

Media Release | January 30, 2013

Borealis announces new European investments

Borealis, a leading provider of chemical and innovative plastics solutions, announces **two major investment projects** in its European manufacturing plants in **Stenungsund, Sweden and Porvoo, Finland**. The investments, with a **combined expenditure in excess of EUR 45 million**, will strengthen Borealis' regional supply and support capabilities, in line with its Value Creation through Innovation strategy.

The first investment concerns a C4 project in Stenungsund which will upgrade the facility's existing raffinate-1 and raffinate-2 streams to meet required product specifications for the delivery of n-butenes. The EUR 21 million investment is scheduled for completion by March 1, 2015, and is part of a broader commitment to support customers' raw material demand for expanding production of olefin-based products. The project contracting process commenced in December 2012.

In Porvoo, plans have been approved for the replacement of a 30 year old hot oil heater unit at the Phenol complex. The installation of the new heater, scheduled for 2015 at a cost of EUR 25 million, is a key element in improving efficiency and site integration. The new unit will reduce maintenance requirements and CO₂ emissions whilst securing safe, continuous, reliable and cost-competitive operations.

"These investments indicate our on-going commitment to support our customers despite the present difficult market environment in Europe," comments Mark Garrett, Borealis Chief Executive. "The upgrade projects in Stenungsund and Porvoo indicate our commitment to European locations and the customers and markets they serve, whilst making an important contribution to our Base Chemicals business."

"The Supervisory Board's approval of these two investments underlines their support for Borealis' strategy to have one of the youngest fleets in Europe and the role of these facilities in sustaining Borealis' local and global commitment to create value for customers," adds H.E. Khadem Al Qubaisi, Chairman of the Borealis Supervisory Board.

1 (3)



Borealis cracker plant in Stenungsund, Sweden.



Borealis plant in Porvoo, Finland: phenol and aromatics plant.

All images: (c) Borealis

END

2 (3)

For further information please contact:

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

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.waterfortheworld.net

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