strong in first quarter - BASF increases sales and earnings

- Volume growth in all segments
- Chemicals activities improve significantly
- Cash flow increases further
- High raw materials costs have negative impact
- Successful cost reduction programs are continuing
- Outlook for full year 2004: Higher EBIT before special items

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expected

Overview

| BASF Group | 1st Quarter | | Change in % |
|---|-------------|--------|-------------|
| | 2004 | 2003 | |
| Million euro | | | |
| Sales | 9,051 | 8,832 | 2.5 |
| Income from operations before interest, taxes | | | |
| Depreciation and amortization (EBITDA) | 1,580 | 1,496 | 5.6 |
| Income from operations before special items | 1,138 | 944 | 20.6 |
| Income from operations (EBIT) | 1,038 | 942 | 10.2 |
| Financial result | (60) | (103) | 41.7 |
| Income before taxes and minority interests | 978 | 839 | 16.6 |
| Net income | 515 | 442 | 16.5 |
| Earnings per share (euro) | 0.93 | 0.78 | 19.2 |
| EBIT before special items in percent of sales | 12.6 | 10.7 | - |
| Cash provided by operating activities | 963 | 894 | 7.7 |
| Additions to fixed assets(1) | 493 | 1,531 | (67.8) |
| Amortization and depreciation(1) | 542 | 554 | (2.2) |
| Segment assets (end of period)(2) | 26,733 | 27,996 | (4.5) |
| Personnel costs | 1,351 | 1,392 | (2.9) |
| Number of employees (end of period) | 85,617 | 88,728 | (3.5) |

(1) Tangible and intangible fixed assets (including acquisitions)

(2) Tangible and intangible fixed assets, inventories and business-related receivables

| Segments | Sales | | | Income from operations before special items | | | Income from operations (EBIT) | | |
|--|-------|-------|-------------|---|------|-------------|-------------------------------|------|-------------|
| | 2004 | 2003 | Change in % | 2004 | 2003 | Change in % | 2004 | 2003 | Change in % |
| Million euro | | | | | | | | | |
| 1st Quarter | | | | | | | | | |
| Chemicals | 1,582 | 1,519 | 4.1 | 245 | 145 | 69.0 | 228 | 144 | 58.3 |
| Plastics | 2,307 | 2,283 | 1.1 | 150 | 110 | 36.4 | 149 | 109 | 36.7 |
| Performance Products | 1,929 | 1,907 | 1.2 | 196 | 142 | 38.0 | 189 | 143 | 32.2 |
| Agricultural Products & Nutrition | 1,441 | 1,296 | 11.2 | 269 | 237 | 13.5 | 249 | 236 | 5.5 |
| Oil & Gas | 1,394 | 1,483 | (6.0) | 343 | 404 | (15.1) | 343 | 404 | (15.1) |
| Other(1) | 398 | 344 | 15.7 | (65) | (94) | 30.9 | (120) | (94) | (27.7) |
| Thereof costs of exploratory and biotechnological research | - | - | - | 36 | 45 | (20.0) | 36 | 45 | (20.0) |

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9,051 8,832 2.5 1,138 944 20,6 1,038 942 10.2

(1) "Other" includes the fertilizers business and other businesses as well as expenses, income and assets not allocated to the segments. This item also includes foreign currency results from financial indebtedness that are not allocated to the segments as well as from currency positions that are macro-hedged (1st quarter: -/previous year euro 3 million).

BASF Group Business Review and Analysis

- Volume growth in all segments
- EBIT before special items improves significantly
- Outlook for full year 2004: Higher EBIT before special items expected

Sales: First-quarter sales increased by 2.5 % compared with the same quarter of the previous year. Sales volumes increased significantly, in particular in the chemicals and agricultural products businesses. Overall, price levels are still unsatisfactory, although prices were increased in individual product lines. Excluding currency effects, in particular the weaker U.S. dollar, sales increased by 8.4 %.

Factors influencing sales in comparison with previous year

| % | 1st Quarter |
|---------------------------|-------------|
| Volumes | 8.2 |
| Prices | (1.3) |
| Currencies | (5.9) |
| Acquisitions/divestitures | 1.5 |
| Total | 2.5 |

Earnings: At euro 1,138 million, income from operations (EBIT) before special items climbed 21 % compared with the strong first quarter of 2003.

Thanks to successful restructuring measures, we achieved significant cost reductions, in particular in the Chemicals, Plastics and Performance Products segments. In the Agricultural Products & Nutrition segment, EBIT improved further as a result of higher sales volumes of crop protection products, especially in South America.

The Oil & Gas segment again made the largest contribution to EBIT, although there was a sales-related decline in earnings because the price of oil was lower in euro terms.

Special items are related to restructuring measures that will be implemented in the further course of the year - for example NAFTA restructuring Phase II - and to the accrual of provisions for legal proceedings in the agricultural products business in the United States.

EBIT after special items increased by 10 % to euro 1,038 million.

The financial result was euro (60) million compared with euro (103) million in the first quarter of 2003. The interest result improved in particular as a result of the lower level of net debt. Income from financial assets also exceeded the previous year's level.

Income before taxes and minority interests increased by 17 % to euro 978 million.

The tax rate remained at the previous year's level of 44%. In the first quarter, income taxes for oil production that are

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non-compensable with German taxes were euro 138 million compared with euro 161 million in 2003.

Net income rose 17 % to euro 515 million. Earnings per share were euro 0.93 compared with euro 0.78 in 2003.

| Special items | 1st Quarter | | 2nd Quarter | | 3rd Quarter | | 4th Quarter | |
|-----------------------------|-------------|------|-------------|------|-------------|------|-------------|-------|
| | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 |
| Million euro | | | | | | | | |
| Special items | | | | | | | | |
| - in income from operations | (100) | (2) | | (58) | | (29) | | (246) |
| - in financial result | (21) | - | | (3) | | (27) | | (133) |
| Total | (121) | (2) | | (61) | | (56) | | (379) |

Outlook: The first three months of 2004 give grounds for confidence. We expect demand for our products to remain strong. High and volatile raw materials prices continue to have a negative impact. We are continuing with our efforts to reduce costs. For 2004 overall, we expect slightly higher sales and an increase in EBIT before special items.

| Key BASF share data | 1st Quarter 2004 | Full-year 2003 |
|--|---------------------|-------------------|
| Share price (end of period) (1) | euro 41.33 | euro 44.58 |
| High(1) | euro 45.63 | euro 44.58 |
| Low(1) | euro 40.49 | euro 28.41 |
| Average daily trade (number of shares) (1) | 3.16 million | 3.33 million |
| BASF share performance(2) | -7.3 % | + 28.1% |
| DAX 30 performance(2) | -2.7 % | + 37.1% |
| EURO STOXX 50 performance(2) | +1.6 % | + 18.4% |

(1) XETRA trading

(2) with dividends reinvested

Chemicals

-- Sales increase due to strong demand

-- Significant increase in earnings

-- Acquisition of Sunoco's plasticizers business in the United States

| Overview | 1st Quarter | | Change in % |
|--------------------|-------------|-------|----------------|
| Million euro | 2004 | 2003 | |
| Sales | 1,582 | 1,519 | 4.1 |
| Thereof Inorganics | 201 | 183 | 9.8 |
| Petrochemicals | 919 | 874 | 5.1 |
| Intermediates | 462 | 462 | 0.0 |
| EBITDA | 335 | 260 | 28.8 |

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| | | | |
|---------------------------|-------|-------|-------|
| EBIT before special items | 245 | 145 | 69.0 |
| EBIT | 228 | 144 | 58.3 |
| Additions to fixed assets | 166 | 126 | 31.7 |
| Assets (end of period) | 4,911 | 5,003 | (1.8) |

Sales climbed compared with the strong first quarter of 2003 due to significant volume growth and a slight increase in prices (volumes 6.7 %, portfolio 2.8 %, prices 1.6 %, currencies -7.0 %). EBIT before special items increased significantly in all operating divisions. This was due primarily to lower fixed costs and improved capacity utilization.

Inorganics: Demand in key customer industries such as the wood products and electronics industries began to pick up and led to higher sales volumes in all business areas. The boron specialties and alcoholates business acquired in 2003 also contributed to the increase in sales. Earnings from inorganic specialties and electronic-grade chemicals declined due to the weak dollar. Earnings improved for glues and impregnating resins.

Petrochemicals: Demand for olefins, alkylene oxides and glycols remained at the previous year's high level. Sales prices for olefins, which increased in Europe and North America due to limited product availability, led to an improvement in margins for cracker products despite high and volatile naphtha prices. Margin pressure increased for plasticizers and solvents, however, because of the increase in olefin prices. The plasticizers business of Sunoco in the United States was acquired in January 2004.

Intermediates: During the first quarter, demand increased in particular in Asia. Sales declined, however, in Europe and in the NAFTA region. Worldwide sales of amines increased, but sales of diols and polyalcohols declined compared with the previous year. Improved cost structures in Ludwigshafen and in the NAFTA region led to significantly higher earnings despite persistently high raw materials prices.

Plastics

- Sales at previous year's level despite the weak dollar
- Earnings improve due to better capacity utilization and cost savings
- Good progress made in construction of new production plants in Asia

| Overview | 1st Quarter | | Change |
|---------------------------|-------------|-------|--------|
| Million euro | 2004 | 2003 | in % |
| Sales | 2,307 | 2,283 | 1.1 |
| Thereof Styrenics | 918 | 997 | (7.9) |
| Performance Polymers | 613 | 568 | 7.9 |
| Polyurethanes | 776 | 718 | 8.1 |
| EBITDA | 265 | 230 | 15.2 |
| EBIT before special items | 150 | 110 | 36.4 |
| EBIT | 149 | 109 | 36.7 |
| Additions to fixed assets | 98 | 86 | 14.0 |
| Assets (end of period) | 5,985 | 6,236 | (4.0) |

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The slight increase in sales despite the weak dollar was due to a significant increase in sales volumes (volumes 8.2 %, prices -0.2 %, currencies -6.9 %). The Performance Polymers and Polyurethanes divisions more than offset the decline in sales in the Styrenics division. Higher capacity utilization and cost savings improved the earnings situation.

Styrenics: Higher earnings were achieved, despite lower sales due to declining volumes. Price increases needed to cover high raw materials costs were implemented in several product lines, but overall pressure on margins persists. We are continuing our successful cost optimization measures.

Performance Polymers: Sales volumes increased, in particular for engineering plastics worldwide and for fiber intermediates in Asia and Europe. Negative currency effects were partially offset by price increases. Earnings increased significantly following the extremely weak performance in 2003. We achieved synergies in production and distribution by integrating the engineering plastics businesses we acquired last year from Honeywell and Ticona. We have established a joint venture with Toray to produce the engineering plastic PBT in Kuantan, Malaysia.

Polyurethanes: Sales volumes increased in all regions. Sales increased in Europe and in particular in Asia. Significantly higher sales volumes of basic products in the NAFTA region were offset by the weakness of the dollar. Earnings improved despite high raw materials costs thanks to the improvement in volumes. In March, we laid the cornerstone for the integrated isocyanates plants in Caojing, China.

Performance Products

- Sales slightly up compared with previous year due to volume growth
- Earnings improve as a result of restructuring measures
- System supplier concept for the automotive industry introduced in Mexico

| Overview | 1st Quarter | | Change in % |
|------------------------------|-------------|-------|----------------|
| | 2004 | 2003 | |
| Million euro | | | |
| Sales | 1,929 | 1,907 | 1.2 |
| Thereof Performance Polymers | 796 | 806 | (1.2) |
| Coatings | 505 | 504 | 0.2 |
| Functional Polymers | 628 | 597 | 5.2 |
| EBITDA | 279 | 244 | 14.3 |
| EBIT before special items | 196 | 142 | 38.0 |
| EBIT | 189 | 143 | 32.2 |
| Additions to fixed assets | 63 | 41 | 53.7 |
| Assets (end of period) | 4,919 | 5,191 | (5.2) |

Sales increased slightly despite negative currency effects (volumes 6.0 %, portfolio 0.6 %, prices -0.4 %, currencies -5.0 %). EBIT before special items improved in the Performance Chemicals and Functional Polymers divisions, in particular due to successful consolidation and optimization of sites and product portfolios.

Performance Chemicals: Despite higher volumes, sales declined slightly because of currency effects and persistent price pressure. This especially affected performance chemicals for textiles and for

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the automotive and oil industry in North America and Asia. In Europe, we posted higher sales and earnings for performance chemicals for coatings, plastics and specialties, as well as for detergents and formulators. Margin erosion persisted for textile and leather chemicals.

Coatings: Higher sales volumes of automotive coatings and decorative paints offset the negative currency effects. Restructuring measures paid off in the areas of automotive refinish coatings and industrial coatings. The system supplier concept for automotive coatings, which has proven successful in Europe, has now also been launched in Mexico.

Functional Polymers: Sales increased, in particular due to higher sales volumes of dispersions for decorative paints and acrylic monomers. We achieved strong sales growth in Asia and Europe. Price increases partially offset negative currency effects. Restructuring and portfolio optimization measures, e. g., in paper dispersions, contributed to the increase in earnings.

Agricultural Products & Nutrition

- Sales and earnings increase further in Agricultural Products
- Fine Chemicals at previous year's level despite negative currency effects

| Overview | 1st Quarter | | Change in % |
|-------------------------------|-------------|-------|----------------|
| | 2004 | 2003 | |
| Million euro | | | |
| Sales | 1,441 | 1,296 | 11.2 |
| Thereof Agricultural Products | 983 | 833 | 18.0 |
| Fine Chemicals | 458 | 463 | (1.1) |
| EBITDA | 370 | 349 | 6.0 |
| EBIT before special items | 269 | 237 | 13.5 |
| Thereof Agricultural Products | 227 | 196 | 15.8 |
| Fine Chemicals | 42 | 41 | 2.4 |
| EBIT | 249 | 236 | 5.5 |
| Thereof Agricultural Products | 207 | 192 | 7.8 |
| Fine Chemicals | 42 | 44 | (4.5) |
| Additions to fixed assets | 53 | 1,131 | (95.3) |
| Assets (end of period) | 7,320 | 8,030 | (8.8) |

Agricultural Products: Agricultural Products posted the highest sales growth of all operating divisions (volumes 16.0 %, portfolio 9.0 %, prices -1.2 %, currencies -5.8 %). This increase was due primarily to a good close to the season in South America, improved business in Asia and the acquisition of the fipronil package. EBIT before special items rose significantly due to the higher volume of business and despite negative currency effects. We sold our global business with phenoxy herbicides to an Australian producer of crop protection products. Provisions were accrued for legal proceedings in the United States.

Fine Chemicals: Compared with same period of 2003, sales declined slightly despite good volume growth (volumes 5.8 %, prices 0.2 %, currencies -7.1 %). Margins improved, in particular for lysine and vitamin C. EBIT before special items was slightly higher than in the strong first quarter of 2003. Our new production plant for citral is currently being put into operation in Ludwigshafen. This will enhance our competitiveness in the areas of vitamins A and E as well as

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several aroma chemicals.

Oil & Gas

- Sales and earnings decline compared with previous year due to the weak U.S. dollar
- Natural gas trading started in the United Kingdom

| Overview | 1st Quarter | | Change |
|-----------------------------|-------------|-------|--------|
| Million euro | 2004 | 2003 | in % |
| Sales | 1,394 | 1,483 | (6.0) |
| Thereof natural gas trading | 867 | 874 | (0.8) |
| EBITDA | 426 | 481 | (11.4) |
| EBIT before special items | 343 | 404 | (15.1) |
| Thereof natural gas trading | 96 | 94 | 2.1 |
| EBIT | 343 | 404 | (15.1) |
| Thereof natural gas trading | 96 | 94 | 2.1 |
| Additions to fixed assets | 80 | 39 | 105.1 |
| Assets (end of period) | 3,598 | 3,536 | 1.8 |

In the Oil & Gas segment, volumes increased but sales (volumes 5.5 %, prices/currencies -11.5 %) and earnings were below the previous year's strong level due to the weaker U.S. dollar.

In natural gas trading, sales to customers in Germany and Belgium increased. This increase in volumes almost fully offset the decline in sales prices compared with the same period in 2003. Since margins remained relatively stable, earnings increased slightly. We have founded the joint venture HydroWingas Ltd. together with NorskHydro to market natural gas to major industrial customers and regional providers in the United Kingdom.

In exploration and production, the price of Brent crude declined by euro 3.72 per barrel or 13 % compared with the previous year due to the weaker U.S. dollar. Sales and earnings declined as a result. Together with Romgaz, we started producing natural gas in Romania.

Regions

- Sales increase in local currency terms in all regions
- Strong growth in South America and Asia
- Earnings in North America unsatisfactory despite improvement

| Overview | Sales (location of customer) | | Change | Sales (location of company) | | Change | EBIT before special items (location of company) | | |
|--------------|---------------------------------|-------|--------|--------------------------------|-------|--------|--|------|------|
| Million euro | 2004 | 2003 | in % | 2004 | 2003 | in % | 2004 | 2003 | in % |
| 1st Quarter | | | | | | | | | |
| Europe | 5,296 | 5,241 | 1.0 | 5,621 | 5,539 | 1.5 | 889 | 826 | 7.6 |

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| | | | | | | | | | |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-----|-------|
| Thereof | | | | | | | | | |
| Germany | 1,949 | 2,099 | (7.1) | 3,893 | 3,904 | (0.3) | 646 | 644 | 0.3 |
| North America | | | | | | | | | |
| (NAFTA) | 1,909 | 1,938 | (1.5) | 1,918 | 1,960 | (2.1) | 80 | 29 | 175.9 |
| South America | 432 | 322 | 34.2 | 357 | 258 | 38.4 | 73 | 32 | 128.1 |
| Asia, Pacific Area, | | | | | | | | | |
| Africa | 1,414 | 1,331 | 6.2 | 1,155 | 1,075 | 7.4 | 96 | 57 | 68.4 |
| | 9,051 | 8,832 | 2.5 | 9,051 | 8,832 | 2.5 | 1,138 | 944 | 20.6 |

In Europe, sales by location of company increased by 1.5 % in the first quarter. Sales rose in all segments with the exception of Oil & Gas. EBIT before special items climbed euro 63 million to euro 889 million.

Sales by location of company in the NAFTA region declined 2.1 %. In dollar terms, sales increased by 14 %, with all segments contributing to this growth. The improved earnings situation in the Chemicals and Agricultural Products & Nutrition segments led to an increase in EBIT before special items, which rose by euro 51 million to euro 80 million. This level of earnings is unsatisfactory. Measures introduced to improve profitability are therefore being implemented rigorously. Among other things, the portfolio will be further optimized and our restructuring program to permanently reduce fixed costs will be continued.

In South America, first-quarter sales by location of company increased in local currency terms by 39 %, in particular due to strong sales of crop protection products. EBIT before special items more than doubled to euro 73 million.

In local currency terms, companies in the Asia, Pacific Area, Africa region increased sales by 20 %; all segments contributed to this increase. EBIT before special items rose by euro 39 million to euro 96 million.

Finance

- Cash provided by operating activities increases further
- Capital expenditures and acquisitions below depreciation and amortization
- euro 136 million spent on share buybacks

Consolidated Statements of Cash Flows

| Million euro | 1st Quarter | |
|--|-------------|---------|
| | 2004 | 2003 |
| Net income | 515 | 442 |
| Depreciation and amortization of fixed assets | 552 | 557 |
| Changes in net working capital | (109) | (155) |
| Miscellaneous items | 5 | 50 |
| Cash provided by operating activities | 963 | 894 |
| Payments related to tangible and intangible fixed assets | (433) | (451) |
| Acquisitions/divestitures | (73) | (1,185) |
| Financial investments and other items | (71) | (48) |
| Cash used in investing activities | (577) | (1,684) |

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| | | |
|---|-------|-------|
| Proceeds from capital increases/(decreases) | (165) | (226) |
| Changes in financial indebtedness | (15) | 1,023 |
| Dividends | (16) | (26) |
| Cash provided by (used in) financing activities | (196) | 771 |
| Net changes in cash and cash equivalents | 190 | (19) |
| Cash and cash equivalents as beginning of year and other changes | 540 | 231 |
| Cash and cash equivalents | 730 | 212 |
| Marketable securities | 167 | 213 |
| Liquid funds | 897 | 425 |

Cash provided by operating activities rose 8 % to euro 963 million. The higher level of net income contributed to this increase. Despite the significant expansion of our business, additional financing for net working capital was below the previous year's level.

Cash used in investing activities totaled euro 577 million. Payments related to capital expenditures of euro 433 million and related to acquisitions of euro 73 million were below the level of amortization and depreciation of euro 552 million. The first quarter of 2003 was marked by the acquisition of the fipronil crop protection business.

In cash used in financing activities, further share buybacks led to a cash outflow. In the first quarter of 2004, 3.3 million shares were bought back for euro 136 million or an average of euro 41.59 per share.

Liquid funds increased to euro 897 million, and at euro 3,496 million financial indebtedness was virtually unchanged compared with the figure at the end of 2003. Net debt therefore declined from euro 2,879 million as of December 31, 2003 to euro 2,599 million.

Interim Financial Statements of BASF Group (abridged version)

The interim financial statements have not been audited. The valuation methods used in the Consolidated Financial Statements for 2003 remain unchanged. Effective January 1, 2004, the U.S. dollar was defined as the functional currency for companies in Malaysia and Singapore as a result of the increased volume of business from regional production. There were only minor changes in the scope of consolidation in the first quarter of 2004.

Consolidated Statements of Income

| Million euro | 1st Quarter | | Change in % |
|---|-------------|-------|----------------|
| | 2004 | 2003 | |
| Sales, net of natural gas taxes | 9,051 | 8,832 | 2.5 |
| Cost of sales | 6,161 | 6,073 | 1.4 |
| Gross profit on sales | 2,890 | 2,759 | 4.7 |
| Selling expenses | 1,117 | 1,117 | 0.0 |
| General and administrative expenses | 174 | 163 | 6.7 |
| Research and development expenses | 260 | 276 | (5.8) |
| Other operating income | 106 | 104 | 1.9 |
| Other operating expenses | 407 | 365 | 11.5 |
| Income from operations | 1,038 | 942 | 10.2 |
| (Expenses)/income from financial assets | (8) | (19) | 57.9 |
| Interest result | (52) | (84) | 38.1 |
| Financial result | (60) | (103) | 41.7 |

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| | | | |
|--|------|------|-------|
| Income before taxes and minority interests | 978 | 839 | 16.6 |
| Income taxes | 431 | 368 | 17.1 |
| Minority interests | 32 | 29 | 10.3 |
| Net income | 515 | 442 | 16.5 |
| Earnings per share (euro) | 0.93 | 0.78 | 19.2 |
| Number of shares in millions, weighted | 555 | 566 | (1.9) |

Consolidated Balance Sheets

| Million euro | March 31, 2004 | March 31, 2003 | Change in % | Dec. 31, 2003 | Change in % |
|---|-------------------|-------------------|----------------|------------------|----------------|
| Assets | | | | | |
| Intangible assets | 3,790 | 4,286 | (11.6) | 3,793 | (0,1) |
| Property, plant and equipment | 13,185 | 13,641 | (3.3) | 13,070 | 0.9 |
| Financial assets | 2,529 | 3,194 | (20.8) | 2,600 | (2.7) |
| Fixed assets | 19,504 | 21,121 | (7.7) | 19,463 | 0.2 |
| Inventories | 4,303 | 4,912 | (12.4) | 4,151 | 3.7 |
| Accounts receivable, trade | 5,912 | 5,986 | (1.2) | 4,954 | 19.3 |
| Miscellaneous receivables | 3,137 | 3,242 | (3.2) | 3,159 | (0.7) |
| Deferred taxes | 1,316 | 1,177 | 11.8 | 1,247 | 5.5 |
| Liquid funds | 897 | 425 | 111.1 | 628 | 42.8 |
| Current assets | 15,565 | 15,742 | (1.1) | 14,139 | 10.1 |
| Total assets | 35,069 | 36,863 | (4.9) | 33,602 | 4.4 |
| Stockholders' equity and liabilities | | | | | |
| Subscribed capital and capital surplus | 4,408 | 4,408 | 0.0 | 4,408 | 0.0 |
| Retained earnings and other equity | 11,540 | 12,160 | (5.1) | 11,083 | 4.1 |
| Minority interests | 341 | 387 | (11.9) | 388 | (12.1) |
| Stockholders' equity | 16,289 | 16,955 | (3.9) | 15,879 | 2.6 |
| Provisions for pensions and similar obligations | 3,881 | 3,897 | (0.4) | 3,862 | 0.5 |
| Provisions for taxes and other provisions | 5,677 | 5,390 | 5.3 | 5,325 | 6.6 |
| Provisions | 9,558 | 9,287 | 2.9 | 9,187 | 4.0 |
| Financial indebtedness | 3,496 | 4,558 | (23.3) | 3,507 | (0.3) |
| Accounts payable, trade | 2,465 | 2,474 | (0.4) | 2,056 | 19.9 |
| Other liabilities | 3,261 | 3,589 | (9.1) | 2,973 | 9.7 |
| Liabilities | 9,222 | 10,621 | (13.2) | 8,536 | 8.0 |
| Total liabilities | 18,780 | 19,908 | (5.7) | 17,723 | 6.0 |
| Total stockholders' equity and liabilities | 35,069 | 36,863 | (4.9) | 33,602 | 4.4 |

Consolidated Statements of Stockholders' Equity January - March 2004

| Million euro | Number of shares | Subscribed capital | Capital surplus | Retained earnings |
|-----------------------|---------------------|--------------------|-----------------|-------------------|
| As of January 1, 2004 | 556,643,410 | 1,425 | 2,983 | 12,055 |
| Net income | - | - | - | 515 |

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| | | | | |
|--|-------------|-------|-------|--------|
| Share buy-back and cancellation of shares including own shares intended to be cancelled | (3,270,000) | (8) | 8 | (136) |
| Dividends paid | - | - | - | - |
| (Decrease)/increase of foreign currency translation adjustments | - | - | - | - |
| Capital injection by minority interests | - | - | - | - |
| Changes in scope of consolidation and other changes | - | - | - | 3 |
| As of March 31, 2004 | 553,373,410 | 1,417 | 2,991 | 12,437 |

Consolidated Statements of Stockholders'
Equity January - March 2004

| Million euro | Currency/ translation adjustment | Minority interests | Stock- holders' equity |
|--|--|-----------------------|------------------------------|
| As of January 1, 2004 | (972) | 388 | 15,879 |
| Net income | - | 32 | 547 |
| Share buy-back and cancellation of shares including own shares intended to be cancelled | - | - | (136) |
| Dividends paid | - | (16) | (16) |
| (Decrease)/increase of foreign currency translation adjustments | 75 | (59) | 16 |
| Capital injection by minority interests | - | (29) | (29) |
| Changes in scope of consolidation and other changes | - | 25 | 28 |
| As of March 31, 2004 | (897) | 341 | 16,289 |

Consolidated Statements of Stockholders' Equity January - March 2004

| Million euro | Number of shares | Subscribed capital | Capital surplus | Retained earnings |
|---|---------------------|-----------------------|--------------------|----------------------|
| As of January 1, 2003 | 570,316,410 | 1,460 | 2,948 | 12,468 |
| Net income | - | - | - | 442 |
| Share buy-back and cancellation of shares including own shares intended to be cancelled | (6,930,000) | (18) | 18 | (226) |
| Dividends paid | - | - | - | - |
| (Decrease)/increase of foreign currency translation adjustments | - | - | - | - |
| Changes in scope of consolidation and other changes | - | - | - | (5) |

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As of March 31, 2003 563,386,410 1,442 2,966 12,679

Consolidated Statements of
Stockholders' Equity January -
March 2004

| Million euro | Currency/ translation adjustment | Minority interests | Stock- holders' equity |
|--|--|-----------------------|------------------------------|
| As of January 1, 2003 | (330) | | 16,942 |
| Net income | - | | 471 |
| Share buy-back and cancellation of shares including own shares intended to be cancelled | - | | (226) |
| Dividends paid | - | | (26) |
| (Decrease)/increase of foreign currency translation adjustments | (189) | | (192) |
| Changes in scope of consolidation and other changes | - | | (14) |
| As of March 31, 2003 | (519) | | 16,955 |

Forward-looking statements

This report contains forward-looking statements under the U.S. Private Securities Litigation Reform Act of 1995. These statements are based on current expectations, estimates and projections of BASF management and currently available information. They are not guarantees of future performance, involve certain risks and uncertainties that are difficult to predict and are based upon assumptions as to future events that may not prove to be accurate. Many factors could cause the actual results, performance or achievements of BASF to be materially different from those that may be expressed or implied by such statements. Such factors include those discussed in BASF's Form 20-F filed with the Securities and Exchange Commission. (The Annual Report on Form 20-F is available on the Internet at www.basf.com.) We do not assume any obligation to update the forward-looking statements contained in this report.

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Important dates

-- August 4, 2004
Interim Report Second Quarter 2004

-- November 11, 2004
Interim Report Third Quarter 2004

-- March 9, 2005
Financial Results 2004

-- April 28, 2005
Annual Meeting, Mannheim
Interim Report First Quarter 2005

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report to be signed on its behalf by the undersigned, thereunto duly authorized.

BASF Aktiengesellschaft

Date: April 29 2004

By: /s/ Elisabeth Schick

Name: Elisabeth Schick
Title: Director Site Communications Ludwigshafen
and Europe

By: /s/ Christian Schubert

Name: Christian Schubert

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Title: Director Corporate Communications
BASF Group