

Weaker global market environment softens Borealis result in the third quarter, while European business remains solid

Key figures and ratios		Q3 2019	Q3 2018	YTD 2019	YTD 2018
Net Sales	EUR million	1,965	2,046	6,244	6,246
Total Sales*	EUR million	2,399	2,538	7,526	7,386
Net Profit	EUR million	207	279	734	812
Reduction / (increase) in net interest-bearing debt	EUR million	121	(282)	(29)	(666)
Gearing	%			20%	23%

* Net sales of Borealis plus pro-rata sales of at equity consolidated companies

Borealis announces a net profit of EUR 207 million for the third quarter of 2019, compared to EUR 279 million in the same quarter of 2018. The lower result was driven by weak polyolefin prices in Asia affecting the contribution from Borouge. The integrated polyolefin margins in Europe remained solid and results of the fertilizer business further improved.

In the third quarter, net debt reduced by EUR 121 million on the back of the solid business performance in Europe and the dividend contribution from Borouge. The positive variance versus the same quarter last year was largely driven by the timing of the dividend payment to Borealis' shareholders. This year, the dividend will be paid in the fourth quarter.

Borealis financial position remains healthy, with a net gearing ratio of 20% at the end of the third quarter of 2019.

Outlook

"Borealis has achieved an acceptable third quarter result which reinforces the solid performance of the first nine months," comments Borealis CEO Alfred Stern. "For the fourth quarter of 2019, we expect continued pressure on the polyolefin market in Asia and weaker integrated polyolefin margins in Europe."

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For further information, please contact:

Virginia Mesicek
Senior Manager a.i., External Communications
tel.: +43 1 22 400 772 (Vienna, Austria)
e-mail: virginia.mesicek@borealisgroup.com

Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals, fertilizers and melamine. With its head office in Vienna, Austria, the company currently has more than 6,800 employees and operates in over 120 countries. Borealis generated EUR 8.3 billion in sales revenue and a net profit of EUR 906 million in 2018. Mubadala, through its holding company, owns 64% of the company, with the remaining 36% belonging to Austria-based OMV, an integrated, international oil and gas company. Borealis provides services and products to customers globally, in collaboration with Borouge, a joint venture with the Abu Dhabi National Oil Company (ADNOC) and with Baystar™, a joint venture with Total and NOVA Chemicals in Texas, USA. www.borealisgroup.com
