

## Borealis delivers another solid quarter contributing to a record net profit for the first nine months of 2016

- Borealis announces a net profit of EUR 304 million in the third quarter of 2016 compared to EUR 257 million in the third quarter of 2015
- Feasibility study for a new, world-scale propane dehydrogenation (PDH) plant in Belgium
- Borouge produces the first Borlink™ compounds for energy applications

Key figures and ratios		Q3 2016	Q3 2015	YTD 2016	YTD 2015
Net Sales	EUR million	1,753	1,870	5,414	5,897
Total Sales*	EUR million	2,157	2,221	6,499	6,880
Net Profit	EUR million	304	257	868	746
Reduction / (increase) in net interest-bearing debt	EUR million	168	279	288	480
Gearing	%			13%	25%

\* Net sales of Borealis plus pro-rata sales of at equity consolidated companies

Borealis, a leading provider of innovative solutions in the fields of polyolefins and base chemicals, announces a net profit of EUR 304 million in the third quarter of 2016 compared to EUR 257 million in the same quarter of 2015. The excellent result in the third quarter of 2016 was supported by the continued strong integrated polyolefin industry margins and solid contribution from Borouge. The Base Chemicals business also saw an improved performance in the third quarter of 2016 compared to the third quarter of 2015, even though weak demand and low prices continue to impact the fertilizer business.

### Borouge, Borealis' Joint Venture with ADNOC in the United Arab Emirates (UAE), provides the first Borlink™ compounds for Energy applications

After the start-up of its cross linked polyethylene (XLPE) plant Borouge saw the first cross-linked polyethylene compounds based on Borealis' proprietary Borlink technology being manufactured at the Borouge 3 expansion plant in Ruwais, UAE. With this milestone being reached Borouge now

provides the first production of Borlink products for Energy applications in the UAE. Marking the first commercial sales of a UAE made XLPE grade, Borouge delivered the first shipment of compounds used in insulation applications for medium voltage energy cable systems to a number of regional and local customers.

## Investing in the future

In September, Borealis announced a feasibility study for a new world-scale propane dehydrogenation (PDH) plant. The plant would be located at the existing Borealis production site in Kallo, Belgium. The feasibility study will be carried out over the next quarters, with the final investment decision expected to be taken in the third quarter of 2018. The potential start-up of the plant is scheduled for the second half of 2021. The new PDH plant would have a targeted annual production capacity of 740 kilotons per calendar year, making it one of the largest and most efficient facilities in the world. A new PDH plant would strengthen Borealis' long term commitment to be the innovative polypropylene and propylene supplier in Europe

## Borealis, Borouge and NOVA Chemicals invited partners and customers to “Join Our Journey” at the K Fair 2016

Borealis, Borouge and NOVA Chemicals each share a foundation of growth through innovation and a steady commitment to maintaining their engagement along the entire value chain. At K Fair 2016 in Düsseldorf, Germany they invited their respective customers and partners to “Join Our Journey” of an enhanced customer experience across global markets filled with leading-edge innovation, exciting new applications development and ongoing strategic expansion.



Borealis, Borouge and NOVA Chemicals invited partners and customers to “Join Our Journey” at the K 2016, the world’s number one trade fair for plastics in Düsseldorf, Germany.

Photo: © Borealis

## Outlook

“With another excellent quarterly result in the third quarter, 2016 is shaping up to be another record year for Borealis,” comments Mark Garrett, Borealis Chief Executive. “Both Polyolefins and Base Chemicals saw an improved performance in the third quarter of 2016 compared to 2015, while Borouge also contributed significantly to the result. Within the Base Chemicals business the fertilizer

business continues to suffer from low demand and depressed prices. For the fourth quarter of 2016 Borealis expects another solid result but anticipates that the market environment could become less favourable in the coming quarters.”

## END

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Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. With headquarters in Vienna, Austria, the company currently has around 6,500 employees and operates in over 120 countries. Borealis generated EUR 7.7 billion in sales revenue and a net profit of EUR 988 million in 2015. The International Petroleum Investment Company (IPIC) of Abu Dhabi owns 64% of the company, with the remaining 36% belonging to Austria-based OMV, an integrated, international oil and gas company. 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 more than 50 years of experience in polyolefins, Borealis and Borouge support key industries with a wide range of applications in the areas of energy, automotive, pipes, consumer products, healthcare, and advanced packaging.

The Borouge 3 plant expansion made Borouge the world's largest integrated polyolefins complex. Now fully ramped up, the additional 2.5 million tonnes of polyolefins capacity yield a total Borouge capacity of 4.5 million tonnes, and a combined Borealis and Borouge capacity of 8 million tonnes.

Borealis offers a wide range of base chemicals, including melamine, phenol, acetone, ethylene, propylene, butadiene and pygas, servicing a wide range of industries. Borealis also creates real value for the agricultural industry, selling approximately 5 million tonnes of fertilizers. Technical nitrogen and melamine products complement the portfolio with applications ranging from mono-nitrogen oxide (NOx) abatement to glues and laminates in the wood working industry.

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 work to solve the world's water and sanitation challenges through product innovation and their Water for the World™ programme.

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### For more information visit:

[www.borealisgroup.com](http://www.borealisgroup.com)  
[www.borouge.com](http://www.borouge.com)  
[www.waterfortheworld.net](http://www.waterfortheworld.net)

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