

November 20, 2009

## **Borealis inaugurates international Innovation Headquarters in Linz, Austria**

- **EUR 50 million Innovation Headquarters project completed**
- **International know-how, cutting-edge technology, and close cooperation with the customers allows for a faster and customised development of products for the future**
- **New Innovation Headquarters gives the momentum for the business location Upper Austria**

On November 20, 2009, Borealis, a leading provider of chemical and innovative plastics solutions, will inaugurate its international Innovation Headquarters in Linz, Austria. This event is the culmination of approximately one and a half years of construction and a total investment volume of EUR 50 million. About 350 international Borealis employees from over 30 countries, working in research and product development as well as in marketing and sales, are developing plastic materials of the future for Borealis' global customers and housed in the Innovation Headquarters. 100 new employees in research and development complement the existing approx. 1,100 employees who are currently working for Borealis in Linz.

“With a total investment of EUR 50 million in the global Innovation Headquarters we are giving momentum for the plastics location Upper Austria”, says Gerhard Roiss, Deputy Chairman of the Executive Board of OMV and Chairman of the Borealis Supervisory Board. “Plastics are the material of the future, and with a global production volume of 245 million tonnes, it is a real growth sector. In Linz, we will now develop new plastic solutions for customers all over the world. By establishing the new and already well-accepted Plastics Engineering programme at Johannes Kepler University in Linz, we will be able to cover the growing demand for well-trained specialists and scientists also in the future. With this new

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programme, Linz will be able to position itself as an attractive location for international experts in the field of research and development.”

## **State-of-the-art Innovation Headquarters**

The first construction stage with the completion of the application hall was finalised this summer. The five-story building accommodates state-of-the-art equipment for processing plastics in applications such as pipe, film and injection moulding, as well as the relevant analysis and laboratory equipment.

A new high-tech polymerisation laboratory has been built adjacent to the application hall. This is being used to produce batch samples of new grades that are specifically tailored to the customer’s needs. With this proximity, samples can be tested and analysed in the adjoining labs before being produced on a larger scale in pilot or production plants.

Borealis’ mission of Value Creation through Innovation was the key idea during the entire construction process of the Innovation Headquarters. The new office building meets the latest architectural standards: open-space offices and well appointed communication centres support the exchange amongst employees, as well as with management and customers.

## **Promoting innovation capabilities**

“Our international Innovation Headquarters in Linz strengthens our leadership position as a strong partner in innovation, with comprehensive know-how in the development of value creating solutions”, explains Mark Garrett, Borealis Chief Executive. “In Linz, we offer our customers direct access to cutting-edge plastic processing equipment, the expertise of international specialists and scientists, and years of experience in the field of process and product development, at one single site.”

“Our success and the success of our customers depend directly on our ability to introduce new and innovative products to the market faster and to adapt them specifically to our customers’ requirements”, says Alfred Stern, Senior Vice President Innovation & Technology. “The Innovation

Headquarters in Linz creates the best possible foundation for this. Experts from all business areas are able to cooperate with customers and researchers in order to develop plastic materials of the future by using cutting-edge technology.”

## **New Plastics Engineering programme in Linz**

Along with the investment in the new Innovation Headquarters, Borealis together with its shareholder OMV supports the new Plastics Engineering programme at the Johannes Kepler University in Linz. More than 100 students are already enrolled for the winter term 2009/10, with 25% of the students being women. The new programme is aimed at meeting the demand of the Upper Austrian plastics industry for young researchers in the years to come.

“Upper Austria aims to position itself as a region with extraordinarily high innovation capabilities. Therefore, Borealis with its international Innovation Headquarters is a significant industrial partner to help boost our innovation capabilities. Federal and state authorities as well as the industry have secured the funding of the Plastics Engineering programme in Linz in a joint – and, above all, fast – effort. The state of Upper Austria provided a total of EUR 7 million for the expansion, with around EUR 4.1 million being contributed by fifteen companies of the regional plastics industry”, says Governor Josef Pühringer. “If we all pull together, we can make a great difference. Upper Austria is on the right track in order to maintain its status as a number one region in Europe.”

In addition to the international Innovation Headquarters in Linz Borealis operates innovation centres in Stenungsund, Sweden, and Porvoo, Finland. A new innovation centre is currently being built in Abu Dhabi by Borealis’ joint venture Borouge.

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**Borealis** is a leading provider of innovative solutions in the fields of base chemicals and plastics, which provide value creating services to society. With a turnover of EUR 6.6 billion in 2008, customers in over 120 countries, and 5,400 employees all over the world, 64 % of Borealis are held by the International Petroleum Investment Company (IPIC), Abu Dhabi, and 36 % are held by OMV, the leading utility group in the European growth belt. Borealis' head office is located in Vienna, Austria, operating production sites, innovation centres, and customer service centres in Europe as well as in North- and Southamerica. With Borouge, a joint venture with the Abu Dhabi National Oil Company (ADNOC), Borealis also engages in business activities on the Indian subcontinent and in Africa. Borouge employs about 1,400 people and does business with customers in more than 50 countries. Its head offices are located in Abu Dhabi, United Arab Emirates, and in Singapore.

With their one-of-a-kind Borstar® technology, and benefiting from 50 years of experience in the field of polyolefines (polyethylene and polypropylene), Borealis and Borouge provide innovative and value creating plastic solutions for areas such as infrastructure (pipe systems, power and communication cables), automotive, and advanced packaging. Borealis also produces and markets a wide range of base chemicals including melamine and plant nutrients as well as phenol and acetone.

Borealis and Borouge produce around 4.4 million tons of polyolefines annually (T/Y). By mid-2010, Borouge will have tripled its polyolefin production capacity to 2 million T/Y. An additional expansion by 2.5 million T/Y will be completed by 2013. Both companies invest continuously in the future in order to provide high quality products, consistency, and a reliable delivery performance to their customers, globally and along the entire value chain.

Borealis and Borouge are committed to the principles of Responsible Care®. With their Water for the World™ initiative they contribute to finding solutions to the global challenges in the field of water and sanitation.

**For further information please visit**

Borealis: [www.borealisgroup.com](http://www.borealisgroup.com)  
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