

## **Rabigh Phase II Project**

### **Memorandum of Understanding signed by Saudi Aramco, Sumitomo Chemical and Petro Rabigh**

**DHAHRAN, APRIL 20, 2009** -The Saudi Arabian Oil Company ("Saudi Aramco"), Sumitomo Chemical Co., Ltd ("Sumitomo Chemical") and Rabigh Refining and Petrochemical Company ("Petro Rabigh") yesterday signed the Memorandum of Understanding leading to the conduct of a feasibility study for the development of the Rabigh Phase II Project ("Rabigh II Project") as a major expansion of the existing petroleum refining and petrochemical production complex ("Rabigh I Project") currently being commissioned by Petro Rabigh.

"Today's signing ceremony marks yet another milestone in the ongoing progress of the joint venture partnership by Saudi Aramco and Sumitomo Chemical to create one of the world's largest integrated refining and petrochemical facilities, help meet growing demand worldwide for high-quality energy products, and leverage this downstream operation to spur the development of complementary manufacturing and conversion industries," said Khalid A. Al-Falih, president and chief executive officer of Saudi Aramco.

"It is gratifying to embark on the feasibility study for the Rabigh II Project at the same time as Petro Rabigh is successfully starting up the Rabigh I Project. This is another significant achievement in our joint efforts that demonstrates the strength of our partnership built upon mutual trust," said Hiromasa Yonekura, Chairman of Sumitomo Chemical.

The feasibility study is an initiative by Saudi Aramco and Sumitomo Chemical, with Petro Rabigh providing support and assistance, and it will evaluate the viability of the Rabigh II Project, including the investment amount, to achieve the following: expanding the existing Petro Rabigh's ethane cracker for an additional 30 million standard cubic feet per day of feedstock ethane; building a new aromatics complex using around 3 million tons per year of naphtha; and constructing various units of petrochemical products of higher value and specialty, including EPR, TPO, MMA, PMMA, LDPE/EVA, caprolactam, polyols, cumene, phenol/acetone, acrylic acid, SAP and Nylon-6.

Saudi Aramco and Sumitomo Chemical will complete the feasibility study by the third quarter of 2010, and once the Rabigh II Project is proven viable with attractive economics, Petro Rabigh will be invited to decide on its implementation.

The Rabigh II Project is a major expansion of the Rabigh I Project to complete the development of a world-class petrochemical complex and will produce a diverse slate of petrochemicals, most of which are newly introduced to the Kingdom, to complement and strengthen the Petro Rabigh Project.

The Rabigh II Project will utilize leading-edge technologies from Sumitomo Chemical and other companies, and explore maximization of synergies between the Rabigh II Project and the Rabigh I Project, the utilization of Saudi manpower, and development of the conversion industry. The Rabigh II Project major milestones include: award of Project Management Services Contract for the feasibility study in May 2009, Technology Licensing Agreements in June 2010 and the start up by the third quarter of 2014.

### **About Saudi Aramco**

Owned by the Saudi Arabian Government, Saudi Aramco is a fully-integrated, global petroleum enterprise, and a world leader in exploration and producing, refining, distribution, shipping and marketing. The company manages proven reserves of roughly 260 billion barrels of oil and manages the fourth-largest gas reserves in the world, 253.8 trillion cubic feet. In addition to its headquarters in Dhahran, Saudi Arabia, Saudi Aramco has affiliates, joint ventures and subsidiary offices in China, Japan, the Netherlands, the Republic of Korea, Singapore, Malaysia, the United Arab Emirates, the United Kingdom and the United States. For more information, go to [www.saudiaramco.com](http://www.saudiaramco.com)

### **About Sumitomo Chemical**

Sumitomo Chemical is one of Japan's leading chemical companies, offering a diverse range of products globally in the fields of basic chemicals, petrochemicals, fine chemicals, IT-related chemicals and materials, agricultural chemicals, and pharmaceuticals. The company's consolidated net sales for fiscal 2007 were US\$18.9 billion (JPY1.9 trillion). For additional information, visit the company's website at [www.sumitomo-chem.co.jp/english/](http://www.sumitomo-chem.co.jp/english/)

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