

- [Home](#)
- [News & Media](#)
- [Dow Delivers Progress on JV Consolidation Commitments](#)

# Dow Delivers Progress on JV Consolidation Commitments

## *Finalizes Sale of Interest in MEGlobal*

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The Dow Chemical Company (NYSE:DOW) announced that it has finalized the transaction to sell its ownership interest in MEGlobal to EQUATE Petrochemical Company K.S.C. and has received \$1.5 billion in pre-tax proceeds. Dow had [previously announced](#) its intent to optimize its ownership in its Kuwaiti Joint Ventures and the closure of this transaction represents progress toward delivering this commitment.

"This is a significant step in our Kuwaiti JV consolidation activities and demonstrates Dow's drive to review our entire joint venture portfolio with a best-owner mindset, with the objective of delivering maximum value to our shareholders," said Andrew N. Liveris, Dow's chairman and chief executive officer. "This transaction enables Dow to maintain our commitment to these long-standing joint ventures, while returning value to our owners."

MEGlobal is a world leader in the manufacture and marketing of monoethylene glycol and diethylene glycol (EG), and is headquartered in Dubai, UAE. Established in July 2004, MEGlobal currently markets over 2.5 million metric tons of EG per year globally. EG is used as a raw material in the manufacture of polyester fibers (clothing and other textiles), polyethylene terephthalate (PET) resins, antifreeze formulations and other industrial products. MEGlobal is a joint venture between Dow and Petrochemical Industries Company (PIC) of Kuwait. Through its ownership interest in EQUATE, Dow retains a 42.5 percent ownership stake in MEGlobal.

Established in 1995, EQUATE is the operator of an integrated world-scale manufacturing facility producing more than 5 million tons annually of high-quality petrochemical products, including polyethylene, ethylene, and EG, that are marketed throughout the Middle East, Asia, Africa and Europe. Formed in 2004, The Kuwait Olefins Company (TKOC) is an international joint venture among Dow, Petrochemical Industries Company (PIC), Boubyan Petrochemical Company (BPC) and Qurain Petrochemical Industries Company (QPIC). EQUATE is the single operator of Greater EQUATE, which includes TKOC, The Kuwait Styrene Company (TKSC), and Kuwait Paraxylene Production Company (KPPC) under one fully integrated operational umbrella at Kuwait's Shuaiba Industrial Area.

HSBC Securities (USA) Inc. served as financial advisor to Dow for the transaction. Shearman & Sterling LLP served as Dow's legal counsel.

### **About Dow**

Dow (NYSE: DOW) combines the power of science and technology to passionately innovate what is essential to human progress. The Company is driving innovations that extract value from the intersection of chemical, physical and biological sciences to help address many of the world's most challenging problems such as the need for clean water, clean energy generation and conservation, and increasing agricultural productivity. Dow's integrated, market-driven, industry-leading portfolio of specialty chemical, advanced materials, agrosiences and plastics businesses delivers a broad range of technology-based products and solutions to customers in approximately 180 countries and in high-growth sectors such as packaging, electronics, water, coatings and agriculture. In 2014, Dow had annual sales of more than \$58 billion and employed approximately 53,000 people worldwide. The Company's more than 6,000 product families are manufactured at 201 sites in 35 countries across the globe. References to "Dow" or the "Company" mean The Dow Chemical Company and its consolidated subsidiaries unless otherwise expressly noted. More information about Dow can be found at [www.dow.com](http://www.dow.com).

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