



## **Hexion Inc. Receives Court Approval for Restructuring Support Agreement**

May 15, 2019

*Remains On-Track to Emerge from Chapter 11 in Summer 2019*

COLUMBUS, Ohio – May 15, 2019 – Hexion Inc. (“Hexion” or the “Company”) today announced that the U.S. Bankruptcy Court for the District of Delaware (“the “Bankruptcy Court”) has approved the Company’s assumption of the Restructuring Support Agreement (“RSA”).

Craig A. Rogerson, President and CEO of Hexion, stated: “Today’s approval of the RSA signifies another significant step forward in the successful implementation of our deleveraging plan. The RSA reflects the deal reached with 90% of the creditors across our capital structure to reduce debt and invest new equity into our business. This overwhelming support reflects the confidence our stakeholders have in both our business and management team as we continue providing our customers with high-quality products and service. We look forward to emerging from Chapter 11 this summer with a stronger balance sheet, better positioned to further invest in our specialty product portfolio, accelerate new product development and capitalize on our market leading position.”

As previously announced on April 1, 2019, Hexion entered into the RSA with the vast majority of holders of all of the Company’s notes issuances, representing overwhelming consensus across its capital structure, on the terms of a consensual financial de-leveraging plan (the “Plan”). Under the terms of the RSA, creditors representing all tranches of the Company’s notes have agreed to support confirmation of the Plan. The RSA contemplates that the Plan will provide for, among other benefits: (1) significant de-leveraging of the Company’s capital structure by over \$2.0 billion, (2) an infusion of \$300 million in equity capital through a fully-backstopped rights offering, (3) committed exit financing of over \$1.6 billion, and (4) payment in full of the Company’s trade creditors, employees, and other general unsecured creditors.

To implement the RSA, the Company and substantially all of its U.S. subsidiaries and one non-operating entity based in Nova Scotia, Canada voluntarily filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code. Hexion filed its Plan and Disclosure Statement on April 24, 2019, and the Company continues to move at an accelerated pace to implement its restructuring, with a hearing to approve the disclosure statement and authorization to commence solicitation of votes on the Plan scheduled for May 22, 2019.

All of Hexion’s global business segments are continuing to operate as normal, and Hexion’s operations outside the U.S. are not included in the Chapter 11 proceedings. The consummation of the Plan is subject to Bankruptcy Court approval and satisfaction of other conditions. The hearing to consider the approval of the Plan is expected to occur on or around June 24, 2019.

### **Additional Information**

Additional information regarding Hexion’s restructuring is available at [www.hexionrestructuring.com](http://www.hexionrestructuring.com). Suppliers with questions can contact a dedicated hotline, toll-free at +1-614-225-2222 between the hours of 9 AM and 5 PM Eastern Time Monday through Friday. Court filings and information about the claims process are available at <https://omnimgt.com/hexionrestructuring>, by calling Hexion’s claims agent, Omni

Management Group, at +1-888-204-1627 (or +1-818-906-8300 for international calls) or sending an email to [hexion@omnimgt.com](mailto:hexion@omnimgt.com).

## **Advisors**

Latham & Watkins LLP is serving as legal counsel, Moelis & Company LLC is serving as financial advisor, and AlixPartners, LLP is serving as restructuring advisor to Hexion.

## **About the Company**

Based in Columbus, Ohio, Hexion Inc. is a global leader in thermoset resins. Hexion Inc. serves the global wood and industrial markets through a broad range of thermoset technologies, specialty products and technical support for customers in a diverse range of applications and industries. Additional information about Hexion Inc. and its products is available at [www.hexion.com](http://www.hexion.com).

## **Forward-Looking and Cautionary Statements**

Certain statements in this press release are forward-looking statements within the meaning of and made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In addition, our management may from time to time make oral forward-looking statements. All statements, other than statements of historical facts, are forward-looking statements. Forward-looking statements may be identified by the words “believe,” “expect,” “anticipate,” “project,” “plan,” “estimate,” “may,” “will,” “could,” “should,” “seek” or “intend” and similar expressions. Forward-looking statements reflect our current expectations and assumptions regarding our business, the economy and other future events and conditions and are based on currently available financial, economic and competitive data and our current business plans. Actual results could vary materially depending on risks and uncertainties that may affect our operations, markets, services, prices and other factors as discussed in the Risk Factors section of our filings with the SEC. While we believe our assumptions are reasonable, we caution you against relying on any forward-looking statements as it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, our ability to obtain the approval of the Bankruptcy Court with respect to motions filed in the Chapter 11 cases and the outcomes of Bankruptcy Court rulings and the Chapter 11 cases in general, the effectiveness of the overall restructuring activities pursuant to the Chapter 11 filings and any additional strategies that we may employ to address our liquidity and capital resources, the actions and decisions of creditors, regulators and other third parties that have an interest in the Chapter 11 cases, restrictions on us due to the terms of any debtor-in-possession credit facility that we may enter into in connection with the Chapter 11 cases and restrictions imposed by the Bankruptcy Court, the timing for resolving and any impact of the network security incident, a weakening of global economic and financial conditions, interruptions in the supply of or increased cost of raw materials, the loss of, or difficulties with the further realization of, cost savings in connection with our strategic initiatives, the impact of our substantial indebtedness, our failure to comply with financial covenants under our credit facilities or other debt, pricing actions by our competitors that could affect our operating margins, changes in governmental regulations and related compliance and litigation costs and the other factors listed in our SEC filings. For a more detailed discussion of these and other risk factors, see the Risk Factors section in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q and our other filings made with the SEC. All forward-looking statements are expressly qualified in their entirety by this cautionary notice. The forward-looking statements made by us speak only as of the date on which they are made. Factors or events

that could cause our actual results to differ may emerge from time to time. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

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