Press Release:



Chandra Asri Petrochemical Expands Butadiene Plant Capacity up to 37%

Jakarta, 23 January 2017 - PT Chandra Asri Petrochemical Tbk ('the Company"), Indonesia's largest integrated petrochemical company, through its subsidiary, PT Petrokimia Butadiene Indonesia (PBI), has awarded the engineering, procurement and construction (EPC) services contract to Toyo Engineering Korea Limited (Toyo-Korea) and PT Inti Karya Persada Tehnik (IKPT) which marked by a contract signing on 23 January 2017. The total investment cost of the Butadiene expansion project is expected to reach USD 42 million with project completion and plant start-up is expected in the third quarter of 2018. The expansion will increase its Butadiene production capacity up to 37%.

Following the Cracker expansion which was completed in 2015, CAP now has excess of Mixed C4 production as a result of the increased Naphtha Cracker production by up to 43%. Mixed C4 is used as feedstock to our Butadiene plant to produce Butadiene which will further used as feedstock to our upcoming synthetic rubber plant. Therefore, to capture the value of excess production of Mixed C4, the Company has decided to commence a capacity expansion of Butadiene plant.

Previously, PBI has also signed agreement with Lummus Technology Inc, a CB&I Company, which is a leading provider of technology and infrastructure for the energy industry from the USA. The agreement is for the license and engineering design of BASF/Butadiene Extraction technology for expansion of Butadiene production at its integrated Naphtha Cracker complex in Cilegon, Banten.

PBI currently operates its Butadiene plant in Cilegon with total capacity of 100KTA with a license from Germany-based BASF. After expansion, Butadiene annual production capacity will be expanded from 100KTA to 137KTA.

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.

For further information, please contact:

Suryandi

Director

PT Chandra Asri Petrochemical Tbk

: (62-21) 530 7950

Fax

: (62-21) 530 8930

Email: suryandi@capcx.com



