

Sadara and Juffali Sign Multi-Year Supply Agreement

New Production Facility to be located in PlasChem Park

Jubail, 2nd August, 2015: Sadara Chemical Company and E. A. Juffali & Brothers, a privately-owned Saudi company, have signed a supply agreement through which Sadara will supply methylene diphenyl diisocyanate (MDI) to a new Juffali chemical production facility in PlasChem Park in Jubail Industrial City II. The new Juffali facility will consist of several manufacturing plants designed to produce highly differentiated chemicals and products slated for use in the Kingdom of Saudi Arabia's various industries. Some of the plants will receive a direct feed of Sadara's products, while others will rely on raw materials provided by other suppliers.

The PlasChem Park is adjacent to the Sadara Chemical Complex and covers a 12km² area. It is a collaborative effort between the Royal Commission for Jubail and Yanbu (RCJY) and Sadara, and is uniquely positioned for the development of new value added downstream manufacturing and business opportunities.

"This supply agreement heralds a major collaboration between Sadara and Juffali. A wide range of products will be manufactured using Sadara's differentiated product slate as well as those available from other companies in the Kingdom. The Juffali MDI project will cater to the local demand for polyurethanes in industries such as construction, furniture, special flooring for sports facilities and electrical appliances, all of which will benefit from locally supplied MDI for the first time ever in Saudi Arabia and the Middle East," said Mohammad Alazzaz, Director of Value Park at Sadara.

"PlasChem Park will strengthen Jubail's position as a key enabler and supporter of the Kingdom's downstream manufacturing sector, providing numerous opportunities in multiple market segments based on Sadara's state of the art technologies. Our products will enable important applications in a number of key industries such as oil and gas chemicals, construction materials, auto components, to name just a few. We welcome Juffali to be among the first tenants to benefit from Sadara's products and services available in PlasChem Park," concluded Alazzaz

Sadara Chemical Company

A limited liability company
P. O. Box 39777, Dhahran 31942
Kingdom of Saudi Arabia

س.ت 2055014427
رأس المال المدفوع 11,762,142,000 ر.س
Paid up capital SR 11,762,142,000
www.sadara.com

شركة صدارة للكيميائيات
شركة ذات مسؤولية محدودة
ص.ب 39777 الظهران 31942
المملكة العربية السعودية



Juffali's vision for the petrochemical and chemicals sector is to develop the capability for specialty chemicals production in the Kingdom, through the introduction of leading edge technologies, to ultimately replace imports of materials and increase the potential for exports of finished products. The introduction of state of the art technologies will open up career opportunities for Saudi professionals and offer more downstream investment and manufacturing opportunities in Kingdom.

E. A. Juffali & Brothers is a diversified Saudi based company established in 1946. Their interests span a number of markets including chemicals, automotive, technology, construction, equipment, services, and air conditioning & refrigeration sectors. The new facility planned for PlasChem Park – expected to come on stream in the first half of 2017 – will further add to the Juffali chemicals portfolio, and will help encourage the growth of the Kingdom's downstream industries.

PlasChem Park is expected to attract diversified investments for downstream applications such as oil and gas chemicals, construction materials, paints and coatings, as well as home and personal care products. These investments will create new jobs for Saudi nationals as well as contribute to the fulfillment of the Government's vision to diversify the Kingdom's economy.

- Ends -

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. Sadara is on track to deliver its first products in the second half of 2015, with the complex in full operation in 2016.

For further information, please contact:

Sadara Chemical Company

A limited liability company
P. O. Box 39777, Dhahran 31942
Kingdom of Saudi Arabia

س.ت 2055014427
رأس المال المدفوع 11,762,142,000 ر.س
Paid up capital SR 11,762,142,000
www.sadara.com

شركة صدارة للكيميائيات
شركة ذات مسؤولية محدودة
ص.ب 39777 الظهران 31942
المملكة العربية السعودية



Sami Amin
Public Affairs
Sadara Chemical Company
Mobile: +966501922155
Email: Sami.Amin@Sadara.com
Website: www.sadara.com

Sadara Chemical Company
A limited liability company
P. O. Box 39777, Dhahran 31942
Kingdom of Saudi Arabia

س.ت 2055014427
رأس المال المدفوع 11,762,142,000 ر.س
Paid up capital SR 11,762,142,000
www.sadara.com

شركة صدارة للكيميائيات
شركة ذات مسؤولية محدودة
ص.ب 39777 الظهران 31942
المملكة العربية السعودية