

November 6, 2003

For Immediate Release

Mitsui Chemicals to Consolidate Fine Chemicals Affiliates

Mitsui Chemicals, Inc. (MCI) has decided to merge together its two fine chemicals affiliates "Mitsui Kagaku Fine Chemicals, Inc." (MKF) and "Sun Technochemicals Co., Ltd." (Sun Techno) into a new stand-alone company called "Mitsui Fine Chemicals, Inc." (MFC), effective April 1, 2004, MCI announced today.

The latest move comes as a part of MCI's continuing efforts to streamline and consolidate its group companies in order to strengthen its group management.

With its headquarters in Tokyo and branch/sales offices in Osaka, Nagoya and Fukuoka, MFI will begin its operation with a capital of 400 million yen and a total headcount of 50 persons. The new company will engage in the manufacture and sale of healthcare products, chemicals for plastic lenses, electronics and information materials, functional polymeric materials and fine chemicals. Designated to be MFC's new president is Mr. K. Aoki, currently MKF's president.

To be positioned within the MCI Group as a fine chemicals trading company, MFI is expected to take advantage of the sales networks as well as the combined product portfolio of its predecessors MKF and Sun Techno, to achieve higher management efficiency and thereby contribute toward realizing a further enhanced synergy within MCI Group.

At the same time, with the technological competency of MCI Group in the backdrop, MFC will provide information and materials meeting customer needs and drive sales initiatives based on creative ideas by leveraging the knowledge and know-how nurtured by MKF and Sun Techno, to thereby further boost its competitive strength both in Japan and abroad.

Through improved efficiency as mentioned above and aggressive sales initiatives as well as vigorous overseas activities, MFC is expected to expand its projected turnover of 27 billion yen in 2004 to 30 billion yen by 2006 in the first three years of its operation, while at the same time aiming to secure a stable stream of profits.

MKF, with an annual turnover of around 20 billion yen, is engaged in the manufacture and sale of fine chemicals centered at chemicals for plastic lenses.

Sun Techno deals with products such as epoxy resin hardening agents, various amines and special solvents as well as dimethyl carbonate derivatives, and has annual sales of about 4 billion yen.

For further information, please contact : Mitsui Chemicals, Inc.
Corporate Communications Div.
+81-3-6253-2100