

April 22, 2010

Borouge inaugurates its new compounding manufacturing plant in Shanghai

- Borouge inaugurates its first manufacturing plant outside of the United Arab Emirates (UAE)
- The manufacturing plant in Shanghai confirms Borouge's commitment to its customers in China
- Capability to supply up to 50,000 tonnes per year of compounded resins to the Chinese automotive and household appliances markets
- Application Centre in Shanghai to develop tailored-application solutions

Borouge, a leading provider of innovative, value creating plastics solutions, inaugurated its first compounding manufacturing plant in China at a ceremony held at the plant in Shanghai on April 20, 2010. Designed to provide innovative plastics solutions to the rapidly growing local automotive and household appliances industries, the new plant has the capacity to supply up to 50,000 tonnes per year (t/y) of compounded resins to its customers.

The historic event was attended by senior official representatives from the United Arab Emirates including the Minister of Foreign Trade, H.E. Sheikha Lubna bint Khalid Al Qasimi, H.E. Yousef Omair bin Yousef, the CEO of Abu Dhabi National Oil Company (ADNOC), Secretary General of the Supreme Petroleum Council of the UAE, and Chairman of the Board of Abu Dhabi Polymers Company Limited (Borouge), the UAE Ambassador to China, H.E. Omer Al Betar, UAE Consul to China, H.E. Noorah Jumma, and the entire Board of Borouge.

The Chinese delegation at the event included Fengxian Party Committee Secretary, Zhang Liping and Fengxian Deputy Party Committee Secretary and Mayor of Fengxian, Shi Guanghui as well as many other officials.

"The successful start-up of our manufacturing plant in Shanghai is an important strategic milestone in the development of our business in China," says William Yau, Chief Executive Officer of Borouge's Marketing Company. "Together with our logistic hubs in Shanghai and Guangzhou as well as our plans for further investments in the

1 (3)

near future, it showcases our strong commitment to the Chinese market amid the economic downturn globally. By being closer to our customers, we will be better poised to meet the expectations and needs of our present and future customers in China.”

The manufacturing plant is the first-ever facility of Borouge outside of the United Arab Emirates and has the potential to expand to 80,000 t/y in the future. Leveraging the additional 800,000 t/y polypropylene capacity at its petrochemical complex in Abu Dhabi and the strong relationships that Borouge is developing with the Chinese automotive value chain, the Shanghai manufacturing plant will provide a range of innovative plastics solutions for bumpers, body panels, dashboards and door claddings.

The highlight of the ceremony was a car parade which creatively presented an array of innovative automotive solutions that Borouge offers to the market today, providing a platform for future innovations.

Borouge is currently also establishing an Innovation Centre in Abu Dhabi and an Application Centre at the Shanghai manufacturing plant to enhance its ability to execute research and development and conduct product performance reviews in close proximity to its customers.

Adjacent to the manufacturing plant, Borouge is putting into operation its logistics hub, which will be capable of handling up to 600,000 tons of value-added polyolefins per year thereby improving its local supply chain to the infrastructure and advanced packaging markets in addition to the automotive markets.

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2 (3)

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Borealis is a leading provider of chemical and innovative plastics solutions that create value for society. With sales of EUR 4.7 billion in 2009, customers in over 120 countries, and 5,200 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 centers and customer service centers 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 1,400 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 manufacture 4.4 million tonnes of polyolefins (polyethylene and polypropylene) per year. Borouge is currently tripling its polyolefins manufacturing capacity to 2 million tonnes per year (t/y) by mid-2010 and an additional 2.5 million t/y is scheduled for 2013. 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:

Borealis: www.borealisgroup.com

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Water for the World: www.waterfortheworld.net

3 (3)