



January 5, 2006

President Fujiyoshi's New Year Message

I wish everyone a Happy New Year.

Reflecting a sharp surge in prices of naphtha and other raw materials, Mitsui Chemicals continued to face a challenging operating environment in 2005 while domestic economy underwent a recovery, backed by a moderate increase in both consumer spending and capital expenditure.

Under these circumstances, we continued to “grow and expand Performance Materials Sector” and “strengthen the profitability of Basic Chemicals Business” based on our four-year Medium-Term Business Plan, which ends in March 2008. This business plan aims to “change a business structure and strengthen profitability.” As for specific measures, we actively invested in functional polymers as well as electronic and information materials in Performance Materials Sector. In Petrochemicals and Basic Chemicals Sector, we steadily reinforced and expanded our business foundations as we established Prime Polymer and launched the factory operation in China to produce automotive polypropylene compounds.

We will focus on four major business elements in 2006; 1) accelerating business growth in Performance Materials Sector, 2) speeding up the business expansion in a global scale, 3) strengthening the capabilities of production sites and 4) promoting our CSR activities.

In particular, we will accelerate business growth in Performance Materials Sector. We intensively invest management resources into functional polymers and its related product lines where MCI has the most competitive advantages and establish “functional polymers chain”.

I hope each of us will exert all our strengths through integrating manufacturing, marketing, and R&D with teamwork beyond the Organization, taking a giant leap in Performance Materials Sector in 2006.

With regard to speeding up the business expansion in a global scale, we steadily grow Basic Chemicals Business in Asia and plan full-scale operations in China in 2006. Each of us needs to be conscious of considering the business from global perspectives since we expand overseas operations.

The third is “the reinforcement of capabilities at production sites”. “Securing safety is our top priority”. I want everyone to engage in various measures, which are to hand over production technology and skills to the next generation and create lively workplace.

Lastly, CSR activities which we launched in 2005; we would like to greatly contribute to the society through “dream-inspiring innovation” and will become a reliable company in the society. These activities are mainly driven by about 200 CSR supporting staffs, who are chosen from domestic business offices. We will expand them to the entire group.

2006 will be an extremely important year for Mitsui Chemicals as we change business structure and determine the company’s future direction. I hope each of us will gear up for challenge to a dynamic change in all aspects of the work.