

April 21, 2010, 11:00 CET

## **Borealis AG issues inaugural bond**

- **Volume: up to EUR 200 million**
- **Tenor: 7 years**
- **Denomination: 1,000 EUR**

Borealis, a leading provider of chemical and innovative plastics solutions, is issuing for the first time a corporate bond transaction with a volume of EUR 100 million (increasable) and with a tenor of 7 years. The additional funds will be used for general corporate purposes including financing of the company's major investment projects in Europe and the Middle East.

Coupon rate and issue price will be fixed shortly before the subscription period starts and will depend on the relative market situation. The denomination will be EUR 1,000. The bonds will be placed with Austrian private and institutional investors. The value date of the bond is expected to be April 30, 2010. Erste Group and UniCredit Bank Austria will act as Joint Lead Managers for the transaction.

### **Borealis at a glance**

With sales of EUR 4.7 billion in 2009, customers in over 120 countries, and 5,200 employees worldwide, Borealis is the second largest plastics producer in Europe and number 9 worldwide ranked by nameplate capacity. Borealis is owned 64% by the International Petroleum Investment Company (IPIC) of Abu Dhabi and 36% by OMV, the leading energy group in the European growth belt, who support Borealis' growth ambitions as long-term strategic investors. Borealis operates production plants, innovation centres and customer service centres in Europe and in North and South America.

Through Borouge, a joint venture between Borealis and the Abu Dhabi National Oil Company (ADNOC), Borealis' footprint reaches out to the Middle East, Asia-Pacific and the Indian Sub-Continent. Currently, Borouge is tripling the annual production capacity of its petrochemical complex in Ruwais, Abu Dhabi, to 2 million tonnes of polyethylene and

1 (4)

polypropylene, with the start-up planned for the middle of the year. An additional 2.5 million tonnes expansion is scheduled for 2014.

### **Driven by innovation and technology**

Building on its unique Borstar® technology and experience in polyolefins of more than 50 years, Borealis provides innovative, value creating plastics solutions for the infrastructure (pipe systems and power and communication cables), automotive and advanced packaging markets. In addition, Borealis offers a wide range of base chemicals from melamine and plant nutrients to phenol and acetone.

### **Tradition and expansion in Austria**

Borealis is one of the biggest companies in Austria and has its global headquarters in Vienna. In Schwechat, Borealis operates one of the most modern polyolefins production plants in Europe with an annual production capacity of around 1 million tonnes. In 2009, Borealis inaugurated its international Innovation Headquarters in Linz. Borealis employs roughly 1,700 people in Austria. Over the last few years, more than EUR 100 million were invested in research and production in Austria. An additional EUR 75 million investment in a plant for catalyst production and development is currently being planned.

„Borealis and our owners pursue a long-term, world-wide growth strategy based on Value Creation through Innovation,” says Borealis Chief Financial Officer Daniel Shook. “We follow this strategy continuously with multi-million-Euro investments at our traditional locations in Europe but also in the Middle East through our successful joint-venture, Borouge. To our customers in over 120 countries, we offer innovative solutions that create value for society.”

"Borealis is one of the leading companies in Austria and an essential national economic driving force. The bond supports Borealis in continuing with their significant investments," says Franz Hochstrasser, Deputy Chairman of Erste Group.

"The Borealis bond is the first inaugural bond in Austria in 2010 and emphasises the importance of the bond market in corporate financing.

2 (4)

The bond is an enrichment to the portfolio of attractive Austrian companies and we expect – also due to the lack of alternative investing opportunities – a very strong demand, especially among private investors,” states Helmut Bernkopf, Member of the Board of Bank Austria, responsible for Corporates & Investmentbanking.

**End**

## The offer

Issuer:	Borealis AG
Volume:	up to EUR 200,000,000.--*
Denomination:	EUR 1,000.--
Coupon:	5.5 % p.a.*, annually
Tenor:	7 years
Issue Price:	Will be fixed shortly prior to the subscription period
Redemption:	100% at maturity
Listing:	Geregelter Freiverkehr of the Vienna Stock Exchange
Subscription Period:	April 26 to April 28, 2010 (may close early)
Value Date:	April 30, 2010
Paying Agent:	Erste Group Bank AG
ISIN:	AT0000A0H0V3

\* Volume and coupon will be fixed shortly prior to the subscription period

## Disclaimer:

This document does not constitute an offer to sell, or a solicitation of an offer to buy, the bonds (the "Bonds") issued by Borealis AG (the "Issuer"). The offer of the Bonds by the Issuer (the "Offering") is based on the prospectus which was approved by the Commission de Surveillance du Secteur Financier, and published and passported into Austria on April 2, 2010 (the "Prospectus"). During its validity, copies of the Prospectus will be published by making them available to the public in printed form, free of charge, at the registered office of the Issuer, Wagramerstraße 17-19, 1220 Vienna, Austria, and in electronic form on the website of the Luxembourg Stock Exchange under "www.bourse.lu". In connection with the Offering only statements made in the Prospectus shall be binding. Prior to taking an investment decision, prospective investors should in particular consider the risk factors contained in the Prospectus.

3 (4)

This document may not be distributed or published in the US, Canada, Japan or Australia or any other country where it may be unlawful to do so. The Bonds offered have not been registered under the US Securities Act of 1933 (the "Securities Act"), as amended, or with any authority of any state of the US, and may not be offered or sold in the US without registration or an exemption pursuant to the Securities Act. There may be no public offer of the Bonds in the US.

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**Borealis** is a leading provider of chemical and innovative plastics solutions that create value for society. With sales of EUR 6.6 billion in 2008, customers in over 120 countries, and 5,400 employees worldwide, Borealis is owned 64% by the International Petroleum Investment Company (IPIC) of Abu Dhabi and 36% by OMV, the leading energy group in the European growth belt. Borealis is headquartered in Vienna, Austria, and has production locations, innovation centers and customer service centers across Europe and the Americas. Through Borouge, a joint venture between Borealis and the Abu Dhabi National Oil Company (ADNOC), one of the world's major oil companies, the company's footprint reaches out to the Middle East, Asia Pacific, the Indian sub-continent and Africa. Established in 1998, Borouge employs approximately 1,400 people, has customers in more than 50 countries and its headquarters are in Abu Dhabi in the UAE and Singapore.

Building on the unique Borstar® technology and their experience in polyolefins of more than 50 years, Borealis and Borouge provide innovative, value creating plastics solutions for the infrastructure (pipe systems and power and communication cables), automotive and advanced packaging markets. In addition, Borealis offers a wide range of base chemicals from melamine and plant nutrients to phenol and acetone.

Today Borealis and Borouge manufacture 4.4 million tonnes of polyolefins (polyethylene and polypropylene) per year. Borouge is currently tripling its polyolefins manufacturing capacity to 2 million tonnes per year (t/y) by mid-2010 and an additional 2.5 million t/y is scheduled for 2013. The companies continue to invest to ensure that their customers throughout the value chain, across the globe, can always rely on product quality, consistency and security of supply.

Borouge and Borealis are committed to the principles of Responsible Care® and proactively contribute to addressing the world's water and sanitation challenges through their Water for the World™ initiative.

For more information visit:  
Borealis: [www.borealisgroup.com](http://www.borealisgroup.com)  
Borouge: [www.borouge.com](http://www.borouge.com)  
Water for the World: [www.waterfortheworld.net](http://www.waterfortheworld.net)

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