

Alpek signed an agreement to provide secured financing to support M&G Mexico's operations while its restructuring plan is approved

Monterrey, Mexico. January 11, 2018 – Alpek, S.A.B. de C.V. (“Alpek”) announced today that it signed an agreement to provide secured financing to M&G Polímeros México, S.A. de C.V. (“M&G Mexico”). The new credit facility is secured by a second lien on M&G Mexico’s PET production facility in Altamira, Mexico, and has a two-year term for a maximum principal amount of U.S. \$60 million that will be disbursed in several tranches subject to certain conditions, including a restructuring plan that has yet to be presented by M&G Mexico and approved by its creditors. The new credit facility is intended to support M&G Mexico’s PET operations during its restructuring process.

In addition to the new credit facility, Alpek holds the credit rights to a U.S. \$100 million loan made to M&G Mexico, which is secured by a first lien on its PET production facility in Altamira, Mexico.

Alpek will continue to work closely with M&G Mexico and its creditors to implement a permanent restructuring plan.

About Alpek:

Alpek is a leading petrochemical company operating two business segments: “Polyester” (PTA, PET and polyester fibers), and “Plastics & Chemicals” (polypropylene, expandable polystyrene, caprolactam, and other specialty and industrial chemicals). Alpek is an integrated producer of PTA and PET in North America, the largest expandable polystyrene manufacturer in the Americas, and the only producer of caprolactam in Mexico. Alpek also operates one of the largest polypropylene facilities in North America. In 2016, Alpek reported revenues of U.S. \$4.8 billion and EBITDA of U.S. \$669 million. The Company operates 23 plants in the United States, Mexico, Canada, Brazil, Argentina and Chile, and employs more than 5,200 people. Alpek is a publicly traded company listed on the Mexican Stock Exchange.

For further information:

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