Report of Organizational Actions Affecting Basis of Securities

Part I Reporting Issuer

1 Issuer's name

Viskase Companies, Inc.

2 Issuer's employer identification number (EIN)

95-2677354

3 Name of contact for additional information

Michael Blecic

4 Telephone No. of contact

630-974-0700

5 Email address of contact

Mike.Blecic@viskase.com

6 Number and street (or P.O. box if mail is not delivered to street address) of contact

333 E. Butterfield Rd, Ste. 400

7 City, town, or post office, state, and ZIP code of contact

Lombard, IL 60148

8 Date of action

Rights Offering Nov. 21, 2017

9 Classification and description

Rights Offering

Part II Organizational Action

 Attach additional statements if needed. See back of form for additional questions.

10 CUSIP number

36523999 and 92831R201

11 Serial number(s)

VKSC

12 Ticker symbol

VKSC

13 Account number(s)

Part II Organizational Action

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► See attached statement.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► See attached statement.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► See attached statement.
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ 305 and 307.

18 Can any resulting loss be recognized? ▶ n/a

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ n/a
On November 21, 2017, Viskase Companies, Inc. ("VKSC") commenced a rights offering up to 16,666,666 shares of common stock pursuant to which stockholders of record as of November 21, 2017 received, at no cost to them, one subscription right for each share of VKSC common stock owned (the "Rights Offering"). Each subscription right entitled the stockholder to purchase 0.45632095 shares of Common Stock at the $3.00 per whole share (the "Basic Subscription Right"). The Rights Offering expired on January 3, 2018. Under the Rights Offering, stockholders exercised rights ("Rights") to purchase 16,666,666 shares VKSC common stock.

15. The U.S. federal income tax treatment of the receipt of a Right by a stockholder is not free from doubt. While not free from doubt, VKSC is taking the position that the receipt of Rights is not treated as a taxable distribution for U.S. federal income tax purposes. VKSC is taking the position that the fair market value of each Right on the date of receipt is less than 15% of the aggregate fair market value of the stockholder's existing shares of VKSC common stock, accordingly, absent an U.S. federal income tax election by a stockholder under I.R.C. § 307(b) and Treas. Reg. §1.307-1 to allocate existing stock basis to the Rights, the Rights are expected to be allocated a zero basis for U.S. federal income tax purposes. VKSC stockholders should read the U.S. federal income tax discussion in the Offering Circular for the Rights under "Certain Material United States Federal Income Tax Considerations" and consult their tax advisors, in light of their particular circumstances, regarding the U.S. federal income tax consequences of the Rights Offering. Responses 16-19 of this IRS Form 8937 assume that a stockholder has not made the election under I.R.C. § 307(b) and Treas. Reg. §1.307-1, which is discussed further in the Offering Circular.

16. Based on a theoretical value calculation and limited trading data for our common stock, VKSC is taking the position that the fair market value of each Right is less than 15% of the aggregate fair market value of the existing shares of VKSC common stock and, accordingly, a change in basis calculation is not necessary.