

Sadara Basic Services Company Announces Commercial Operation of Butanol Production Plant

SaBuCo Is 33 1/3% Owned by Sadara Chemical Company

28 March, 2016 – Jubail, Kingdom of Saudi Arabia: Sadara Basic Services Company, which is indirectly owned 100% by Sadara Chemical Company (Sadara), announced yesterday that analysis of the performance test results of Saudi Butanol Company (SaBuCo) have concluded. These results show that the plant has met the requirements for commencing commercial operations. Commencement of commercial operations follows the successful testing of the plant equipment and production efficiency in accordance with the technology licenses and implementation contracts.

SaBuCo is a joint venture company established by Sadara, Saudi Kayan Petrochemical Company and Saudi Acrylic Acid Company for the purposes of owning a butanol production plant with a nameplate capacity of 330,000 metric tons of butanol products per year. The butanol produced will be distributed to the partners in accordance with the tolling and processing agreement entered into by the partners.

About Sadara:

Sadara is a joint venture developed by the Saudi Arabian Oil Company (Saudi Aramco) and The Dow Chemical Company. With a total investment of about \$20 billion, Sadara is building a world scale chemical complex in Jubail Industrial City II in Saudi Arabia's Eastern Province. Comprised of 26 world scale manufacturing units, the Sadara complex is the world's largest to be built in a single phase and will be the first in the Middle East to use refinery liquids, such as naphtha, as feedstock. By using best-in-class technologies to crack refinery liquid feedstock, Sadara will enable many industries that either currently do not exist in Saudi Arabia or only exist through imports of raw materials. The adjacent PlasChem Park, a unique collaboration between Sadara and the Royal Commission for Jubail and Yanbu', will create more value downstream, generating unprecedented investment, innovation, economic growth and thousands of jobs.

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