

April 19, 2011

## **Borealis invested EUR 7.8 Mio in new butane storage cavern at Stenungsund, Sweden**

**Borealis, a leading provider of chemical and innovative plastics solutions, invested EUR 7.8 million to convert a naphtha cavern to butane use in its Stenungsund steam cracker plant. The new cavern is by far the largest in Europe and will further optimise the plant's feed flexibility.**

Naphtha and butane are used in the petrochemical industry for producing olefins in steam crackers. Borealis invested EUR 7.8 million to convert an underground naphtha cavern in Stenungsund, Sweden, for butane use. The new cavern is now by far the largest in Europe, and can handle both butane at ambient temperature and refrigerated cargos. Due to its enormous size, the cavern can receive the largest butane carriers available and ensure feed flexibility almost all year round.

"Innovation in every sense is core to our successful Value Creation through Innovation strategy", says Borealis Chief Executive Mark Garrett. "This innovative cavern conversion will further improve our competitiveness and add to our feedstock flexibility."

### **Borealis in Sweden**

Borealis, the only polyethylene (PE) producer in Sweden, is located in Stenungsund, 50 km north of Gothenburg, where Borealis is the biggest employer in the city's industrial cluster. Borealis in Sweden supports customers with speciality plastics for some of the largest energy supply as well as oil and water pipeline projects worldwide.

The Borealis cracker plant in Stenungsund is one of the most flexible in Europe, using naphtha, ethane, propane and butane as feedstock. These raw materials are delivered by ship directly to the Borealis harbour in Stenungsund, where more than 400 ship movements each year serve our import and export requirements. With a capacity of 620,000 tonnes of ethylene and 228,000 tonnes propylene per year, the cracker's main products are ethylene and propylene, which are used to produce high-density polyethylene (HDPE), low-density polyethylene (LDPE), and Borstar® PE products, primarily for pipe and wire and cable applications.

Borealis' operations in Sweden also include an Innovation Centre focused on polymer design, scientific services, and research and development (R&D) for infrastructure industry solutions. In 2010, Borealis in Sweden completed an over EUR 400 million investment in a new 350,000 t/y high-pressure, low-density polyethylene (LDPE) plant, enhancing its capability to provide advanced materials for wire and cable applications.

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**Borealis** is a leading provider of chemical and innovative plastics solutions that create value for society. With sales of EUR 6.3 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.

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 1,600 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 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 (t/y) is scheduled for completion by mid-2014. 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.

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For more information visit:

Borouge: [www.borouge.com](http://www.borouge.com)

Water for the World: [www.waterfortheworld.net](http://www.waterfortheworld.net)

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