

June 26, 2006

TOAGOSEI Co., Ltd.  
Mitsui Chemicals Inc.  
Mitsui Chemicals AquaPolymer, Inc.

## **Conclusion of Agreement on Business Integration of Polymer Flocculant**

TOAGOSEI Co., Ltd. (TOAGOSEI), Mitsui Chemicals, Inc. (MCI) and Mitsui Chemicals AquaPolymer, Inc. (MAP), which is a 100% subsidiary of MCI, announced that MCI and TOAGOSEI have signed the joint venture agreement while TOAGOSEI and MAP concluded the separation contract. TOAGOSEI, MCI and MAP had already reached to the basic agreement to integrate the polymer flocculant business of both TOAGOSEI and MAP in the announcement issued on February 8, 2006.

### 1. Business Integration Method

- TOAGOSEI will separate its polymer flocculant business in corporate split slated on October 1, 2006 and MAP will take over the business. Accordingly, MAP will become the joint venture between TOAGOSEI and MCI.
- MAP will change its company name to MT AquaPolymer, Inc. on the same day as being effective of corporate split.

### 2. Overview of Joint Venture

Company name: MT AquaPolymer, Inc.  
President: Being appointed by TOAGOSEI  
Head office: Chuo-Ku, Tokyo  
Sales office: Tokyo, Osaka and Nagoya  
Factory: Mobara City in Chiba Prefecture and Sakaide City in Kagawa Prefecture  
R&D center: Mobara  
Operation start: October 1, 2006  
Paid-in capital: ¥460 million  
Ratio of capital contribution: TOAGOSEI 51%, MCI 49%  
Net Sales: Approximately ¥9.5 billion (estimated at the end of December 2007)  
Financial year ended: December  
Consolidation: a consolidated subsidiary of TOAGOSEI