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Mitsubishi Chemical to End MMA Monomer and MAA Production in Texas and Close Site

Mitsubishi Chemical Holdings Corporation (MCHC) announced today that its Corporate Executive Officers Committee resolved earlier in the day to end methyl methacrylate (MMA) monomer and methacrylic acid (MAA) production at the Beaumont site of Lucite International, Inc. in Texas, the United States, and close that facility. The company is a subsidiary of Mitsubishi Chemical Corporation (MCC; Head office: Chiyoda-ku, Tokyo; President: Masayuki Waga), itself an MCHC consolidated subsidiary. The MCC Group including Lucite International is a leading MMA supplier capable of producing MMA monomer through three different methods, with production sites in various regions worldwide.

Reason for decision

To boost competitiveness and optimize its supply chain in keeping with demand and supply trends for raw materials, MCHC decided to shut down the site.

Beaumont site profile

Location: 6350 North Twin City Highway, Nederland, TX 77627, the United States
Businesses: Production of MMA monomer, MAA, and other products
Applications:
MMA monomer: A raw material for acrylic resins used in vehicle lamp covers, signs, aquarium tanks, construction materials, paints, and other offerings
MAA: A raw material for paints, adhesives, synthetic rubber, concrete admixture, and other offerings
Annual production: 135,000 metric tons
Operational commencement: 1992

Scheduled production termination date

February 28, 2021

Results impact

In Notice Regarding Differences between Financial Results Forecast and Financial Results for the First Half of Fiscal 2020, and Revisions to Annual Forecast, announced today, MCHC factored in approximately \$230 million (approximately ¥24 billion) in an impairment loss on the facility and shutdown-related costs for its results forecast for the year ending March 31, 2021.