



VISKASE COMPANIES, INC.

PRESS RELEASE ON LOUDON PLANT STRIKE

For Immediate Release

Loudon, TN, September 30, 2015, 12:01 pm ET

Viskase Companies, Inc. has been engaged in continuing negotiations for the past two months with the International Association of Machinists and Aerospace Workers, AFL-CIO, Local Lodge 2544 ("IAM") affecting Viskase's 188 hourly workers at its Loudon, TN extrusion facility. Last evening, the IAM membership voted to strike effective at noon today.

Viskase offered a package on wages and benefits which would preserve the jobs and the wage levels – among the highest in the area – that our Loudon employees currently receive. Our proposals included:

- A substantial cash incentive payment and yearly base wage increases over five years that retains their pay near the top of the local market;
- A much improved work schedule that would give shift workers more quality time away from work while increasing their total pay;
- Good health care benefits at significantly reduced premium and out-of-pocket costs to the vast majority of Loudon employees who presently subsidize the health benefits enjoyed by a minority of their fellow workers;
- A disability pay package that would provide a solid safety net for sickness or injury to all Loudon employees, instead of the IAM-driven seniority-based current program that leaves over 50% of the workers with no coverage for six months to a year.

In the face of the global market for sausage casings – with reduced demand, excess capacity, high US labor costs compared to our competitors, and severe economic impacts due to the strength of the US dollar – the Company did propose some essential cost reductions, including elimination of inequitable payments to some, but not all, of the hourly workers, reduction in Sunday premium payments unheard of in a 24/7/365 manufacturing operation, and changes in other special pay practices that did not benefit all workers.

During negotiations, the IAM informed us that, contrary to the express terms of the Collective Bargaining Agreement, they would not assist in the orderly shutdown and cleaning of equipment to protect the plant and make a prompt resumption of operations possible. We therefore had to bring in workers from our other plants and from the outside to protect the plant and perform the work the IAM promised – but refused - to perform.

However, we are prepared for the strike and have taken the necessary steps to ensure the protection of our manufacturing facility and the resumption of production operations. Loudon produces only small cellulosic casings. We have three other global small cellulose extrusion facilities, and the strike will have no impact on our global production of plastics, fibrous and large cellulose casings. Viskase intends to continue to service our customers.

We are, of course, disappointed that our package was rejected by the union membership. We hope that this labor dispute will be short lived.

VISKASE COMPANIES, INC.