



## **Momentive Specialty Chemicals Inc. Signs Memorandum of Understanding with Kanoria Chemicals & Industries Limited**

October 24, 2013

COLUMBUS, Ohio - (October 24, 2013) - Momentive Specialty Chemicals Inc. ("Momentive Specialty Chemicals" or the "Company") today announced that it has signed a non-binding Memorandum of Understanding (MOU) with Kanoria Chemicals & Industries Limited ("Kanoria") to form a joint venture ("JV") that would construct a new phenolic specialty resins plant in India at Kanoria's existing production facility at Visakhapatnam, Andhra Pradesh.

In addition, under the agreement, for a cash consideration, Kanoria would transfer its currently existing manufacturing facility in Visakhapatnam to the proposed JV, while Momentive Specialty Chemicals would provide technology supporting its specialty phenolic resins, formaldehyde and hexamine businesses, as well as its current business in India, to the JV. It is envisioned that both parties would have equal (50%) ownership of the JV. Under the MOU, the companies will work to identify and evaluate additional growth opportunities for specialty chemicals in such vertical markets as automotive, industrial and construction.

"We are pleased to have the opportunity to partner with Kanoria, a leading manufacturer of chemical intermediates in India," said Craig O. Morrison, Chairman, President and CEO. "India is a critical market for specialty chemicals and the MOU represents another example of our commitment to strategically invest in the region."

"The end markets for specialty phenolics and formaldehyde continue to grow rapidly in India and the proposed JV would leverage the proven approach of combining technology and application development with world-class manufacturing expertise," said R. V. Kanoria, Chairman and Managing Director, Kanoria Chemicals.

The non-binding MOU is just a first step in the process of setting up the contemplated JV, outlining the main principles around which the JV should be structured, Although both parties are committed to further pursuing this transaction, at this time no assurances can be given that the envisaged transaction will eventually materialize.

### **About the Company**

Based in Columbus, Ohio, Momentive Specialty Chemicals Inc. (formerly known as Hexion Specialty Chemicals, Inc.) is the global leader in thermoset resins. Momentive Specialty Chemicals 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. Momentive Specialty Chemicals Inc. is an indirect wholly owned subsidiary of Momentive Performance Materials Holdings LLC.

### **About Momentive**

Momentive Performance Materials Holdings LLC ("Momentive") is the ultimate parent company of Momentive Performance Materials Inc. and Momentive Specialty Chemicals Inc. Momentive is a global leader in specialty chemicals and materials, with a broad range of advanced specialty products that help industrial and consumer companies support and improve everyday life. Its technology portfolio delivers tailored solutions to meet the diverse needs of its customers around the world. Momentive was formed in

October 2010 through the combination of entities that indirectly owned Momentive Performance Materials Inc. and Hexion Specialty Chemicals Inc. The capital structures and legal entity structures of both Momentive Performance Materials Inc. and Momentive Specialty Chemicals Inc. (formerly known as Hexion Specialty Chemicals, Inc.), and their respective subsidiaries and direct parent companies, remain separate. Momentive Performance Materials Inc. and Momentive Specialty Chemicals Inc. file separate financial and other reports with the Securities and Exchange Commission. Momentive is controlled by investment funds affiliated with Apollo Global Management, LLC. Additional information about Momentive and its products is available at [www.momentive.com](http://www.momentive.com).

#### About Kanoria Chemicals & Industries Limited

Kanoria Chemicals & Industries Limited (KCI) (BSE: 506525; NSE: KANORICHEM) is a leading manufacturer of chemical intermediates in India. KCI is a major player in organic chemicals with manufacturing facilities at Ankleshwar in the state of Gujarat, which manufactures Alcohol and Alcohol based intermediates; and at Visakhapatnam in the state of Andhra Pradesh, which manufactures Formaldehyde and Hexamine. KCI enjoys leadership position in India for Pentaerythritol, Formaldehyde and Hexamine. The company has diversified in the renewable energy sector and has set up a 5 MW grid-interactive solar power plant near Jodhpur in the state of Rajasthan. KCI has strong corporate governance and social responsibility practices that have been widely recognized and have won the company several awards. More information about the company is available at [www.kanoriachem.com](http://www.kanoriachem.com).

#### Contacts:

For Momentive Specialty Chemicals, Investors and Media:

John Kompa 614-225-2223

[john.kompa@momentive.com](mailto:john.kompa@momentive.com)

For Kanoria Chemicals & Industries Limited

N.K. Nolkha

Phone: +91-98301-18172

E-mail:- [nolkha@kanoriachem.com](mailto:nolkha@kanoriachem.com)