

Press Release

Abu Dhabi Ports Company and Borouge sign Memorandum of Understanding (MOU) to provide port services at Khalifa Port

Abu Dhabi, United Arab Emirates, June 21, 2008 – Abu Dhabi Ports Company (ADPC) the master developer of ports, industrial and trade and logistics zones, signed a Memorandum of Understanding (MOU) with Borouge, the leading provider of innovative value-creating plastics solutions, to provide port services at the planned Khalifa Port and to ensure Borouge's smooth transfer of its port operations from Mina Zayed to Khalifa Port.

The MOU will see that during the design, development and subsequent operation of Khalifa Port, ADPC will ensure that sufficient land, storage facilities, infrastructure and services are made available at Khalifa Port to accommodate Borouge's products and to assure the seamless transition of Borouge's current port operations at Mina Zayed to Khalifa Port.

Borouge currently utilizes Mina Zayed for a throughput capacity of 600,000 tons of polyethylene per year and will require the provision of port services for an increase in throughput capacity of approximately 2.1 million tons of polyolefin per year by 2010, once Borouge 2 expansion project is completed and to an ultimate throughput of 4.5 million tons by the year 2014, upon the completion of Borouge 3.

Under the terms of the Memorandum, ADPC will ensure that the Port Operation shall make all the necessary arrangements to ensure that Borouge's current production level and future increased production levels inclusive of Borouge 2, shall be effectively handled by Mina Zayed alone until the commencement and full operation of Khalifa Port.

Construction of Borouge 2 began in late 2007 and consists of an ethane cracker of 1.5 million tons per year, the world's largest olefins conversion unit of 752,000 tons per year, two Borstar® polypropylene plants with a combined annual capacity of 800,000 tons, along with a new Borstar Enhanced polyethylene plant with an annual capacity of 540,000 tons.



SHAPING the FUTURE with PLASTICS

Khalifa Port is part of ADPC's multi-billion dollar flagship project. Khalifa Port and Industrial Zone (KPIZ) is one of the world's largest green-field port and industrial zone development projects that will provide essential infrastructure for the growing industrial and commercial sectors of Abu Dhabi, as outlined in "Plan Abu Dhabi 2030".

KPIZ will be a multi-purpose maritime facility that involves the construction of a world-scale container and industrial port in addition to the development of over 100 square kilometers of industrial, logistics, commercial, educational, and residential special economic and free zones. Approximately 4.6 kilometers off the shores of Taweelah, KPIZ is strategically located between the cities of Abu Dhabi and Dubai. KPIZ is a central plank of "Plan Abu Dhabi 2030", and will play a major role in Abu Dhabi's industrial and economic diversification in serving as a key hub for large scale industrial investments.