

LyondellBasell Restructuring to Continue Under New JV

LyondellBasell would carry on its restructuring process under US bankruptcy protection despite changes in the ownership of the company, corporate parent Access Industries said on Wednesday.

Access Industries has entered into an agreement with Germany's ProChemie Holding to form a joint venture (jv) - to be named ProChemie GmbH - that will control LyondellBasell.

The joint venture will be equally owned by Access Industries and ProChemie Holding.

"The members of the new joint venture will both support LyondellBasell's restructuring process and seek to identify and pursue global business opportunities," Access said in a statement.

LyondellBasell's US operations filed for bankruptcy protection on 6 January in the US. The holding company followed with its own US filing for bankruptcy protection.

The company plans to emerge from bankruptcy by the end of 2009.

The change in ownership provides Access Industries with the flexibility to participate in the restructuring of LyondellBasell in ways that are tax neutral for the chemical company, Access said.

Access Industries said it would contribute its equity ownership in LyondellBasell in exchange for a 50% interest in ProChemie GmbH.

The initial assets in the joint venture will comprise Access' equity in LyondellBasell and assets currently owned by ProChemie Holding, an Access Industries spokesperson said.

No further financial details were available. ProChemie could not be reached for comment.

Access Industries has already filed documents in Europe notifying regulators of its intent to change the ownership structure of LyondellBasell, a LyondellBasell spokesperson in Houston said.

The spokesperson said the ownership change would have no impact on LyondellBasell's day-to-day operations.

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