

January 30, 2009

Mitsui Chemicals, Inc.

## **Mitsui Chemicals, Inc. will split its Agrochemicals Division and Integrate it with Sankyo Agro Co., Ltd.**

Mitsui Chemicals, Inc. (“MCI”) decided at a Board of Directors Meeting held on January 30, 2009, to split the current Agrochemicals Division and subsequently absorb it into Sankyo Agro Co., Ltd. (“Sankyo Agro”), a wholly-owned subsidiary of MCI. (The corporate name will be changed to “Mitsui Chemicals Agro, Inc.” on April 1, 2009.)

This transaction is a simplified “company split agreement” with Sankyo Agro, in which a wholly-owned subsidiary will become the successor company. Accordingly, some items are not disclosure and some details are omitted.

### 1. Purpose of Company Split

MCI acquired all shares of Sankyo Agro from Sankyo Corporation (currently Daiichi Sankyo Company Limited) on March 30, 2007 and merged it with MCI’s agrochemicals subsidiary with the aim of strengthening its agrochemicals formulation and distribution operations.

To optimize MCI’s agrochemical business performance, a core business of the company, and maximize operational synergy, MCI will split and subsequently integrate its Agrochemicals Division with Sankyo Agro.

### 2. Outline of Company Split

#### (1) Schedule of Company Split

Board of Directors Meeting for Resolution of the Company Split Agreement		January 30, 2009 (Friday)
Execution of the Company Split Agreement		January 30, 2009 (Friday)
Shareholders Meeting to Approve the Company Split Agreement	Mitsui Chemicals, Inc. (Splitting Company)	The split will be executed without obtaining the approval of the Shareholders Meeting in accordance with the provisions of Article 784.3 of the Corporate Law of Japan.
	Sankyo Agro Co., Ltd (Successor Company)	The split will be executed without obtaining the approval of the Shareholders Meeting in accordance with the provision of Article 796.1 of the Corporate Law of Japan.

Tentative Date of Company Split (Effective date)	April 1, 2009 (Wednesday)
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(2) Method of Company Split

MCI will be the splitting company. Sankyo Agro will be the successor company.

(3) Decrease in Paid-in Capital due to Company Split

No change in the company's Paid-in Capital will result from the split.

(4) Rights and Obligations Regarding Stock Subscription Rights and Bonds with Stock Subscription Rights of the Splitting Company

MCI does not issue stock subscription rights and bonds with stock subscription rights.

(5) Rights and Obligations to be Succeeded by the Successor Company

Sankyo Agro is expected to succeed from MCI those portions of the assets and liabilities with respect to MCI's Agrochemicals Division. Employment agreement with MCI employees is not included.

(6) Prospects of Fulfillment of Obligations

MCI believes that there is no issue with the prospect for fulfilling obligations to be borne by MCI and Sankyo Agro after the company split.

3. Outline of the Parties Concerned in Company Split (As of December 31, 2008)

(1) Company Name	Mitsui Chemicals, Inc. (Splitting Company)	Sankyo Agro Co., Ltd. (Successor Company)
(2) Business	Manufacture, processing, sale of automotive & industrial materials, packaging & engineering materials, living & energy materials, information & electronics materials, fine & performance chemicals, agrochemicals, feedstocks, phenols, PTA & PET, and industrial chemicals, including other related businesses.	<ul style="list-style-type: none"> <li>▪ R&amp;D, manufacture, sales, import and export of agrochemicals and fertilizer</li> <li>▪ Manufacture and sale of non-agricultural pesticides</li> <li>▪ Protection against insects and ants, and moisture prevention for building materials</li> <li>▪ Other businesses related to the above.</li> </ul>
(3) Date of Establishment	July 25, 1947	April 1, 2003

(4) Location of Head Office	5-2, Higashi-Shimbashi 1-chome, Minato-ku, Tokyo	5-2, Higashi-Shimbashi 1-chome, Minato-ku, Tokyo
(5) Representative Officer	Kenji Fujiyoshi (President & CEO)	Ryuichi Kubota (President)
(6) Paid-in Capital	103,226 million yen	350 million yen
(7) Number of Shares Issued	792,020,076	6,181
(8) Net Assets	517,549 million yen (consolidated)	29,109 million yen (non-consolidated) *
(9) Total Assets	1,432,473 million yen (consolidated)	42,178 million yen (non-consolidated)*
(10) Fiscal Year-end	March 31	March 31
(11) Major Shareholders and Shareholding Ratios	The Master Trust Bank of Japan, Ltd. (Trust account) 6.15%	MCI 100%
	Japan Trustee Services Bank, Ltd. (Trust account) 5.01%	
	Japan Trustee Services Bank, Ltd. (Toray Industries Ind. Retirement Benefit Trust Account re-entrusted by Chuo Mitsui Asset Trust and Banking Company, Ltd.) 4.72% ( As of September 30, 2008)	

\* Sankyo Agro owns two subsidiaries. The simple total of net assets and total assets are as follows (as of December 31, 2008):

Net Assets: 32,586 million yen, Total Assets: 47,535 million yen

#### 4. Outline of the Business to be Split

##### (1) Principal business of the operations to be split

- Agrochemicals (active ingredients and formulations)
- Environment-protection chemical materials (repellent, preventive agents, veterinary medicine)

(2) Business results of the operations to be split

	Results of Agrochemicals Division (a)	Performance of MCI for the year ended 31, 2008 (b)	Ratio (a/b)
Sales	6,713 million yen	1,034,887 million yen	0.65%

(3) Items and values of assets and liabilities to be split (As of September 30, 2008)

Assets		Liabilities	
Item		Item	
Current Assets	2,748 million yen	Current Liabilities	613 million yen
Property, plant and equipment	3,138 million yen	Long-term Liabilities	0
Investments and other non-current assets	99 million yen		
Total Assets	5,985 million yen	Total Liabilities	613 million yen

5. Status of MCI Following Company Split

(1) Company Name	Mitsui Chemicals, Inc.
(2) Business	Manufacture, processing, sale of automotive & industrial materials, packaging & engineering materials, living & energy materials, information & electronics materials, polyurethanes, fine & performance chemicals, feedstocks, phenols, PTA & PET and industrial chemicals, including other related businesses.
(3) Location of Head Office	5-2, Higashi-Shimbashi 1-chome, Minato-ku, Tokyo
(4) Representative Officer	Kenji Fujiyoshi (President & CEO)
(5) Paid-in Capital	103,226 million yen
(6) Fiscal Year-end	March 31
(7) Impacts on Business Performance	Impact on consolidated business results and non-consolidated business results are negligible.