

LyondellBasell to Cease Polymers Production at Chocolate Bayou

HOUSTON, May 7, 2009 – LyondellBasell Industries today announced that it will cease the production of high density polyethylene (HDPE) at its Chocolate Bayou plant near Alvin, Texas by July 31, 2009.

"In the current market environment, with declining demand for polyethylene in the United States and diminishing export opportunities due to the expansion of global capacity, we are taking steps to rationalize capacity," said Vaughn Deasy, Senior Vice President, Base Chemicals and Polyethylene. "We are experiencing trough margins and have excess capacity in our system. These are difficult decisions but steps must be taken to reduce costs and better balance supply in an environment of reduced demand."

The Chocolate Bayou plant has a nameplate capacity of 480 million pounds per year of HDPE. The site has a workforce of approximately 50 employees and those positions will be eliminated.

LyondellBasell announced the permanent closure of the company's Chocolate Bayou olefins plant in March. The two facilities are located at separate sites. LyondellBasell has closed multiple manufacturing operations and offices worldwide as part of a global program to reduce costs and improve efficiencies.

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About LyondellBasell Industries

LyondellBasell Industries is one of the world's largest polymers, petrochemicals and fuels companies. It is the global leader in polyolefins technology, production and marketing; a pioneer in propylene oxide and derivatives; and a significant producer of fuels and refined products, including biofuels. Through research and development, LyondellBasell (www.lyondellbasell.com) develops innovative materials and technologies that deliver exceptional customer value and products that improve quality of life for people around the world.

Source: LyondellBasell Industries

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