



March 9, 2017

## Acquisition of a U.S. Firm Designing and Engineering Carbon Fiber Composite Components

Mitsubishi Rayon Co., Ltd.

Mitsubishi Rayon Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo; President: Hitoshi Ochi, hereinafter "MRC"), the leading international supplier of carbon fiber and composite materials, announced today the acquisition of Gemini Composites LLC (Headquarters: Seattle, Washington, the United States; hereinafter "Gemini"), the design, engineering and prototyping firm specialized in product development using Forged Composite technology.

Mitsubishi Rayon Carbon Fiber and Composites, Inc. (Headquarters: Irvine, California, the United States), MRC's wholly owned subsidiary, acquired all the shares of Gemini currently owned by its founder and made the firm a subsidiary of it effective March 1, 2017.

"We are thrilled to add Gemini to our portfolio of highly specialized businesses, and welcome the talented group of associates to the Mitsubishi Rayon team," said Akira Nakagoshi, General Manager of Carbon Fiber and Composites of Mitsubishi Rayon (Tokyo, Japan) and Member of the board of MRCFCAC. "The Gemini team will greatly enhance the capability of MRC to develop engineered solutions for our customers, and to assist them from initial concept all the way to start-of-production using our Carbon Fiber Sheet Molding Compounds (CFSMC). Gemini adds a strategic growth platform to our organization with its breakthrough approach to product development, as in the case of the award-winning Union FC snowboard binding."

MRC is today the world's largest manufacturer and supplier of CFSMC, which is the base material used in Forged Composite technology. The company has been proactively conducting CFSMC marketing to car manufacturers in Japan, Germany, and North America since it established its new SMC production line in 2015 at its Toyohashi Production Center in Aichi Prefecture. MRC believes that the said acquisition will further enhance its product development capability for automotive SMC components and enable development of innovative products based on a component design-driven approach.

MRC continues its business strategy to support the fast-growing automotive and industrial business sectors, with the aim to achieve net sales of JPY 100 billion in carbon fiber and composite materials by 2020 as indicated in APTSIS 20, the Mitsubishi Chemical Holdings Group's medium-term management plan.

"Once we laid out the background know-how of design and engineering with discontinuous carbon fibers with Boeing and the Federal Aviation Administration, we saw the opportunity to expand the Forged Composite technology to other products and markets", said Dr. Feraboli, founder and CEO of Gemini. "That's how Gemini started developing innovative aerospace, automotive and sporting products, resulting in numerous patents for our customers worldwide."

"We are excited to be part and have the support of MRC for the years to come", said Dr. Feraboli. "Together we will be able to offer a full turn-key package from design to production to our customers worldwide who wish to explore the great potential that Forged Composite technology has to offer but do not yet know how to approach it".

<Outline of Gemini>

Corporate name: Gemini Composites LLC

Location: Seattle, Washington, the United States

Corporate representative: Paolo Feraboli

Founded: 2012



Gemini Composites LLC facilities in Seattle, WA (USA)



Paolo Feraboli, Ph.D. Founder and CEO of Gemini Composites LLC

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