

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

SOLUTIA INC

CIK: **1043382** | IRS No.: **431781797** | State of Incorporation: **DE** | Fiscal Year End: **1231**
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SIC: **2800** Chemicals & allied products

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934
Date of report: **June 1, 2010**

SOLUTIA INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-13255

(Commission File Number)

43-1781797

(IRS Employer Identification No.)

575 Maryville Centre Drive, P.O. Box 66760

St. Louis, Missouri

(Address of Principal Executive Offices)

63166-6760

(Zip Code)

(314) 674-1000

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the follow provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.01. Completion of Acquisition or Disposition of Assets.

On June 1, 2010, Solutia Inc., a corporation formed under the laws of the State of Delaware ("Solutia"), completed the acquisition of Etimex Solar GmbH, a limited liability company formed under the laws of Germany ("Etimex Solar"). The acquisition was consummated pursuant to a certain Share Purchase Agreement, dated as of February 28, 2010 (the "Purchase Agreement"), between Etimex Holding GmbH, a limited liability company formed under the laws of Germany ("Seller"), Etimex Primary Packaging GmbH, a limited liability company formed under the laws of Germany ("Guarantor") and Flexsys Verwaltungs- und Beteiligungsgesellschaft mbH, a limited liability company formed under the laws of Germany and a wholly-owned subsidiary of Solutia ("Purchaser").

Under the Purchase Agreement, Purchaser agreed to purchase from Seller all of the outstanding shares of Etimex Solar, which included the indirect purchase of Etimex Solar's wholly-owned subsidiary, Etimex Solar USA Inc., a corporation formed under the laws of the State of Delaware (Etimex Solar and such subsidiary, collectively, the "Companies"), in exchange for €240 million, which amount was and is subject to adjustments as provided for in the Purchase Agreement for, among other things, the amount of cash, financial debt and working capital of the Companies as of the closing of the acquisition. As of the closing, the Companies each became indirect wholly-owned subsidiaries of Solutia. The Companies are engaged in the business of designing, developing, manufacturing and distributing specialty films and products for the encapsulation of solar cells, thin film solar coatings and other active semiconductor materials in photovoltaic solar modules and any other related applications. The Companies' primary assets consist of a manufacturing facility and equipment in Dietenheim, Germany, customer and supplier agreements and intellectual property. There is no material relationship between Solutia and Seller other than as arising pursuant to the acquisition of the Companies pursuant to the Purchase Agreement.

For additional information on the Purchase Agreement and the transactions contemplated thereby, please see the Company's Current Report on Form 8-K filed on March 1, 2010. The foregoing summary of the Purchase Agreement does not purport to be complete and is qualified in its entirety by the Purchase Agreement, which was attached as Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, filed with the Securities and Exchange Commission on April 27, 2010, and the description thereof in such Quarterly Report on Form 10-Q and in the Company's Current Report on Form 8-K filed on March 1, 2010, each of which is incorporated herein by reference.

A copy of the press release announcing the consummation of the acquisition is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 8.01. Other Events.

On June 1, 2010, Solutia issued a press release announcing the consummation of the acquisition of Etimex Solar. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release of Solutia Inc., dated June 1, 2010, announcing the closing of the acquisition of Etimex Solar GmbH.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 1, 2010

SOLUTIA INC.

(Registrant)

/s/ Paul J. Berra, III

Senior Vice President, General Counsel,
Legal and Governmental Affairs

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
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NEWS



FOR IMMEDIATE RELEASE

Solutia Inc.575 Maryville Centre Drive
St. Louis, Missouri 63141P.O. Box 66760
St. Louis, Missouri 63166-6760**Media:** Melissa Zona (314) 674-5555**Investors:** Susannah Livingston (314) 674-8914**Solutia Completes Acquisition of Etimex Solar***Uniquely positions Solutia as a global provider of both major encapsulants to the fast-growing photovoltaics industry*

ST. LOUIS, June 1, 2010 -- Solutia Inc. (NYSE: SOA) has consummated the previously announced purchase of Etimex Solar GmbH, producer of Vistasolar® encapsulants, including a leading ethylene vinyl acetate (EVA) encapsulant to the photovoltaic market. The €240 (\$294) million acquisition of German-based Etimex Solar from Etimex Holding GmbH, which is controlled by funds advised by Alpha Gruppe, was funded with existing cash.

“The completion of this transaction is a significant step in Solutia’s previously stated strategy to prudently grow its specialty chemicals and performance materials portfolio through highly synergistic, bolt-on acquisitions,” said Jeffrey N. Quinn, chairman, president and chief executive officer of Solutia Inc. “This acquisition enhances Solutia’s already strong margins while diversifying and expanding our end markets, further strengthening our position as a leading components supplier to the high-growth renewable energy sector.”

The addition of Vistasolar EVA into Solutia's Advanced Interlayer division, which includes Saflex PVB, uniquely positions Solutia as the sole provider of both major encapsulants to the fast-growing photovoltaic industry. "We are positioned to better meet customer needs by providing the broadest product offering in the industry," said Timothy J. Wessel, president and general manager of Solutia's Advanced Interlayer division. "The combined processing expertise, global commercial capabilities and technology resources will accelerate the expansion of both Saflex and Vistasolar in the photovoltaic market."

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NOTE TO EDITORS: Solutia, Saflex and Vistasolar are trademarks of Solutia Inc. and/or its subsidiaries. Etimex Solar and Etimex are trademarks of Etimex Holding GmbH.

Forward Looking Statements

This press release contains forward-looking statements, including, but not limited to statements about projected financial performance, which can be identified by the use of words such as "believes," "expects," "may," "will," "intends," "plans," "estimates" or "anticipates," or other comparable terminology, or by discussions of strategy, plans or intentions. These statements are based on management's current expectations and assumptions about the industries in which Solutia operates. Forward-looking statements are not guarantees of future performance and are subject to significant risks and uncertainties that may cause actual results or achievements to be materially different from the future results or achievements expressed or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to, the accuracy of our assumptions, and those risk and uncertainties described in Solutia's most recent Annual Report on Form 10-K, including under "Cautionary Statement About Forward Looking Statements" and "Risk Factors", and Solutia's quarterly reports on Form 10-Q. These reports can be accessed through the "Investors" section of Solutia's website at www.solutia.com. Solutia disclaims any intent or obligation to update or revise any forward-looking statements in response to new information, unforeseen events, changed circumstances or any other occurrence.

Corporate Profile

Solutia is a market-leading performance materials and specialty chemicals company. The company focuses on providing solutions for a better life through a range of products, including: Saflex® polyvinyl butyral interlayers for glass lamination and for photovoltaic module encapsulation and Vistasolar® ethylene vinyl acetate films for photovoltaic module encapsulation; LLumar®, Vista™, FormulaOne™, Gila®, V-Kool®, Hüper Optik®, Sun-X® and Nanolux® aftermarket performance films for automotive and architectural applications; Flexvue™ advanced film component solutions for solar and electronic technologies; and technical specialties products including Crystex® insoluble sulfur, Santoflex® PPD antidegradants, Therminol® heat transfer fluids and Skydrol® aviation hydraulic fluids. Solutia's businesses are world leaders in each of their market segments. With its headquarters in St. Louis, Missouri, USA, the company operates globally with approximately 3,300 employees in more than 50 worldwide locations. More information is available at www.Solutia.com.

Source: Solutia Inc.

St. Louis
6/1/10
