



Qatofin Inauguration Press Release

Doha- November 24, 2009 - Qatar celebrated the achievement of another milestone in the development of the petrochemical sector when His Highness The Emir Sheikh Hamad bin Khalifa Al-Thani inaugurated the Qatofin LLDPE Plant in the Mesaieed Industrial City (MIC).

Present at the ceremony were Qatar's ministers, ambassadors, CEOs and other high ranking dignitaries, as well as guests from the top level management of Total Petrochemicals France, QAPCO and Qatofin Board Members and Management.

The ceremony included a show demonstrating the importance that petrochemical products have in our day to day lives. It highlighted the responsibility the petrochemical industry has to the environment and communicated to the audience their responsibility to preserve our environment.

After the ceremony, HH the Emir was escorted on a site tour around the new plant, which is located in the QAPCO complex, within MIC.

At the press conference after the event, His Excellency Abdullah bin Hamad Al Attiyah Deputy Prime Minister, Minister of Energy and Industry and Qatofin Chairman highlighted the significance of this mega petrochemical project in Qatar's comprehensive industrial prosperity in the oil and gas sector, under the wise leadership of HH Sheikh Hamad Bin Khalifa Al Thani, the Emir and HH the Heir Apparent Shiekh Tamim Bin Hamad Al Thani.

H.E Al-Attiyah, confirmed the contribution of this project in achieving “an economic boost in Qatar and to avail suitable opportunities for the investment and to develop the country's infrastructure. Forward integration by investment in the petrochemical sector is one of the ways to expand Qatar’s Oil & Gas based industries in order to diversify the national income and to increase the economy. Since, QATOFIN as a subsidiary of QAPCO, represents a token of appreciation and a deed of success to QAPCO’s path .Such success has triggered and justified the need for QAPCO to widen its product portfolio and to capitalize on its sources of strength and expertise , which will definitely elevate the opportunities of success for any petrochemical project.

After the establishment of QATOFIN & RLOC and other petrochemical projects which are in the pipe-line, the State of Qatar, has now become a major player in the industry.”

H.E Al Attiyah also added “This inauguration is also an important event for Industries of Qatar (IQ) , because it holds a 51% stake in Qatofin indirectly through QAPCO and QP. Therefore IQ shareholders have just added another valuable business to thier portfolio.”

Dr. Mohammed Yousef Al Mulla, the General Manager and Board Member of Qatofin said “The Qatofin project is another value-added milestone in the petrochemical industry in Qatar, which reflects the wise vision of HH the Emir Sheikh Hamad Bin Khalifa Al-Thani and His Highness Sheikh Tamin Bin Hamad Al Thani Heir Apparent and also contributes to the Qatar National Vision 2030 by utilizing the hydrocarbon resources in the country.”

Qatofin is a joint venture between Qatar Petrochemical Company (Qapco) (63%), Total PetrochemicalsFrance (36%) and Qatar Petroleum (1%), and its project involves the construction of a linear low density polyethylene (LLDPE) unit to produce 450,000 metric tons per year at facilities adjacent to Qapco's plant at MIC. The feedstock ethylene required for the LLDPE unit will be supplied from the world’s largest single Ethylene Cracker of 1.3 MTA (Expandable to 1.6 MTA) in Ras Laffan Industrial City, which is one of Qatar’s mega projects.

The cracker is owned by Ras Laffan Olefins Company (RLOC), a joint venture between Qatofin 45.7%, Q-Chem (II) 53.3% and QP 1%. The produced ethylene will be sent through a pipeline from RLOC to Qatofin and Q Chem II.

Both QATOFIN and RLOC Projects are designed with a view to optimizing the utilization of ethane gas feedstock that will be made available as a result of further development of the country's gas resources, combining the interests of the existing petrochemical investors in Qatar to create one of the world's largest ethane cracker and maximizing economies of scale, and developing industrial synergies with other petrochemical ventures in the country. The total investment by Qatofin for its LLDPE plants and its share in the RLOC Cracker is estimated at QR 5 Billion.

The main Engineering Procurement and Construction (EPC) contractors for the LLDPE facilities are Snamprogetti of Italy and Archirodon of Greece. The EPC contract for the Ras Laffan ethane cracker is Technip of France.

The Qatofin LLDPE is the raw material for different downstream thermoplastic industries and is targeted to be sold in those countries, which have the social obligation towards their society in supplying clean food & water. All precautions have been taken during LLDPE Plant implementation with a view to ensure its manufacturing process does not have any adverse impact on the environment. The LLDPE has an immense demand throughout the world. Besides contributing to the State of Qatar's economy in terms of profitability, the project will provide many employment opportunities to Qatari Nationals.

QATOFIN is wholeheartedly committed and eager to serve and contribute both economically and socially to the state of QATAR. (Quotes)

Hamad Rashid Al Mohanadi – Qatofin Board Vice Chairman

QATOFIN represents Qatar's quantum leap towards reigning on the top ten global petrochemical producers' chart. With the establishment of QATOFIN as an integral part of the mega project that involves building the Ras Laffan project,

which is one of the largest single unit crackers in the world, Qatar petrochemical sector has translated its commitment towards the diversification of the national economy through the optimum utilization of the country's hydrocarbon resources, while employing the best technologies and resources.

François Cornélis- Vice-Chairman of the Executive Committee of Total and President of Chemicals

The remarkable synergies between Qatofin, QAPCO and Total will result in unprecedented efficiency and productivity for Qatar as a nation. This project is the most recent example of a long and successful partnership between Total and QP, which we hope will continue to grow in the future, both inside Qatar and abroad. We will continue to fully support Qatar's objectives in developing a leading position in the world's petrochemical industry.

The start-up of the Messaied LLDPE plant also marks an important milestone for Total Petrochemicals' strategic goal to strengthen our position in the growing petrochemicals markets in the Middle East and Asia.

Dr Mohammed Yousef Al Mulla – Qatofin General Manager and Board Director

We are extremely proud that Qatofin has brought about the production of LLDPE in Qatar for the first time, enriching the country's polyethylene portfolio. We are also proud that QATOFIN is a mega project that relies on state of the art technology and wealth of managerial and operational expertise provided by QAPCO as the main operator of QATOFIN, to deliver the superlative quality products the global markets have been receiving and expecting from QATARI producers.

QATOFIN is one of Qatar's mega projects that translates and proves the tremendous advantages synergy can deliver Qatar's petrochemical sector. With total investment of 5 billion Qatari riyals, we believe this is a stride towards our country's National Vision for 2030.

Satisfying the world's growing energy requirements while protecting our environment is not an easy challenge, however we are ready for it.

QATOFIN is wholeheartedly committed and eager to serve and contribute both economically and socially to the state of QATAR.

Abdulrahman Al Abdallah – Qatofin Board Director

QATOFIN represents a mutual opportunistic business rapport that pursues and observes the objective and direction of Qatar's national petrochemical industry. While QATOFIN fulfills the needs and requirements of global customers of Qatari products through supplying the long awaited Qatari LLDPE products, while utilizing the global marketing network QAPCO has established, ensuring that QATOFIN products will benefit from the same exceptional marketing channels and customers' services QAPCO products has been enjoying.

With the exceptional reputation and recognition QAPCO products and services have reaped globally over the years, QATOFIN will start with tremendous momentum being able to cash in on this reputation global customers have been accustomed to from Qapco's products and services.