

June 27, 2011

Borealis further expands its Base Chemicals business into Bulgaria

LINZER AGRO TRADE, Europe's leading fertilizer wholesaler, is extending its network with the opening of a new subsidiary in the Bulgarian capital, Sofia. The new sales office is part of the company's expansion programme into Southeast Europe. It will sell not only fertilizers that the company produces itself, but also fertilizers of CEE countries and Russian producers.

Linzer Agro Trade is a 100% subsidiary of Borealis Agrolinz Melamine GmbH and a member of the Borealis Group. Borealis Agrolinz Melamine produces melamine and technical nitrogen products as well as fertilizers, its operations focus strongly on the Danube region.

"With the foundation of Linzer Agro Trade Bulgaria, we have reached another milestone in our plans to further expand into Southeast Europe," says Markku Korvenranta, Borealis Executive Vice President, Base Chemicals.

"We see high growth potentials for the fertilizer business in both Bulgaria and Romania. In Bulgaria alone, the market has a current requirement for around 600,000 tonnes of fertilizer per year. We estimate this to still increase since large areas of land currently lie fallow."

Borealis' investment of EUR 4.5 million in a new import hub in neighbouring Romania, in Giurgiu, is proceeding according to plan with the erection of a bulk warehouse of 7,000 tonnes with necessary packaging and palletizing facilities. This site will serve both the Bulgarian and Romanian markets. A distribution point in Timisoara, Romania is also planned for this year.

Linzer Agro Trade sees itself not only as a provider of fertilizer products but also as a partner for the farming sector. "We are not only providing our customers with our fertilizers," explains Gerald Papst, Head of Borealis' Business Unit Fertilizer. "We support our customers with additional services

including advice regarding the use of fertilizer, performing field tests and providing storage facilities. Because of these services, we are not just a mere provider of fertilizer products, but a real partner in the farming sector.”

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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.

For more information visit:

Borouge: www.borouge.com

Water for the World: www.waterfortheworld.net

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