

Borealis delivers a solid quarter, advances on key growth initiatives

- Borealis announces a net profit of EUR 273 million in the third quarter of 2017, compared to EUR 304 million in the third quarter of 2016
- Borealis proceeds to FEED phase for new, world-scale propane dehydrogenation plant in Belgium
- Borealis and Borouge announce global launch of new flagship brand Anteo™

Key figures and ratios		Q3 2017	Q3 2016	YTD 2017	YTD 2016
Net Sales	EUR million	1,822	1,753	5,712	5,414
Total Sales*	EUR million	2,191	2,157	6,892	6,499
Net Profit	EUR million	273	304	848	868
Reduction / (increase) in net interest-bearing debt	EUR million	33	168	(475)	288
Gearing	%			18%	13%

* 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 273 million for the third quarter of 2017, compared to EUR 304 million in the same quarter of 2016. The solid net profit in the third quarter was supported by the strong profit contribution from Borouge and healthy European integrated polyolefin margins. The fertilizer business environment continued to remain weak, with a similar business performance compared to the third quarter of 2016.

In the third quarter, net debt reduced by EUR 33 million. The cash requirement for the high investment level related to growth projects and turnarounds was more than offset by the strong cash inflow from the solid performance of both the integrated polyolefin business and Borouge. Borealis financial position remains strong, with a gearing of 18% at the end of the third quarter of 2017.

Borealis proceeds to next phase for new, world-scale dehydrogenation plant

Borealis announced that it will move to the FEED-phase for a new, world-scale propane dehydrogenation (PDH) plant, after successfully concluding the pre-FEED phase in June 2017. The facility is planned to be located at the existing Borealis production site in Kallo, Belgium. The FEED is the last step before the final investment decision, which is expected to be taken in the third quarter of

2018. The start-up of the plant is scheduled for the beginning of 2022. The planned PDH plant has a targeted annual production capacity of 740 Kiloton per year, making it one of the largest and most efficient facilities in the world. The Borealis Kallo location has been chosen due to its excellent logistical position and its experience with propylene production and handling.

Borealis and Borouge announce global launch of new flagship brand Anteo™

Borealis and Borouge, announce the launch of Anteo™, a new family of linear low-density polyethylene (LLDPE) packaging grades for the global packaging market. Anteo delivers easy processability at lower extruder pressure, better sealing integrity and improved puncture resistance in combination with strong optics for enhanced shelf appeal. Boasting a unique combination of end-use properties for high-performance film applications, Anteo completes the full solution offer for high performance, multilayer flexible packaging applications using Borealis Borstar® Bimodal Terpolymer (BBT) Technology. Anteo will be produced by Borouge at the Ruwais facility in the United Arab Emirates (UAE).

Outlook

"With another solid quarterly result, 2017 is shaping up to be another year of strong financial performance for Borealis. The generally healthy integrated polyolefin margins and the continued strong profit contribution by Borouge have been the main drivers for this result," said Mark Garrett, Borealis Chief Executive. "For the fourth quarter of 2017 Borealis expects another solid result. While the gradual normalisation of the integrated polyolefin margins continues, Hurricane Harvey may affect the global polyolefins business short-term. The fertilizer market conditions will remain difficult in the last quarter of the year. In 2017, the main challenge for our company has been the record number of turnarounds. We are proud to be able to say that we have successfully completed all of them."

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Borealis is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. With its head office in Vienna, Austria, the company currently has around 6,600 employees and operates in over 120 countries. Borealis generated EUR 7.2 billion in sales revenue and a net profit of EUR 1,107 million in 2016. Mubadala, through its holding company, 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). www.borealisgroup.com
