



MERCER INTERNATIONAL INC.

Offer to Purchase for Cash Any and All of Its Outstanding 6.500% Senior Notes due 2024

Title of Security	CUSIP No.	Outstanding Principal Amount	Issuer	Consideration
6.500% Senior Notes due 2024 (the "Notes")	588056AU5	US\$250,000,000	Mercer International Inc.	US\$1,018.35 ⁽¹⁾

- (1) Per US\$1,000 principal amount of Notes and excluding Accrued Interest (as defined below), which will be paid in cash in addition to the Consideration (as defined below), up to the Settlement Date (as defined below) for the Tender Offer (as defined below).

The Tender Offer (as defined below) will expire at 5:00 p.m., Eastern Time, on January 21, 2021 (such time and date, as the same may be extended, the "Expiration Time") unless extended or earlier terminated. Holders of Notes must validly tender and not validly withdraw their Notes at or prior to the Expiration Time to be eligible to receive the Consideration.

Mercer International Inc., a Washington corporation (the "Offeror"), hereby offers to purchase for cash, upon the terms and subject to the conditions set forth in this Offer to Purchase (as it may be amended or supplemented from time to time, the "Offer to Purchase") and the related notice of guaranteed delivery (as it may be amended or supplemented from time to time, the "Notice of Guaranteed Delivery" and, together with this Offer to Purchase, the "Offer Documents"), any and all of the Notes from each registered or beneficial holder thereof (each a "Holder") upon the terms and subject to the conditions set forth in the Offer Documents (the "Tender Offer"). The Tender Offer is not conditioned upon any minimum amount of Notes being tendered, and may be amended, extended or terminated.

The consideration for the Tender Offer is US\$1,018.35 for each US\$1,000 principal amount of Notes validly tendered and accepted for payment pursuant to the Tender Offer (the "Consideration"). Holders whose Notes are purchased pursuant to the Tender Offer will also receive a cash amount equal to the accrued and unpaid interest thereon from the applicable last interest payment date up to, but not including, the date of payment of the applicable Consideration ("Accrued Interest") for such Notes accepted for purchase in the Tender Offer (the "Settlement Date").

The Tender Offer is subject to the satisfaction of certain conditions, including the Financing Condition (as defined herein), as set forth in this Offer to Purchase under the caption "Conditions to the Tender Offer".

The Dealer Manager for the Tender Offer is:

Credit Suisse

January 14, 2021

Holders of Notes should take note of the following dates in connection with the Tender Offer:

Date	Calendar Date and Time	Event
Launch Date	January 14, 2021 (the "Launch Date")	Commencement of the Tender Offer
Expiration Time	5:00 p.m., Eastern Time, on January 21, 2021, unless extended or earlier terminated.	The last time and day for Holders to (1) tender Notes pursuant to the Tender Offer and be eligible to receive the applicable Consideration, plus Accrued Interest, (2) validly withdraw tenders of Notes subject to the Tender Offer (as further described in "Principal Terms of the Tender Offer—Withdrawal of Tenders") and (3) deliver a Notice of Guaranteed Delivery (as defined below).
Acceptance Date	Promptly after the Expiration Time, and expected to be January 22, 2021, assuming that the Tender Offer is not extended or earlier terminated (the "Acceptance Date").	Acceptance by the Offeror for purchase all Notes validly tendered and not validly withdrawn prior to the Expiration Time, subject to satisfaction or waiver of all conditions.
Settlement Date	Promptly after the Expiration Time, expected to be January 26, 2021, assuming that the Tender Offer is not extended or earlier terminated. Payment for Notes tendered pursuant to a Notice of Guaranteed Delivery and accepted for purchase in the Tender Offer will also be made on the Settlement Date.	The date the Offeror will deposit with the Information and Tender Agent or, at its direction, with the Depository Trust Company ("DTC") for distribution to the Holders entitled thereto, the amount of cash necessary to pay each Holder in respect of their Notes that are accepted for payment the applicable Consideration, plus Accrued Interest. For the avoidance of doubt, Accrued Interest will cease to accrue on the Settlement Date, which is expected to be on January 26, 2021, for all Notes that are accepted for payment in the Tender Offer, including those tendered by the guaranteed delivery procedures set forth herein. In no event will Consideration be paid prior to the Expiration Time.

Upon the terms and conditions of the Tender Offer, the Offeror will notify D.F. King & Co., Inc., the Information and Tender Agent for the Offer of the Notes (the "Information and Tender Agent"), promptly after the Expiration Time of its acceptance for purchase and payment pursuant to the Tender Offer of Notes validly tendered and not validly withdrawn before the Expiration Time.

Notwithstanding any other provision of the Tender Offer, the Offeror's obligation to accept for purchase and to pay for Notes validly tendered and not validly withdrawn pursuant to the Tender Offer is subject to, and conditioned upon, the satisfaction or waiver of the Financing Condition and the General Conditions (as defined below in "Principal Terms of the Tender Offer—Conditions of the Tender Offer").

The Offeror reserves the right to (a) to accept for purchase and pay for all Notes validly tendered and not validly withdrawn before the Expiration Time and to keep the Tender Offer open or extend the Expiration Time to a later date and time as announced by the Offeror, (b) to waive any and all conditions to the Tender Offer for Notes tendered before the Expiration Time or (c) to otherwise amend the Tender Offer in any respect.

The Offeror expressly reserves the right, subject to applicable law, to terminate or withdraw the Tender Offer. If the Tender Offer is terminated or withdrawn, Notes tendered pursuant to the Tender Offer will promptly be returned to the tendering Holders.

This Offer to Purchase has not been filed with or reviewed by any federal, state or provincial securities commission or regulatory authority of any jurisdiction, nor has any such commission or authority passed upon the

accuracy or adequacy of this Offer to Purchase. Any representation to the contrary is unlawful and may be a criminal offense.

None of the Offeror, the Dealer Manager, the Information and Tender Agent or the trustee of the Notes are making any recommendation as to whether Holders should tender Notes in response to the Tender Offer.

Each Holder must make his, her or its own decision as to whether to tender Notes and, if so, as to the principal amount of Notes to tender.

IMPORTANT INFORMATION

Each Note is represented by one or more global certificates registered in the name of Cede & Co., the nominee of DTC. DTC is the only registered holder of the Notes. DTC facilitates the clearance and settlement of securities transactions through electronic book-entry changes in accounts of DTC participants. DTC participants include securities brokers and dealers, banks, commercial banks, trust companies and other nominees. Any Holder desiring to tender Notes pursuant to the Tender Offer should request its broker, dealer, commercial bank, trust company or other nominee to effect the transaction for such Holder.

DTC has authorized DTC participants that hold the Notes on behalf of beneficial owners through DTC to tender their Notes as if they were Holders. To effect such a tender of the Notes, DTC participants must tender their Notes to DTC through the DTC Automated Tender Offer Program ("ATOP"), for which the Offer of the Notes will be eligible, and follow the procedures set forth in "Principal Terms of the Tender Offer—Procedures for Tendering Notes". Holders desiring to tender their Notes on the date immediately preceding the date on which the Expiration Time occurs should be aware that such Holders must allow sufficient time for completion of the ATOP procedures during normal business hours of DTC on such date.

There is no letter of transmittal for the Tender Offer. Holders must tender Notes through DTC's ATOP procedures.

Holders should note that the deadlines set by your custodian or nominee for the submission and withdrawal of electronic instructions may be earlier than the relevant deadlines specified in this Offer to Purchase.

Holders must tender their Notes in accordance with the procedures set forth under "Principal Terms of the Tender Offer—Procedures for Tendering Notes". A Holder who desires to tender Notes but who cannot comply with the procedures set forth herein for a tender on a timely basis or whose Notes are not immediately available may tender such Notes by following procedures for guaranteed delivery set forth below under "Principal Terms of the Tender Offer—Procedures for Tendering Notes—Guaranteed Delivery", including physical delivery of the Notice of Guaranteed Delivery to the Information and Tender Agent.

Questions and requests for assistance relating to the procedures for tendering Notes or for additional copies of the Offer Documents may be directed to the Information and Tender Agent at the addresses and telephone numbers set forth on the back cover of this Offer to Purchase. Requests for assistance relating to the terms and conditions of the Tender Offer may be directed to the Dealer Manager at its address and telephone number set forth on the back cover of this Offer to Purchase. Requests for additional copies of the Offer Documents may also be directed to brokers, dealers, commercial banks or trust companies.

The Offer Documents contain important information that should be read before any decision is made with respect to the Tender Offer.

The Offer Documents do not constitute an offer to purchase, or the solicitation of an offer to sell, Notes in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities or blue sky laws. The Offer Documents do not constitute an offer to sell any securities or the solicitation of an offer to buy any securities (other than the Notes). Any offer of securities will only be made by an offering document and any such offering may not be registered with the Securities and Exchange Commission (the "SEC").

The delivery of the Offer Documents shall not under any circumstances create any implication that the information contained therein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth therein or in the affairs of the Offeror or any subsidiary or affiliate of the Offeror since the date hereof.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Offer to Purchase, and, if given or made, such information or representation may not be relied upon as having been authorized by the Offeror, the Dealer Manager, the trustee of the Notes or the Information and Tender Agent.

The Offeror currently intends to redeem any remaining Notes on February 13, 2021 (subject to extension by the Offeror) at the then-applicable redemption price of 101.625%, plus accrued and unpaid interest to, but not including, the redemption date. In addition, it may, from time to time, purchase additional Notes in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or may redeem Notes pursuant to the terms of the indenture governing the Notes. Any future purchases may be on the same terms or on terms that are more or less favorable to Holders of Notes than the terms of the Tender Offer. Any future purchases by the Offeror will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) the Offeror will choose to pursue in the future.

Further copies of the Offer Documents, together with any amendments or further announcements, can be obtained from the Offer Website: <http://www.dfking.com/merc>.

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SUMMARY

The following summary highlights selected information from this Offer to Purchase and is qualified in its entirety by reference to, and should be read in conjunction with, the information appearing elsewhere or incorporated by reference in this Offer to Purchase before making a decision regarding the Tender Offer. Cross-references contained in this summary section will direct you to a more complete discussion of a particular topic elsewhere in this Offer to Purchase.

The Offeror Mercer International Inc., a Washington corporation (the "Offeror")

The Tender Offer..... The Offeror is offering to purchase for cash, upon the terms and subject to the conditions set forth in the Offer Documents, any and all of the outstanding Notes indicated in the table on the front cover of this Offer to Purchase.

Notes Subject to the Tender Offer The following table sets forth the security description for the Notes, the CUSIP number and the aggregate principal amount outstanding:

Title of Security	CUSIP No.	Outstanding Principal Amount
6.500% Senior Notes due 2024	588056AU5	US\$250,000,000

Expiration Time..... The Tender Offer will expire at 5:00 p.m., Eastern Time, on January 21, 2021 unless extended or earlier terminated (the "Expiration Time").

Settlement Date..... The Settlement Date will be promptly after the Expiration Time. Assuming the Tender Offer is not extended or earlier terminated, the Offeror expects that the settlement date (the "Settlement Date") will be January 26, 2021. Payment for Notes tendered pursuant to a Notice of Guaranteed Delivery and accepted for purchase in the Tender Offer will also be made on the Settlement Date.

Consideration..... The consideration for the Tender Offer is US\$1,018.35 for each US\$1,000 principal amount of the Notes validly tendered and accepted for payment pursuant to the Tender Offer.

Accrued Interest Subject to the terms and conditions of the Tender Offer, in addition to the Consideration, Holders who validly tender their Notes and whose Notes are accepted for purchase pursuant to the Tender Offer will also be paid on the Settlement Date, accrued and unpaid interest thereon from the applicable last interest payment date up to, but not including, the Settlement Date (the "Accrued Interest"). For the avoidance of doubt, Accrued Interest will cease to accrue on the Settlement Date, which is expected to be on January 26, 2021, for all Notes that are accepted for payment in the Tender Offer, including those tendered by the guaranteed delivery procedures set forth herein.

Acceptance of Tendered Notes and Payment..... Upon the terms of the Tender Offer and upon satisfaction or waiver of the conditions to the Tender Offer specified herein under "Principal Terms of the Tender Offer—Conditions of the Tender

Offer", the Offeror will (a) accept for purchase all of the Notes subject to the Tender Offer validly tendered (or defectively tendered, if the Offeror has waived such defect) and not validly withdrawn on or prior to the Expiration Time or Notes with respect to which a Notice of Guaranteed Delivery has been delivered on or prior to the Expiration Time, and (b) promptly pay the Consideration (plus the applicable Accrued Interest) on the Settlement Date.

The Offeror reserves the right, subject to applicable laws, to (a) extend the Expiration Time with respect to the Tender Offer to a later date and time with respect to the Notes as announced by the Offeror and (b) waive all conditions to the Tender Offer for Notes tendered to the Offeror before the Expiration Time.

Payments for the Notes accepted for purchase will be made on the Settlement Date by the transmission of immediately available funds by the Offeror to the Information and Tender Agent or, at the Information and Tender Agent's instruction, to DTC. The Information and Tender Agent will act as agent for the tendering Holders for the purpose of receiving payments from the Offeror and transmitting such payments to such Holders. Under no circumstances will any interest be payable because of any delay in the transmission of funds to Holders.

Withdrawal Rights Notes subject to the Tender Offer may be validly withdrawn at any time before the earlier of (i) the Expiration Time or (ii) if the Tender Offer is extended, the 10th business day after commencement of the Tender Offer. Notes subject to the Tender Offer may also be validly withdrawn in the event the Tender Offer has not been consummated within 60 business days after commencement. See "Principal Terms of the Tender Offer—Withdrawal of Tenders".

Conditions of the Tender Offer The Offeror's obligation to accept for purchase and pay for the validly tendered Notes that have not been validly withdrawn is subject to, and conditioned upon, satisfaction or waiver of the Financing Condition and the General Conditions.

See "Principal Terms of the Tender Offer—Conditions of the Tender Offer". The Tender Offer is not conditioned on any minimum amount of Notes being tendered.

Purpose of the Tender Offer and Source of Funds The purpose of the Tender Offer is to acquire any and all of the outstanding Notes. Any Notes that are tendered and accepted for payment in the Tender Offer will be retired and canceled.

The Offeror expects to pay for the Notes purchased in the Tender Offer with the net proceeds from the issuance of one or more new debt financings and available cash. See "Source of Funds".

Procedures for Tendering Notes See "Principal Terms of the Tender Offer—Procedures for Tendering Notes".

A Holder who desires to tender Notes but who cannot comply with the procedures set forth herein for a tender on a timely basis or whose Notes are not immediately available may tender such Notes by following the procedures for guaranteed delivery set forth below

under "—Procedures for Tendering Notes—Guaranteed Delivery", including physical delivery of the Notice of Guaranteed Delivery to the Information and Tender Agent.

Consequences of Failure to Tender Your rights and the obligations of the Offeror under the Notes that remain outstanding after the consummation of the Tender Offer will not change as a result of the Tender Offer. However, the purchase of any Notes in the Tender Offer will result in a smaller trading market for the remaining outstanding principal amount of the Notes, which may cause the market for the Notes to be less liquid and more sporadic, and market prices for the Notes may fluctuate significantly depending on the volume of trading in the Notes. See "Certain Considerations—The Tender Offer May Adversely Affect the Market Value and Reduce the Liquidity of any Trading Market for the Notes" and "Certain Considerations—Treatment of Notes Not Tendered in the Tender Offer".

Redemption; Satisfaction and Discharge The Offeror currently intends, but is not obligated, to issue on the Launch Date notices of redemption, which may be conditional, for all of the Notes that are not accepted for purchase in the Tender Offer. The Offeror currently expects the redemption date for the Notes to be on or promptly after February 13, 2021 at the then-applicable redemption price of 101.625%. Notes acquired by the Offeror in the Tender Offer will be canceled and Holders of such Notes will not be entitled to any payment in connection with such redemption. In addition, it may, from time to time, purchase additional Notes in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or may redeem Notes pursuant to the terms of the indenture governing the Notes. Any future purchases may be on the same terms or on terms that are more or less favorable to Holders of Notes than the terms of the Tender Offer. Any future purchases by the Offeror will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) the Offeror will choose to pursue in the future. This Offer to Purchase is not a notice of redemption for the Notes.

U.S. Federal Income Tax Considerations For a summary of material U.S. federal income tax consequences of the Tender Offer, see "U.S. Federal Income Tax Considerations".

Information and Tender Agent D.F. King & Co., Inc.

Dealer Manager Credit Suisse Securities (USA) LLC.

Offer Website The Offer to Purchase, as well as other relevant notices and documents, will also be available on the Offer Website: <http://www.dfking.com/mercerc>, operated by the Information and Tender Agent, for the purpose of the Offer to Purchase.

AVAILABLE INFORMATION

The Offeror files periodic reports, proxy statements, and other information with the SEC. The Offeror's SEC filings are available to the public on the SEC's website at www.sec.gov. Copies of certain information filed by the Offeror with the SEC are also available on its website at www.mercerint.com. Such website is not part of this Offer to Purchase and is not incorporated by reference herein. Statements made in this Offer to Purchase concerning the provision of any contract, agreement, indenture or other documents are not necessarily complete. With respect to each such statement concerning a contract, agreement, indenture or other documents filed with the SEC, reference is made to such filing for a more complete description of the matter involved, and each such statement is qualified in its entirety by such reference.

DOCUMENTS INCORPORATED BY REFERENCE

The Offeror incorporates by reference into this Offer to Purchase the documents listed below and any future filings, it makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the *Securities Exchange Act of 1934*, as amended (the "Exchange Act"), including any filings after the date hereof and prior to the Expiration Time (other than any such information that is "furnished", as opposed to "filed", for purposes of the Exchange Act). The information incorporated by reference is an important part of this Offer to Purchase.

The following documents filed with the SEC are incorporated herein by reference and shall be deemed to be part hereof:

- the Offeror's Annual Report on Form 10-K for the fiscal year ended December 31, 2019;
- the Offeror's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020; and
- the Offeror's Current Reports on Form 8-K filed on February 13, 2020, May 15, 2020, May 29, 2020 and June 23, 2020.

All documents filed by the Offeror pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Offer to Purchase shall be deemed to be incorporated by reference in and made part of this Offer to Purchase from the date of filing such document. In no event, however, will any of the information that the Offeror discloses under Item 2.02 or Item 7.01 of any Current Report on Form 8-K that it may from time to time furnish to the SEC be incorporated by reference into or be included in this Offer to Purchase.

Any statement contained herein or contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Offer to Purchase to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The Offeror will provide without charge, upon written or oral request, a copy of any or all the documents that are incorporated by reference into this Offer to Purchase and a copy of any or all other contracts or documents which are referred to in this Offer to Purchase. Requests should be directed to:

Mercer International Inc.
700 West Pender Street
Suite 1120
Vancouver, British Columbia
V6C 1G8 Canada
Telephone: (604) 684-1099
Attention: Investor Relations

STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Offer to Purchase and the documents incorporated by reference contain "forward-looking statements". Forward-looking statements are based on expectations, forecasts, and assumptions by the Offeror's management and involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those stated, including, without limitation, those set forth in "Item 1A — Risk Factors" and "Item 7 — Management's Discussion of and Analysis of Financial Condition and Results of Operations" of the Offeror's Annual Report on Form 10-K for the year ended December 31, 2019, and "Item 2 — Management's Discussion and Analysis of Financial Condition and Results of Operations" of the Offeror's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, incorporated herein by reference.

The Offeror cannot be certain that any expectations, forecasts, or assumptions made by management in preparing these forward-looking statements will prove accurate, or that any projections will be realized. It is to be expected that there may be differences between projected and actual results. In particular, all statements in this Offer to Purchase and the documents incorporated by reference that address events or developments the Offeror expects to occur are forward-looking statements and may not necessarily occur. Forward-looking statements speak only as of the date of their initial issuance. Except as required by law, the Offeror assumes no responsibility to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

There are a number of important factors, many of which are beyond the Offeror's control that could cause actual conditions, events or results to differ significantly from those described in the forward-looking statements. These factors include, but are not limited to, the following:

- the COVID-19 pandemic could materially adversely affect the Offeror's business, financial position and results of operations;
- the Offeror's business is highly cyclical in nature;
- a weakening of the global economy, including capital and credit markets, could adversely affect the Offeror's business and financial results and have a material adverse effect on the Offeror's liquidity and capital resources;
- the Offeror's level of indebtedness could negatively impact the Offeror's financial condition, results of operations and liquidity;
- cyclical fluctuations in the price and supply of the Offeror's raw materials, particularly fiber, could adversely affect the Offeror's business;
- the Offeror faces intense competition in its markets;
- the Offeror is exposed to currency exchange rate fluctuations;
- political uncertainty and an increase in trade protectionism could have a material adverse effect on global macro-economic activities and trade and adversely affect the Offeror's business, results of operations and financial condition;
- the Offeror is subject to extensive environmental regulation and it could incur substantial costs as a result of compliance with, violations of or liabilities under applicable environmental laws and regulations;
- the Offeror's business is subject to risks associated with climate change and social and government responses thereto;
- the Offeror's operations require substantial capital and it may be unable to maintain adequate capital resources to provide for such capital requirements;
- future acquisitions may result in additional risks and uncertainties in the Offeror's business;
- the Offeror has limited control over the operations of the Cariboo mill;
- fluctuations in prices and demand for lumber could adversely affect the Offeror's business;
- adverse housing market conditions may increase the credit risk from customers of the Offeror's wood products segment;

- the Offeror's wood products segment lumber products are vulnerable to declines in demand due to competing technologies or materials;
- changes in credit ratings issued by nationally recognized statistical rating organizations could adversely affect the Offeror's cost of financing and have an adverse effect on the market price of its securities;
- the Offeror participates in German statutory energy programs;
- the Offeror may experience material disruptions to its production;
- the Offeror is subject to risks related to its employees;
- the Offeror is dependent on key personnel;
- if the Offeror's long-lived assets become impaired, it may be required to record non-cash impairment charges that could have a material impact on its results of operations;
- the Offeror may incur losses as a result of unforeseen or catastrophic events, including the emergence of a pandemic, terrorist attacks or natural disasters;
- the Offeror's insurance coverage may not be adequate;
- the Offeror relies on third parties for transportation services;
- the Offeror periodically uses derivatives to manage certain risks which could cause significant fluctuations in its operating results;
- failures or security breaches of the Offeror's information technology systems could disrupt its operations and negatively impact its business;
- a small number of the Offeror's shareholders could significantly influence its business;
- the Offeror's international sales and operations are subject to applicable laws relating to trade, export controls and foreign corrupt practices, the violation of which could adversely affect its operations; and
- the Offeror is exposed to interest rate fluctuations.

CERTAIN INFORMATION CONCERNING THE OFFEROR

In this Offer to Purchase, please note the following:

- references to "\$" mean dollars, which is the Offeror's reporting currency, unless otherwise stated; "€" refers to euros; and "C\$" refers to Canadian dollars;
- references to "NBHK" mean northern bleached hardwood kraft;
- references to "NBSK" mean northern bleached softwood kraft;
- references to "ADMTs" mean air-dried metric tonnes;
- references to "MW" mean megawatts and "MWh" mean megawatt hours;
- references to "Mfbm" means thousand board feet;
- references to "MMfbm" mean million board feet of lumber; and
- the Offeror's lumber metrics are converted from cubic meters to Mfbm using a conversion ratio of 1.6 cubic metres of lumber equaling one Mfbm, which is the ratio commonly used in the industry.

Business

The Offeror is a Washington corporation and its shares of common stock are listed for trading on the NASDAQ Global Select Market (MERC).

The Offeror is a global forest products company and has two reportable operating segments:

- **Pulp** – consists of the manufacture, sale and distribution of pulp, electricity and other by-products at the Offeror's pulp mills.
- **Wood Products** – consists of the manufacture, sale and distribution of lumber, electricity and other wood residuals at the Friesau mill.

The Offeror has consolidated annual production capacity of approximately 2.2 million ADMTs of kraft pulp, 550 MMfbm of lumber and approximately 416.5 MW of electrical generation.

Pulp Segment

The Offeror is one of the world's largest producers of "market" NBSK pulp, which is pulp that is sold on the open market. The Offeror's size provides it increased presence, better industry information in its markets and close customer relationships with many large pulp consumers.

The Offeror operates two modern and highly efficient NBSK mills in Eastern Germany and one NBSK mill and a "swing" kraft mill in Western Canada, referred to as "MPR", which it acquired in December 2018. MPR produces both NBSK and NBHK and has a 50% joint venture interest in the Cariboo NBSK mill in Quesnel, British Columbia. MPR also holds two 20-year renewable governmental forest management agreements and three deciduous timber allocations in Alberta with an aggregate allowable annual cut of approximately 2.4 million cubic meters of hardwood and softwood allocations totaling 400,000 cubic meters.

The Offeror is the sole NBSK producer, and the only significant market pulp producer in Germany, which is the largest pulp import market in Europe. The Offeror supplies the growing pulp demand in China both through its Canadian mills' ready access to the Port of Vancouver and through its Stendal mill's existing logistics arrangements. In addition, as a result of the significant investments made in cogeneration equipment, all of its mills generate and sell a significant amount of surplus "green" energy. The Offeror also produces and sells tall oil, a by-product of its production process, which is used as both a chemical additive and as a green energy source.

Of the Offeror's consolidated annual production capacity of approximately 2.2 million ADMTs of kraft pulp, approximately 1.9 million ADMTs or 86% is NBSK and the balance is NBHK.

The Offeror's pulp mills are some of the newest and most modern pulp mills in Europe and North America. It believes the relative age, production capacity and electrical generation capacity of its mills provide it with certain manufacturing cost and other advantages over many of its competitors. The Offeror believes its competitors' older mills do not have the equipment or capacity to produce or sell surplus power or chemicals in a meaningful amount. In addition, since the Offeror's mills are relatively new, they benefit from lower maintenance capital requirements and higher efficiency relative to many of its competitors' mills.

The Offeror's pulp mills generate and sell surplus electricity, providing it with a stable revenue source unrelated to pulp prices. Its German pulp mills also generate tall oil from black liquor, which is sold to third parties for use in numerous applications, including bio-fuels. Since the Offeror's energy and chemical production are by-products of its pulp production process, there are minimal incremental costs and its surplus energy and chemical sales are highly profitable. All of the Offeror's mills generate and sell surplus energy to regional utilities or the regional electrical market. Its German mills benefit from special tariffs under Germany's *Renewable Energy Sources Act*, which provides for premium pricing on green energy. In 2020 the German government proposed measures that would have, among other things, extended the time period that such tariffs would be available for pulp mills. However, such measures did not come into effect. As a result, commencing January 1, 2021, the prior special tariff in respect of the Offeror's Rosenthal mill expired and it started selling its surplus power at market rates which fluctuate over time. As a result of, among other things, the COVID-19 pandemic reducing power demand generally in Germany, market rates are currently materially lower than the prior prescribed special tariff. The German government has publicly announced that it will seek to further incentivize green energy production at pulp mills through additional measures in 2021. However, there can be no assurance that any such measures will be implemented or the effect of the same. The Offeror's Peace River mill sells surplus energy to its regional electrical market. Each of its Celgar mill and the Cariboo mill is party to a fixed electricity purchase agreement with the regional public utility provider for the sale of surplus power. Its Celgar mill finalized a new electricity purchase agreement with the regional utility that commenced in

October 2020 for a ten-year term. The electricity purchase agreement for the Cariboo mill runs until December 2022 and is renewable by it for a further 10-year term.

The Offeror serves pulp customers in Europe, Asia and North America. It primarily works directly with customers to capitalize on its geographic diversity, coordinate sales and enhance customer relationships. The Offeror believes its ability to deliver high-quality pulp on a timely basis and its customer service make it a preferred supplier for many customers.

Wood Products Segment

The Offeror entered the wood products segment in April 2017 when it acquired substantially all of the assets of the Friesau mill, one of Germany's largest sawmills.

The Offeror's Friesau mill has an annual production capacity of approximately 550 MMfbm of lumber and 13 MW of electrical generation from a modern biomass fueled cogeneration power plant built in 2009. The Friesau mill is located approximately 16 kilometers west of its Rosenthal mill and has historically been one of the Rosenthal mill's largest fiber suppliers.

The Offeror manufactures, sells and distributes lumber, electricity and other wood residuals at the Friesau mill which produces lumber for European, U.S. and other lumber export markets.

The Friesau mill generates electricity for minimal incremental costs, all of which is sold, providing a stable revenue source unrelated to lumber prices. The Friesau mill's modern biomass fueled cogeneration power plant has a production capacity of approximately 13 MW of electricity. The plant sells electricity pursuant to a long-term fixed price green power tariff that runs to 2029.

PRINCIPAL TERMS OF THE TENDER OFFER

General

The Offeror is offering to purchase for cash, upon the terms and subject to the conditions set forth in the Offer Documents, any and all of the outstanding Notes set forth on the front cover of this Offer to Purchase.

The purchase price offered for each US\$1,000 of the Notes subject to the Tender Offer validly tendered and not validly withdrawn before the Expiration Time and accepted for purchase will be the Consideration, which will be payable on the Settlement Date. In no event will Consideration be paid prior to the Expiration Time.

A Holder who desires to tender Notes but who cannot comply with the procedures set forth herein for a tender on a timely basis or whose Notes are not immediately available may tender such Notes by following the procedures for guaranteed delivery set forth below under "—Procedures for Tendering Notes—Guaranteed Delivery", including physical delivery of the Notice of Guaranteed Delivery to the Information and Tender Agent. Payment for Notes tendered pursuant to a Notice of Guaranteed Delivery and accepted for purchase in the Tender Offer is expected to settle on January 26, 2021.

Upon the terms and subject to the conditions of the Tender Offer, in addition to the Consideration, Holders who validly tender and do not validly withdraw their Notes and whose Notes are accepted for purchase pursuant to the Tender Offer will also be paid the applicable Accrued Interest thereon on the Settlement Date. For the avoidance of doubt, Accrued Interest will cease to accrue on the Settlement Date, which is expected to be on January 26, 2021, for all Notes that are accepted for payment in the Tender Offer, including those tendered by the guaranteed delivery procedures set forth herein. Under no circumstances will any interest be payable because of any delay in the transmission of funds to Holders.

The Offeror's obligation to pay the Consideration plus Accrued Interest is conditioned, among other things, on the satisfaction or waiver of certain conditions, including the Financing Condition, as set forth in the section titled "—Conditions of the Tender Offer". The Offeror reserves the right, in its sole discretion, to waive or modify any one or more of the conditions to the Tender Offer in whole or in part at any time before the date that any Notes are first accepted for purchase. The Tender Offer is not conditioned on any minimum amount of Notes being tendered.

Any Notes tendered but not purchased will be returned to the Holders at the Offeror's expense promptly following the earlier of the Expiration Time or the date on which the Tender Offer is terminated or withdrawn, and will remain outstanding. The Offeror currently intends to redeem any Notes outstanding after the Expiration Time as discussed under "Purpose of the Tender Offer" below.

Consideration

The Consideration for the Tender Offer is \$1,018.35 for each US\$1,000 principal amount of the Notes validly tendered and accepted for payment pursuant to the Tender Offer.

Purpose of the Tender Offer

The purpose of the Tender Offer is to acquire any and all of the outstanding Notes. Any Notes that are tendered and accepted in the Tender Offer will be canceled. See "Certain Considerations—The Tender Offer May Adversely Affect the Market Value and Reduce the Liquidity of any Trading Market for the Notes".

The Offeror currently intends to issue on the Launch Date notices of redemption, which may be conditional, for all of the Notes that are not accepted for purchase in the Tender Offer. The Offeror currently expects the redemption date for the Notes to be on or promptly after February 13, 2021 at the then-applicable redemption price of 101.625%. Notes acquired by the Offeror in the Tender Offer will be canceled and Holders of such Notes will not be entitled to any payment in connection with such redemption. This Offer to Purchase is not a notice of redemption for the Notes.

The Offeror may, from time to time, purchase additional Notes in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or may redeem Notes pursuant to the terms of the indenture governing the Notes. Any future purchases may be on the same terms or on terms that are more or less favorable to Holders of Notes than the terms of the Tender Offer. Any future purchases by the Offeror will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) the Offeror will choose to pursue in the future.

Conditions of the Tender Offer

Notwithstanding any other provision of the Tender Offer, the Offeror will not be obligated to accept for purchase, or pay for, validly tendered Notes pursuant to the Tender Offer, if the Financing Condition and the General Conditions, each as defined below, have not been satisfied with respect to such Notes prior to the Acceptance Date.

Notwithstanding any other provision of the Tender Offer, the Offeror's obligation to accept for purchase, and to pay for, any Notes validly tendered and not validly withdrawn pursuant to the Tender Offer is conditioned upon the following having occurred or been satisfied or having been waived by the Offeror on or prior to the Acceptance Date:

- (a) the receipt by the Offeror of net proceeds from one or more new debt financings on terms and conditions satisfactory to the Offeror in an amount that is sufficient to pay (i) the Consideration in respect of all the Notes subject to such Tender Offer (regardless of the actual amount of Notes tendered), (ii) Accrued Interest in respect of all of the Notes subject to such Tender Offer (regardless of the amount of Notes tendered) and (iii) estimated fees and expenses relating to the Tender Offer (such transactions, the "Debt Financing Transactions" and such condition, the "Financing Condition"); and
- (b) the following shall not have occurred (the "General Conditions" and, together with the Financing Condition, the "Conditions"):
 - (i) any general suspension of trading in, or limitation on prices for, securities in the United States, (ii) a material impairment in the trading market for any debt securities, (iii) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States (whether or not mandatory), (iv) any limitation (whether or not mandatory) by any governmental authority on, or other event having a reasonable likelihood of affecting, the extension of credit by banks or other lending institutions in the United States, (v) any attack on, outbreak or escalation of hostilities or acts of terrorism involving the United States that would reasonably be expected to have a materially disproportionate effect on the Offeror's (or its affiliates') business, operations, condition or prospects

relative to other companies in the same industry, or (vi) any significant adverse change in the United States securities or financial markets generally, or, in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof;

- the existence of any order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that either:
 - challenges the making of the Tender Offer or would (or would be reasonably likely to) prohibit, prevent, restrict or delay, or otherwise adversely affect in any material manner, the Tender Offer;
 - in the Offeror's reasonable judgment, is (or is reasonably likely to be) materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Offeror or its affiliates; or
 - imposes or confirms material limitations on the scope, validity or effectiveness of the ability of Offeror to acquire or hold or to exercise full rights of ownership of the Notes;
- any instituted or pending action or proceeding before or by any court or governmental, regulatory or administrative agency or instrumentality, or by any other person, that challenges the making of the Tender Offer or is reasonably likely to directly or indirectly prohibit, prevent, restrict or delay the consummation of the Tender Offer or otherwise adversely affects the Tender Offer in any material manner;
- any other actual or threatened legal impediment to the Tender Offer or any other circumstances that would materially adversely affect the transactions contemplated by the Tender Offer, or the contemplated benefits of the Tender Offer to the Offeror or its affiliates;
- any event or events or the likely occurrence of an event or events that would or might reasonably be expected to prohibit, restrict or delay the consummation of the Tender Offer or materially impair the contemplated benefits of the Tender Offer; or
- the trustee for the Notes shall have objected in any respect to, or taken any action that would be reasonably likely to materially and adversely affect, the consummation of the Tender Offer, or taken any action that challenges the validity or effectiveness of the procedures used by the Offeror in the making of the Tender Offer or in the acceptance of Notes.

The Conditions are solely for the Offeror's benefit and may be asserted by the Offeror, in its sole discretion, regardless of the circumstances giving rise to any such condition, including any action or inaction by the Offeror, and may be waived by the Offeror, in whole or in part, at any time and from time to time before the Acceptance Date. The Offeror's failure at any time to exercise any of its rights will not be deemed a waiver of any other right, and each right will be deemed an ongoing right which may be asserted at any time and from time to time.

Subject to applicable law, the Offeror expressly reserves the right, in its sole discretion, to terminate or withdraw the Tender Offer at any time. If the Offeror terminates or withdraws the Tender Offer in whole or in part, it will give immediate notice to the Information and Tender Agent and all of the Notes theretofore tendered pursuant to the Tender Offer and not accepted for payment will be returned promptly to the tendering Holders thereof. See "—Withdrawal of Tenders" below.

Procedures for Tendering Notes

There is no letter of transmittal for the Tender Offer. Holders must tender Notes through DTC's ATOP procedures.

Expiration Time; Extensions; Amendments

The Tender Offer will expire at 5:00 p.m., Eastern Time, on January 21, 2021, unless extended, in which case the Expiration Time will be such date to which the Expiration Time is extended. The Offeror, in its sole discretion, may extend the Expiration Time for any purpose, including to permit the satisfaction or waiver of all conditions to the Tender Offer. To extend the Expiration Time, the Offeror will notify the Information and Tender Agent, and will make a public announcement thereof before 10:00 a.m., Eastern Time, on the next business day after the previously scheduled Expiration Time. Such announcement will state that the Offeror is extending the Tender Offer for a specified period or on a daily basis. Without limiting the manner in which the Offeror may choose to make a public announcement of any extension, amendment or termination of the Tender Offer, the Offeror will not be obligated to publish, advertise or otherwise communicate any such public announcement, other than by making a timely press release.

The Offeror expressly reserves the right, subject to applicable law, to:

- delay accepting any Notes, to extend the Tender Offer period or to terminate or withdraw the Tender Offer and not accept any Notes; and
- amend, modify or waive at any time, or from time to time, the terms of the Tender Offer in any respect, including waiver of any conditions to consummation of the Tender Offer.

If the Offeror exercises any such right, the Offeror will give written notice thereof to the Information and Tender Agent and will make a public announcement thereof as promptly as practicable. The minimum period during which the Tender Offer will remain open following material changes in the terms of the Tender Offer or in the information concerning the Tender Offer will depend upon the facts and circumstances of such change, including the relative materiality of the changes. If any of the terms of the Tender Offer are amended in a manner determined by the Offeror to constitute a material change adversely affecting any Holder, other than a change in the Consideration, the Offeror will disclose any such amendment in a press release at or prior to 10:00 a.m., Eastern Time, on the day of such amendment, and the Offeror will extend the Tender Offer for at least three business days, if the Tender Offer would otherwise expire during such time period. If the Offeror amends the applicable Consideration being offered to the Holders, the Offeror will disclose any such amendment in a press release at or prior to 10:00 a.m., Eastern Time, on the day of such amendment, and the Offeror will extend the Tender Offer for at least five business days, if the Tender Offer would otherwise expire during such time period.

How to Tender Notes

All Notes are held in book-entry form. Any beneficial owner whose Notes are held in book-entry form through a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender Notes should contact such broker, bank, dealer or other nominee promptly and instruct such nominee to submit instructions on such beneficial owner's behalf. In some cases, the bank, broker, dealer or other nominee may request submission of such instructions on a Beneficial Owner's Instruction Form. Please check with your nominee to determine the procedures for such firm.

Any acceptance of an Agent's Message (defined below) transmitted through ATOP is at the election and risk of the person transmitting an Agent's Message and delivery will be deemed made only when actually received by the Information and Tender Agent. Delivery of tendered Notes must be made to the Information and Tender Agent pursuant to either the book-entry delivery procedures set forth below or the guaranteed delivery procedures set forth below.

The tender by a Holder pursuant to the procedures set forth herein will constitute an agreement between such Holder and the Offeror in accordance with the terms and subject to the conditions set forth herein. Except as otherwise provided herein, delivery of the Notes will be deemed made only when the Agent's Message is actually received by the Information and Tender Agent. No documents should be sent to the Offeror or the Dealer Manager.

The Information and Tender Agent will establish an account with respect to the Notes at DTC for purposes of the Tender Offer, and any financial institution that is a participant in DTC may make book-entry delivery of the Notes by causing DTC to transfer such Notes into the Information and Tender Agent's account in accordance with DTC's procedures for such transfer. However, although delivery of the Notes may be effected through book-entry transfer into the Information and Tender Agent's account at DTC, an Agent's Message, and any other required documents, must, in any case, be transmitted to and received by the Information and Tender Agent at its address set forth on the back cover of this Offer to Purchase before the Expiration Time or the guaranteed delivery procedures described under "—Guaranteed Delivery" must be complied with.

The confirmation of a book-entry transfer into the Information and Tender Agent's account at DTC as described above is referred to herein as a "Book-Entry Confirmation". **Delivery of documents to DTC does not constitute delivery to the Information and Tender Agent.**

Agent's Message

The term "Agent's Message" means a message transmitted by DTC to, and received by, the Information and Tender Agent, and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC described in such Agent's Message, stating (i) the aggregate principal amount of Notes that have been tendered by such participant pursuant to the Tender Offer, (ii) that such participant has received the Offer Documents and agrees to be bound by the terms the Tender Offer and (iii) that the Offeror may enforce such agreement against such participant.

Irregularities

No alternative, conditional, irregular or contingent tenders will be accepted, unless waived by the Offeror in its absolute discretion. By transmitting an acceptance through ATOP, each tendering Holder waives any right to receive any notice of the acceptance for purchase of its Notes in the Tender Offer.

Guaranteed Delivery

If a Holder desires to tender Notes pursuant to the Tender Offer and such Holder cannot complete the procedures for book-entry transfer prior to the Expiration Time, such Holder may effect a tender of Notes if all of the following are complied with:

- such tender is made by or through an Eligible Institution (defined below);
- prior to the Expiration Time, the Information and Tender Agent has received from such Eligible Institution, at the address of the Information and Tender Agent set forth on the last page of this Offer to Purchase, a physical copy of a properly completed and duly executed Notice of Guaranteed Delivery (by manually signed facsimile transmission, mail or hand delivery) in substantially the form provided by the Offeror setting forth the name and address of the DTC participant tendering Notes on behalf of the Holder(s) and the principal amount of Notes being tendered, and representing that the Holder(s) own such Notes, and the tender is being made thereby and guaranteeing that, no later than the close of business on the second business day after the Expiration Time, a properly transmitted Agent's Message, together with confirmation of book-entry transfer thereof of Notes pursuant to the procedures set forth under the caption "—Procedures for Tendering Notes—Notes Held Through DTC", will be deposited by such Eligible Institution with the Information and Tender Agent; and
- a properly transmitted Agent's Message, together with confirmation of book-entry transfer thereof of Notes pursuant to the procedures set forth under the caption "—Procedures for Tendering Notes—Notes Held Through DTC", and all other required documents are received by the Information and Tender Agent no later than the close of business on the second business day after the Expiration Time.

In addition to physical delivery of the Notice of Guaranteed Delivery, a DTC participant executing the Notice of Guaranteed Delivery must also comply with ATOP's procedures applicable to guaranteed late delivery. Interest will cease to accrue on the Settlement Date for all Notes accepted in the Tender Offer, including those tendered through the guaranteed delivery procedures. Payment for Notes tendered pursuant to a Notice of Guaranteed Delivery and accepted for purchase in the Tender Offer is expected to settle on January 26, 2021.

"Eligible Institution" means a member firm of a registered national securities exchange or of the Financial Industry Regulatory Authority, a commercial bank or trust company having an office or correspondent in the United States or an "Eligible Guarantor Institution" within the meaning of Rule 17Ad-15(a)(2) under the Exchange Act. In the Offer Documents, the term "business day" means any day, other than Saturday, Sunday or a federal holiday in the United States.

The Eligible Institution that completes the Notice of Guaranteed Delivery must deliver a physical copy of the Notice of Guaranteed Delivery to the Information and Tender Agent and must deliver the Agent's Message, together with

confirmation of book-entry transfer thereof of Notes, to the Information and Tender Agent within the time period stated above. **Failure to do so will result in an invalid tender of the related Notes and could result in a financial loss to such Eligible Institution.**

Your Representations and Warranties; the Offeror's Acceptance Constitutes an Agreement

A tender of Notes under the procedures described above will constitute your acceptance of the terms and conditions of the Tender Offer. In addition, by instructing your custodian or nominee to tender your Notes in the Tender Offer, you are representing, warranting and agreeing that:

- you have received the Offer Documents and agree to be bound by all the terms and conditions of the Tender Offer;
- you have full power and authority to tender, sell, assign and transfer your Notes;
- you have assigned and transferred the Notes to the Information and Tender Agent, and constitute and appoint the Information and Tender Agent as your true and lawful agent and attorney-in-fact to cause your Notes to be tendered in the Tender Offer, that power of attorney being irrevocable and coupled with an interest;
- your Notes are being tendered, and will, when accepted by the Information and Tender Agent, be free and clear of all charges, liens, restrictions, claims, equitable interests and encumbrances, other than the claims of a Holder under the express terms of the Tender Offer; and
- you will, upon the Offeror's request or the request of the Information and Tender Agent, execute and deliver any additional documents necessary or desirable for the completion of the tender of the Notes.

Your custodian or other nominee, by delivering, or causing to be delivered, the Notes and the completed Agent's Message or Notice of Guaranteed Delivery to the Information and Tender Agent is representing and warranting that you, as owner of the Notes, have represented, warranted and agreed to each of the above.

The Offeror's acceptance for payment of Notes tendered under the Tender Offer will constitute a binding agreement between you and the Offeror upon the terms and conditions of the Tender Offer described in the Offer Documents.

Acceptance of Notes for Purchase; Payment of Notes

Upon the terms and subject to the conditions of the Tender Offer, the Offeror will accept for purchase, and pay for, Notes validly tendered and not validly withdrawn, upon the satisfaction or waiver of the conditions to the Tender Offer specified under "Principal Terms of the Tender Offer—Conditions of the Tender Offer". The Offeror will promptly pay for Notes accepted for purchase. In all cases, payment for Notes accepted for purchase pursuant to the Tender Offer will be made only after confirmation of book-entry transfer thereof. The Offeror will issue a press release promptly after the consummation of the Tender Offer setting forth the results of the Tender Offer.

The Offeror expressly reserves the right, in its sole discretion, but subject to applicable law, to (1) delay acceptance for purchase of Notes tendered under the Tender Offer or the payment for Notes accepted for purchase (subject to Rule 14e-1 under the Exchange Act, which requires that the Offeror pay the consideration offered or return Notes deposited by or on behalf of the Holders promptly after the termination or withdrawal of the Tender Offer), or (2) terminate or withdraw the Tender Offer at any time.

For purposes of the Tender Offer, the Offeror will be deemed to have accepted for purchase validly tendered Notes (or defectively tendered Notes with respect to which the Offeror has waived such defect) if, as, and when the Offeror gives written notice thereof to the Information and Tender Agent. With respect to tendered Notes that are to be returned to Holders, such Notes will be returned without expense to the tendering Holder promptly (or, in the case of Notes tendered by book-entry transfer, such Notes will be credited to the account maintained at DTC from which such Notes were delivered) after the expiration or termination or withdrawal of the Tender Offer.

The Offeror will pay for Notes accepted for purchase in the Tender Offer by depositing such payment in cash with the Information and Tender Agent or, upon its instructions, DTC, which will act as agent for the tendering Holders for the purpose of receiving tenders of Notes, the Consideration and Accrued Interest and transmitting the Consideration and Accrued Interest to such Holders. Upon the terms and subject to the conditions of the Tender Offer, delivery by the Offeror to the Information and Tender Agent or DTC, as the case may be, of the Consideration and Accrued Interest for Notes tendered in connection with the Tender Offer will be made on the Settlement Date.

The Notes may be tendered and will be accepted for payment only in denominations of US\$2,000 and any integral multiple of US\$1,000 in excess thereof. Alternative, conditional or contingent tenders will not be considered valid. Holders who tender less than all of their Notes must continue to hold Notes in the minimum authorized denomination set forth below:

Title of Notes	CUSIP No.	Minimum Authorized Denomination	Integral Multiple in Excess of Minimum Authorized Denomination
6.500% Senior Notes due 2024	588056AU5	US\$2,000	US\$1,000

By tendering their Notes, Holders will be deemed to waive any right to receive any notice of the acceptance of their Notes for purchase.

If, for any reason, acceptance for purchase of, or payment for, validly tendered Notes pursuant to the Tender Offer is delayed, or the Offeror is unable to accept for purchase or to pay for validly tendered Notes pursuant to the Tender Offer, then the Information and Tender Agent, may, nevertheless, on behalf of the Offeror, retain the tendered Notes, without prejudice to the rights of the Offeror described above under "—Procedures For Tendering Notes—Expiration Time; Extensions; Amendments" and under "—Conditions of the Tender Offer" above and "—Withdrawal of Tenders" below, but subject to Rule 14e-1 under the Exchange Act, which requires that the Offeror pay the consideration offered or return the Notes tendered promptly after the termination or withdrawal of the Tender Offer.

If any tendered Notes are not accepted for payment for any reason pursuant to the terms and conditions of the Tender Offer, such Notes will be credited to an account maintained at DTC, designated by the participant therein who so delivered such Notes, promptly following the Expiration Time or the termination or withdrawal of the Tender Offer.

The Offeror may transfer or assign, in whole or from time to time in part, to one or more of its affiliates or any third party the right to purchase all or any of the Notes tendered pursuant to the Tender Offer, but any such transfer or assignment will not relieve the Offeror of its obligations under the Tender Offer and will in no way prejudice the rights of tendering Holders to receive payment for Notes validly tendered and not validly withdrawn and accepted for payment pursuant to the Tender Offer.

Holders of Notes tendered and accepted for payment pursuant to the Tender Offer will be entitled to Accrued Interest payable on the Settlement Date. Under no circumstances will any additional interest be payable because of any delay in the transmission of funds to the Holders of purchased Notes or otherwise.

Tendering Holders of Notes purchased in the Tender Offer will not be obligated to pay brokerage commissions or fees to the Offeror, the Dealer Manager, the Information and Tender Agent, or to pay transfer taxes with respect to the purchase of their Notes. If you hold your Notes through a broker, dealer, commercial bank, trust company or other nominee, you should ask your broker, dealer, commercial bank, trust company or other nominee if you will be charged a fee to tender your Notes through such broker, dealer, commercial bank, trust company or other nominee. The Offeror will pay all other charges and expenses in connection with the Tender Offer. See "The Dealer Manager and the Information and Tender Agent".

All questions as to the validity, form, eligibility (including time of receipt) and acceptance of any tendered Notes pursuant to any of the procedures described above will be determined by the Offeror in its sole discretion (whose determination shall be final and binding). The Offeror expressly reserves the absolute right, in its sole discretion, subject to applicable law, to reject any or all tenders of the Notes determined by it not to be in proper form or if the acceptance for payment of, or payment for, such Notes may, in the opinion of the Offeror, be unlawful. The Offeror also reserves the absolute right, in its sole discretion, subject to applicable law, to waive or amend any of the conditions of this Offer to Purchase or to waive any defect or irregularity in any tender with respect to the Notes of any particular Holder, whether or not similar defects

or irregularities are waived in the case of other Holders. The Offeror's interpretation of the terms and conditions of this Offer to Purchase will be final and binding. Any defect or irregularity in connection with tenders of Notes must be cured within such time as the Offeror determines, unless waived by the Offeror. Tenders of Notes shall not be deemed to have been made until all defects or irregularities have been waived by the Offeror or cured. Neither the Offeror, the Dealer Manager, the trustee of the Notes, the Information and Tender Agent nor any other person will be under any duty to give notification of any defects or irregularities in tenders or will incur any liability for failure to give any such notification.

Backup Withholding and Information Reporting

For a summary of the backup withholding and information reporting requirements applicable to tendering Holders, see "U.S. Federal Income Tax Considerations".

Withdrawal of Tenders

Notes subject to the Tender Offer may be validly withdrawn at any time before the earlier of (i) the Expiration Time or (ii) if the Tender Offer is extended, the 10th business day after commencement of the Tender Offer. Notes subject to the Tender Offer may also be validly withdrawn in the event the Tender Offer has not been consummated within 60 business days after commencement. If the Tender Offer is terminated or withdrawn, the Notes tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders.

For a withdrawal of a tender of Notes to be effective, the Information and Tender Agent must receive a written or facsimile transmission withdrawal notice before the applicable time described above by a properly transmitted "Request Message" through ATOP. Any such notice of withdrawal must (i) specify the name of the participant in the book-entry transfer facility whose name appears on the security position listing as the owner of such Notes, (ii) contain the description of the Notes to be withdrawn and the aggregate principal amount represented by such Notes, (iii) be submitted through the ATOP system by such participant in the same manner as the participant's name is listed on the applicable Agent's Message or be accompanied by evidence satisfactory to the Offeror that the person withdrawing the tender has succeeded to the beneficial ownership of the Notes. A withdrawal of Notes may only be accomplished in accordance with the foregoing procedures.

Holders may not rescind their withdrawal of tenders of Notes, and any Notes properly withdrawn will thereafter be deemed not validly tendered for purposes of the Tender Offer. Notes validly withdrawn may thereafter be retendered at any time before the Expiration Time by following the procedures described under "—Procedures for Tendering Notes".

The Offeror will determine all questions as to the form and validity (including time of receipt) of any notice of withdrawal of a tender of Notes, in its sole discretion, which determination shall be final and binding. The Offeror expressly reserves the absolute right, in its sole discretion, subject to applicable law, to reject any or all attempted withdrawals of the Notes determined by it not to be in proper form or if the withdrawal of such Notes may, in the opinion of the Offeror, be unlawful. The Offeror also reserves the absolute right, in its sole discretion, subject to applicable law, to waive any defect or irregularity in any withdrawal with respect to the Notes of any particular Holder, whether or not similar defects or irregularities are waived in the case of other Holders. None of the Offeror, the Dealer Manager or the Information and Tender Agent or any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal of a tender or incur any liability for failure to give any such notification.

If the Offeror is delayed in its acceptance for purchase of, or payment for, any Notes or is unable to accept for purchase or pay for any Notes pursuant to the Tender Offer for any reason, then, without prejudice to the Offeror's rights hereunder, but subject to applicable law, tendered Notes may be retained by the Information and Tender Agent on behalf of the Offeror and may not be validly withdrawn (subject to Rule 14e-1 under the Exchange Act, which requires that the Offeror pay the consideration offered or return the Notes deposited by or on behalf of the Holders promptly after the termination or withdrawal of the Tender Offer).

The Notes are debt obligations of the Offeror and are governed by the indenture under which the Notes were issued. There are no appraisal or other similar statutory rights available to Holders in connection with the Tender Offer.

The Information and Tender Agent will return to tendering Holders all Notes in respect of which it has received valid and timely withdrawal instructions, promptly after they receive such instructions.

Holders can withdraw the tender of their Notes only in accordance with the foregoing procedures.

CERTAIN CONSIDERATIONS

In deciding whether to participate in the Tender Offer, each Holder should consider carefully, in addition to the other information contained in and incorporated by reference in this Offer to Purchase, the following:

Position of the Offeror Concerning the Tender Offer

Neither the Offeror, its board of directors, the Dealer Manager, the Information and Tender Agent nor the trustee of the Notes makes any recommendation to any Holder whether to tender or refrain from tendering any or all of such Holder's Notes, and none of them have authorized any person to make any such recommendation. Holders are urged to evaluate carefully all information in the Offer Documents, consult their own investment and tax advisors and make their own decisions whether to tender Notes.

The Tender Offer May Adversely Affect the Market Value and Reduce the Liquidity of any Trading Market for the Notes.

All Notes validly tendered and accepted in the Tender Offer will be canceled. Historically, the trading market for the Notes has been limited. To the extent that Notes are tendered and accepted in the Tender Offer, the trading market for Notes will likely become further limited. A bid for a debt security with a smaller outstanding principal amount available for trading (a smaller "float") may be lower than a bid for a comparable debt security with a greater float. Therefore, the market price for and liquidity of Notes not tendered or tendered but not purchased may be affected adversely to the extent that the principal amount of Notes purchased pursuant to the Tender Offer reduces the float. The reduced float may also tend to make the trading price more volatile.

Holders of unpurchased Notes may attempt to obtain quotations for their Notes from their brokers; however, there can be no assurance that an active trading market will exist for the Notes following consummation of Tender Offer. The extent of the public market for Notes following consummation of the Tender Offer will depend upon a number of factors, including the size of the float, the number of Holders remaining at such time, and the interest in maintaining a market in Notes on the part of securities firms.

Conditions to the Consummation of the Tender Offer

The consummation of the Tender Offer is subject to the satisfaction of several conditions. See "Principal Terms of the Tender Offer—Conditions of the Tender Offer". There can be no assurance that such conditions will be met or that, in the event that the Tender Offer is not consummated, the market value and liquidity of the Notes will not be materially adversely affected.

Treatment of Notes Not Tendered in the Tender Offer

Notes not tendered and purchased in the Tender Offer will remain outstanding. The terms and conditions governing the Notes, including the covenants and other protective provisions contained in the indenture governing the Notes, will remain unchanged. No amendments to these documents are being sought.

The Offeror currently intends to issue on the Launch Date notices of redemption, which may be conditional, for all of the Notes that are not accepted for purchase in the Tender Offer. The Offeror currently expects the redemption date to be on or promptly after February 13, 2021 at the then-applicable redemption price of 101.625%. Notes acquired by the Offeror in the Tender Offer will be canceled and Holders of such Notes will not be entitled to any payment in connection with such redemption. In the event that the conditions specified in the notice of redemption are not satisfied, the redemption will not occur. This Offer to Purchase is not a notice of redemption for the Notes.

The Offeror may, from time to time, purchase additional Notes in the open market, in privately negotiated transactions, through tender offers, exchange offers or otherwise, or may redeem Notes pursuant to the terms of the indenture governing the Notes. Any future purchases may be on the same terms or on terms that are more or less favorable to Holders

of Notes than the terms of the Tender Offer. Any future purchases by the Offeror will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) the Offeror will choose to pursue in the future.

SOURCE OF FUNDS

The Offeror expects to obtain the funds required to consummate the Tender Offer from the net proceeds of the Debt Financing Transactions.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes certain U.S. federal income tax consequences of the Tender Offer to Holders of the Notes, but does not purport to be a complete analysis of all the potential tax considerations. This summary is based on current provisions of the *Internal Revenue Code of 1986*, as amended, referred to as the "Code", final, temporary and proposed Treasury regulations, administrative decisions and rulings of the Internal Revenue Service, referred to as the "IRS", and court decisions, all as in effect as of the date hereof and all of which are subject to change (possibly with retroactive effect or different interpretations). This summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation that, if enacted, could be applied on a retroactive or prospective basis. No ruling has been or will be sought from the IRS regarding any tax consequences relating to the matters discussed herein. Consequently, no assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of those summarized below. This summary assumes Holders held their Notes as "capital assets" within the meaning of Section 1221 of the Code (generally, property held for investment).

This summary does not address any state, local, or non-U.S. tax considerations, or U.S. federal estate or gift tax, "Medicare" tax on certain net investment income, alternative minimum tax or other non-income tax considerations. Furthermore, this summary does not discuss all aspects of U.S. federal income taxation that may be relevant to particular Holders in light of their individual circumstances and does not deal with Holders subject to special treatment under U.S. federal income tax law, including, without limitation:

- financial institutions;
- insurance companies;
- tax-exempt organizations and qualified retirement plans or other tax-deferred accounts;
- real estate investment trusts or regulated investment companies;
- dealers in securities, commodities or foreign currencies;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- persons holding Notes as part of a hedge, straddle, conversion transaction or other integrated transaction or risk reduction strategy;
- U.S. Holders (as defined below) whose functional currency is not the dollar;
- persons required for U.S. federal income tax purposes to conform the timing of income accruals to their financial statements under Section 451(b) of the Code;
- entities classified as partnerships or other pass-through entities for U.S. federal income tax purposes and investors therein;

- persons deemed to sell their Notes under the constructive sale provisions of the Code; and
- U.S. expatriates and former long-term residents of the United States.

Moreover, this discussion does not address the consequences to Holders of Notes who participate in the Tender Offer and also purchase any notes or other securities in the new debt financing referred to in the Financing Condition. Such Holders should consult their tax advisors.

This summary of certain U.S. federal income tax consequences is for general information purposes only and is not tax advice for any particular Holder. Holders should consult their tax advisors concerning the U.S. federal income tax consequences with respect to tendering Notes in light of their particular situations, as well as any consequences arising under the U.S. federal estate or gift tax laws, the Medicare tax on net investment income, the alternative minimum tax, the laws of any state, local, non-U.S. or other taxing jurisdiction, or any non-income tax considerations.

As used herein, the term "U.S. Holder" means a beneficial owner of a Note that is for U.S. federal income tax purposes:

- (1) an individual who is a citizen or resident of the United States;
- (2) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- (4) a trust (A) if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust or (B) that has a valid election in effect under applicable Treasury regulations to be treated as a United States person for U.S. federal income tax purposes.

A beneficial owner of a Note that is not a U.S. Holder and is not a partnership or other pass-through entity for U.S. federal income tax purposes ("Non-U.S. Holder") is subject to special U.S. federal income tax considerations, some of which are discussed below.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds a Note, the tax treatment of an owner in such entity will depend on the status of the owner, the activities of such entity and certain determinations made at the owner level. Accordingly, entities or arrangements holding Notes that are treated as partnerships for U.S. federal income tax purposes and the owners in such entities or arrangements should consult their tax advisors regarding the consequences of tendering Notes.

U.S. Holders

Sale of Notes Pursuant to the Tender Offer

A U.S. Holder who sells a Note pursuant to the Tender Offer will generally recognize gain or loss, if any, in an amount equal to the difference between (i) the amount realized by such U.S. Holder in such sale (other than any amount received in respect of Accrued Interest not previously included in income, which will be taxable as ordinary interest income) and (ii) such U.S. Holder's adjusted tax basis in such Note. A U.S. Holder's adjusted tax basis in a Note will generally equal the original cost of the Note to such U.S. Holder, increased by the amount of any market discount previously included in income by such U.S. Holder, and reduced (but not below zero) by the amount of any amortizable bond premium previously amortized by such U.S. Holder and by any prior principal or other payments received on the Note other than payments of stated interest. Amortizable bond premium generally is the excess of a U.S. Holder's tax basis in a Note immediately after its purchase over the sum of all amounts payable on the Note after the purchase date other than payments of stated interest (i.e., over the principal amount of the Note). Subject to the discussion below regarding market discount, any such gain or loss will generally be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of such sale. Non-corporate taxpayers are generally subject to reduced rates of U.S. federal income taxation

on net long-term capital gains. The deductibility of capital losses is subject to certain limitations. Gain or loss will be computed separately for each Note sold by a U.S. Holder.

Market Discount

A Note has market discount if its principal amount exceeds its tax basis in the hands of a U.S. Holder immediately after its acquisition by such U.S. Holder, unless a statutorily defined *de minimis* exception applies. In the case of a U.S. Holder who acquired a Note at a market discount, any gain recognized upon the sale of the Note will be treated as ordinary income to the extent of the market discount that accrued during the period the U.S. Holder held the Note, unless the U.S. Holder previously elected to include such market discount in income as it accrued for U.S. federal income tax purposes. Market discount generally equals the excess of the "stated redemption price at maturity" (i.e., the principal amount) of a Note over the U.S. Holder's initial tax basis in the Note. Market discount will be treated as having accrued on a ratable basis over the U.S. Holder's holding period unless the U.S. Holder elected to accrue market discount using a constant-yield method. Gains in excess of such accrued market discount will generally be capital gains, as discussed above.

Accrued Interest

The amount of cash received in the Tender Offer that is attributable to Accrued Interest will be taxable as ordinary interest income at the time it is received and not included in the amount realized for purposes of determining capital gain or loss, to the extent not previously included in gross income by the U.S. Holder.

Information Reporting and Backup Withholding

Information reporting generally will apply to payments to a U.S. Holder pursuant to the Tender Offer, unless such U.S. Holder is an entity that is exempt from information reporting and, when required, demonstrates this fact. Any such payment to a U.S. Holder that is subject to information reporting generally will also be subject to backup withholding, unless such U.S. Holder provides the appropriate documentation (generally, IRS Form W-9) to the applicable withholding agent certifying that, among other things, its taxpayer identification number is correct, or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability if the required information is furnished by such U.S. Holder on a timely basis to the IRS. U.S. Holders are urged to consult their tax advisors regarding the application of backup withholding, the availability of an exemption from backup withholding and the procedure for obtaining such an exemption, if available.

Non-U.S. Holders

Sale of Notes Pursuant to the Tender Offer

Subject to the discussions below regarding backup withholding, a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on any gain recognized on a Note that is sold pursuant to the Tender Offer unless: (i) the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment); or (ii) the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the sale, and certain other conditions are met. If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax on a net income basis at regular U.S. federal income tax rates, generally in the same manner as if the Non-U.S. Holder were a U.S. Holder. If a Non-U.S. Holder is a corporation, effectively connected earnings and profits may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty), subject to adjustments. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on any gain recognized (even though the individual is not considered a resident of the United States), which gain may be offset by certain U.S. source capital losses of the Non-U.S. Holder, provided the Non-U.S. Holder timely files U.S. federal income tax returns with respect to such losses.

Accrued Interest

Subject to the discussions below regarding backup withholding and "FATCA", the amount of cash received in the Tender Offer that is attributable to Accrued Interest and that is not effectively connected with the Non-U.S. Holder's conduct

of a U.S. trade or business (or, if certain U.S. income tax treaties apply, is so connected but is not attributable to a U.S. permanent establishment) generally will not be subject to U.S. federal income or withholding tax, provided that: (i) such Non-U.S. Holder does not own, actually or constructively, 10% or more of the Offeror's voting stock; (ii) such Non-U.S. Holder is not a "controlled foreign corporation" related to the Offeror through actual or constructive stock ownership; and (iii) either (a) the Non-U.S. Holder certifies in a statement provided to the applicable withholding agent under penalties of perjury that it is not a United States person; (b) a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business and holds the Note on behalf of the Non-U.S. Holder certifies to the applicable withholding agent under penalties of perjury that it, or the financial institution between it and the Non-U.S. Holder, has received from the Non-U.S. Holder a statement under penalties of perjury that such Non-U.S. Holder is not a United States person and provides a copy of such statement to the applicable withholding agent; or (c) the Non-U.S. Holder holds its Note directly through a "qualified intermediary" (within the meaning of applicable Treasury regulations) and certain conditions are satisfied.

Any portion of a payment attributable to Accrued Interest to a Non-U.S. Holder that is not excluded from U.S. federal income and withholding tax, as described above, generally will be subject to U.S. withholding tax at a 30% rate, except where an applicable U.S. income tax treaty provides for the reduction or elimination of such withholding tax, or where the interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (and, if certain U.S. income tax treaties apply, is attributable to a U.S. permanent establishment). In such case, the Non-U.S. Holder will be required to provide the payor with a properly executed IRS Form W-8BEN, IRS Form W-8BEN-E or IRS Form W-8ECI, as applicable, in order to claim a treaty-based reduced rate or exemption from withholding.

If a Non-U.S. Holder is engaged in a trade or business in the United States and if any Accrued Interest is effectively connected with the conduct of such trade or business (and, if certain U.S. income tax treaties apply, is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States), the Non-U.S. Holder, although exempt from U.S. federal withholding tax, will generally be subject to U.S. federal income tax on such interest on a net income basis in the same manner as if it were a U.S. Holder. In addition, if a Non-U.S. Holder engaged in a trade or business in the United States is a foreign corporation, it may be subject to an additional branch profits tax equal to 30% (or such lower rate provided by an applicable U.S. income tax treaty) of its effectively connected earnings and profits for the taxable year, subject to adjustments.

Non-U.S. Holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Information Reporting and Backup Withholding

Information reporting may apply to payments made to a Non-U.S. Holder pursuant to the Tender Offer. Copies of information returns reporting such amounts and any withholding also may be made available by the IRS to the tax authorities in the country in which the Non-U.S. Holder is a resident under the provision of an applicable income tax treaty or other agreement.

Backup withholding generally will not apply to payments made to a Non-U.S. Holder in respect of a Note if such Non-U.S. Holder furnishes the payor with appropriate documentation of such Holder's Non-U.S. Holder status under penalties of perjury or otherwise establishes an exemption, provided that neither we nor our withholding agent has actual knowledge, or reason to know, that the Non-U.S. Holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied. A Non-U.S. Holder may generally establish such an exemption by providing a properly completed IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable IRS Form W-8). Any amounts withheld under the backup withholding rules from a payment to a Non-U.S. Holder will be allowed as a refund or a credit against such Non-U.S. Holder's U.S. federal income tax liability, provided that the requisite procedures are followed.

FATCA

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or "FATCA") on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on payments of interest on, or (subject to the proposed Treasury regulations discussed below) gross proceeds from the sale or other disposition of, a

Note paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (i) the foreign financial institution undertakes certain diligence and reporting obligations with respect to its account holders, (ii) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (i) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States-owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

While withholding under FATCA would have also applied to payments of gross proceeds from the sale or other disposition of a Note, proposed Treasury regulations eliminate FATCA withholding on payments of gross proceeds (but not interest). Taxpayers generally may, but are not required to, rely on these proposed Treasury regulations until they are revoked or final Treasury regulations are issued. We will not pay any additional amounts to Holders in respect of any amounts withheld pursuant to FATCA.

Holders are encouraged to consult their tax advisors as to the application of the rules under FATCA, including whether they would be entitled to a refund of any tax withheld.

Notes That Are Not Sold Pursuant to the Tender Offer

Holders will not recognize gain or loss for U.S. federal income tax purposes as a result of the Tender Offer with respect to Notes that are not sold pursuant to the Tender Offer. Such Holders will have the same tax basis and holding period in their Notes following the consummation of the Tender Offer as such Holders had in their Notes immediately prior to such consummation.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with tendering the Notes by employee benefit plans (as defined in Section 3(3) of the *Employee Retirement Income Security Act of 1974*, as amended, referred to as "ERISA") that are subject to Title I of ERISA, plans, individual retirement accounts, referred to as "IRAs" and other arrangements that are subject to Section 4975 of the Code or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code, collectively referred to as "Similar Laws", and entities whose underlying assets are deemed for purposes of ERISA or the Code to include "plan assets" (within the meaning of 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA)) of any such plan, account or arrangement (each of the foregoing referred to as a "Plan").

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Part 4 of Title I of ERISA or Section 4975 of the Code, referred to as an "ERISA Plan" and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of an ERISA Plan, or who renders investment advice for a fee or other compensation to an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

When considering tendering Notes held by a Plan, a fiduciary should consider the fiduciary standards of ERISA and any applicable Similar Laws in the context of the Plan's particular circumstances before deciding to tender the Notes. Among other factors, the fiduciary should consider whether tendering of the Notes would satisfy the prudence and diversification requirements of ERISA and any applicable Similar Laws, and would be consistent with the documents and instruments governing the Plan.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest", within the meaning of ERISA, or "disqualified persons", within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and, with respect to a Plan that is an IRA, may result in the disqualification of the IRA. The Offeror, the Dealer Manager and the Information and Tender Agent, and certain of their respective affiliates (collectively, the "Transaction Parties") may be considered a "party in interest" or a "disqualified person" with respect to many ERISA Plans, and, accordingly, prohibited transactions may arise if Notes are tendered by or on behalf of an ERISA Plan unless the Notes are tendered pursuant to an available exemption.

In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or "PTCEs", that may apply to the tendering of the Notes. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions, provided that neither the applicable party in interest or disqualified person nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any ERISA Plan involved in the transaction and provided further that the ERISA Plan receives no less, nor pays no more, than adequate consideration in connection with the transaction. Each of the above-noted exemptions contains conditions and limitations on its application. Fiduciaries of ERISA Plans considering tendering the Notes in reliance on these or any other exemption should carefully review the exemption to assure it is applicable. There can be no assurance that all of the conditions of any such exemptions will be satisfied or that any of such exemptions will be satisfied.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code, may nevertheless be subject to Similar Laws. Fiduciaries of any such plans should consult with counsel regarding consequences under any applicable Similar Laws before the Notes are tendered.

Because of the foregoing, the person making the decision on behalf of a Plan will be deemed, by tendering the Notes, to represent on behalf of itself and such Plan that the tendering of the Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Law.

The foregoing discussion is general in nature and is not intended to be all inclusive nor should it be construed as legal advice. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering the tendering or continued holding of the Notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such decision and whether an exemption would be applicable to the tendering of the Notes.

Holders of the Notes have the exclusive responsibility for ensuring that the tendering of the Notes complies with the fiduciary responsibility rules of ERISA and does not violate the prohibited transaction rules of ERISA, the Code or applicable Similar Laws. No Transaction Party makes any representation as to whether the tendering of Notes is appropriate for any Plan in general or is appropriate for any particular Plan.

Plans, including IRAs and other arrangements that are subject to Section 4975 of the Code, should consider the fact that none of the Transaction Parties is acting, or will act, as a fiduciary to any Plan with respect to the decision to tender Notes in connection with this Offer. The Transaction Parties are not undertaking to provide investment advice or advice based on any particular investment need, or to give advice in a fiduciary capacity, with respect to such decision. All communications, correspondence and materials from the Transaction Parties with respect to this Offer are

intended to be general in nature and are not directed at any specific Plan, and do not constitute advice regarding the advisability of tendering Notes for any specific Plan. The decision to tender Notes in connection with this Offer must be made solely by each prospective Plan on an arm's length basis.

THE DEALER MANAGER AND THE INFORMATION AND TENDER AGENT

The Offeror has retained Credit Suisse Securities (USA) LLC to act as Dealer Manager and D.F. King & Co., Inc. to act as the Information and Tender Agent for the Tender Offer. The Offeror has agreed to pay the Information and Tender Agent customary fees for its services in connection with the Tender Offer. In addition, the Offeror will reimburse the Dealer Manager for its reasonable out-of-pocket expenses. The Offeror has agreed to indemnify the Dealer Manager against certain liabilities, including certain liabilities under the federal securities laws or to contribute to payments it may be required to make in respect of those liabilities, including the Debt Financing Transactions.

At any given time, the Dealer Manager may trade the Notes or other securities of the Offeror for its own accounts or for the accounts of its customers, and accordingly, may hold a long or a short position in the Notes or such other securities and may participate those positions in the Tender Offer.

The Dealer Manager and its affiliates have provided in the past, and may provide in the future, financial, advisory, investment banking and general banking services to the Offeror, for which it has received and will receive customary fees and commissions.

Neither the Dealer Manager nor the Information and Tender Agent assume any responsibility for the accuracy or completeness of the information concerning the Tender Offer or the Offeror contained in this Offer to Purchase or related documents or for any failure by the Offeror to disclose events that may have occurred and may affect the significance or accuracy of such information.

The Offeror's officers and employees of the Offeror's subsidiaries and affiliates (who will not be specifically compensated for such services), the Dealer Manager and/or the Information and Tender Agent may contact Holders by mail, telephone, facsimile or electronic mail regarding the Tender Offer and may request brokers, dealers and other nominees to forward this Offer to Purchase and related materials to beneficial owners of Notes. The Offeror will also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Offer to Purchase and related documents to the beneficial owners of the Notes and in handling or forwarding tenders of Notes by their customers.

MISCELLANEOUS

The Offeror is not aware of any jurisdiction where the making of the Tender Offer is not in compliance with the laws of such jurisdiction. If the Offeror becomes aware of any jurisdiction where the making of the Tender Offer would not be in compliance with such laws, the Offeror will make a good faith effort to comply with any such laws or may seek to have such laws declared inapplicable to the Tender Offer. If, after such good faith effort, the Offeror cannot comply with any such applicable laws, the Tender Offer will not be made to the Holders residing in each such jurisdiction.

Any questions or requests for assistance may be directed to the Dealer Manager or the Information and Tender Agent at the addresses and telephone numbers set forth below. Requests for additional copies of this Offer to Purchase may be directed to the Information and Tender Agent. Beneficial owners may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Tender Offer.

The Information and Tender Agent for the Tender Offer is:

D.F. King & Co., Inc.

New York

48 Wall Street — 22nd Floor
New York, New York 10005
Banks and Brokers call: (212) 269-5550
All others call toll-free: (866) 530 8635
Email: mercerc@dfking.com

Offer Website: <http://www.dfking.com/mercerc>

By Facsimile:
(for Eligible Institutions only)
(212) 709-3328
Attn: Michael Horthman

Confirmation:

(212) 232-3233

The Dealer Manager for the Tender Offer is:

Credit Suisse

11 Madison Avenue
New York, NY 10010
Call Collect (212) 325-6340
or
Call Toll Free (800) 820-1653
Attn: Liability Management Group