

March 2011

NEW CARBON FIBRE PRODUCTION FACILITY AT THE OTAKE PRODUCTION CENTRE IS COMPLETED.

Mitsubishi Rayon Group is pleased to announce that its new carbon fibre production plant at the Otake Production Centre was completed in January 2011. The new plant is designed to produce the P 330 range of cost effective carbon fibres for large user applications like Pressure Vessels, Wind Energy and Automotive components. Once fully commissioned, the new line will add 2,700 Tonnes to Mitsubishi Rayon Group’s worldwide capacity.

SCHEDULE

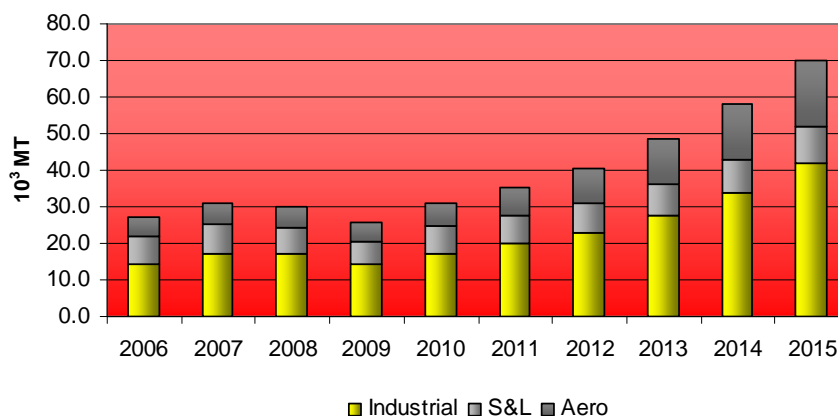
The schedule for the introduction of the new production line is:

- Jan 2011: Basic construction completed
- Feb-March 2011: Commissioning
- April-May 2011: Pre – production trials, samples for Customer evaluation
- June 2011: Full commercial production

NEW FACILITY

The new line represents an investment of \$140m. It has been built on reclaimed land and is the first stage in the establishment of carbon fibre production in Otake Japan which is also the location of Mitsubishi Rayon Group’s carbon fibre precursor plant.

As illustrated by the graph below usage in the industrial sector, our target market for P330 range of fibres, is set to grow by nearly 150% over the next 4 years.



Mitsubishi Rayon Group has space available for additional capacity and new lines will be added as required to meet this growth.

PRODUCTS

PRODUCT	FILAMENT COUNT K	TENSILE STRENGTH GPa (ksi)	TENSILE MODULUS GPa (msi)	DENSITY g/cm ³ (lb/in ³)	MUL mg/m (yds/lb)
TRH50 60M	60	4.90 (710)	250 (36)	1.80 (0.0657)	3200 (155)
TRW40 50L	50	4.10 (595)	240 (35)	1.81 (0.0657)	3750 (134)

Spool Length: 2500m

Size System: Epoxy based

PRODUCT CONCEPT AND ADVANTAGES

Mitsubishi Rayon Group is world leaders in acrylic fibre technology and they have brought this knowledge to the P330 range of fibres. This results in a range of carbon fibres with consistently high mechanical properties and performance combined with good processability, which all contribute to high productivity and yield rates. The P330 range of carbon fibres will change the perception of the conventional large tow market.

Specifically:

Prepreg:	Efficient production of prepregs over 300g/m ² Good processability with low fuzz levels.
Filament Winding:	Consistent resin pick up Good tow spreadability Less Fuzz when compared to conventional large tow fibres Improved productivity at the customers site
Pultrusion:	Consistent resin pick up Good tow spreadability Less Fuzz when compared to conventional large tow fibres
Weaving (UD Fabric)	No fuzz Good coverage

MITSUBISHI RAYON GROUP'S CAPACITY

LOCATION	2010	2011
Japan	5,400	8,100
USA	2,000	2,000
Total	7,400	10,100

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SCHEDULE

Currently the new production line is undergoing commissioning. Pre production trials will take place in April and May at which point it is hoped that samples will become available for customer evaluation. It is expected that full production will commence in June 2011

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