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New Chemicals Industrial City planned for Abu Dhabi

The International Petroleum Investment Company (Abu Dhabi, U.A.E) and Borealis AG have signed a memorandum of understanding along with Abu Dhabi Investment Council to prepare jointly for the first phase of the development of a planned new Chemicals Industrial City to be located in Abu Dhabi, the United Arab Emirates.

The multi-billion-dollar project comprises a world-scale naphtha cracker, downstream propylene and ethylene derivatives; a world-scale reformer, xylene, benzene, cumene, phenol and derivatives units. Upon completion of the first phase, expected in 2013, the complex will be the largest and most integrated of its kind in the world, supporting the Abu Dhabi government's strategy of diversifying its economy. The output from the planned complex will also offer a wealth of new opportunities for further development of the downstream industries in the country.

"This new development brings together three committed partners to achieve a step change in Abu Dhabi's participation in the Chemical industry as a testimony of unprecedented growth for the economies of the Middle East in general and for the economy of the United Arab Emirates in particular," comments Mr. Khadem Al Qubaisi, Managing Director of IPIC and Vice Chairman of Board, Borealis. "With this exciting new venture, we will become an industry model for chemical integration while helping support the goals of the Abu Dhabi government to diversify its economy."

"Borealis is pleased to be part of this new initiative in Abu Dhabi as it fits very well into our strategy to develop our base chemicals business significantly," says Mark Garrett, Chief Executive of Borealis. "We are already contributing to the growth of Abu Dhabi and we look forward to participating in this major milestone in the regional and global chemical and petrochemical landscape."

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International Petroleum Investment Company (IPIC) is one of the leading companies in the field of petroleum and energy investment since its inception in 1984. The value of IPIC investments amounts to more than 12 Billion US Dollars, and the company holds shares in HYUNDAI OILBANK in Korea, GULF ENERGY MARITIME in Dubai, CEPESA in Spain, BOREALIS & OMV in Austria, OMAN POLYPROPYLENE in the Sultanate of Oman, PARCO Refinery in Pakistan, SUMED Company in Egypt and COSMO Oil in Japan. IPIC has announced ambitious plan to increase its present investment portfolio of 12 Billion Dollars to more than 20 Billion Dollars in the next few years to promote Abu Dhabi as a strategic investor in oil and energy industry in the world.

Borealis is a leading provider of innovative, value creating plastics solutions. With more than 40 years of experience in polyolefins and using our unique Borstar® technology, we focus on the infrastructure, automotive and advanced packaging markets across Europe, the Middle East and Asia. Our production facilities, innovation centres and service centres work with customers in more than 120 countries to provide materials that make an essential contribution to society and sustainable development. We are committed to the principles of Responsible Care® and to leading the way in 'Shaping the Future with Plastics™'.

For more information on Borealis, visit www.borealisgroup.com.

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