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Mitsui Chemicals, Inc.
Idemitsu Kosan Co., Ltd.

Establishing a Business Alliance in OLED Materials Business

Mitsui Chemicals, Inc. (MCI) and Idemitsu Kosan Co., Ltd. (Idemitsu) have reached the agreement to establish a business alliance in R&D and manufacturing of OLED (Organic Light Emitting Diode) materials. MCI and Idemitsu continually examine to strengthen business areas in common, taking occasion to “the agreement to comprehensively study for cooperation in Chiba area” in February 2004.

1. Summary of Business Alliance

- (1) The development of new OLED materials will be conducted by each firm. However, MCI and Idemitsu will significantly enhance efficiency of developing materials by combining “advanced molecular design and synthetic technology” of MCI and Idemitsu with “material’s integration technology and practical evaluation technology”, in which Idemitsu gains predominance.
- (2) With regard to OLED materials production, MCI and Idemitsu will intensify a stable supply and competitiveness by mutually making use of the manufacturing facilities owned and upgraded by each company. Specific measures for improvement of manufacturing system will be decided through the discussion between the two companies.
- (3) Idemitsu will be in charge of sales of new high-performance OLED materials based on the agreement.

2. Background of Business Alliance

- (1) The OLED display market is expected to expand along with growing FPD* market. Meanwhile, OLED display confronts a severe competition with LCD*. In order to reinforce the performance of OLED display,

there is an increasing demand from the market for the development of high-performance OLED materials.

- (2) Nevertheless, each manufacturer of OLED materials conducts its own material development. Few joint efforts are made among the manufacturers in the field of technology development. As a new effort, MCI, which owns numerous patents relating to OLED materials, and Idemitsu having world's top-notch technology and patents have agreed on joint efforts of R&D.
- (3) While the market expansion of OLED begins to take full effect, it is urged to create the manufacturing system of OLED materials swiftly. In order to cope with the needs, MCI and Idemitsu have agreed the business alliance to establish the manufacturing system of OLED materials.

Note: FPD: Flat Panel Display LCD: Liquid Crystal Display