

COVALENT

Covalent Materials Corporation
Nissei Bldg., 6-3, Osaki 1-chome, Shinagawa-ku,
Tokyo 141-0032, Japan

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[Translation]

October 5, 2012

To Whom It May Concern

Covalent Materials Corporation

Re: Resolution of the Bondholder's Meeting held concerning Amendment to the Terms and Conditions (Extension of Maturity Date, Increase in Interest Rate, Increase in Redemption Amount, etc.) of the 1st Series Unsecured Bonds

On October 5, 2012, Covalent Materials Corporation (the "Company") held a bondholder's meeting concerning the 1st Series Unsecured Bonds (with inter-bond pari passu clause) (ISIN code: JP330135A829) (the "Bonds"), in which the Company's proposal concerning amendment to the terms and conditions of the Bonds has been approved as proposed.

The Company is to file for an approval with the Tokyo District Court shortly, with respect to the resolution of the Bondholders Meeting described above. The resolution of the Bondholders Meeting described above will become effective to all bondholders once the court's approval of such bondholders' resolution is obtained. .

For details related to the bondholder's meeting as well as amendment to the terms and conditions of the Bonds, please refer to the press release "Re: Holding of the Bondholders Meeting concerning Amendment to the Terms and Conditions (Extension of Maturity Date, Increase in Interest Rate, Increase in Redemption Amount, etc.) and Offer to Purchase of the 1st Series Unsecured Bonds", dated September 13, 2012

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* For inquiries regarding the bondholders meeting:

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Note:

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No advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) has been or will be issued other than with respect the Bonds which are or are intended to be acquired only from persons outside Hong Kong or only from existing holders of the Bonds who are “professional investors” as defined in the SFO and any rules made thereunder or whose dealings are otherwise permitted under the SFO or the CO.