

NEWS RELEASE



Australian
Competition &
Consumer
Commission

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COMMENTS CALL ON HEXION SPECIALTY CHEMICALS/ORICA AUSTRALIA ACQUISITION PROPOSAL

The Australian Competition and Consumer Commission today issued a Statement of Issues on the proposed acquisition by Hexion Specialty Chemicals Pty Ltd of Orica Australia Ltd's formaldehyde resins business.

The statement invites further information and comment on the manufacture and supply of amino and phenolic resins in Australia. Both Hexion and Orica manufacture and supply amino and phenolic resin in Australia for use in various industries including wood based products, foundry and fibre insulation industries.

"The ACCC is seeking further information on its competition concerns regarding the manufacture and supply of amino and phenolic resins before making a final decision", ACCC Chairman, Mr Graeme Samuel, said today.

"In particular, the Statement of Issues seeks comments on the extent to which there would be competitive constraints on the merged entity, should the acquisition proceed".

The ACCC invites further submissions from Hexion, its competitors and customers as well as other interested parties that focus on the topics outlined in the Statement of Issues by Wednesday 15 November 2006. The ACCC expects that, once it has considered any further submissions, it will make a final decision on the proposed acquisition on 6 December 2006.

The Statement of Issues will be available on the ACCC's website: www.accc.gov.au under *Mergers*.

Media inquiries

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