

April 10, 2008

Mitsui Chemicals, Inc.

**Mitsui Chemicals to Expand Production Capacity
and Start Commercial Operation of
Ethylene/α Olefin Olygomer (LUCANT™)**

Mitsui Chemicals, Inc. ("MCI") announces it has augmented production capacity of Ethylene/α Olefin Olygomer (LUCANT™) and started commercial production at its Iwakuni-Ohtake Works, where construction for the second plant has been completed. LUCANT™ is mainly used as a compounding agent for lubricant of automobiles, and contributes to improving fuel consumption efficiency and lengthening the life of lubricants. Within this, MCI takes a step forward to meet rising global demand as a manufacturer and seller of the product.

<Overview of Capacity Increase>

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| 1. Product | Ethylene/α Olefin Olygomer |
| 2. Trademark | LUCANT™ |
| 3. Site | MCI Iwakuni-Ohtake Works |
| 4. Production Capacity | 11,000t/y (Current capacity: 5,000t/y) |
| 5. Start of Commercial Production | February 1, 2008 |

LUCANT™, one of the company's unique strategic products, is transparent and viscous liquid, which MCI has originally developed and cultivated for the market mainly applied as a compounding agent for lubricants used in automobiles. The product improves fuel consumption efficiency by lowering viscosity of lubricants, which leads to a reduction of CO₂ emissions, and lengthens the life-time of lubricants by improving their stability, which enables cut of wasted oil use by decreasing the frequency of lubricant changes. In recent years, regulations for the environment have grown stricter and stricter. Within this context, the market for the product has been showing significant growth, leading MCI to the decision to substantially increase production capacity as a supplier and aiming for securing stable production capacity and further expanding this business.

MCI has formulated its new Mid-term Business Plan (the 08MTP), in which the company is aiming to complete a three dimensional strategy consisting of Economy, Environment and Society along with the concept of “The Challenge to Create Innovative Values” through creation of innovative new technologies. Fiscal 2008 is the first year of the 08MTP and MCI will commit itself to realizing the goal of this MTP for the next 4 years. Automotive and Industrial Materials business including LUCANT™ is one of the core businesses of the Performance Materials Business Sector which has the mission to establish high-profitability as a growth driver. MCI intends to further expansion and accelerate growth of LUCANT™ business augmenting the production capacity.