



Mitsui Chemicals

<http://www.mitsui-chem.co.jp/e/>

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PRIME POLYMER CO.,LTD.

<http://www.primepolymer.co.jp/>

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Mitsui Chemicals, Inc.
Prime Polymer Co., Ltd.

**Mitsui Chemicals Group to Open
a New Polypropylene Automotive Materials Company in India**

Mitsui Chemicals, Inc (“MCI”) and Prime Polymer Co., Ltd. (“Prime Polymer”), an MCI subsidiary, announced today that they had established a new company in India in order to meet growing demand for polypropylene (PP) automotive materials in the country.

The groundbreaking ceremony is scheduled for November 13, 2007.

<Overview of the New Company>

1. Company Name: Mitsui Prime Advanced Composite India PVT LTD
2. Business: Manufacturing and sales of PP automotive materials
3. Established: September 2007
4. Paid Up Capital: Rs.430 million
(¥1.3bil. calculated at the rate of ¥3.0=Rs1)
5. Equity Interest: MCI 80%, Prime Polymer 20%
6. Managing Director: Toshihide Kihara
7. Location: Neemrana, Rajasthan State
8. Start of Commercial Operation: April 2009
9. Production Capacity: 15,000 tons/yr

The new company is the first business operation in India for the MCI Group, although the group has already opened a local office (Mitsui Chemicals Asia Pacific Ltd., Liaison Office in India) in February of this year.

The Indian automobile market is showing strong expansion at 15% annual growth, with sales volume expected to reach 2.1 million units in 2010, jumping from 1.3 million in 2006. Against such background, Japanese auto makers are strengthening local production capabilities, and therefore demand for PP automotive materials is expected to dramatically increase. The new company will successfully fulfill such demand increase. The MCI group will be able to produce automotive materials for Indian market in addition to the current market of North America, Thailand, and China.

Aiming to realize the Grand Design, the basic framework for the MCI Group's management, the MCI group established a business portfolio consisting of three business domains (Performance Materials, Advanced Chemicals, Basic Chemicals) with the Long-term Management Target upheld. The MCI Group will commit itself to further expansion of PP automotive materials business, a core business of Basic Chemicals filed aiming for stable profitability, as a global supplier to Japanese automakers.