

March 8, 2011

Borealis celebrates groundbreaking of new semi-commercial catalyst plant in Linz

On March 8, Borealis, a leading provider of chemical and innovative plastics solutions, celebrates the groundbreaking of a new semi-commercial plant for catalysts in Linz, Austria. With a total investment of approximately EUR 75 million the company is further expanding its innovation capabilities in plastics.

Catalysts are substances which change the reaction speed of a chemical reaction. They play an important role in the development of value adding plastics solutions. Borealis owns a proprietary revolutionary catalyst technology which is protected by 47 international patents.

Based on this technology the new plant will be used to develop new types of catalysts as well as improve processes for catalyst production. The plant will not only serve research purposes but will produce commercial batches for Borealis' locations worldwide. Completion is scheduled for summer 2012.

"Catalysts play an essential role for the development of innovative plastics solutions," says Alfred Stern, Borealis Senior Vice President for Innovation and Technology. "This plant enables us to develop new catalysts based on the results of basic research we do at our Innovation Centre in Porvoo, Finland. In addition, we will be able to produce semi-commercial batches for our own needs for example in the pilot plant, delivering an innovation and competitive advantage."

"Research and innovation are core to our successful Value Creation through Innovation strategy," underlines Borealis Chief Executive Mark Garrett. "With the new plant, we strengthen our research capabilities in the

1 (3)

area of catalyst development and production. This investment marks a further cornerstone of our worldwide growth strategy and strengthens our market position in Europe.”

JKU establishes centre for industrial catalyst and process technology

While Borealis is expanding its research capabilities in Linz, the Johannes Kepler University (JKU) Linz has also recently established a centre for catalyst and process technology. The institute is part of the newly created department for plastics engineering which is supported by Borealis and its shareholder OMV. Over 100 students have already enrolled in the internationally unique study programme.

Largest location within the Borealis group

Ranked by employee figures, Linz is the largest site within the Borealis group. Approximately 1,200 employees are working in areas of research, development and marketing as well as in the production of melamine and fertilizer. In 2009, Borealis set a milestone in the development of the location with the inauguration of its international Innovation Headquarters. Borealis is also investing in the melamine and fertilizer businesses. Approximately EUR 145 million will be spent over the next three years to modernise and improve the profitability of the melamine and fertilizer production in Linz.

End

For further information please contact:

Borealis: Kerstin Meckler, Director Communications

Tel. +43 1 22 400 389, kerstin.meckler@borealisgroup.com

Borealis is a leading provider of chemical and innovative plastics solutions that create value for society. With sales of EUR 6.3 billion in 2010, customers in over 120 countries, and 5,100 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.

2 (3)

Through Borouge, a joint venture between Borealis and the Abu Dhabi National Oil Company (ADNOC), one of the world's major oil and gas 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 1,600 people, has customers in more than 50 countries and its headquarters are in Abu Dhabi in the UAE and Singapore.

Building on Borealis' 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 fertilizer to phenol and acetone.

Today, Borealis and Borouge have a manufacturing capacity of over 5.4 million tonnes of polyolefins (polyethylene and polypropylene) per year of which 26% are the result of a recently completed capacity expansion in Abu Dhabi. An additional 2.5 million tonnes per year is scheduled for completion by mid-2014, creating the world's largest integrated polyolefins plant. The companies continue to invest to ensure that their customers throughout the value chain, around the world, can always rely on superior products 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

Water for the World is a trademark of the Borealis group.