



CreditRiskMonitor's assessment of Hexion's ("Hexion") "high risk" status has been determined by a combination of factors:

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## MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's proprietary FRISK® score has Hexion Inc. at a **1**, the highest probability of bankruptcy in the next 12 months.

Business Name	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018
	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Hexion Inc.	1	1	1	1	1	1	1	1	1	1	1	1	1

The FRISK® score is 96% accurate\* in predicting the risk of corporate failure/bankruptcy over a 12-month horizon. All FRISK® scores are recalculated every night for each subsequent 12-month period.

Probability of bankruptcy within 12 months			
FRISK®	From	To	
Best	10	0.00%	0.12%
	9	0.12%	0.27%
	8	0.27%	0.34%
	7	0.34%	0.55%
	6	0.55%	0.87%
	5	0.87%	1.40%
	4	1.40%	2.10%
	3	2.10%	4.00%
	2	4.00%	9.99%
Worst	1	9.99%	50.00%

While the percentage risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. **A FRISK® score of 5 or less is an important warning sign.**

\* FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

## THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:

A “Merton” type model using stock market capitalization and volatility

Financial ratios, including those used in the Altman Z”-Score Model

Bond agency ratings from Moody's, Fitch, DBRS, & Morningstar

## Crowdsourced CreditRiskMonitor Usage Data

**Crowdsourcing** has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

**The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:**

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same “Fair Disclosure” restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company's management and sales representatives to be alerted to concerns in a public company's performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

[Read more in Credit Research Foundation's quarterly journal article, "Assessing Public Company Financial Risk by Crowdsourcing the Research of Credit Professionals"](#)

# COMPANY REPORT DETAIL

## Hexion Inc.

180 E Broad St Fl 26

Phone: (614) 225-4000

Columbus, OH 43215-3707 United States

Ticker: BCI

This is a Subsidiary, click [here](#) for the Parent Company

Latest Financial Statements as of 9/30/2018

### Business Summary

Hexion Inc., formerly Momentive Specialty Chemicals Inc., is a producer of thermosetting resins, or thermosets, adhesive and structural resins and coatings. The Company operates in two segments: Epoxy, Phenolic and Coating Resins and Forest Products Resins. Its products include civil engineering adhesives, electronics resins, electrical castings, composite epoxy resins, floor coatings, waterborne coatings (EPI-REZTM Epoxy Waterborne Resins) and electrocoat (LER, SER and bisphenol-A (BPA)), among others. The Company provides an array of thermosets and associated technologies. Its products are used in various applications, such as forest products, architectural and industrial paints, packaging, consumer products, composites and automotive coatings. Various industry sectors that it serves include industrial/marine, construction, consumer/durable goods, automotive, wind energy, aviation, electronics, architectural, civil engineering, repair/remodeling and oil and gas field support. The Company operates as a subsidiary of Apollo Global Management LLC.

(Source: 10-K)

Employees: 4,300 (as of 12/31/2017)

Incorporated:

Federal Tax Id: 130511250

### Credit Score History

Score/ Index	2018												
	N	D	J	F	M	A	M	J	J	A	S	O	N
<b>FRISK® Score*</b>	1	1	1	1	1	1	1	1	1	1	1	1	1
<b>DBT Index</b>	9	9	9	9	9	9	9	9	9	9	9	9	9
<b>Z"-Score</b>	-3.91		-4.43				-3.8				-3.95		-3.67

\* FRISK® Scores are month-end

### Auditor Information

Last Audit: 12/31/2017

Auditors: Price

Opinion:

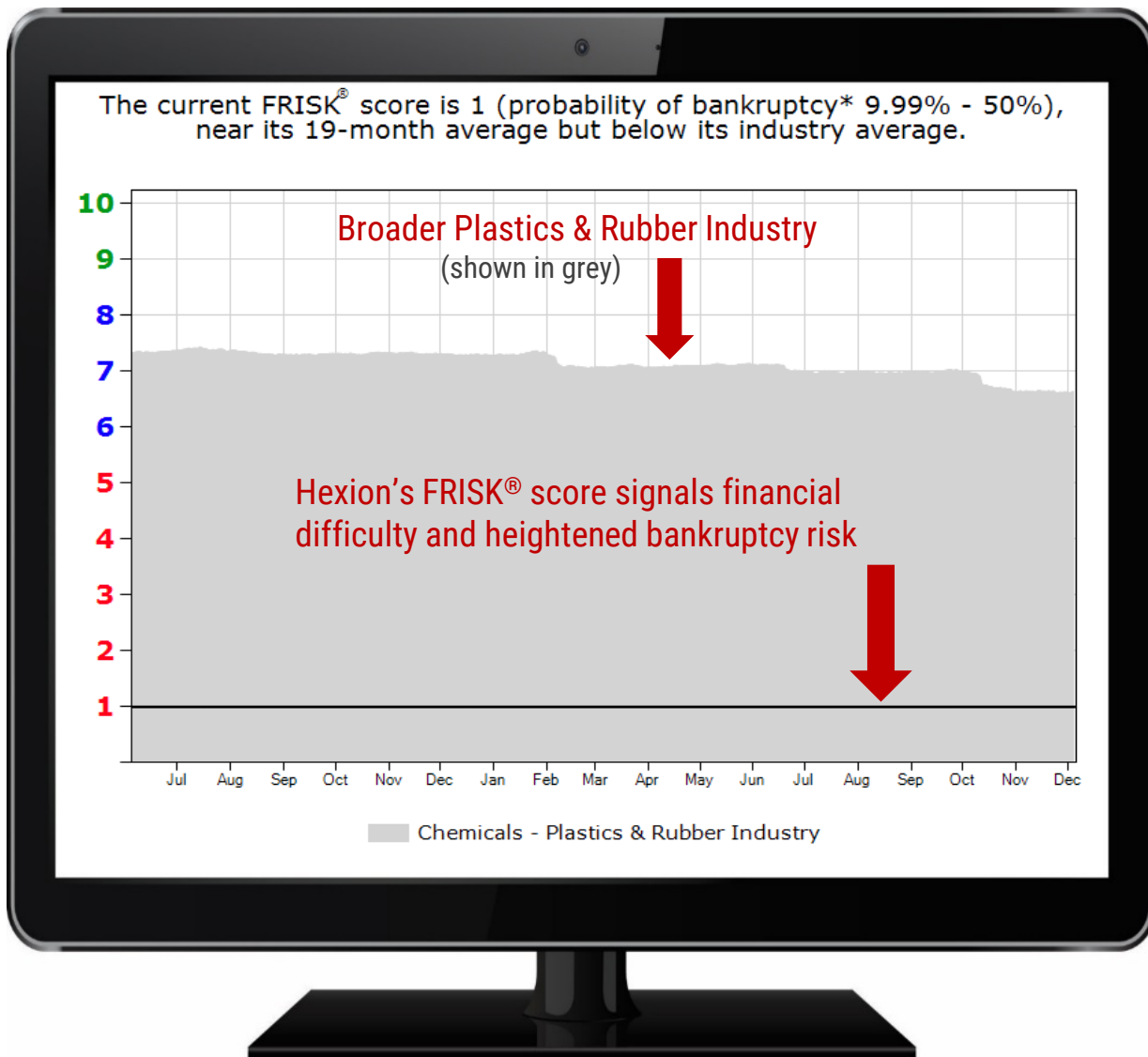
### Agency Credit Ratings

Rating Agency	Long Term Rating	Outlook	Short Term Rating	Watch
<b>Moody's</b>	Caa2	Stable	SGL-3	OFF

The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing.

# FRISK® DEEP DIVE



The FRISK® score relative to the broader Plastics & Rubber industry raises an additional red flag signaling heightened risk relative to peers, as well...

**MAKING IMMEDIATE ATTENTION REQUIRED.**

# FRISK® STRESS INDEX

Business Name	Country	FRISK score
1 Hexion Inc	United States	1
2 China Lumena New Materials Corp	Hong Kong	2
3 Elerindo Wahanatama Tbk PT	Indonesia	2
4 Jubilant Industries Ltd	India	2
5 Sansoy SA Industria de Plasticos	Brazil	2
6 Celulosa Argentina Sociedad Anonima	Argentina	3
7 Hindustan Fluorocarbons Ltd	India	3
8 Innovative Tech Pack Ltd	India	3
9 Israel Petrochemical Enterprises Ltd.	Israel	3
Kronen Corp	United States	3
... Co Ltd	...	3

## FRISK® Stress Index - SIC classification: Plastics materials, synthetic resins, and nonvulcanizable elastomers

Primary industry codes only     Primary and secondary industry codes

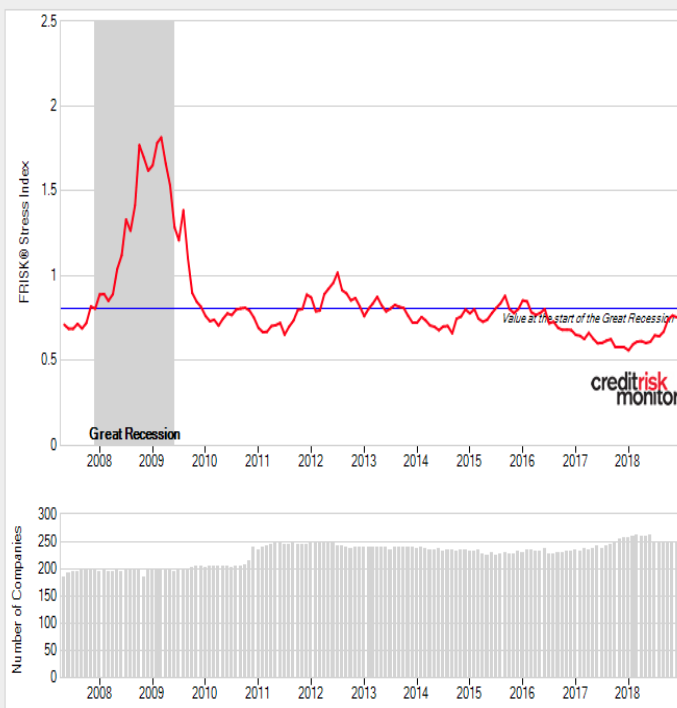
Businesses From: All Businesses CLEAR

In Industry: SIC 2821: Plastics materials, synthetic resins, and nonvulcanizable elastomers

Country: All Countries

**UPDATE RESULTS**

Scale: Auto Total Companies in all months: 365



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

**The average probability of failure for SIC code 2821 (Plastics materials, synthetic resins, and nonvulcanizable elastomers) reflects an industry subsector with low risk. But, Hexion has continued to struggle, as evidenced by its FRISK® score of 1.**

# PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

Hexion demonstrates bottom quartile ranking in key financial ratios (shown in red) vs. its industry peers.

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers.

Peer Analysis						
Basic Materials, Industry: Chemicals - Plastics & Rubber						
[Refresh]						
[Materials] [Industry: Chemicals - Plastics & Rubber] [Calendar Year]						
Businesses in Peer Group: 939	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
				Low	Median	High
<b>Credit Ratings</b>						
ZScore	222	237	-3.67	-1,363.67	3.57	495.88
<b>Performance ratios:</b>						
Net Sales (Thousands of U.S. Dollars)	7	23	952,000	141	507	90
Gross Margin % Of Sales	123	236	16.39	-758.63		
Gross Margin % Of Sales -- TTM	146	238	15.73	-487.04		
SG&A % Of Sales	100	238	7.56	0.61		
SG&A % Of Sales -- TTM	97	240	8.21	0.51		
Operating Margin % Of Sales	92	240	7.35	-936.69		
Operating Margin % Of Sales TTM	129	241	5.76	-1,365.71		
EBITDA Margin Of Sales	38	117	13.45	-235.01		
EBITDA Margin Of Sales -- TTM	63	129	9.32	-1,244.78		
Net Profit Margin % Of Sales	215	240	-1.89	2,829.30		
Net Profit Margin % Of Sales - TTM	216	241	-3.72	-1,421.28		
Pre-tax Income % Of Sales	213	240	-1.26	-2,835.40	5.14	645.06
Effective Tax Rate	8	237	50.00	-9,285.71	19.73	1,277.07
Depreciation % Of Prop/Plant/Equipment	140	175	13.64	0.00	9.19	515.27
Capital Expense % Of Prop/Plant/Equipment	75	184	8.94	0.01	11.55	571.85
Interest Coverage	93	109	1.54	-45.19	9.10	7,700.57
Interest Coverage -- TTM	108	124	1.06	-17.61	8.64	877.87
<b>Liquidity ratios:</b>						
Cash Ratio	174	243	0.16	0.00	0.33	25.48
Quick Ratio	144	239	0.77	0.01	0.00	1.17
Current Ratio	160	243	1.40	0.02		
<b>Efficiency ratios:</b>						
Accounts Receivable Turnover	76	240	8.14	0.00		
Days Sales Outstanding	77	240	44.86	0.00		
% of Inventory Financed by Vendors	92	224	98.74	0.00		
% of Inventory Financed by Vendors -- TTM	84	226	105.91	0.00		
Inventory Turnover	56	240	8.56	0.00		
Inventory Turnover TTM	48	240	9.18	0.00		
Days Sales in Inventory	56	237	42.64	0.50		
Inventory to Working Capital	166	239	1.32	-5.14		
Accounts Payable Turnover	82	226	8.08	0.00	6.72	17.61
Accounts Payable Turnover -- TTM	88	228	8.36	0.00	6.72	610.42
<b>Leverage &amp; debt coverage:</b>						
Total Debt to Equity Ratio	N/A	221	N/A	0.00	0.39	19.72
Debt to Tangible Equity Ratio	N/A	215	N/A	0.00	0.43	17.56
Total Debt to Assets Ratio	229	230	1.80	0.00	0.21	4.50
Short-Term Debt % of Total Debt	12	211	2.21	0.00	60.01	100.00
Short-Term Debt % of Working Capital	88	224	27.91	-1,494.09	19.83	2,948.99
Liabilities to Net Worth Ratio	N/A	226	N/A	0.00	0.98	48.61
Total Liabilities to Equity Ratio	N/A	272	N/A	0.00	0.89	31.41
TTM EBITDA Over Total Debt	100	117	0.09	-187.55	0.33	52.93
Net Debt Over TTM EBITDA	103	109	10.41	-48.23	1.87	49.18
<b>Green - Ranked in Upper Quartile of Peer Group</b>						
<b>White - Ranked in the Middle Two Quartiles of Peer Group</b>						
<b>Red - Ranked in Lower Quartile of Peer Group</b>						
<b>Orange - Confidential</b>						
<b>Grey - Data is Not Available</b>						

- 1 Thai Rayon PCL
- 2 Shin Fong Specialty&Applied Mtri Co Ltd
- 3 China General Plastics Corporation
- 4 Gatron (Industries) Limited
- 5 Tri Chemical Laboratories Inc
- 6 Vinthai Public Company Limited
- 7 Polythene S.A.L.C.
- 8 Alfa Co
- 9 NIPPON SHOKUBAI CO., LTD.
- 10 Topco Technologies Corp
- 11 Ube Industries, Ltd.
- 12 Topco Industry Co Ltd
- 13 Asia Fiber Public Co Ltd
- 14 Yuan Jen Enterprises Co., Ltd.
- 15 BCL Plastics Plc
- 16 Alfa Co
- 17 Thai Rayon PCL
- 18 KPX Holdings Co Ltd
- 19 Yuan Shan Chemical Co Ltd
- 20 Thailand Acrylic Public Company Limited
- 21 Fongosa Plastics Corporation
- 22 Topco Technologies Corp
- 23 Vinthai Public Company Limited
- 24 Chemical Corp
- 25 New Materials Group Co Ltd

# QUARTERLY PERFORMANCE RATIOS

Net losses  
in each of the  
last five fiscal  
quarters

Poor interest  
coverage ratio  
& negative free  
cash flow

## Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 9/30/2018	3 mos 6/30/2018	3 mos 3/31/2018	3 mos 12/31/2017	3 mos 9/30/2017
<b>Net Sales \$</b>	<b>\$952,000</b>	<b>\$995,000</b>	<b>\$946,000</b>	<b>\$895,000</b>	<b>\$914,000</b>
% change	-4.32%	5.18%	5.70%	-2.08%	0.22%
<b>Gross Margin \$</b>	<b>\$156,000</b>	<b>\$166,000</b>	<b>\$157,000</b>	<b>\$117,000</b>	<b>\$117,000</b>
% change	-6.02%	5.73%	34.19%	0.00%	-12.69%
% of sales	16.39%	16.68%	16.60%	13.07%	12.80%
change as % of incremental sales	n/m	18.37%	78.43%	n/m	-850.00%
<b>SG&amp;A \$</b>	<b>\$72,000</b>	<b>\$77,000</b>	<b>\$82,000</b>	<b>\$80,000</b>	<b>\$75,000</b>
% change	-6.49%	-6.10%	2.50%	6.67%	0.00%
% of sales	7.56%	7.74%	8.67%	8.94%	8.21%
change as % of incremental sales	n/m	-10.20%	3.92%	n/m	0.00%
<b>Operating margin \$</b>	<b>\$70,000</b>	<b>\$73,000</b>	<b>\$76,000</b>	<b>(\$1,000)</b>	<b>\$18,000</b>
% change	-4.11%	-3.95%	7,700.00%	-105.56%	-55.00%
% of sales	7.35%	7.34%	8.03%	-0.11%	1.97%
change as % of incremental sales	n/m	-6.12%	150.98%	n/m	-1,100.00%
<b>EBITDA \$</b>	<b>\$128,000</b>	<b>\$93,000</b>	<b>\$107,000</b>	<b>\$25,000</b>	<b>\$77,000</b>
% change	37.63%	-13.08%	328.00%	-67.53%	5.48%
% of sales	13.45%	9.35%	11.31%	2.79%	8.42%
change as % of incremental sales	n/m	-28.57%	160.78%	n/m	200.00%
<b>EBIT \$</b>	<b>\$71,000</b>	<b>\$65,000</b>	<b>\$77,000</b>	<b>(\$5,000)</b>	<b>\$21,000</b>
% change	9.23%	-15.58%	1,640.00%	-123.81%	-53.33%
% of sales	7.46%	6.53%	8.14%	-0.56%	2.30%
change as % of incremental sales	n/m	-24.49%	160.78%	n/m	-1,200.00%
<b>Pre-tax income \$</b>	<b>(\$12,000)</b>	<b>(\$19,000)</b>	<b>(\$6,000)</b>	<b>(\$87,000)</b>	<b>(\$61,000)</b>
% change	36.84%	-216.67%	93.10%	-42.62%	-64.86%
% of sales	-1.26%	-1.91%	-0.63%	-9.72%	-6.67%
change as % of incremental sales	n/m	-26.53%	158.82%	n/m	-1,200.00%
<b>Net income (loss) \$</b>	<b>(\$18,000)</b>	<b>(\$22,000)</b>	<b>(\$13,000)</b>	<b>(\$88,000)</b>	<b>(\$70,000)</b>
% change	18.18%	-69.23%	85.23%	-25.71%	-105.88%
% of sales	-1.89%	-2.21%	-1.37%	-9.83%	-7.66%
change as % of incremental sales	n/m	-18.37%	147.06%	n/m	-1,800.00%
<b>Tax expense \$</b>	<b>\$6,000</b>	<b>\$3,000</b>	<b>\$8,000</b>	<b>\$4,000</b>	<b>\$9,000</b>
Effective tax rate	-50.00%	-15.79%	-133.33%	-4.60%	-14.75%
<b>Depreciation expense \$</b>	<b>\$29,000</b>	<b>\$28,000</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$29,000</b>
% of sales	3.05%	2.81%	3.17%	3.35%	3.17%
% of capital expenses	152.63%	155.56%	120.00%	96.77%	100.00%
% of PP&E, net (annualized)	13.64%	12.74%	13.16%	13.03%	12.66%
<b>Capital expenditures \$</b>	<b>\$19,000</b>	<b>\$18,000</b>	<b>\$25,000</b>	<b>\$31,000</b>	<b>\$29,000</b>
% change	5.56%	-28.00%	-19.35%	6.90%	7.41%
% of PP&E, net (annualized)	8.94%	8.19%	10.96%	13.46%	12.66%
% of working capital (annualized)	26.95%	26.13%	47.28%	65.44%	45.67%
<b>Interest coverage ratio</b>	<b>1.54</b>	<b>1.11</b>	<b>1.29</b>	<b>0.30</b>	<b>0.94</b>
% change	39.30%	-14.13%	322.83%	-67.53%	5.48%
<b>Free cash flow \$</b>	<b>(\$26,000)</b>	<b>\$23,000</b>	<b>(\$108,000)</b>	<b>\$21,000</b>	<b>(\$39,000)</b>
% change	-213.04%	121.30%	-614.29%	153.85%	62.50%
Source:	10-Q 11/13/2018	10-Q 8/7/2018	10-Q 5/14/2018	10-K 3/2/2018	10-Q 11/14/2017



# QUARTERLY LEVERAGE RATIOS

Substantial negative tangible net worth in each of the last five quarters

## Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	9/30/2018	6/30/2018	3/31/2018	12/31/2017	9/30/2017
<b>Total debt \$</b>	<b>\$3,794,000</b>	<b>\$3,760,000</b>	<b>\$3,769,000</b>	<b>\$3,709,000</b>	<b>\$3,733,000</b>
% change	0.90%	-0.24%	1.62%	-0.64%	0.92%
<b>Stockholders' equity \$</b>	<b>(\$2,801,000)</b>	<b>(\$2,777,000)</b>	<b>(\$2,739,000)</b>	<b>(\$2,741,000)</b>	<b>(\$2,659,000)</b>
% change	-0.86%	-1.39%	0.07%	-3.08%	-2.31%
<b>Tangible net worth \$</b>	<b>(\$2,939,000)</b>	<b>(\$2,919,000)</b>	<b>(\$2,886,000)</b>	<b>(\$2,895,000)</b>	<b>(\$2,817,000)</b>
% change	-0.69%	-1.14%	0.31%	-2.77%	-1.66%
<b>Total assets \$</b>	<b>\$2,107,000</b>	<b>\$2,086,000</b>	<b>\$2,145,000</b>	<b>\$2,097,000</b>	<b>\$2,156,000</b>
% change	1.01%	-2.75%	2.29%	-2.74%	-1.15%
<b>Total debt to assets ratio</b>	<b>1.80</b>	<b>1.80</b>	<b>1.76</b>	<b>1.77</b>	<b>1.73</b>
% change	-0.10%	2.58%	-0.66%	2.15%	2.09%
<b>Tangible assets \$</b>	<b>\$1,969,000</b>	<b>\$1,944,000</b>	<b>\$1,998,000</b>	<b>\$1,980,000</b>	<b>\$1,980,000</b>
% change	1.29%	-2.70%	2.83%	0.00%	0.00%
<b>Short-term debt \$</b>	<b>\$84,000</b>	<b>\$82,000</b>	<b>\$66,000</b>	<b>\$66,000</b>	<b>\$66,000</b>
% change	2.44%	24.24%	-47.20%	0.00%	0.00%
<b>Short-term debt % of total debt</b>	<b>2.21%</b>	<b>2.18%</b>	<b>1.75%</b>	<b>1.75%</b>	<b>1.75%</b>
% change	1.52%	24.54%	-48.04%	0.00%	0.00%
<b>Short-term debt % of working capital</b>	<b>27.91%</b>	<b>31.18%</b>	<b>22.92%</b>	<b>22.92%</b>	<b>22.92%</b>
% change	-10.49%	36.05%	-75.25%	0.00%	0.00%
<b>Total liabilities \$</b>	<b>\$4,908,000</b>	<b>\$4,863,000</b>	<b>\$4,884,000</b>	<b>\$4,838,000</b>	<b>\$4,815,000</b>
% change	0.93%	-0.43%	0.95%	0.48%	0.73%
<b>Total debt to EBITDA ratio (annualized)</b>	<b>7.41</b>	<b>10.11</b>	<b>8.81</b>	<b>37.09</b>	<b>12.12</b>
% change	-26.69%	14.78%	-76.26%	206.02%	-4.32%
Source:	10-Q	10-Q	10-Q	10-K	10-Q
	11/13/2018	8/7/2018	5/14/2018	3/2/2018	11/14/2017

Total debt to assets ratio affords creditors little degree of protection from loss

# QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Meager cash and quick ratios

## Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	9/30/2018	6/30/2018	3/31/2018	12/31/2017	9/30/2017
<b>Current assets \$</b>	<b>\$1,058,000</b>	<b>\$1,013,000</b>	<b>\$1,023,000</b>	<b>\$940,000</b>	<b>\$999,000</b>
% change	4.44%	-0.98%	8.83%	-5.91%	-1.67%
% of short-term debt	1,259.52%	1,235.37%	1,550.00%	752.00%	825.62%
<b>Current liabilities \$</b>	<b>\$757,000</b>	<b>\$750,000</b>	<b>\$735,000</b>	<b>\$805,000</b>	<b>\$755,000</b>
% change	0.93%	2.04%	-8.70%	6.62%	0.40%
<b>Working capital \$</b>	<b>\$301,000</b>	<b>\$263,000</b>	<b>\$288,000</b>	<b>\$135,000</b>	<b>\$244,000</b>
% change	14.45%	-8.68%	113.33%	-44.67%	-7.58%
% of sales (annualized)	7.90%	6.61%	7.61%	3.77%	6.67%
<b>Cash \$</b>	<b>\$121,000</b>	<b>\$114,000</b>	<b>\$95,000</b>	<b>\$97,000</b>	<b>\$100,000</b>
% change	6.14%	20.00%	-2.06%	-3.00%	-9.09%
% of short-term debt	144.05%	139.02%	143.94%	77.60%	82.64%
<b>Cash ratio</b>	<b>0.16</b>	<b>0.15</b>	<b>0.13</b>	<b>0.12</b>	<b>0.13</b>
% change	5.13%	17.56%	7.30%	-9.06%	-9.43%
<b>Quick assets \$</b>	<b>\$584,000</b>	<b>\$587,000</b>	<b>\$599,000</b>	<b>\$559,000</b>	<b>\$600,000</b>
% change	-0.51%	-2.00%	7.16%	-6.83%	-1.15%
% of short-term debt	695.24%	715.85%	907.58%	447.20%	495.87%
<b>Quick ratio</b>	<b>0.77</b>	<b>0.78</b>	<b>0.82</b>	<b>0.69</b>	<b>0.79</b>
% change	-1.43%	-3.96%	17.37%	-12.62%	-1.55%
<b>Current ratio</b>	<b>1.40</b>	<b>1.35</b>	<b>1.39</b>	<b>1.17</b>	<b>1.32</b>
% change	3.47%	-2.95%	19.19%	-11.75%	-2.07%
Source:	10-Q 11/13/2018	10-Q 8/7/2018	10-Q 5/14/2018	10-K 3/2/2018	10-Q 11/14/2017

Unable to generate any positive returns

## Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 9/30/2018	3 mos 6/30/2018	3 mos 3/31/2018	3 mos 12/31/2017	3 mos 9/30/2017
<b>Return on total assets</b>	<b>-0.86%</b>	<b>-1.04%</b>	<b>-0.61%</b>	<b>-4.14%</b>	<b>-3.23%</b>
% change	17.43%	-69.67%	85.19%	-28.20%	-104.32%
<b>Return on tangible assets</b>	<b>-0.92%</b>	<b>-1.12%</b>	<b>-0.66%</b>	<b>-4.47%</b>	<b>-3.49%</b>
% change	17.58%	-69.20%	85.23%	-27.82%	-103.52%
Source:	10-Q 11/13/2018	10-Q 8/7/2018	10-Q 5/14/2018	10-K 3/2/2018	10-Q 11/14/2017

# YEAR-OVER-YEAR STATEMENT OF CASH FLOWS

Negative cash from operating activities

## Statement of Cash Flows - Year-over-Year - Standardized - Year to Date

(Thousands of U.S. Dollars)

Period Ended	9 mos 9/30/2018	9 mos 9/30/2017	9 mos 9/30/2016	9 mos 9/30/2015	9 mos 9/30/2014
					Reclassified 9/30/2015
<b>Cash Flows from Operating Activities:</b>					
Net income	(\$52,000)	(\$146,000)	\$59,000	(\$29,000)	(\$66,000)
Depreciation/depletion	115,000	112,000	228,000	102,000	109,000
Deferred taxes	0	(1,000)	3,000	2,000	(2,000)
Non-cash Items	(16,000)	5,000	(324,000)	3,000	29,000
Changes in working capital	(96,000)	(175,000)	(97,000)	(12,000)	(202,000)
<b>Total cash from operating activities</b>	<b>(49,000)</b>	<b>(205,000)</b>	<b>(131,000)</b>	<b>66,000</b>	<b>(132,000)</b>
<b>Cash Flows from Investing Activities:</b>					
Capital expenditures	(62,000)	(86,000)	(91,000)	(122,000)	(133,000)
Other investing cash flow items, total	50,000	5,000	314,000	8,000	(72,000)
<b>Total cash from investing activities</b>	<b>(12,000)</b>	<b>(81,000)</b>	<b>223,000</b>	<b>(114,000)</b>	<b>(205,000)</b>
<b>Cash Flows from Financing Activities:</b>					
Financing cash flow items	(1,000)	(25,000)	0	n/a	0
Issuance/retirement of debt, net	88,000	227,000	(195,000)	88,000	64,000
<b>Total cash from financing activities</b>	<b>87,000</b>	<b>202,000</b>	<b>(195,000)</b>	<b>88,000</b>	<b>64,000</b>
Foreign exchange effects	(4,000)	5,000	1,000	(9,000)	(5,000)
<b>Net change in cash</b>	<b>22,000</b>	<b>(79,000)</b>	<b>(102,000)</b>	<b>31,000</b>	<b>(278,000)</b>
<b>Net cash-beginning balance</b>	<b>115,000</b>	<b>179,000</b>	<b>228,000</b>	<b>156,000</b>	<b>379,000</b>
<b>Net cash-ending balance</b>	<b>\$137,000</b>	<b>\$100,000</b>	<b>\$126,000</b>	<b>\$187,000</b>	<b>\$101,000</b>
<b>Supplemental Disclosures:</b>					
Cash interest paid	\$219,000	\$205,000	\$210,000	\$214,000	\$215,000
Cash taxes paid, supplemental	\$12,000	\$10,000	\$20,000	\$12,000	\$23,000
Source:	10-Q 11/13/2018	10-Q 11/14/2017	10-Q 11/14/2016	10-Q 11/9/2015	10-Q 11/9/2015

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