



LA SEDA DE BARCELONA

LA SEDA DE BARCELONA OBTAINS 371 MILLION EURO FOR ITS PTA PROJECT IN SINES

- ***The Project Finance is led by the Portuguese bank Caixa Geral de Depósitos, through its subsidiary Caixa Banco de Investimento***
- ***This deal which comprises a 15 year financing, is backing the new plant's expected viability and profitability***
- ***The Portuguese plant is taking shape as a worldwide strategic production site***

Barcelona, 25 January 2010.- LA SEDA DE BARCELONA has signed a Project Finance for 371 million euros with a long term 15 year financing for its facility in Sines, a Portuguese town in the south of Lisbon. The Project Finance for the chemical Corporation's PTA plant is led by the Portuguese bank Caixa Geral, which is backing the viability of the Company's new site. The financing is subject to achieving a series of conditions which are usual for this kind of process.

The plant building at the petrochemical area of Sines was started in the month of March 2008. This project has been termed as being of National Interest by the Portuguese government, the petrochemical infrastructure being supported by the Portuguese authorities through direct subsidies and fiscal benefits. These aids have been authorized by the European Commission.

The future factory is covering the PTA deficit throughout Europe, which is currently importing from Asia up to 500.000 tons of product. The new factory, which forms part of Seda Group as Artenius Sines, will start its commercial activity in the second semester of 2011 and its annual production capacity will amount to 700.000 tons of PTA. With these capacities, Artenius Sines is taking shape as one of the major worldwide strategic PTA production plants.

Through its new subsidiary, LA SEDA DE BARCELONA is going to generate 150 new direct jobs and 200 indirect ones, apart from a significant increase of local activity during the 2 years for building this infrastructure.

Artenius Sines presents itself as a worldwide competitive production plant with a cutting edge technology equipment for PTA production. A technology that provides important advantages in terms of cost with respect to the average of European plants.



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Energetic costs will be trimmed by approx. 25%, thus affecting the principle of energetic efficiency and positioning La Seda de Barcelona as a technological benchmark of its sector.

Project Finance

Credit Line	Amount (M€)	Maturity
Long term facility	273	15 years
Debt Service Reserve	40	15 years
Working Capital facility	65	5 years
Operational Bank Guarantees	10	5 years

Tax incentive package negotiated with the Portugese Government (API)
– Fiscal incentives: €39 million
– Financial incentive: €57 million
– 10 years without paying rent for a 15 ha plot of land (€2,9 million)

Incentive structure
– Incentives are granted subject to the project, if a series of objectives such as sales, added value and job creation are achieved.
– These incentives, which are audited by third parties were already approved by the Portugese Government and the European Commission and this project was termed as being a Project of National Interest (PIN)