

Media Release | November 16, 2012 | 10:00 CET

Borealis' third quarter results improve in a continuously challenging market

- Borealis recorded a net profit of EUR 129 million in the third quarter of 2012, an increase of EUR 22 million compared to the third quarter of 2011
- The Base Chemicals business and joint venture Borouge continued to perform well whereas the European polyolefin business remains challenging
- Construction of semi-commercial catalyst plant in Linz, Austria completed
- Borouge 3 expansion well on track

Key figures and ratios		Q3 2012	Q3 2011	YTD 2012	YTD 2011
Net sales	EUR Million	1,920	1,751	5,671	5,507
Net profit	EUR Million	129	107	380	448
Reduction / (increase) in net interest-bearing debt	EUR Million	63	17	(346)	(166)
Gearing	%			41%	38%

Borealis, a leading provider of chemical and innovative plastics solutions, recorded a net profit of EUR 129 million for the third quarter of 2012 compared to EUR 107 million in the same quarter in 2011. Overall, the company has delivered a net profit of EUR 380 million year to date, compared to EUR 448 million during the same period in 2011. Net debt was reduced by EUR 63 million in the third quarter of 2012, resulting in a gearing of 41%.

1 (4)

The Base Chemicals business and Borouge, Borealis' joint venture in Abu Dhabi, continued to perform well in the third quarter of 2012, contributing significantly to the net profit.

Despite the ongoing challenging market conditions in the European marketplace, the polyolefins business improved its financial results compared to the same quarter last year, supported by a higher price environment.

Semi-commercial catalyst plant in Linz, Austria

The construction of the semi-commercial catalyst plant in Linz, Austria, was completed by the end of August 2012. The commissioning of the catalyst plant is well underway and detailed preparations are being made for start-up.

Borouge 3 expansion project

Borouge, Borealis' joint venture in the Middle East and Asia, continues to perform well, contributing to the overall performance of Borealis. The Borouge 3 expansion project in Abu Dhabi, UAE, is also progressing according to plan with some 23,000 contractor and sub-contractor personnel currently at site. The expansion is on track to increase the annual production capacity of Borouge's integrated olefins/polyolefins site from the current 2 million tonnes to 4.5 million tonnes by mid-2014.

Innovation remains at the core of the business

In line with the Borealis strategy of Value Creation through Innovation, Borealis continues to address client and market needs, providing solutions to global challenges such as water shortage, energy consumption, sustainability and quality of life. In order to further complement its innovative plastic solutions, Borealis has announced on November 12, 2012 that it has reached an agreement to acquire the shares of DSM Plastomers B.V. and Exxon Chemical Holland Ventures B.V., each

2 (4)

holding a 50% interest in DEXPlastomers V.O.F. in Geleen, The Netherlands, from DSM Nederland B.V. and ExxonMobil Benelux Holdings B.V. DEXPlastomers is a 50/50 Joint Venture ultimately owned by Royal DSM and ExxonMobil Chemical Company. The transaction is subject to customary approvals and notifications. The products of DEXPlastomers are elastomer and plastomer specialties complementary to Borealis' current value-add plastic solutions, which will further extend Borealis' value product offering into the film markets.

Borealis has recently introduced **BorPure™ polypropylene (PP)** random copolymer, which enables Bra Plast AB, an independent Swedish specialist in injection moulded containers for the food industry, to meet the ever increasing requirements of the food packaging market. With production focused primarily on transparent thin wall packaging, the new material enables Bra Plast AB to deliver large quantities of high quality packaging at very short notice, bringing benefits that extend throughout the value chain.

European petrochemical business to remain challenging

“Current developments indicate that the petrochemical business in Europe will remain challenging,” says Borealis Chief Executive Mark Garrett. “We will continue to optimise our European operations in order to stay at the forefront of the market. Borealis has positioned itself well over the last five years to be able to weather such difficult market conditions and always remains focused on its four pillars of safety, innovation, operational and commercial excellence.”

End

For further information please contact:

Kerstin Meckler, Director Communications
Tel. +43 (0)1 22 400 389 (Vienna, Austria)
e-mail: kerstin.meckler@borealisgroup.com

3 (4)

Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. Borealis is headquartered in Vienna, Austria, and operates in over 120 countries with around 5,300 employees worldwide, generating EUR 7.1 billion in sales revenue in 2011. The International Petroleum Investment Company (IPIC) of Abu Dhabi owns 64% of the company, the remaining 36% is owned by OMV, the leading energy group in the European growth belt. Borealis provides services and products to customers around the world in collaboration with Borouge, a joint venture with the Abu Dhabi National Oil Company (ADNOC).

Building on the unique Borstar[®] and Borlink[™] technologies and 50 years of experience in polyolefins, Borealis and Borouge support key industries including infrastructure, automotive and advanced packaging. The Borouge plant expansion in Abu Dhabi will be fully operational by mid-2014 with a total annual capacity of 4.5 million tonnes. After this Borealis and Borouge will have approximately 8 million tonnes of polyolefin capacity.

Borealis offers a wide range of base chemicals, including melamine, phenol, acetone, ethylene and propylene servicing a wide range of industries. Together with Borouge the two companies will produce approximately 6 million tonnes of Base Chemicals in 2014.

Borealis also creates real value for the agricultural industry with a large portfolio of fertilizers. The company distributes approximately 2.1 million tonnes per year.

Borealis and Borouge aim to proactively benefit society by taking on real societal challenges and offering real solutions. Both companies are committed to the principles of Responsible Care[®], an initiative to improve safety performance within the chemical industry, and contribute to solve the world's water and sanitation challenges through product innovation and their Water for the World[™] programme.

For more information visit:

www.borealisgroup.com
www.borouge.com
www.dexplastomers.com
www.dsm.com
www.exxonmobil.com
www.waterfortheworld.net

BorPure, Borlink and Water for the World are trademarks of the Borealis group. Borstar is a registered trademark of the Borealis group.