

ETIC Resolves to Implement Capital Injection into Corona Industries Ltd.

July 21st, 2011

Enterprise Turnaround Initiative Corporation of Japan

The Enterprise Turnaround Initiative Corporation of Japan (“ETIC”), concomitant with the agreement reached today on the purchase of debt owed by Corona Industries Ltd. under Article 28, Clause 1 of the Enterprise Turnaround Initiative Corporation of Japan Act (Act 63, of 2009, hereafter “the ETIC Act”), today resolved to implement a capital injection at the company under Article 31, Clause 1 of the same Act.

1. Name(s) of persons or companies concerned

Corona Industries Ltd. (hereafter, “Corona Industries”)

2. Outline of capital injection

Total capital paid in:	¥892.5 million
Class of share:	Ordinary shares
Number of shares:	89,250 shares
Percentage of shares to be held by ETIC	51% (49% to be held by Itochu Plastics Inc.)

Note 1: The amount of “Total capital paid in” recorded above is the total of the following two items: 1) the amount paid to acquire shares in a new company (Corona Industries Junbi Continuing Co., Ltd. (scheduled to change company name to Corona Industries Ltd. after implementation of a company separation); hereafter “the Continuing Company”) that, as stipulated under the business revitalization plan, will receive the ongoing operations of Corona Industries via a company separation, and 2) a capital injection into the Continuing Company.

Note 2: The “Number of shares” recorded above is the total of 1) shares to be transferred to the Continuing Company from Corona Industries, and 2) shares to be acquired through the capital injection into the Continuing Company.

3. Comments from State Ministers in charge of ETIC

Prime Minister, Minister of Internal Affairs and Communications, Minister of Finance, Minister of Economy, Trade and Industry: No opinion expressed

Minister of Health, Labour and Welfare: “I have no objection to the decision. However, I ask that in advising on and guiding the implementation of the corporate revitalization plan, ETIC should aim to ensure that Corona Industries complies with related laws and regulations, and that Corona Industries also provides adequate opportunities for substantive discussions with the workforce with due consideration of employment stability and other such factors.”

ENDS