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Borealis and Borouge strengthen cooperation on global supply and service capability for global automotive customers

Borealis, a leading provider of chemical and innovative plastics solutions, announces the creation of a new Mobility business unit organisation which will, together with Borouge, its joint venture in the Middle East and Asia, provide global supply capability to support worldwide automotive Tier One and OEM customers in the global automotive industry.

The new organisation at Borealis will provide cost-effective material innovations, speed of responsiveness and hands-on technical and sales support assistance to help its customers in Europe and South and North America remain profitable despite on-going volatility in the automotive sector and increase their competitiveness in the growing automotive markets of the East.

The Borealis Mobility business unit is structured into specific automotive OEM teams with cross-functional managers and marketing managers dedicated to a specific OEM or OEM group. For Tier One suppliers serving multiple OEMs across a variety of countries beyond Europe and North and South America, a designated sales and technical contact will co-ordinate all Borealis' activities with Borouge to ensure the best service for its OEM customers. Such an approach will encourage a closer working relationship and foster greater understanding between Borealis and Borouge and their shared customers with global reach.

Borouge's Mobility business unit itself is actively focused on enhancing its customer service and compounding facilities in the rapidly expanding markets of Asia and is gearing up its Mobility organisation to meet the demands of its customers locally.

The recent inauguration of Borouge's first compounding manufacturing plant in China on April 20, 2010 supports global supply capability. The

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plant in Shanghai provides innovative plastics solutions for bumpers, body panels, dashboards and door claddings to the rapidly growing local automotive industry in the region. Further to this, Borouge recently announced its intention to build a second compounding manufacturing plant in China. The plant is expected to be completed by the middle of 2012 and produce up to 105,000 tonnes of compounded resins annually.

Strong links between Borealis, with its operations in Europe and South and North America, and Borouge, with its expanding operations in the Middle East and Asia, will enable customers with a global presence to be supported with innovative developments steered at meeting worldwide requirements.

The new organisation within Borealis puts the company in a stronger position to boost the ability of its local Tier 1 suppliers to match stringent OEM global specifications at a competitive cost and will manage a streamlined high profile product offering to reduce complexity and ease the tendering process for global vehicle platforms, thereby delivering a fast response to companies' product development needs.

Borealis offers a range of application-specific Daplen™ thermoplastic polyolefin (TPO) compounds for exterior and interior parts. They are designed to deliver productivity benefits and performance, safety and aesthetic advantages that address the current industry focus on lighter weight, more fuel-efficient vehicles with CO2 reduction potential. Borcom™ polypropylene (PP) resins and XMOD™ glass fibre reinforced PP compounds place Borealis at the cutting-edge of development in under-the-bonnet plastics solutions. Borealis offers low density, impact resistant alternatives to steel and polyamide (PA) with the mechanical, noise reduction and superior heat performance demanded by this challenging environment.

“The evolving situation in the automotive sector has brought the need for cost-competitive, innovative products that address key performance issues to the fore. It has also emphasised the importance of our already strong commitment to close co-operation with our OEM and Tier customers,”

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comments Harald Hammer, Vice President of Borealis' Mobility Business Unit.

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Borealis Business Unit Mobility

Borealis' Mobility business specialises in supplying advanced polyolefin plastics to leading manufactures in the automotive industry. The portfolio of products includes materials for exterior, interior and under the bonnet applications, such as bumpers, body panels, trims, dashboard, door cladding, climate control units, air intake manifolds as well as battery cases. Through close collaboration with our customers, innovative technologies and our extensive product portfolio, Borealis has established a leading position on the automotive market across Europe and South America.

Borealis is a leading provider of chemical and innovative plastics solutions that create value for society. With sales of EUR 4.7 billion in 2009, customers in over 120 countries, and 5,200 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 centres and customer service centres 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 for 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 over 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

Borouge: www.borouge.com

Water for the World: www.waterfortheworld.net

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