

**Notice of Completed Acquisition of Equity in Cancarb Limited
(Canadian Carbon Black Producer) and Related Assets**

April 16, 2014



As described in the notice of January 20, 2014, Tokai Carbon on April 15, 2014 (Canadian local time) completed acquisition of all outstanding shares of Cancarb Limited (Alberta, Canada) (“Cancarb”) from TransCanada PipeLines Limited (Headquarter: Alberta, Canada), a direct wholly-owned subsidiary of TransCanada Corporation (Headquarter: Alberta, Canada), and related assets (“Assets”) owned by TransCanada Energy Ltd. (Headquarter: Alberta, Canada), which is an indirect wholly-owned subsidiary of TransCanada Corporation.

Going forward, Cancarb will operate as a consolidated subsidiary of Tokai Carbon.

1. Acquired Shares, Assets Description, Share Ownership Changes and the Transaction Consideration

(1)	Share Ownership Before the Transaction	0 share (# of Voting Right: 0) (% of Voting Right: 0.0%)
(2)	Acquired Shares	12
(3)	Assets Description	Assets related to waste heat recovery facility (Power generation using the waste heat generated from carbon black production in thermal method and sale of electric power to City of Medicine Hat)
(4)	Transaction Consideration	C\$ 190MM (JPY 17.7 billion) (This amount includes consideration for the Assets in addition to the consideration for the equity of Cancarb) The transaction consideration is to be adjusted based on the movements of working capital to the closing date. The amount of transaction expenses is currently unknown.
(5)	Share Ownership After the Transaction	12 (# of Voting Right: 12) (% of Voting Right: 100.0%)

2. Future Outlook

Tokai Carbon is currently examining the transaction’s impact on its earnings outlook and will disclose once it is fully identified.