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**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

# Momentive Announces Third Quarter 2015 Results

**Third Quarter 2015 Highlights:**

- Total net sales declined 11% to $559 million; on a constant currency basis, sales would have decreased 4% for the quarter
- Total Segment EBITDA decreased 35% to $41 million; on a constant current currency basis, total Segment EBITDA would have decreased 25%
- Implementing a global restructuring program targeting $25 million in structural cost savings
- Net debt and liquidity of $1.2 billion and $374 million, respectively, as of September 30, 2015

WATERFORD, N.Y. (November 13, 2015) – MPM Holdings Inc. ("Momentive" or the "Company") today announced results for the third quarter ended September 30, 2015.

"Our third quarter 2015 results were disappointing and reflected slowing demand in China and the related inventory destocking from some of our customers, as well as the U.S. dollar strengthening against most other currencies temporarily offsetting our underlying specialty portfolio growth," said Jack Boss, Chief Executive Officer and President. "In response to softer market conditions, we are aggressively pursuing additional productivity measures that are anticipated to generate approximately $25 million in savings in 2016, while preserving growth projects and customer-facing activities. Our strengthened balance sheet enables us to simultaneously pursue both our restructuring initiatives and our strategic growth programs, such as our recently-completed liquid silicone rubber facility expansions and our in-process NXT™ Silane expansion."

Mr. Boss added: "While we continue to remain well positioned for long-term growth, we anticipate inventory destocking trends and economic volatility will continue into the fourth quarter of 2015. Despite these near-term headwinds, we remain focused on making structural investments in our operations and specialty technologies."

## Third Quarter 2015 Results

*Net Sales.* Net sales for the three months ended September 30, 2015 were $559 million, a decrease of 11% compared with $631 million in the prior year period. The decline in net sales was primarily driven by the strengthening of the U.S. dollar against other currencies, negative product mix and volume declines. On a constant currency basis, net sales would have decreased 4%, which was primarily driven by a decrease in volumes in the third quarter of 2015.

*Segment EBITDA.* Segment EBITDA for the three months ended September 30, 2015 was $41 million, a decrease of 35% compared with $63 million in the prior year period. The decrease in Segment EBITDA was primarily driven by the strengthening of the U.S. dollar against other currencies and mix shift within our silicones segment, which offset a reduction in corporate expenses. On a constant currency basis, Segment EBITDA would have decreased 25% for the period.

**Global Restructuring Program**

In light of market headwinds, the Company is initiating a global restructuring to reduce costs and expects the program to improve its results by $25 million in 2016. Momentive expects that most of the actions to obtain the cost savings will occur over the next few months. Momentive expects to incur approximately $10 million in 2015 and 2016 primarily for severance associated with its $25 million cost savings program.

"While these are always difficult decisions, we are taking these actions to bolster the long term health of the Company and continue to serve our customers in the face of softer market conditions," Mr. Boss said.

**Fresh Start Accounting and Form S-1 Filing**

Upon emergence from bankruptcy on October 24, 2014, Momentive Performance Materials Inc. ("MPM"), an indirect wholly-owned subsidiary of Momentive, adopted fresh start accounting which resulted in the creation of a new entity for financial reporting purposes. As a result of the application of fresh start accounting, as well as the effects of implementing MPM's plan of reorganization, the Consolidated Financial Statements on or after October 24, 2014 of both MPM and Momentive reflected a different basis of accounting than the Consolidated Financial Statements prior to that date. References to "Successor" or "Successor Company" relate to the financial position and results of operations of the reorganized MPM and Momentive subsequent to October 24, 2014. References to "Predecessor" or "Predecessor Company" refer to the financial position and results of operations of both MPM and Momentive prior to October 24, 2014. As a result of the Securities and Exchange Commission declaring Momentive's Form S-1 effective on July 2, 2015, Momentive decided to report its financial results together with its operating subsidiary, MPM. Momentive is a holding company that conducts substantially all of its business through its subsidiaries, and its only material asset is its indirect interest in MPM.

**Segment Results**

Following are net sales and Segment EBITDA by reportable segment for the third quarter ended September 30, 2015. See “Non-U.S. GAAP Measures” for further information regarding Segment EBITDA and Schedule 4 to this release for a reconciliation of Segment EBITDA to net income (net loss). In 2015, the Company redefined its internal reporting structure and now allocates additional administrative functional costs to the operating segments. The current presentation of Segment EBITDA includes a Corporate component rather than the previously disclosed Other component. Corporate is primarily corporate, general and administrative expenses that are not allocated to the operating segments, such as certain shared service and administrative functions. The presentation of Segment EBITDA for the three months ended September 30, 2014 was retrospectively revised to conform with the current presentation format.

**Third Quarter 2015 Results**

**Net Sales [(1)]:**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| | Successor | Predecessor | Successor | Predecessor |
| Silicones | $ 514 | $ 587 | $ 1,605 | $ 1,736 |
| Quartz | 45 | 44 | 135 | 137 |
| **Total** | $ 559 | $ 631 | $ 1,740 | $ 1,873 |

(1) Intersegment sales are not significant and, as such, are eliminated within the selling segment.

**Segment EBITDA:**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| | Successor | Predecessor | Successor | Predecessor |
| Silicones | $ 42 | $ 70 | $ 154 | $ 195 |
| Quartz | 6 | 5 | 26 | 17 |
| Corporate | (7) | (12) | (27) | (35) |
| **Total** | $ 41 | $ 63 | $ 153 | $ 177 |

**Liquidity and Capital Resources**

At September 30, 2015, Momentive had total debt of approximately $1.2 billion, unchanged from December 31, 2014. In addition, at September 30, 2015, Momentive had approximately $374 million in liquidity, including $161 million of unrestricted cash and cash equivalents and $213 million of availability under its senior secured asset-based revolving loan facility (the “ABL Facility”).

Momentive expects to have adequate liquidity to fund its operations for the foreseeable future from cash on its balance sheet, cash flows provided by operating activities and amounts available for borrowings under the ABL Facility.

**Earnings Call**

Momentive will host a teleconference to discuss third quarter ended September 30, 2015 results on Friday, November 13, 2015, at 10 a.m. Eastern Time.

Interested parties are asked to dial-in approximately 10 minutes before the call begins at the following numbers:

U.S. Participants: 800-299-8538
International Participants: 617-786-2902
Participant Passcode: 85507826

Live Internet access to the call and presentation materials will be available through the Investor Relations section of the Company’s website: www.momentive.com.

A replay of the call will be available for three weeks beginning at 2 p.m. Eastern Time on November 13, 2015. The playback can be accessed by dialing 888-286-8010 (U.S.) and +1-617-801-6888 (International). The passcode is 28262032. A replay also will be available through the Investor Relations Section of the Company’s website.

**Non-U.S. GAAP Measures**

Segment EBITDA is defined as EBITDA (earnings before interest, income taxes, depreciation and amortization) adjusted for certain non-cash and certain other income and expenses. Segment EBITDA is an important measure used by the Company's senior management and board of directors to evaluate operating results and allocate capital resources among segments. Segment EBITDA should not be considered a substitute for net income (loss) or other results reported in accordance with accounting principles generally accepted in the United States ("GAAP"). Segment EBITDA may not be comparable to similarly titled measures reported by other companies. See Schedule 4 to this release for a reconciliation of Segment EBITDA to net income (net loss).

Adjusted EBITDA is defined as EBITDA adjusted for certain non-cash and certain non-recurring items and other adjustments calculated on a pro-forma basis, including the expected future cost savings from business optimization or other programs and the expected future impact of acquisitions, in each case as determined under the governing debt instrument. As the Company is highly leveraged, the Company believes that including the supplemental adjustments that are made to calculate Adjusted EBITDA provides additional information to investors about the Company's ability to comply with its financial covenants and to obtain additional debt in the future. Adjusted EBITDA is not a defined term under GAAP. Adjusted EBITDA is not a measure of financial condition, liquidity or profitability, and should not be considered as an alternative to net income (loss) determined in accordance with GAAP or operating cash flows determined in accordance with GAAP. Additionally, EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not take into account certain items such as interest and principal payments on the Company's indebtedness, depreciation and amortization expense (because the Company uses capital assets, depreciation and amortization expense is a necessary element of the Company's costs and ability to generate revenue), working capital needs, tax payments (because the payment of taxes is part of the Company's operations, it is a necessary element of the Company's costs and ability to operate), non-recurring expenses and capital expenditures. Fixed Charges under the indentures should not be considered as an alternative to interest expense. See Schedule 5 to this release for a reconciliation of net income to Adjusted EBITDA and the calculation of the Adjusted EBITDA to Fixed Charges ratio.

**Forward-Looking and Cautionary Statements**

Certain statements in this press release are forward-looking statements within the meaning of and made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In addition, our management may from time to time make oral forward-looking statements. All statements, other than statements of historical facts, are forward-looking statements. Forward-looking statements may be identified by the words “believe,” “expect,” “anticipate,” “project,” “plan,” “estimate,” “may,” “will,” “could,” “should,” “seek” or “intend” and similar expressions. Forward-looking statements reflect our current expectations and assumptions regarding our business, the economy and other future events and conditions and are based on currently available financial, economic and competitive data and our current business plans. Actual results could vary materially depending on risks and uncertainties that may affect our operations, markets, services, prices and other factors as discussed in the Risk Factors section of our most recent Annual Report on Form 10-K and our other filings with the Securities and Exchange Commission (the “SEC”). While we believe our assumptions are reasonable, we caution you against relying on any forward-looking statements as it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: our ability to obtain additional financing, increased legal costs related to the Chapter 11 proceedings and other potential litigation, a weakening of global economic and financial conditions, interruptions in the supply of or increased cost of raw materials, changes in governmental regulations and related compliance and litigation costs, difficulties with the realization of cost savings in connection with our global restructuring and strategic initiatives, including transactions with our affiliate, Hexion Inc., pricing actions by our competitors that could affect our operating margins and the other factors listed in the Risk Factors section of our SEC filings. All forward-looking statements are expressly qualified in their entirety by this cautionary notice. The forward-looking statements made by us speak only as of the date on which they are made. Factors or events that could cause our actual results to differ may emerge from time to time. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

## About Momentive

Momentive is a global leader in silicones and advanced materials, with a 75-year heritage of being first to market with performance applications for major industries that support and improve everyday life. Momentive delivers science-based solutions, by linking custom technology platforms to opportunities for customers. Additional information is available at www.momentive.com.

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*(See Attached Financial Statements)*

**MPM HOLDINGS INC.**
**SCHEDULE 1: CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| (In millions, except share data) | Successor | Predecessor | Successor | Predecessor |
| Net sales | $ 559 | $ 631 | $ 1,740 | $ 1,873 |
| Cost of sales | 469 | | 1,438 | |
| Gross profit | 90 | | 302 | |
| Cost of sales, excluding depreciation and amortization | | 445 | | 1,339 |
| Selling, general and administrative expense | 76 | 249 | 210 | 417 |
| Depreciation and amortization expense | | 54 | | 137 |
| Research and development expense | 17 | 19 | 53 | 58 |
| Restructuring and other costs | 4 | 6 | 13 | 20 |
| Other operating income, net | (2) | — | (7) | — |
| Operating (loss) income | (5) | (142) | 33 | (98) |
| Interest expense, net | 20 | 36 | 59 | 153 |
| Other non-operating expense, net | — | — | 2 | — |
| Reorganization items, net | 1 | 44 | 8 | 114 |
| Loss before income taxes and earnings from unconsolidated entities | (26) | (222) | (36) | (365) |
| Income tax expense (benefit) | 6 | (23) | 11 | (2) |
| Loss before earnings from unconsolidated entities | (32) | (199) | (47) | (363) |
| Earnings from unconsolidated entities, net of taxes | — | — | 1 | 2 |
| Net loss | $ (32) | $ (199) | $ (46) | $ (361) |
| Net loss per share: | | | | |
| Net loss per common share—basic | $ (0.67) | $ (1,990,000) | $ (0.96) | $ (3,610,000) |
| Net loss per common share—diluted | $ (0.67) | $ (1,990,000) | $ (0.96) | $ (3,610,000) |
| Shares used in per-share calculation | | | | |
| Weighted average common shares outstanding—basic | 48,028,594 | 100 | 48,011,335 | 100 |
| Weighted average common shares outstanding—diluted | 48,028,594 | 100 | 48,011,335 | 100 |

**MPM HOLDINGS INC.**
**SCHEDULE 2: CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)**

| (In millions, except share data) | September 30, 2015 | December 31, 2014 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents (including restricted cash of $4, and $5 respectively) | $ 165 | $ 228 |
| Accounts receivable (net of allowance for doubtful accounts of less than $1) | 319 | 324 |
| Inventories: | | |
| Raw materials | 154 | 144 |
| Finished and in-process goods | 270 | 258 |
| Deferred income taxes | 31 | 33 |
| Other current assets | 56 | 60 |
| Total current assets | 995 | 1,047 |
| Investment in unconsolidated entities | 19 | 18 |
| Deferred income taxes | 18 | 14 |
| Other long-term assets | 23 | 27 |
| Property, plant and equipment: | | |
| Land | 74 | 75 |
| Buildings | 293 | 295 |
| Machinery and equipment | 855 | 799 |
| | 1,222 | 1,169 |
| Less accumulated depreciation | (108) | (17) |
| | 1,114 | 1,152 |
| Goodwill | 211 | 218 |
| Other intangible assets, net | 371 | 408 |
| Total assets | $ 2,751 | $ 2,884 |
| **Liabilities and Equity** | | |
| Current liabilities: | | |
| Accounts payable | $ 196 | $ 223 |
| Debt payable within one year | 40 | 38 |
| Interest payable | 26 | 11 |
| Income taxes payable | 7 | 7 |
| Deferred income taxes | 16 | 18 |
| Accrued payroll and incentive compensation | 49 | 57 |
| Other current liabilities | 70 | 82 |
| Total current liabilities | 404 | 436 |
| Long-term liabilities: | | |
| Long-term debt | 1,180 | 1,163 |
| Pension and postretirement benefit liabilities | 340 | 352 |
| Deferred income taxes | 100 | 98 |
| Other long-term liabilities | 54 | 66 |
| Total liabilities | 2,078 | 2,115 |
| **Equity** | | |
| Common stock - $0.01 par value; 70,000,000 shares authorized; 48,028,594 and 47,989,000 shares issued and outstanding at September 30, 2015 and December 31, 2014, respectively | — | — |
| Additional paid-in capital | 860 | 857 |
| Accumulated other comprehensive loss | (81) | (28) |
| Accumulated deficit | (106) | (60) |
| Total equity | 673 | 769 |
| Total liabilities and equity | $ 2,751 | $ 2,884 |

**MPM HOLDINGS INC.**
**SCHEDULE 3: CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**

| (In millions) | Nine Months Ended September 30, 2015 Successor | Nine Months Ended September 30, 2014 Predecessor |
|---|---|---|
| **Cash flows provided by (used in) operating activities** | | |
| Net loss | $ (46) | $ (361) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 118 | 137 |
| Non-cash reorganization items | — | 30 |
| Unrealized actuarial gains from pension liabilities | (10) | — |
| Pension curtailment gain | (3) | — |
| Deferred income tax benefit | (1) | (15) |
| Unrealized foreign currency (gain) loss | (6) | 109 |
| Amortization of debt discount | 17 | — |
| DIP Facility financing fees | — | 19 |
| Other non-cash adjustments | 3 | 5 |
| Net change in assets and liabilities: | | |
| Accounts receivable | (7) | (28) |
| Inventories | (37) | (75) |
| Accounts payable | (9) | 44 |
| Income taxes payable | (8) | (2) |
| Other assets, current and non-current | 7 | 1 |
| Other liabilities, current and non-current | 13 | 11 |
| Net cash provided by (used in) operating activities | 31 | (125) |
| **Cash flows used in investing activities** | | |
| Capital expenditures | (88) | (70) |
| Capitalized interest | (1) | — |
| Purchases of intangible assets | (2) | (2) |
| Consolidation of variable interest entity | — | 50 |
| Proceeds from sale of business | — | 12 |
| Proceeds from sale of assets | 1 | 1 |
| Net cash used in investing activities | (90) | (9) |
| **Cash flows provided by financing activities** | | |
| Proceeds from sale of common stock | 1 | — |
| Net short-term debt borrowings | 3 | 305 |
| Borrowings of long-term debt | — | 208 |
| Repayments of long-term debt | — | (260) |
| Repayment of affiliated debt | — | (50) |
| DIP Facility financing fees | — | (19) |
| Net cash provided by financing activities | 4 | 184 |
| (Decrease) increase in cash and cash equivalents | (55) | 50 |
| Effect of exchange rate changes on cash and cash equivalents | (7) | (5) |
| Cash and cash equivalents (unrestricted), beginning of period | 223 | 89 |
| Cash and cash equivalents (unrestricted), end of period | $ 161 | $ 134 |
| **Supplemental disclosures of cash flow information** | | |
| Cash paid for: | | |
| Interest | $ 29 | $ 136 |
| Income taxes, net of refunds | 14 | 11 |
| Non-cash investing activity: | | |
| Capital expenditures included in accounts payable | $ 11 | $ 12 |

**MPM HOLDINGS INC.**
**SCHEDULE 4: RECONCILIATION OF SEGMENT EBITDA TO NET LOSS (Unaudited)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 |
| | Successor | Predecessor | Successor | Predecessor |
| **Segment EBITDA:** | | | | |
| Silicones | $ 42 | $ 70 | $ 154 | $ 195 |
| Quartz | 6 | 5 | 26 | 17 |
| Corporate | (7) | (12) | (27) | (35) |
| **Total** | $ 41 | $ 63 | $ 153 | $ 177 |
| | | | | |
| **Reconciliation:** | | | | |
| Items not included in Segment EBITDA: | | | | |
| Non-cash charges | $ — | $ (145) | $ (3) | $ (116) |
| Realized and unrealized actuarial gains from pension liabilities | — | — | 13 | — |
| Restructuring and other costs | (4) | (6) | (13) | (20) |
| Reorganization items, net | (1) | (44) | (8) | (114) |
| Total adjustments | (5) | (195) | (11) | (250) |
| Interest expense, net | (20) | (36) | (59) | (153) |
| Income tax benefit (expense) | (6) | 23 | (11) | 2 |
| Depreciation and amortization | (42) | (54) | (118) | (137) |
| Net income (loss) | $ (32) | $ (199) | $ (46) | $ (361) |

**MPM HOLDINGS INC.**
**SCHEDULE 5: RECONCILIATION OF LAST TWELVE MONTHS NET INCOME TO ADJ. EBITDA**

| | September 30, 2015 LTM Period |
|---|---|
| Net income | $ 1,941 |
| Interest expense, net | 83 |
| Income tax expense | 50 |
| Depreciation and amortization | 151 |
| EBITDA | 2,225 |
| Adjustments to EBITDA | |
| Restructuring and other costs[(a)] | 18 |
| Reorganization items, net[(b)] | (2,075) |
| Unrealized loss on pension and postretirement benefits[(c)] | 2 |
| Non-cash charges and other income and expense[(d)] | 47 |
| Exclusion of Unrestricted Subsidiary results[(e)] | (23) |
| Adjusted EBITDA | $ 194 |
| Pro forma fixed charges[(f)] | $ 59 |
| Ratio of Adjusted EBITDA to Fixed Charges[(g)] | 3.29 |

(a) Relates primarily to one-time payments for services and integration expenses, as well as costs related to restructuring our capital structure incurred prior to the Bankruptcy Filing.

(b) Represents incremental costs incurred directly as a result of the Bankruptcy Filing, including certain professional fees, the Backstop Commitment Premium and financing fees related to the debtor-in-possession credit facilities. Also includes the impact of reorganization and fresh start accounting adjustments recorded on the Emergence Date.

(c) Represents non-cash actuarial losses resulting from pension and postretirement liability curtailment and remeasurements.

(d) Non-cash charges and other income and expenses includes the effects of unrealized foreign exchange transaction losses related to certain intercompany arrangements, unrealized derivative gains and losses, losses on asset disposals and stock-based compensation expense.

(e) Reflects the exclusion of the EBITDA of our subsidiaries that are designated as Unrestricted Subsidiaries under the ABL Facility.

(f) Reflects pro forma interest expense based on outstanding indebtedness and interest rates at September 30, 2015.

(g) The Company’s ability to incur additional indebtedness, among other actions, is restricted under the indentures governing our notes, unless the Company has an Adjusted EBITDA to Fixed Charges ratio of 2.0 to 1.0. As of September 30, 2015, we were able to satisfy this test and incur additional indebtedness under these indentures.