

For Immediate Release

February 15, 2002

Polypropylene Subsidiary To Be Merged into Mitsui Chemicals

Japan's leading petrochemicals manufacturer Mitsui Chemicals, Inc. (MCI) has decided to merge with and dissolve its fully owned Japanese consolidated subsidiary in the polypropylene (PP) business, Grand Polymer Co., Ltd. (GRP), effective April 1, 2002. GRP has been MCI's fully owned subsidiary since October 1, 2001.

This merger will be instituted in order to achieve a more efficient operation of MCI's PP business.

An MCI board of directors' meeting to approve the Merger Agreement between MCI and GRP will be convened on February 15, 2002. The date of the merger of GRP into MCI is set to be April 1, 2002, at which time MCI will be the surviving company and GRP will be dissolved. With MCI holding 100% of GRP shares, no issuance of new shares or capital increase will take place, nor will any merger-related payment be involved.

Upon completion of GRP's merger into MCI, MCI will in turn assign its PP business rights to Sumitomo Mitsui Polyolefin Company, Ltd., the new polyolefin joint venture between MCI and Sumitomo Chemical Co., Ltd. which is scheduled to kick off its business operation on April 1, 2002.

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