

Long-term Off-take Agreement for U.S.-Produced Propylene

Marubeni Corporation (hereinafter, "Marubeni") hereby announces that on June 16th, 2020, the company has concluded an off-take agreement with Enterprise Products Partners L.P. (hereinafter, "Enterprise") for propylene produced by Enterprise's second Propane Dehydrogenation (*1) facility (PDH2) now under construction in the Mont Belvieu, Texas area east of Houston. A leading North American provider of midstream energy services, Enterprise is the largest producer of on-purpose propylene in the U.S, and is expected to begin service in the second quarter of 2023.

This off-take agreement is part of a long-term collaboration between Enterprise and Marubeni that also includes the export of liquefied ethylene. The first vessel loaded under the agreement (*2) sailed from Enterprise's Morgan's Point, Texas terminal in January, 2020.

The demand for propylene, the primary feedstock for producing polypropylene and acrylonitrile, is expected to grow moving forward. Polypropylene is one of the commodity plastics widely used in daily household and industrial goods and acrylonitrile is a feedstock used in the production of acrylic fiber and ABS resins.

With access to reliable supplies of propylene, combined with its robust transportation logistics network, Marubeni is able to balance the supply and demand needs of its global customers. This off-take agreement with Enterprise helps Marubeni to provide its customers with a stable production of their derivative products.

(*1) PDH: A process dehydrogenates propane to produce propylene.

(*2) Marubeni's First Shipment of U.S.-Produced Liquefied Ethylene (9 January, 2020 Press Release)

<https://www.marubeni.com/en/news/2020/release/20200109E.pdf>

【Overview of Enterprise】

Company Name : Enterprise Products Partners L.P.

Headquarters : Houston, Texas

Established : 1998

Business : Storage and logistics for crude oil, natural gas, natural gas liquid and petroleum products.

Website : <https://www.enterpriseproducts.com/>

【The image has been computer-enhanced to show the location of PDH2.】

