

Press Release:

Chandra Asri and BP complete a preliminary study for a condensate splitter project in Cilegon, Banten.

Jakarta, 17 December 2014 – PT Chandra Asri Petrochemical Tbk (CAP) and BP Singapore Pte Ltd (BP) have signed a Memorandum of Understanding following a preliminary study for the development of a Condensate Splitter project to process up to 100 thousand barrel per day of feedstock in Cilegon, Banten, Indonesia.

Aligning with national strategic policy, the project is intended to reduce domestic reliance towards heavy import of refined products such as diesel and jet fuel. Indonesia is currently a net importer country for petrochemical raw material (naphtha) and fuel oil. In addition, CAP also uses imported naphtha as its main raw material to produce olefins. CAP and BP have been conducting a study on the Condensate Splitter, which aligns with CAP's strategic plan in moving toward vertical integration, and would extend BP's businesses in Indonesia.

Notes to Editors:

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CAP is Indonesia's largest integrated petrochemical company producing olefins and polyolefins. CAP is the only producer who operates a naphtha cracker, and is the sole domestic producer of styrene monomer and butadiene. Petrochemical products are key raw material to many industries due to their strength and resilience such as packaging, automotive, agriculture, etc. They are a major building block for Indonesia economic development.



BP is one of the world's leading international oil and gas companies. BP operates or markets its products in more than 80 countries, employs over 85,000 people and provides its customers with fuel for transportation, energy for heating and light, retail services and petrochemicals products for everyday items.

BP is one of the largest foreign investors in Indonesia. Activities include exploration and production, particularly Tangguh LNG which began operations in mid-2009 and the VICO Joint Venture. Work is now ongoing to expand Tangguh through addition of a third LNG train, which will bring benefits to Indonesia, including 40% allocation of LNG production for the domestic market which is estimated to save \$10 billion fuel costs by switching from high speed diesel, \$9.3 billion estimated revenue generation, and support of long-term prosperity and economic development in Papua Barat through the sale of gas for power generation. BP also has a downstream and petrochemical presence with Castrol and BP Petrochemical Indonesia.

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