

December 20, 2005

The Asia Pacific Inks Business of Hexion Specialty Chemicals will implement price increases on the following product categories effective January 1, 2006. Unprecedented and unrelenting increases in raw materials and energy costs have compressed margins to unsustainable levels. Additionally, due to increased costs associated with certain product lines many prices will increase beyond those stated below:

Rosin based Resins	+15-25%
Hydrocarbon resins	+10-20%
Ink vehicles	+10-20%
Wax powders & compounds	+10-25%
Alkyds	+10-20%

Your Hexion sales representative will be in touch with you shortly to discuss the specifics of this increase. Hexion continues to make every effort to mitigate the impact on our customers, unfortunately we can no longer absorb increases of the magnitude we have experienced and are projected to experience. Due to the volatility of these increases, Hexion will eliminate price protection beyond 30 days from date of change.

Hexion Specialty Chemicals appreciates your continued support. Please feel free to contact us if you have specific questions or comments.