

Brazilian Firm to Use Chevron Technology

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Chevron Phillips Chemical Company has entered into a contract to license its proprietary loop slurry polyethylene technology to Brazil's Polietilenos União S.A., a wholly owned subsidiary of Unipar. The financial terms of the licensing agreement were not disclosed.

"This agreement reflects a continuation of Chevron Phillips Chemical's objective to license our proprietary loop slurry PE technology strategically," said Dr. Mary Jane Hagenson, Vice President of Research and Technology for Chevron Phillips Chemical.

"The formation of our relationship with Polietilenos União supports Chevron Phillips Chemical's commitment to the rapidly growing PE market in South America," Hagenson said.

Chevron Phillips Chemical's proprietary loop slurry PE technology will be employed in a new 200,000 metric tons per year reactor that is part of Polietilenos União's strategic PE expansion at its plant in Santo André, São Paulo, Brazil.

The facility is expected to startup in 2007. Chevron Phillips Chemical will provide consultation and support during the detailed design, construction and start-up of the Polietilenos União facility.

Ethylene for the new plant will be supplied by debottlenecking Petroquímica União's ethylene capacity at São Paulo Petrochemical Complex.

"These investments are in accordance with Unipar's long-term strategy of expanding its activities in São Paulo. The project leverages the geographic advantages of the region," said Roberto Garcia, President of Unipar.

During the technology selection process, Polietilenos União carefully evaluated the major polyethylene licensors. The Chevron Phillips Chemical loop slurry process was ranked as the best option considering Polietilenos União's strategy of commercializing differentiated products.

"This state-of-the-art technology will give Polietilenos União a competitive advantage in the region," said Vitor Mallmann, Managing Director of Polietilenos União.

Chevron Phillips Chemical's loop slurry PE technology is currently used in 86 reactors in 13 different countries.

This proprietary process technology is utilized at Chevron Phillips Chemical's U.S. facilities as well as at three of its joint venture facilities around the globe.

About Unipar S.A.

Unipar and its subsidiaries are an important petrochemical group in South America, focused on basic petrochemicals, chemical intermediates and synthetic materials.

The new Polietilenos União project will strengthen Unipar's position in the Mercosur PE business, reaching a total capacity of 850,000 metric tons per year through its investments.

Unipar S.A.
www.unipar.ind.br

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<http://www.cpchem.com/>

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