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Mitsui Chemicals, Inc.

**Mitsui Chemicals to Establish a New Department
to Accelerate Solar Cell and Battery Components Business**

Mitsui Chemicals Inc., ("MCI") announces that it has established a new department, the Solar & Cell & Battery Components Development Department, under its Performance Materials Business Sector. The missions of the department are to map out a business strategy and to spur the development of new materials for solar cells, fuel cells and secondary cells by promoting its R&D activities.

MCI has launched its new four-year Mid-term Business Plan (the 08MTP), commencing in fiscal 2008, which is based on a three dimensional strategy focusing on Economy, Environment and Society and "The Challenge to Create Innovative Values" through new technologies. MCI's Performance Materials Business Sector upholds the mission to establish high-profitability, especially in expanding sectors such as Automotive and Industrial materials, Information Technology materials and Energy materials. Among them, in the energy business field, the solar cell business is expected to grow dramatically as it has emerged as sought-after clean energy.

As a part of efforts to expand its solar cell related business, MCI's 100% subsidiary, Mitsui Chemicals Fabro ("MFI") has decided to expand production capacity for the solar cell encapsulant SOLAR EVA™. The newly established production facility will start in 2009 with 20,000 t/y capacity. The two companies are planning to further increase their production capacity in the near future. Besides, MCI and Tokuyama Corporation have decided to launch a joint development of a production process for silane gas, specialty gas used to form silicon film in manufacturing various electronic devices such as thin film solar cells.

Thus far, the MCI Group has been advancing some businesses involved in solar cell materials. This includes an adhesive for backsheets (TAKELAC™ and TAKENATE™), ethylene-propylene-diene terpolymer (Mitsui EPT) and thermoplastic olefinic elastomer (MILASTOMER™) used as a gasket material and so on.

The Solar Cell & Battery Components Development Department will seek further growth in the energy market as its priority business area, by boosting these existing businesses and accelerating R&D for new products.