

FOR IMMEDIATE RELEASE

**Hexion Specialty Chemicals To Build New Facility In Esslingen, Germany  
To Produce Specialty Epoxy Materials For The Wind Energy Market**

ESSLINGEN, Germany – (March 2, 2009) – In a joint press conference today with city officials, Hexion Specialty Chemicals, Inc., announced that it will build a new production facility in Esslingen, Germany, to produce specialty epoxy resins, vital materials used in the production of windmill blades for the wind energy market.

The new, 10,000 square meter facility will include production and warehousing as well as an applications laboratory and offices. The facility will be a “blending only” operation and will not include chemical reactors. It will replace a smaller Hexion facility in nearby Stuttgart which is not suitable to continue to house the growing business operation. The 50 employees at the Stuttgart site will transfer to the Esslingen operation once it is commissioned late in the third quarter of this year. Additional jobs may be created at the Esslingen location in the future as the business anticipates continued growth.

“We reviewed a number of sites but selected the Esslingen location as the one that best meets our business needs,” said Johannes Meunier, Hexion’s business manager for Composites & Wind Energy. “This new, state-of-the-art facility will accommodate our rapidly growing operations to help us better serve our wind energy customers.”

In the past few months the city administration of Esslingen joined forces with Harbert Management Corporation and developed a comprehensive concept for the area where Hexion will locate, a former Panasonic site where production of cathode ray tubes was ceased in 2006.

“Hexion committing to our city and the business park ‘Neckarwiesen’ is not only an important signal for the future of Esslingen as an industrial location, but also for a consistent sustainability-oriented approach,” explained Esslingen’s Mayor Dr. Juergen Zieger about the advantages of having a global company like Hexion on site.

Hexion is one of the leading global suppliers of specialty epoxy resin systems to the wind energy market. The materials produced at the new plant in Esslingen will include bonding pastes and infusion resins used in the fabrication of wind turbine blades that power windmills in modern wind energy farms. Hexion's specialty epoxy resins provide the mechanical strength, durability, stress resistance and proven performance required of modern blades, which can be up to 40-60 meters in length.

"Wind energy continues to grow as an environmentally suitable alternative for a portion of society's energy needs," Hexion's Meunier said. "Advanced materials such as our specialty epoxy resin systems are an important component that enables these wind turbines to operate effectively and safely."

The Hexion building will be immediately adjacent to a new Daimler facility also locating in Esslingen. Additional to the new Hexion site, plans are being made to further enhance and strengthen the industrial area: "We are planning to make infrastructure changes to the area surrounding the 'Sirnauer Bruecke' including the rotary at the Fritz-Mueller-Strasse/Sirnauer Bruecke," confirmed Mayor Zieger during the press conference. These changes will not only be advantageous for Hexion but for all future companies deciding to locate in Esslingen, he said.

### **About Hexion Specialty Chemicals**

Based in Columbus, Ohio, Hexion Specialty Chemicals 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. Hexion Specialty Chemicals is controlled by an affiliate of Apollo Management, L.P. Additional information is available at [www.hexion.com](http://www.hexion.com).

### **Forward Looking Statements**

Certain statements in this press release are forward-looking statements within the meaning 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, the management of Hexion Specialty Chemicals, Inc. (which may be referred to as "Hexion," "we," "us," "our" or the "Company") may from time to time make oral forward-looking statements. Forward looking statements may be identified by the words "believe," "expect," "anticipate," "project," "plan," "estimate," "will" or "intend" or similar expressions. Forward-looking statements reflect our current views about future events and are based on currently available financial, economic and competitive data and on our current business plans. Actual results could vary materially depending on risks and uncertainties that may affect our markets, services, prices and other factors as discussed in our 2007 Annual Report on Form 10-K, and our other filings, with the Securities and Exchange Commission (SEC). Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: economic factors such as the current credit crises and economic downturn and their related impact

on liquidity and an interruption in the supply of or increased pricing of raw materials due to natural disasters; competitive factors such as pricing actions by our competitors that could affect our operating margins; and regulatory factors such as changes in governmental regulations involving our products that lead to environmental and legal matters as described in our 2008 Annual Report on Form 10-K, and our other filings, with the SEC.

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