

## Dow Completes Construction of World-Scale Ethylene Production Facility in Freeport, Texas

- *Commissioning and Startup Activities Well Underway*
- *Facility Remains On-track for Mid-year Startup*
- *Will Fuel Industry's Broadest and Most Differentiated Derivatives Slate*

**FREEPORT, TEXAS - March 28, 2017** - The Dow Chemical Company (NYSE: DOW) today announced the completion of the construction phase of its new, world-scale ethylene production facility in Freeport, Texas. The Company reached this milestone within one week of the originally planned date, which was set approximately two years ago. Dow's ethylene unit is now progressing through the commissioning phase, with start-up expected by mid-year.

"This tremendous milestone represents the Dow team's unwavering ability to deliver on our commitments to meet the needs of our customers, generate value for our shareholders and to create opportunities for our employees," said Andrew Liveris (<http://www.dow.com/en-us/investor-relations/corporate-governance/leadership/andrew-n-liveris>), Dow's chairman and CEO. "The Freeport ethylene unit is the cornerstone of our \$6 billion investment in the U.S. Gulf Coast. Our growth investments leverage the advantaged shale gas supply available in the U.S., and represent thousands of new jobs and significant economic value, including exports of approximately 20 percent of our U.S. production."

At peak activity, the construction phase involved more than 3,000 Dow employees and contractors. The project achieved more than five million consecutive work hours without a lost-time incident. Dow's new unit also represents one of the least capital-intensive ethylene investments<sup>1</sup> currently announced across the U.S. Gulf Coast.

"I'm incredibly proud of our team's efforts to complete the complex construction phase of Dow's new state-of-the-art ethylene facility. This unit will further enhance Dow's industry-leading integration and provide the critical building blocks to bolster our competitive advantage in targeted consumer-led markets, including packaging, transportation, infrastructure and consumer care," said Jim Fitterling (<http://www.dow.com/en-us/investor-relations/corporate-governance/leadership/james->

fitterling), Dow's president and chief operating officer. "Not only does this investment leverage Dow's early-mover advantage in shale gas, but it will also fuel the industry's broadest and most differentiated derivatives slate, featuring Dow's proprietary catalyst and process technologies, to meet growing consumer demand throughout the Americas."

The world-scale production unit – with a nameplate capacity of 1.5 million metric tons – is a central component of Dow's \$6 billion U.S. Gulf Coast investment program, designed to strengthen the competitiveness of its downstream, consumer-led businesses. It will feed Dow's derivative investments, which will come on-line throughout 2017 and 2018 and include:

- **ELITE™ Enhanced Polyethylene** for high performance flexible food packaging and personal hygiene applications (Capacity: 400 KTA);
- **New specialty low density polyethylene** for industrial and supply chain packaging applications (Capacity: 350 KTA);
- **Next Generation NORDEL™ metallocene EPDM** to deliver solutions for higher-margin applications for the transportation, infrastructure and consumer durables end-markets (Capacity: 200 KTA);
- **High Melt Index Specialty and Conventional Polyolefin Elastomers** for high-performance flexible packaging, transportation and consumer markets (Capacity: 320 KTA); and
- **Bi-modal gas phase de-bottleneck** to enable more offerings for high-performance pipe and fitting applications, as well as the cap and closure market (125 KTA).

"The addition of Dow's TX-9 cracker to our Freeport site is a great milestone. That site now has over 4 million metric tons of olefins capacity to provide low-cost integration strength to our targeted high-growth derivatives," said Doug May, business president for Hydrocarbons. "This is an important proof point of the Dow team's ability to deliver the projected cost and schedule performance on a project of this size and sets the tone for how we can execute the commissioning and start-up of the ethylene unit over the next few months."

## 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 material, polymer, chemical and biological science to help address many of the world's most challenging problems, such as the need for fresh food, safer and more sustainable transportation, clean water, energy efficiency, more durable infrastructure, and increasing agricultural productivity. Dow's integrated, market-driven portfolio delivers a broad range of technology-based products and solutions to customers in 175

countries and in high-growth sectors such as packaging, infrastructure, transportation, consumer care, electronics, and agriculture. In 2016, Dow had annual sales of \$48 billion and employed approximately 56,000 people worldwide. The Company's more than 7,000 product families are manufactured at 189 sites in 34 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) (<http://www.dow.com>).

*1. Measured as the capital investment per metric ton of capacity.*

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### **Financial Reporting**

#### **Dow Chemical(DOW)**

Last Price: **61.06**

Volume: **31394**

Change: **-0.86**

High: **61.71**

Low: **61.025**

Last Trade: 2017-04-13T16:02:19-04:00

Stock Performance > (<http://www.dow.com/en-us/investor-relations/stock-information>)

## Events

<b>Apr-27</b>	<b>The Dow Chemical Company Q1 2017 Earnings Release</b>	<b>(<a href="http://www.dow.com/en-us/events/the-dow-chemical-company-q1-2017-earnings-release">http://www.dow.com/en-us/events/the-dow-chemical-company-q1-2017-earnings-release</a>)</b>
<b>May-01</b>	<b>Offshore Technology Conference</b>	<b>(<a href="http://www.dow.com/en-us/events/offshore-technology-conference">http://www.dow.com/en-us/events/offshore-technology-conference</a>)</b>
<b>May-04</b>	<b>interpack 2017</b>	<b>(<a href="http://www.dow.com/en-us/events/interpack-2017">http://www.dow.com/en-us/events/interpack-2017</a>)</b>

