

Sadara Announces Completion of Financial Signing

(Dhahran, Saudi Arabia. June 17, 2013) Sadara Chemical Company (“Sadara”) today announced the signing of a number of definitive financing agreements for an additional funding of approximately US\$10.5 billion (the “Main Financing”), marking another major milestone of project financing for Sadara which is an unprecedented joint venture developed by the Saudi Arabian Oil Company (“Saudi Aramco”) and The Dow Chemical Company (“Dow”).

The Main Financing supplements the approximately \$2 billion raised through a Sukuk issuance in April, 2013, bringing the total Sadara project financing raised to approximately \$12.5 billion, the largest project financing ever in the Middle East. The agreements were entered into by Sadara with certain export credit agencies, commercial banks and the Public Investment Fund of the Kingdom of Saudi Arabia. The funds raised will be used for the construction and start-up of a world scale chemical complex in Jubail Industrial City II, Kingdom of Saudi Arabia (the “KSA”).

“We are truly pleased to see the very strong and positive response to Sadara from local, regional and global financial and government institutions,” said Luciano Poli, Chief Financial Officer of Sadara. “We are on track to deliver first products as expected in 2015 with the complex in full operation in 2016.”

Financial close of the Main Financing is expected to occur during the third quarter of 2013.

The unique Sadara chemical complex now being built in Jubail Industrial City II is the world’s largest ever built in a single phase. Comprised of 26 world scale manufacturing units, the complex 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 do not exist in the KSA or only exist through imports of raw materials. Sadara will introduce new specialty chemical plants and businesses as well as new value chains to complement the KSA’s existing chemicals landscape.

Located right next to the Sadara complex, PlasChem Park is a collaborative effort between Sadara and the Royal Commission for Jubail and Yanbu. It will be an accelerator for KSA’s drive to create more value in the downstream sector. PlasChem Park will create unprecedented conversion industry investment, and thousands of sustainable jobs, making a positive and enduring impact on the Saudi economy. As of June, 2013, Sadara has hired more than 1,500 people, a vast majority of them Saudi nationals.
