

Borealis sells nitric acid process technology and signs technology cooperation agreement with Casale

Borealis, a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers, has divested a package of fertilizer process technologies and established a new technology partnership with Casale SA. The partnership will enable Borealis to focus on its core competencies of the production and distribution of high quality fertilizer products, while Casale will expand their portfolio of technologies for commercialisation.

Under the terms of the deal, Casale has acquired ownership of Borealis' proprietary process technologies for the production of nitric acid, ammonium nitrate solution, urea ammonium nitrate and other technologies for different downstream fertilizer products including granulation technology. Casale will further develop the process technologies in close co-operation with Borealis.

"This partnership meets our objective to partner with a global engineering and technology leader who can leverage the maximum value of this fertilizer technology portfolio," says Hubert Puchner, Borealis Vice President Business Development Base Chemicals. "Our fertilizer operations and product development will benefit from the synergies between Borealis' core competencies, such as the production and distribution of high quality fertilizers, and Casale's engineering and technology leadership."

Casale is a global leader in the design and refurbishment of ammonia methanol and urea plants and was founded in 1921 in Switzerland.

"Acquiring these excellent technologies is an important step in our strategy to expand Casale's process design capabilities to downstream products directly linked with our traditional technologies, ammonia and urea, so that we can serve the nitrogen fertilizer industry in the most complete and integrated way," says Giuseppe Guarino, Casale's Chief Executive Officer. "Casale Holding's recent acquisition of the control of Chemoproject Nitrogen, a Czech engineering company that has built tens of nitric acid and nitrates plants, fits particularly well with this latest deal with Borealis. The specific plant engineering expertise of Chemoproject Nitrogen perfectly complements the process know-how we have just acquired. That means that we can now offer the fertilizer industry the most complete possible solution for nitric acid plants and their integration into nitrogen fertilizer complexes."

Federico Zardi, Casale's Chief Operational Officer, adds: "This is much more than a straight technology acquisition. We have entered into a continuing partnership with Borealis under which the two companies will co-operate closely in the future development of these technologies. This is a partnership that combines the best of all worlds – Casale's innovative vision and technical excellence, which are the

foundation stones of our culture, Borealis' technical and operational experience as a producer and the inestimable benefit of having Borealis' production facilities in which to test new developments.”

“We remain committed to growing our fertilizer business and improving the quality of our products,” comments Markku Korvenranta, Borealis Executive Vice President Base Chemicals. “Our goal is to build on our strengths in production, operations and distribution, alongside a relentless focus on efficiency, reliability and safety. Our technology partnership with Casale represents a strategic step to focus on our core markets within the European fertilizer industry, where we have ambitious growth targets.”

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About Casale

Casale is a global leader in the design and refurbishment of ammonia, urea, melamine and methanol plants, founded in 1921 as Ammonia Casale.

Leveraging on the basis of the know-how and intellectual property developed in over 500 reference projects around the world, the company has acquired unique expertise in ammonia, methanol, urea and, more recently, in melamine production. The company's main focus is on developing and licensing its proprietary technologies, but it also has the full capability to provide all the types of service that are required to successfully implement projects, including turn-key projects, as well as supplying all necessary after-sales assistance.

For additional information, please visit www.casale.ch.

About Borealis

Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. This year, Borealis already celebrates its 20th anniversary. With headquarters in Vienna, Austria, Borealis currently employs around 6,400 and operates in over 120 countries. It generated EUR 8.1 billion in sales revenue in 2013. The International Petroleum Investment Company (IPIC) of Abu Dhabi owns 64% of the company, with the remaining 36% 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 its proprietary 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 3 plant expansion in Abu Dhabi will be fully operational in 2014. Borouge 3 will deliver an additional 2.5 million tonnes of capacity when fully ramped up, bringing the total Borouge capacity to 4.5 million tonnes. Borealis and Borouge will then have approximately 8 million tonnes of polyolefin capacity.

Borealis offers a wide range of base chemicals, including melamine, phenol, acetone, ethylene, propylene, butadiene and pygas, 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. This volume will increase to more than 5 million tonnes by the end of 2014.

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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