

July 22, 2008

External power interruption in Borealis' Schwechat plant led to complete plant shut down

Borealis, a leading provider of innovative, value creating plastics solutions, suffered an external power interruption at its plant in Schwechat, Austria on Friday, July 18, at 5am. The shut-down was caused by problems with the external electricity line which fed the whole plant during construction work at the grid with no substitute line available.

Between 5am and 6am, the location suffered from a complete power dip. In case of a power failure the production facilities have, following general safety procedures, to evacuate all the gasses out of the units. This initially caused some heavy flaring; in total 120 tons of gas was wasted. The whole incident created, only for Borealis, losses which are estimated at EUR 1.2 million. During the last four years up to EUR 4 million losses have been underpinned by increasing electricity interruptions of the external grid.

“This is not the first time we have experienced the interruption of electricity to the plant at Schwechat”, says Philippe Roodhooft, Borealis Vice President Operations Polyolefins. “In addition to the substantial losses that it incurs for us as a company, it increases CO2 emissions into the air and the noise level in the community, which concerns us enormously. We continually invest in reducing our impact on the environment and we expect the same philosophy from our suppliers.”

Immediate actions on Friday morning together with the grid provider enabled the local management to start-up the plant during the weekend and today, all plants are running again.

End

For further information, please contact:

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Borealis and Borouge are leading providers 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 170 countries to provide the 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 and Borouge, a joint venture between Borealis and the Abu Dhabi National Oil Company, visit www.borealisgroup.com and www.borouge.com.