

PRESS RELEASE

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SABIC ANNOUNCES PLANS TO EXPAND CAPACITY FOR ULTEM™ AND NORYL™ RESIN PRODUCTION

- Planned expansion of footprint in Singapore will localize ULTEM™ resin production for customers in Asia, increasing global production by 50%.
- Capacity expansion in Asia positions SABIC as the only petrochemical company to produce high heat ULTEM™ resin in the Americas, Europe and Asia.
- Recommissioning of NORYL™ resin manufacturing operations in Bergen op Zoom expected to increase global production more than 40%.

In response to customer needs, SABIC has announced projects in Asia and the Netherlands designed to increase global capacity for two of its high-performance engineering thermoplastic materials, ULTEM™ and NORYL™ resins. To increase capacity for ULTEM™ resins, a polyetherimide material, SABIC plans to expand its existing footprint in Singapore where it currently has compounding operations, pending final government clearance. The planned new production facility in Singapore is expected to go online in the first half of 2021. The company also plans to recommission operations at its Bergen op Zoom PPE resin plant in the Netherlands by the end of 2019 to produce polyphenylene ether (PPE), the base resin for its line of NORYL™ resins and oligomers.

“Increased customer demand, especially in Asia, prompted the further capacity expansion plans,” said Ernesto Occhiello, Executive Vice President, Specialties, SABIC. “While interim capacity gains for both ULTEM™ and NORYL™ resins have been achieved, global demand for both product lines has increased significantly, and SABIC is planning to expand its capacity to support our customers’ growth aspirations. We will continue to focus efforts to deliver the right capacity, in the right global locations, at the right time to support our customers’ needs.”

ULTEM™ resins are currently produced in two locations, Mt. Vernon, Indiana, and Cartagena, Spain. The planned operations in Singapore will localize supply for customers in Asia, reducing lead times, especially for shorter qualification cycle applications. When fully operational, the Singapore facility is expected to increase capacity by 50% over a 2018 baseline. “With the addition of Singapore, SABIC will be the only petrochemical company with the ability to produce the high heat resin in Asia, the Americas and Europe, a significant advantage for the company’s customers,” Occhiello noted.

The decision to recommission the Bergen op Zoom NORYL™ resins facility provides customers with a second source of PPE resins globally, and affirms SABIC's commitment to the European market and global customers who specify their material solution needs from Europe. When operational, the Bergen op Zoom facility is expected to add more than 40% global capacity over a 2017 baseline.

In the meantime, SABIC expects incremental manufacturing process improvements at the Selkirk, New York, and Mt. Vernon plants to provide increases in NORYL™ (PPE) resin and ULTEM™ (PEI) resin production by the end of 2018. The resulting supply gains will be used to meet growing demand and improve lead times for customers.

END

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ABOUT SABIC

SABIC is a global leader in diversified chemicals headquartered in Riyadh, Saudi Arabia. We manufacture on a global scale in the Americas, Europe, Middle East and Asia Pacific, making distinctly different kinds of products: chemicals, commodity and high performance plastics, agri-nutrients and metals.

We support our customers by identifying and developing opportunities in key end markets such as construction, medical devices, packaging, agri-nutrients, electrical and electronics, transportation and clean energy.

SABIC recorded a net profit of SR 17.8 billion (US\$ 4.8 billion) in 2016. Sales revenues for 2016 totalled SR 132.8 billion (US\$ 35.4 billion). Total assets stood at SR 316.9 billion (US\$ 84.5 billion) at the end of 2016. Production in 2016 stood at 72.7 million metric tons.

SABIC has more than 35,000 employees worldwide and operates in more than 50 countries. Fostering innovation and a spirit of ingenuity, we have 12,191 global patent filings, and have significant research resources with innovation hubs in five key geographies – USA, Europe, Middle East, South Asia and North Asia.

The Saudi Arabian government owns 70 percent of SABIC shares with the remaining 30 percent publicly traded on the Saudi stock exchange.

PHOTOS AND CAPTIONS



SABIC announces plans to expand capacity for ULTEM™ and NORLYL™ resin production.

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