

Press Release:

### **Chandra Asri Petrochemical Awarded Toyo Engineering as EPC Contractor for New 400KTA Polyethylene Plant**

**Jakarta, 31 August 2017** - PT Chandra Asri Petrochemical Tbk (CAP), the largest integrated petrochemical company in Indonesia, has signed an EPC contract (engineering, procurement, and construction) with Toyo Engineering Group (TOYO) for the construction of a new Polyethylene (PE) plant facility which will be located in the Company's integrated Naphtha Cracker complex in Cilegon, Banten. Prior to this award in September 2016, CAP has also signed a license agreement with Univation Technologies, LLC to use UNIPOL™ PE Process as the process technology for this new 400KTA PE plant.

Toyo Engineering Corporation (Toyo-Japan) and Toyo Engineering Korea Limited (Toyo-Korea) are in charge of detailed engineering and suppliers of imported equipment while PT Inti Karya Persada Teknik (IKPT- Indonesia) as the contractor and supplier of local equipment.

This new plant facility will produce High Density Polyethylene (HDPE), Linear Low Density Polyethylene (LLDPE), and Metallocene LLDPE (mLLDPE). Some of the product applications for LLDPE and HDPE among others as blown film, rice bag, toy, bottle lid, shopping bag, houseware, rope, tarpaulin, pipe, container box, etc. The total project, estimated to cost some US\$350 million, is expected to be completed by the end of 2019 and commence operation at the beginning of 2020.

Mr. Erwin Ciputra, President Director of the Company, commented, "Indonesia's current PE market demand is estimated around 1.4 million TPA and will continue to grow along with the country's GDP. Our new PE plant will be an additional source of domestic supply of Polyethylene products thereby replacing imports and reducing the country's foreign exchange outflow". He added, "This investment is another remarkable milestone in 25th anniversary year demonstrating CAP's continued commitment as backbone industry for country economic development". The Company currently operates a 336KTA of PE plant, therefore, this new construction of 400KTA PE plant will bring total CAP's PE production to 736KTA.

#### **About CAP**

CAP, a subsidiary of PT Barito Pacific Tbk as the majority shareholders, is Indonesia's largest integrated petrochemical company producing olefins and polyolefins. CAP incorporates state-of-the-art technologies and supporting facilities located in Cilegon and Serang of Banten Province. CAP is the only producer who operates a naphtha cracker, and is the sole domestic producer of ethylene, styrene monomer and butadiene. In addition, CAP is also the largest polypropylene producer in Indonesia. CAP produces plastic raw materials and chemicals used for packaging products, pipes, automotive, electronics, etc. For more information, please visit [www.chandra-asri.com](http://www.chandra-asri.com).

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