

May 30, 2007

Mitsui Chemicals, Inc.

Mitsui Chemicals to Augment Production Capacity for APEL™

Mitsui Chemicals, Inc. (“MCI”) establishes a new plant to augment production capacity for APEL™, an amorphous cycloolefin copolymer with outstanding optical features.

<Overview of New Plant>

1. Products : Cycloolefin copolymer
2. Trademark : APEL™
3. Site : MCI Osaka Works
(Takaishi City, Osaka Prefecture)
4. Production Capacity : 3,000t/y
5. Technology : MCI’s independently-developed technology
6. Total Investment : Approx. ¥6 billion
7. Schedule : To start commercial production in May 2008

*Ref.) MCI Iwakuni-Ohtake Works has an existing APEL™ plant with production capacity of 3,400t/y.

APEL™ is highly refractive and low birefringent material, mainly applied to information and electronic materials such as pick-up lenses for DVD recorders and lenses for camera phones, where demand has been dramatically growing. And recently, APEL™’s application has been expanded into highly marketable high-grade packaging materials, including PTP (Press Through Package: package for tablet pharmaceuticals) and shrink films, thanks to its moisture proof and contractive characteristics, respectively.

This augmentation reflects our expectation for market growth, which will exceed 20% annually. A new plant will be established in Osaka Works in addition to Iwakuni-Ohtake Works, which has already an existing plant, in accordance with Business Continuity Plan (BCP) with the aim of ensuring a stable supply to customers.

MCI will build an R&D facility in the new plant in order to develop new applications for the material, enhance production technology and strengthen marketing capacity.

Under the newly developed Grand Design (the basic framework of the MCI group management), MCI established its new corporate target (“Chemistry, Innovation, Dreams’ ~ The Mitsui Chemicals Group is Constantly pursuing innovation and materializing dreams with the wonder of chemistry~.”) and its Long-term Management Target. To realize these new goals, MCI has made fresh start with a new business portfolio (Performance Materials Business, Advanced Chemicals Business and Basic Chemicals Business). MCI will further expand and grow businesses for APEL™, one of its business focuses in information-electronics business, by fully taking advantage of the augmentation. Information-electronics business is a core of the Performance Materials Business Sector.