



RAIN INDUSTRIES LIMITED

Press Release

December 12, 2017

Announcement of allocation of new Term Loan B and proposed redemption of Senior Secured Notes due 2021

Rain Industries Limited (“**RAIN**”) announced today that on December 11, 2017, Rain Carbon Inc. (“**RCI**”), a wholly owned subsidiary of RAIN, announced that the joint arrangers for RCI’s new proposed senior secured credit facilities, comprised of a €390.0 million term loan B facility (the “**RCI Term Loan B Facility**”) and a \$150.0 million revolving credit facility (the “**RCI Revolving Credit Facility**”, and together the RCI Term Loan B Facility, the “**RCI Senior Credit Facilities**”), have allocated the loans to be made under the RCI Term Loan B Facility. RCI expects that loans made under the RCI Term Loan B Facility will bear interest at a rate per annum equal to EURIBOR (subject to a 0.0% floor) plus 3.00%, and that borrowings under the RCI Revolving Credit Facility will bear interest at a rate per annum equal to LIBOR (subject to a 0.0% floor) plus 2.50%. RCI also announced yesterday that its wholly owned subsidiary, Rain CII Carbon LLC (“**RCC**”), has conditionally called for a full redemption of RCC’s outstanding 8.25% U.S. dollar-denominated Senior Secured Notes due 2021 (the “**RCC US Notes**”) and of RCC’s outstanding 8.50% Euro-denominated Senior Secured Notes due 2021 (the “**RCC Euro Notes**”, and together with the RCC US Notes, the “**RCC Notes**”). The consummation of the RCI Senior Credit Facilities and proposed redemption of the RCC Notes are expected to occur on January 16, 2018 (the “**Closing Date**”).

RCI intends to fully draw on the RCI Term Loan B Facility on the Closing Date, and to apply all the RCI Term Loan B Facility proceeds to fund the redemption of a portion of the outstanding RCC Notes. RCI will utilize cash from its balance sheet to fund the remaining portion of the outstanding RCC Notes and the fees and other transaction costs related to the New Senior Credit Facilities. The redemption of the RCC Notes is conditioned upon the consummation of the RCI Senior Credit Facilities. This press release shall not constitute a notice of redemption of any RCC Notes. Any such redemption notice may only be made pursuant to, and in accordance with, the indenture governing the RCC Notes. The RCI Revolving Credit Facility would be used to finance the working capital needs and other corporate purposes of RCI and its subsidiaries. The RCI Revolving Credit Facility is expected to be undrawn on the Closing Date (other than with respect to certain letters of credit).

The consummation of the RCI Senior Credit Facilities is subject to the execution of definitive documents and satisfaction of customary closing conditions. This press release shall not constitute an offer to sell or a solicitation of an offer to purchase the RCC Notes or any other loans or securities.

The applicable redemption premiums of approximately \$10.0 Million on the RCC Notes would be recognized as expenditures during the quarter ended December 31, 2017 impacting the performance during the fourth quarter.



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RAIN's consolidated term-debt as of September 30, 2017, and pro-forma for the consummation of the RCI Senior Credit Facilities and the redemption of the RCC Notes, is as follows:

US\$ Million	As on Sept. 30, 2017	Pro Forma (Post Refinancing)	Terms
Second Lien Senior Secured Notes:			
- RCC US Notes (USD denominated)	242	-	<ul style="list-style-type: none"> • 8.25% Fixed Rate. • Matures in January 2021
- RCC Euro Notes (Euro denominated)	234	-	<ul style="list-style-type: none"> • 8.50% Fixed Rate. • Matures in January 2021
- RCI US Notes (USD denominated)	550	550	<ul style="list-style-type: none"> • 7.25% Fixed Rate. • Matures in April 2025.
First Lien RCI Senior Secured Term Loan B Facility (Euro-denominated)	-	459 ¹	<ul style="list-style-type: none"> • Floating interest at EURIBOR (Zero Floor) plus 3.00%. • Non-Amortizing and matures in January 2025.
Other First Lien Senior Secured Bank Debt	50	50	<ul style="list-style-type: none"> • Floating interest at LIBOR plus 3.34%. • Repayable in instalments up to March 2022.
Sales Tax Deferment	11	11	<ul style="list-style-type: none"> • Interest Free. • Repayable in Instalments up to June 2025.
Unsecured Loan from JV partners	4	4	<ul style="list-style-type: none"> • 8.00% Fixed Rate. • Repayable in instalments up to June 2018.
Other Debt (including finance leases)	9	9	<ul style="list-style-type: none"> • Average interest rate of 5.87%. • Repayable in instalments up to December 2020.
Gross Term Debt	1,100	1,083	
Weighted Average Rate of Interest per annum	7.5%	5.2% ²	

Notes:

1. Assuming FX Rate of \$1.1778 / €1.0000 (the FX rate as of December 11, 2017)
2. Assuming EURIBOR and LIBOR as of December 11, 2017.



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About RAIN:

RAIN is a leading vertically integrated global producer of a diversified portfolio of carbon, cement and chemical products that are essential raw materials for staples of everyday life. We operate in three business segments: carbon, cement and chemicals. Our carbon business segment converts the by-products of oil refining and steel production into high value carbon-based products that are critical raw materials for the Aluminium, graphite, carbon black, wood preservation, titanium dioxide, refractory and several other global industries. Our cement segment consists of two integrated Cement Plants that operate in the South Indian market producing two primary grades of cement, OPC and PPC. Our chemicals business segment extends the value chain of our carbon processing through the downstream refining of a portion of this output into high value chemical products that are critical raw materials for the specialty chemicals, coatings, construction, petroleum and several other global industries. We have longstanding relationships with most of our major customers, including several of the largest companies in the global Aluminium, graphite and specialty chemicals industries, and with most of our major raw material suppliers, including several of the world's largest oil refiners and steel producers. Our scale and process sophistication provides us the flexibility to capitalize on market opportunities by selecting from a wide range of raw materials, adjusting the composition of our product mix and producing products that meet exacting customer specifications, including several specialty products. Our production facility locations and integrated global logistics network also strategically position us to capitalize on market opportunities by addressing raw material supply and product demand on a global basis in both established and emerging markets.

Carbon Products include Calcined Petroleum Coke ("CPC"), Coal Tar Pitch ("CTP"), Green Petroleum Coke ("GPC"), Energy produced through Waste-heat recovery ("WHR") and other derivatives of Coal Tar distillation including Creosote Oil, Naphthalene, Phthalic Anhydride and others. Chemicals Products include Resins, Modifiers, Superplasticizers, Aromatic Chemicals, and others. The manufacture and sales of Cement has been classified as Cement.

Forward-Looking Statements

The information contained in this announcement may contain forward-looking statements, estimates and projections. These statements involve elements of subjective judgment and analysis and are based upon the best judgment of RAIN as of the date of this announcement. These statements are subject to change without notice and are based on a number of assumptions and entail known and unknown risks and uncertainties, as there are a variety of factors that may cause actual results and developments to differ materially from any future results and developments expressed or implied by such forward-looking statements. Therefore, you should not rely on these forward-looking statements. Neither RAIN nor any other person gives any undertaking, or is under any obligation, to update these forward-looking statements for events or circumstances that occur subsequent to the date of this announcement or to update or keep current any of the information contained herein and this announcement is not a representation by RAIN or any other person that they will do so, except to the extent required by law.

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