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products and services that contribute to society as a whole

Lucite International Outline

August 7, 2009

Mitsubishi Rayon Co., Ltd.

(1) Completion of Acquisition Proceedings

1. Completion of acquisition of shares

- (1) Date of acquisition: May 28, 2009
- (2) Shares acquired: 9,556,000 shares (all issued shares outstanding)
- (3) Acquiring party: MRC Group Holdings (UK)
(100% MRC subsidiary, established in January 2009)
*All of Lucite's debts outstanding also repaid

2. Main conditions for approval

- (1) Approval to be obtained from antitrust authorities in all countries
 - Approval obtained in Germany, Spain, Portugal, Turkey, South Korea, Taiwan and China
- (2) Performance verification at new plant employing new ethylene process called Alpha technology in Singapore
 - Verified on November 29, 2008
- (3) Share purchase agreements to be concluded with minority shareholders
 - Individual agreements concluded prior to approval

(2) Approval Granted by Chinese Antitrust Authorities

1. **Approval granted by Chinese Ministry of Commerce (MOFCOM) on April 24, 2009**
2. **Finalized details**
 - (1) MMA monomers corresponding to 50% of the MMA monomer production capacity of Lucite's plant in Shanghai (101,000 t/year) must be sold to a minimum of two third-party companies for at least five years (sale of capacity rights)50%
 - Buyers must be finalized within six months of approval in principle (although a further six month extension of this period may be granted at MOFCOM's discretion)
 - Sale prices must be equivalent to production and management costs combined
 - (2) Lucite's Chinese plant must be operated independently from the MRC management until the aforementioned sale of capacity rights has been completed.
 - (3) Without an approval obtained from MOFCOM, MRC must neither construct new plants for the production of MMA monomers and polymers nor engage in M&A in this field in China for five years after approval.

(3) Management Structure

1. Organizational structure (organizational reform announced on May 29)
 - New fully integrated Lucite Block established
 - New Lucite Office established in MRC head office
2. Key personnel (personnel announced on May 29)
 - Lucite Chairman: MRC President Masanao Kambara (newly appointed)
 - Lucite President: Ian Lambert (re-appointed)
 - MRC Managing Executive Officer in charge of Lucite Block: Ian Lambert (newly appointed)
3. Ensuring an effective post-merger integration (PMI) framework
4. Integration schedule
 - D100 (approx. 100 days after acquisition)

Establish governance structure, issue and publicize shared management philosophy, revise medium-term management plan, create synergy over short term, put in place systems for shared access to data, restructure customer framework, promote integration of R&D, etc.
 - D300 (approx. 300 days after acquisition)

Promote business integration and streamlining, revise purchase agreements, use bases more effectively
 - D1000 (approx. 1,000 days after acquisition)

Establish new ethylene process (Alpha technology) for MMA production plant in the Middle East

(4-1) Lucite's Performance (Results)

1. Recent results (Lucite International Group Holdings)

(Million GB pounds)

	2005**	2006	2007	2008
Sales	780	822	849	885
EBITDA	112	100	114	63
Operating income*	64	49	67	20

* Total operating profit before exceptional expenses

** Balance-sheet date: December 31

Notes

Lucite International Group Holdings (LIGH) is a secondary subsidiary to the Group's parent company Lucite International Group Limited (LIG). Both LIG and its primary subsidiary are merely holding companies that do not engage in actual operations.

Accordingly, LIGH's sales and operating income figures roughly coincide with figures for the Lucite Group as a whole.

(4-2) Lucite's Performance (Main P/L figures)

6

Profit and loss recorded by Lucite from May 28, 2009 (the date the acquisition was complete) until the last day of June, were reflected in MRC's interim statement of operations.

Impact of Lucite based on forecast figures for FY2009			
¥ billion	First half (approx. one month worth)	Second half (forecast)	Full year
Sales	13.0	65.0	78.0
Operating income	0.2	2.5	2.7
Capital expenditure	0.3	2.2	2.5
Depreciation	0.8	4.6	5.4
Amortization of goodwill	0.1	0.8	0.9
R&D expenditure	0.1	0.7	0.8

Amortization of Goodwill

- (1) Value of goodwill (including intangible assets): **Approx. ¥46.0 billion**
- (2) Annual amortization expenses: **Approx ¥2.3 billion/year**

(4-3) Lucite's Performance (Impact on main B/S figures)

Balance-sheet amounts recorded by Lucite as of May 28, 2009 (the date the acquisition was complete), were added to relevant amounts posted by MRC as of June 30, 2009 (end of first quarter).

Heading	Lucite (end of June)	(of which, contribution by Lucite)
Total assets	615.4	202.1
Current assets	207.3	50.9
Property, plant and equipment	282.9	105.9
Investment securities	53.5	0.1
Other noncurrent assets	71.7	45.2
Total liabilities	448.7	197.9
(Interest bearing liabilities)	(311.0)	(159.4)
Net assets	166.7	4.2
Shareholders' equity	153.3	0
Valuation and translation adjustments	(3.5)	0
Minority interests	16.9	4.1
Total liabilities and net assets	615.4	202.1

(¥ billion)

(5) Lucite Group Organization

MRC Group Holdings (UK) Limited

... Holding company (established January 2009)

Lucite International Group Limited

... Company subject to acquisition

MMA production companies

Five companies: UK, USA, China, Taiwan and Singapore
(MMA, resin sheets, coating materials, etc.)

Other production subsidiaries

Five companies: UK, France, Netherlands, Thailand and Japan
(Resin sheets, pellets, coating materials, etc.)

Other companies

34 companies: 11 countries
(Holding companies, sales companies, etc.)

Lucite International Group: 45 companies in total (11 countries)

(6-1) Production Capacity after Acquisition of Lucite

MMA monomers

Mitsubishi Rayon Group production capacity by region

Region	Country	Company	Process	Capacity	Notes
Asia	Japan	MRC	ACH	107	
			C4	55	
			C4	55	
	Thailand	MRC	C4	90	
			C4	(90)	(Operation planned for 2Q, 2010)
	Korea	MRC	C4	90	Operations commenced May 09
China	MRC	C4	90	Huizhou	
MRC subtotal			2 production processes	487	
Asia	China	Lucite	ACH	101	Shanghai
	Taiwan	Lucite	ACH	104	Kaohsiung
	Singapore	Lucite	C2 (α)	120	
Lucite subtotal			2 production processes	325	
Asia total			2 production processes	812	
North America	U.S.A.	Lucite	ACH	156	Beaumont
			ACH	177	Memphis
North America total			1 production process	333	
Europe	U.K.	Lucite	ACH	211	Cassel
Europe total			1 production process	211	
Total		M + L	3 production processes	1,356	

Mitsubishi Rayon = MRC, Lucite = L

(Unit: 1,000 tons/year)

Worldwide production capacity by region

Region	Production method	Capacity
Asia	3 production processes	812
North America	ACH	333
Europe	ACH	211
Total		1,356

Worldwide production capacity by production method

Production method	Region	Capacity
C4	Asia	380
C2 (α)	Asia	120
ACH	U.S.A./Europe/Asia	856
Total		1,356

Worldwide production capacity

Worldwide estimates	3,625
MRC	487
Lucite	869
M + L total	1,356

(MRC estimates as of May 2009) (37%)

(6-2) Production Capacity after Acquisition of Lucite

MMA polymers

(Unit: 1,000 tons/year)

Region	Country	Company	Product	Capacity	Notes
Asia	Japan	MRC	Resin sheets	46.2	Otake 16.2 + Toyama 30
	China	MRC	Resin sheets	20	Nantong
	Thailand	MRC	Resin sheets	(20)	(FY09/Q4)
	Japan	MRC	Pellets	47.7	Otake 20.2 + Toyama 27.5
	China	MRC	Pellets	40	Nantong
	Thailand	MRC	Pellets	12	Rayong
	Korea	MRC	Pellets	40	Yeosu
	Japan	MRC	Coating materials	Undisclosed	Otake
	Thailand	MRC	Coating materials	7.5	Bangkok
	China	MRC	Coating materials	4.2	Nantong
	Indonesia	MRC	Coating materials	5.4	Jakarta
	Thailand	Lucite	Resin sheets	23	Nakhonpathom
North America	Japan	Lucite	Processing resin	7	Ibaraki
	U.S.A.	MRC	Coating materials	8	Pasadena
	U.S.A.	Lucite	Resin sheets	21	Memphis
Europe	U.S.A.	Lucite	Coating materials	12	Parkersburg
	France	Lucite	Resin sheets	2	Clairvaux
	U.K.	Lucite	Resin sheets	33	Darwen
	U.K.	Lucite	Processing resin	8	Darwen
	U.K.	Lucite	Coating materials	3	Newton Aycliffe
	Netherlands	Lucite	Pellets	21	Rosenberg

* Coating materials include bead resin (acrylic coating resin).

* Processing resin consists of MMA polymers with added filler materials such as aluminum hydroxide and is used as the raw material for cultured marble and similar items.

(6-3) Production Capacity after Acquisition of Lucite

Production capacity for MMA monomers

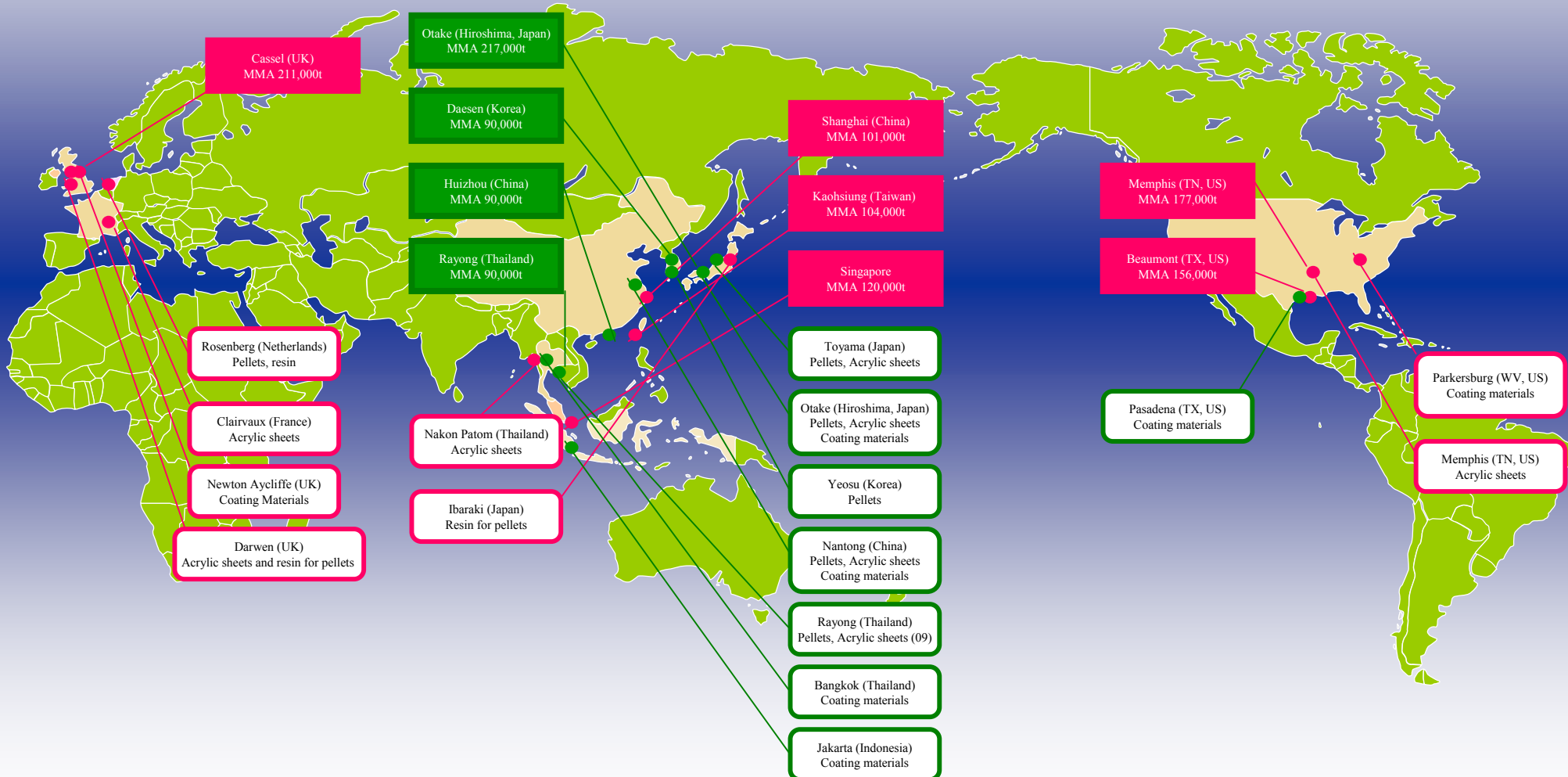
Mitsubishi Rayon
487,000 tons/ year

+

Lucite
869,000 tons/ year

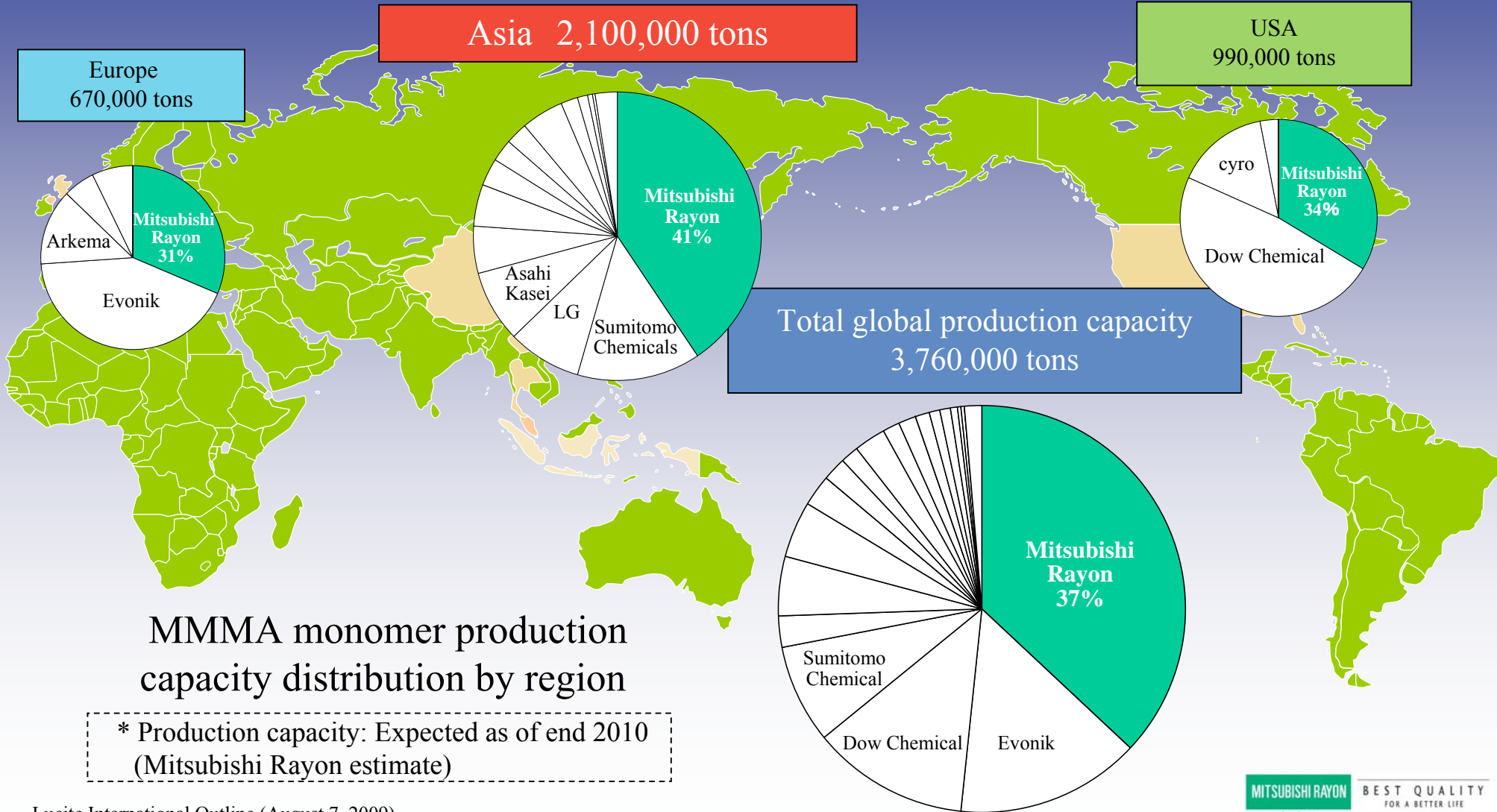
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Total output
1,356,000 tons/ year
(share in global market 37%)



(6-4) Production Capacity after Acquisition of Lucite

Mitsubishi Rayon Group will have an overwhelming production capacity of MMA monomer centered on the expanding Asian Market.



MMMA monomer production capacity distribution by region

* Production capacity: Expected as of end 2010 (Mitsubishi Rayon estimate)

(7) Commercial Application of Acrylic Resins by Region

