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## **TPC Group Significantly Exceeding Targets on its 2016 Plan to Enhance Business Performance and Financial Flexibility**

HOUSTON, Sept. 15, 2016 (GLOBE NEWSWIRE) --

Following its recent announcement of the sale of its Baytown, Texas manufacturing facility to SI Group, TPC Group is updating the progress on its Earnings and Cash Improvement Plan (ECIP) which was announced and implemented earlier this year. The Company announced today that it already has exceeded its target of \$100 million in earnings and/or cash improvements in 2016 versus 2015.

"Year to date we generated more than \$120 million of earnings and/or cash improvements versus 2015 and I expect we will close the year at more than \$135 million," said Ed Dineen, TPC Chairman, President and CEO. "This success puts us on track to exceed 2015 performance despite the significant drop in commodities, and in combination with our Riverstone credit agreement and equity line entered into in Q1, we expect to end the year with more than \$115 million of available financial liquidity."

The primary components of this plan are initiatives in five key operational areas:

- | Prudent Capital Management
- | Rigorous Comprehensive Cost Reductions
- | Opportunistic Cash Generation via Non-Core Asset Sales and Inventory Management
- | Structural Revenue Enhancements, and
- | Reliability Improvements

"Many of the systematic elements of this plan will also position us well for the future. For instance, on Reliability Improvements, we have had a highly successful first turnaround of our new dehydro unit — on budget, on time and successful restart leading to 100 percent on-stream time and record production within three weeks of startup. Another great example is Structural Revenue Enhancements, where we have made, and continue to make, great progress in achieving new or extended contracts that deliver both higher earnings and more earnings stability in all of our key businesses. As a result of this and many reliability and other improvements, even without much help on commodity price improvement, we expect to be cash positive in 2017 after making interest payments and funding our 2017 capital plan. Also, given our progress and greatly enhanced flexibility we are highly confident we will refinance our ABL credit facility well in advance of maturity. Finally, we have just completed a rigorous five year long range plan which will deliver substantial debt reduction over the next five years," said Dineen. "Given this, we view our greatly enhanced liquidity as both an insurance policy as well as a good early start on our debt reduction goals."

### **About TPC Group**

TPC Group Inc. is a leading producer of value-added products derived from niche petrochemical raw materials such as C4 hydrocarbons. The Company sells its products into a wide range of performance, specialty and intermediate segments, including synthetic rubber, fuels, lubricant additives, plastics and surfactants. Headquartered in Houston, Texas, and with an operating history of more than 70 years, the Company has manufacturing facilities in the industrial corridor adjacent to the Houston Ship Channel, Port Neches and Baytown, Texas and operates a butadiene product terminal in Lake Charles, Louisiana. For more information, visit the Company's website at [www.tpcgrp.com](http://www.tpcgrp.com).

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