

Media Release | June 25, 2013

Borealis to invest EUR 65 million in Porvoo Borstar PE plant

Borealis, a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers, has announced a major upgrading project at its production site in Porvoo, Finland. An investment of EUR 65 million will serve to upgrade the Borstar PE2 plant technology to the third generation (3G), thereby extending the Borstar PE platform. This investment follows on the heels of one announced earlier this year, namely the EUR 25 million investment in the installation of a new hot oil heater unit at the phenol complex of the Porvoo plant.

Borstar® is the cutting-edge technology which supports the production of a wide range of enhanced polyethylene (PE) and polypropylene (PP) products. With this most recent investment, Porvoo will be able to commercially exploit this proprietary technology at an even higher level by offering improved product properties as well as a broader operating window.

In over forty years of operation, Porvoo's six production plants have earned an excellent reputation for reliability and efficiency. While providing manufacturing services with the production of PE and PP, Porvoo benefits from the close proximity to the Nordic markets and is ideally situated to serve the Russian and Eastern European industrial markets. Porvoo is also the site of one of Borealis' three Innovation Centres, the Porvoo Innovation Centre (the other two are the International Innovation Headquarters in Linz, Austria and the Swedish Innovation Centre in Stenungsund). In line with the Borealis Value Creation through Innovation strategy, this latest investment in Porvoo will significantly enhance the location's standing as a hub for catalyst and process research, up-scaling and demonstration.

"The Porvoo upgrade project is a sign of our commitment to further developing our proprietary Borstar® technology, which is a cornerstone of our polyolefins success, and the establishment of one of the most modern fleets in Europe," says Mark Garrett, Borealis Chief Executive. "It signals our dedication to European locations as well as the markets and customers they serve."

1 (3)



Photo: Borealis Borstar PE2 plant in Porvoo, Finland. © Borealis

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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 7.5 billion in sales revenue in 2012. 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.

2 (3)

media release

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

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3 (3)