



February 23, 2018, **Statement Regarding Chapter 11 Filing**

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BACKGROUND

On February 23, 2018, Fibrant LLC (Fibrant) of Augusta, Georgia, formerly DSM Chemicals North America, filed a voluntary petition for relief under chapter 11 of the U.S. Bankruptcy Code with the U.S. Bankruptcy Court for the Southern District of Georgia. Since Fibrant commenced operations in 1966, the 600-acre industrial complex has been one of the largest employers in the Augusta area with as many as 700 workers at its peak. The chapter 11 petition follows the June 2016 announcement that Fibrant would close its caprolactam manufacturing facility due to prolonged operating losses caused by historically low international caprolactam prices, material increases in raw material prices and increased global competition. The facility, which produced chemicals used in the manufacture of synthetic fibers, subsequently ended caprolactam production in the fall of 2016. Fibrant continues to employ approximately 70 people who are decommissioning a portion of the plant site (including plant infrastructure), providing support services to a DSM Resins plant still under operation at the site, and continuing environmental remediation activities. During this time, Fibrant's remaining manufacturing operations and its liquidation and decommissioning activities have all been performed in cooperation with, and fairness to, Fibrant's creditors and its employees, including the use of a transparent and uniform claims management process to pay creditors. At the time of the bankruptcy filing, Fibrant owed approximately \$11 million in unsecured claims, mainly trade debt, and \$20 million in unliquidated, long-term contract claims. Decommissioning of the plant and liquidation of the assets is anticipated to continue for the next 4 months.

At the time of the bankruptcy filing, Fibrant had approximately \$12 million in available funds in its deposit accounts to pay the administrative costs of its chapter 11 case and operating, decommissioning, and remediation expenses.



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STATEMENT

“We have done our best these last 20 months to wind down our plant operations in a manner that does not leave our employees or creditors in a lurch, maximizes value for all stakeholders, treats everyone fairly and leaves the plant safe. We are grateful for the cooperation shown by our employees, suppliers, and contractors. As we take steps to finish decommissioning the plant and satisfy Fibrant’s responsibilities, we recognize that we have an environmental legacy that must be resolved as part of this proceeding. Our commitment is evidenced by the fact that we are working to ensure Fibrant has sufficient resources to fund its ongoing environmental remediation. We are proud to have been one of the largest employers in Augusta for decades and we intend to do right by the community that has supported us all these years.”

--David Leach, General Manager, Fibrant