

Milacron's Reorganization

Why is Milacron being sold? Who are the buyers?

We have reached an agreement in principle with an investor group owning approximately 78% of our bonds, whereby, subject to a sale process, they will purchase substantially all of the assets of the company as part of a comprehensive financial restructuring. This will allow Milacron to continue operating through the economic downturn and, longer term, with substantially lower interest and debt levels. It is a positive development that the company believes is in the best interests of the company and employees, as well as customers, suppliers and other constituents.

Why did Milacron file Chapter 11?

Despite aggressive cost reduction, and ongoing capacity rationalization, severely reduced sales and orders in recent months – precipitated by the global economic crisis – have impacted liquidity to the point that Chapter 11 filing was necessary. The filing enables Milacron to implement the restructuring and continue to operate its business in the normal course.

What is Chapter 11?

Chapter 11 is the portion of the U.S. Bankruptcy Code that regulates corporate reorganizations. It provides an opportunity for a company to get relief from creditors while it attempts to stabilize its businesses and improve its financial health. Under Chapter 11, a company continues to operate its business in the same manner as it did before the filing and continues to pay its post-filing debts and obligations in the ordinary course of business. Chapter 11 triggers an “automatic stay,” which temporarily freezes all of the company’s debts and obligations to lenders and creditors and any attempts to collect on those obligations.

Is Milacron going out of business?

We would like to stress to you that we are not going out of business. In fact, we will continue to operate in the same manner as we have in the past and we are still here to meet all of our customer’s needs. We are assuring customers that we look forward to taking and filling their orders as always – without any delay or disruption. Our commitment is to serve our customers well throughout this reorganization while laying the groundwork for long-term success.

Will Milacron have the money to continue operating?

Milacron has secured financing which will give us financial stability during the restructuring. We believe this will be sufficient to fund our operations during the process as we transition to new ownership.

What happens during the reorganization process?

During the reorganization process, we expect to continue to operate our businesses in the normal course. In addition, our goal is to emerge as a financially healthier company.

Where did we file? Where can I get a copy of the petitions and other documents?

We filed in the U.S. Bankruptcy Court for the Southern District of Ohio in Cincinnati. Copies of the petitions and other documents filed with the court can be found by visiting the website of our noticing agent, Kurtzman Carson Consultants, at www.kccllc.net/milacron.

Milacron Vendor Questions

Will we be paid for goods and services delivered prior to the filing date?

We are prohibited by Federal law to pay for goods or services received before the filing date. Eventual payment for these goods and services will be determined by the court. We don't know at this time what amount will be paid.

From a vendor's perspective, how does Chapter 11 work?

The process for vendors is driven by court procedures that are designed to ensure every situation is noted and evaluated. Upon filing, a Notice of First Day Hearing document is mailed to all of our vendors.

Generic claim forms and other official court documents can be accessed by visiting the website of our noticing agent, Kurtzman Carson Consultants, at www.kccllc.net/milacron. You will also receive a Proof of Claim form that contains information specific to your claim. This form should be completed and returned to the court.

What assurances do I have on getting paid for future shipments?

We sincerely value our relationship with you and appreciate your desire to continue supplying us. We have secured sufficient financing to fund our operation throughout the restructuring process.

The bankruptcy code grants priority payment for goods and services provided after the filing date. So we are required to pay, under the normal terms of our relationship, for all goods and services you provide us post-filing. Part of the Bankruptcy Court's responsibility is to protect creditors and supervise payment to vendors.