

Borealis issues inaugural rated corporate bond

Bond has been successfully subscribed by institutional investors Retail sale to start on 4 December 2018

Borealis, a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers, is for the first time issuing a rated corporate bond with a volume of EUR 300 million, and a tenure of seven years. Borealis intends to use the net proceeds of the issue of the corporate bond for general corporate purposes, including the strengthening of its financial position and to expand its funding options.

Volume: EUR 300 million

Tenure: 7 years

Denomination: EUR 500,-

The coupon rate of 1.75 percent per annum and the re-offer price of 99.194 percent have been fixed following a bookbuilding procedure and the placement of the bond with institutional investors on 28 November 2018. The price at which Austrian and German retail investors may buy the bonds is determined on the basis of the re-offer price plus a selling fee of up to 1.5 percentage points charged by the respective financial intermediary selling the bonds. The subscription period from 4 to 6 December 2018 may be shortened or extended at the own discretion of the Issuer in agreement with the Joint Lead Managers. The value date of the bond transaction is 10 December 2018. The denomination is EUR 500. Erste Group, UniCredit Bank Austria, Société Générale and ING act as Joint Lead Managers for this corporate bond.

“Borealis has already placed two successful bonds in 2010 and in 2012, both of which were supporting our strategy of Value Creation through Innovation. Borealis has an attractive and strong financial profile and has recently been issued a BBB+ rating with stable outlook by S&P Global Ratings,” says Borealis CFO Mark Tonkens. “We believe that this bond represents an attractive investment opportunity in a dynamic, financially solid and innovative, future-oriented company with a clear corporate strategy and excellent credit metrics.”

“Borealis is one of Europe’s leading providers of innovative plastics, base chemical and fertilizer solutions and has posted an excellent performance during the past few years,” comments Thomas Schaufler, Chief Retail Officer of Erste Bank Österreich. “We are pleased that Borealis has selected us to act as a Joint Lead Manager in a bond issuance for the third time.”

“Borealis has an undisputed track record in Debt Capital Market products and the strong investment grade rating will enhance investors’ appetite by all means,” says Dieter Hengl, Member of the Executive Committee UniCredit Corporate & Investment Banking and Management Board of UniCredit Bank Austria. “This offer perfectly fits into portfolios with the focus on credit quality combined with decent returns.”

Borealis: innovation leader and industry powerhouse

Borealis is the second largest polyolefin producer in Europe and is one of the largest and most profitable companies in Austria. Borealis is also an innovation powerhouse, with innovation centres in Linz, Austria; Stenungsund, Sweden; and Porvoo, Finland. On average, Borealis registers roughly 100 different patents each year, safeguarding Borealis’ proprietary technologies. In 2017, Borealis filed 115 priority patent applications. In Schwechat, Austria, Borealis operates one of the most modern polyolefins production plants in Europe, with an annual production capacity of around 1 million tonnes.

Advancing the circular economy of plastics

As a plastics producer, Borealis has taken a leading role in advancing the circular economy of plastics, and helping to solve the issue of plastic littering. In 2016, the company was also the first virgin polyolefin producer to explore the possibilities of mechanical recycling by acquiring mtm plastics GmbH and mtm compact GmbH in Niedergebra, Germany, one of Europe's largest producers of post-consumer polyolefin recyclates. Since then Borealis has acquired Austrian plastics recycler Ecoplast Kunststoffrecycling GmbH, and continues to invest in driving the [circular economy](#).

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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 7.5 billion in sales revenue and a net profit of EUR 1,095 million in 2017. 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
