



Hexion Announces Strategic Expansion of Brimbank, Australia Facility

November 4, 2019

Additional Capacity Geared Toward to Providing Phenolic Adhesive Solutions

COLUMBUS, Ohio - (November 4, 2019) - Hexion Inc. ("Hexion" or the "Company") today announced its intention to add phenolic resin capacity as the latest expansion of its adhesives and binders business at its Brimbank, Australia site.

"As a global leader uniquely positioned in the Australia and New Zealand markets considering our significant manufacturing footprint, the new capacity is designed to meet the growing demand for phenolic resins that can serve in a variety of applications including as a component in fire-resistant cladding material for commercial, institutional and residential applications," said Craig A. Rogerson, Chairman, President and CEO. "By developing adhesive solutions with low fire, smoke and toxicity (FST) properties, the investment is aligned with our ongoing commitment of providing sustainable products that are designed to improve safety in building materials. With our strengthened balance sheet, we remain committed to strategically deploying growth capital behind our specialty product lines in key growth regions. Targeted investments like these are expected to deliver fast paybacks for Hexion, contributing to greater earnings and cash generation over time."

Construction of the new reactor and associated infrastructure is expected to begin in early 2020 and is expected to come online in the first quarter of 2021. Hexion's regional locations include: Brimbank, Australia; Brisbane, Australia; Hornby, New Zealand; and Mountview, New Zealand.

"As the main phenolic resin producer in Australia, we remain committed to growing with our regional customers and delivering innovative solutions," said Rob Schmidt, Vice President and Managing Director, Asia Pacific.

Phenolic resins and adhesives are used commonly in a binder in a number of construction applications. They are typically specified where high heat performance and long-term durability are required. Therefore, phenolic adhesives are an excellent choice for load-bearing engineered wood members, such as structural plywood and laminated veneer lumber, where they can provide the thermal stability at elevated temperatures. When used as intended in product applications, such as cladding and insulation materials, Hexion's phenolic resins fully meet the National Construction Code in Australia.

About the Company

Based in Columbus, Ohio, Hexion Inc. is a global leader in thermoset resins. Hexion Inc. serves the global adhesive, coatings, composites 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.

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