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Mitsui Chemicals, Inc.

Mitsui Chemicals to Transfer All Shares in Mitsui Chemicals Industrial Products to MAEDAKOSEN

Mitsui Chemicals, Inc. (Tokyo: 4183; President & CEO: HASHIMOTO Osamu) today announced that it has signed an agreement to transfer its entire shareholding in wholly owned subsidiary Mitsui Chemicals Industrial Products Ltd. (Bunkyo-ku, Tokyo; President: TACHIBANA Akihiro) to MAEDAKOSEN CO., LTD. (Tokyo: 7821; President and Representative Director: MAEDA Takahiro). The transfer is scheduled to take place on April 1, 2025.

Completion of this share transfer is conditional on approval by the regulatory authorities under the Antimonopoly Act and the fulfillment of other closing conditions.

■ Background and objectives of the share transfer

Mitsui Chemicals' VISION 2030 Long-Term Business Plan positions "Chemistry for Sustainable World" as the company's ideal vision. In pursuing portfolio reform as a basic strategy for achieving this plan, Mitsui Chemicals aims to become a truly global specialty company by leaning on the two key pillars of a high-growth, high-profitability global specialty chemicals business and a sustainable green chemicals business centered on competitive derivatives.

Since its founding in 1964, Mitsui Chemicals Industrial Products has contributed to society as a comprehensive supplier of industrial materials, providing products and systems that leverage the Mitsui Chemicals Group's materials and technologies. Today, it holds a large share of the Japanese markets for civil engineering, construction and piping materials, and has established a strong position as a manufacturer of industrial materials.

However, the company faces a harsh business environment, grappling with such factors as a maturing market for industrial materials within Japan, along with soaring raw material costs in recent years. Given this situation, Mitsui Chemicals has concluded this agreement in the hope of creating new value and increasing the corporate value of Mitsui Chemicals Industrial Products through its becoming a wholly owned subsidiary of MAEDAKOSEN, which has solid business foundations in the industrial materials market, with a primary focus on civil engineering materials.

Founded in 1972, MAEDAKOSEN has enlarged its business as a company engaged in the preparation and maintenance of infrastructure (social infrastructure) by manufacturing and selling civil engineering materials, in addition to manufacturing, processing and selling industrial materials and nonwoven fabrics that employ various types of fibers as their raw materials.

By enhancing both companies' product ranges in the civil engineering and construction materials fields, as well as supplementing market access, this share transfer will facilitate the reinforcement and growth of their existing businesses. The deal is also expected to result in the expansion of MAEDAKOSEN's business domains by securing access to the piping materials sector, which is a new field of business for the company.

■ Number of shares for sale, sale price, and shareholding status before and after sale

Number of shares for sale	311 common shares (311 voting shares) (Percentage of total shares issued, excluding treasury stock: 100%)
Sale price	Common shares: 5.5 billion yen *As price adjustment based on the share transfer agreement has not been completed, the sale price has not yet been finalized.
Number of shares to be held after sale	0 common shares (0 voting shares) (Percentage of total shares issued, excluding treasury stock: 0%)

■ Overview of Mitsui Chemicals Industrial Products

(Website: <https://www.mitsui-sanshi.co.jp/>)

Name	Mitsui Chemicals Industrial Products Ltd.
Head office	3-39-10 Yushima, Bunkyo-ku, Tokyo
President	TACHIBANA Akihiro
Capital	400 million yen
Established	October 1, 1964
Major shareholders and percentage of shareholding	Wholly owned by Mitsui Chemicals, Inc.
Business	Manufacture, processing and sale of synthetic resin products Manufacture, processing and sale of civil engineering, construction and piping materials Any businesses incidental to or related to the aforementioned businesses

■ Overview of MAEDAKOSEN CO., LTD.

(Website: <https://eng.maedakosen.jp/>)

Name	MAEDAKOSEN CO., LTD.
Head office	Fukui main office: 38-3 Okinunome, Harue-cho, Sakai, Fukui Tokyo main office: Shiba Park Bldg. A-12F, 2-4-1 Shibakoen, Minato-ku, Tokyo
President and representative director	MAEDA Takahiro
Capital	4.65 billion yen (as of March 31, 2024)
Established	November 25, 1972
Business	Manufacture and sale of civil engineering materials, building materials and various non-woven fabrics

■ Outlook

As the impact of this deal on the financial performance of the Mitsui Chemicals Group will be minor, there is no change to the earnings forecast.