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**Borouge gears up for China
Strategic investments in China and the Middle East
support Borouge's customers in this fast growing
Asian market**

Borouge, a leading provider of innovative, value creating plastics solutions, is gearing up its operations to support its customers all over China with major investments here and in Singapore and the Middle East. Borouge is a joint venture between the Abu Dhabi National Oil Company (ADNOC) and Borealis, a leading provider of chemicals and innovative plastics solutions.

Borouge presented solutions for the infrastructure, automotive and advanced packaging markets to the Asian plastics industry at the renowned Chinaplas 2009 exhibition in Guangzhou, China. It showcased its latest innovative polypropylene (PP) and polyethylene (PE) plastics solutions and highlighted the added benefits of its unique patented class-leading second generation Borstar® technology for the entire plastics value chain. In addition, the advantages of Borstar Nucleation Technology (BNT) for specific advanced packaging applications were presented.

China, on track to be the largest polyolefins market globally, is a strategically important market for Borouge. In spite of the current global downturn, Borouge's is continuing with its major investment plans in China and elsewhere in the Middle East and Asia, signalling the company's long-term commitment to improve customer satisfaction and expand its business globally.

Expanding polyolefins capacity

To support the growing demand from China, Asia and the Middle East and reinforcing its long-term commitment to its customers, Borouge is currently tripling its polyolefins manufacturing capacity to 2 million tonnes per year (t/y) by 2010 under its Borouge 2 initiative.

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In addition, Borouge is planning to bring on stream an additional 2.5 million t/y of polyolefins under its Borouge 3 initiative, the next phase of its expansion plans manufacturing capacity. In addition to enhancing its Borstar technology-based polypropylene and polyethylene offer, this major expansion to be completed at the end of 2013 will include the production of low density polyethylene (LDPE) production capacity to meet the specific needs of the rapidly growing wire and cable infrastructure market and to compliment Borealis' current investment in 350,000 t/y of LDPE capacity in Sweden.

Further, in line with its strategy to grow its innovation capability, Borouge is also investing an Innovation Centre in Abu Dhabi which will become operational during 2010.

New compound manufacturing unit for the automotive industry in Shanghai

Designed specially to provide innovative plastics solutions to the rapidly growing automotive industry, as well as the appliances market, Borouge is investing in a new compounding manufacturing unit that will be able to supply up to 50,000 of compounded resins to its customers. Located in Shanghai, the facility will be operational in mid-2010 and has the potential to expand to 80.000 t/y in the future. Leveraging on the Borouge 2 project and the strong relationships Borouge is developing in the Chinese automotive value chain, the Shanghai compounding plant will provide a range of innovative plastics solutions for bumpers, body panels, dashboards and door claddings.

Local logistics hubs to strengthen local supply chain

To deliver smooth logistical services to its customers in China, Borouge is investing in two large scale logistics and distribution hubs in Guangzhou and Shanghai. The Guangzhou logistics hub will supply and distribute approximately 246,000 tonnes of value-added polyolefins annually mainly to its customers in the South East China region.

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To complement this, Borouge's logistics hub in Shanghai, located adjacent to its compounding plant, will be capable of handling up to 600,000 t/y with effect from mid-2010.

Borouge is also investing in a logistics hub in Singapore that will provide local logistics and distribution services to its customers throughout South East Asia when it becomes operation in mid-2010. It will provide packaging and warehousing facilities for a total annual volume of approximately 330,000 t/y.

Water for the World™

Last year, as a single proof of how innovative pipe solutions benefitted the plastics pipe value chain and society at large, Borouge supplied highly flexible and easy-to-handle enhanced Borstar pipes to the earthquake-struck region of Szechuan thereby allowing 60,000 inhabitants of Shengli village to receive water within a few days. This action in partnerships with its customers reinforces Borouge's Water for the World initiative with Borealis designed to leverage their combined business capabilities for the sustainable and improved access to safe drinking water and sanitation.

"China is an extremely important and strategic market for Borouge, and Chinaplas is a valuable platform for us to present our innovative plastics solutions and capabilities to the Asian market," says William Yau, Chief Executive Officer of Borouge's Marketing Company. "In addition to our hardware investments, we are rapidly enhancing our sales and technical services capability in China to ensure that we are able to meet the expectations and needs of our present and future customers. As one would expect from a leading industry partner, we have a broad range of differentiated plastics solutions for the infrastructure, automotive and advanced packaging markets that can substantially benefit the entire value chain in today's challenging landscape."

For more information visit Borouge at Stand Hall 11.2-Stand D41.

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For further information please contact:

Borealis: Kerstin Meckler, Head of Communications,
Tel. +43 1 22 400 389, kerstin.meckler@borealisgroup.com

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. We have production facilities, innovation centres and service centres across Europe, the Middle East and Asia Pacific and work with customers in more than 170 countries around the world to provide plastic materials that make an essential contribution to society and to sustainable development. We are committed to the principles of Responsible Care® and to leading the way in 'Shaping the Future with Plastics™.'

Borstar is a trademark of Borealis A/S.

Shaping the Future with Plastics is a trademark of Borealis A/S.

For more information on Borealis and Borouge, a joint venture between Borealis and the Abu Dhabi National Oil Company, visit www.borouge.com and www.borealisgroup.com.

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