

May 20, 2009
Mitsui Chemicals, Inc.

Business and Capital Tie-up with SHOFU Inc.

Mitsui Chemicals, Inc. (hereinafter referred to as "MCI"), Sun Medical Co., Ltd. (MCI subsidiary, hereinafter referred to as "Sun Medical"), and Shofu Inc. (hereinafter referred to as "Shofu") concluded an agreement for a business and capital tie-up as described below.

Shofu will also announce details of the business and capital tie-up with MCI and Sun Medical today.

1. Background and Objective of Tie-up

MCI is positioned as a chemical manufacturer with high technological expertise in the field of chemical materials. Sun Medical has its main area of business in dental-related materials. Shofu, meanwhile, has high technological know-how in dental-related materials and equipment as both a world-class manufacturer and distributor with a comprehensive distribution network.

Market conditions have become increasingly difficult due to continued strengthening of governmental control of medical remuneration and competition from market globalization. To reinforce market competitiveness and prospects for future growth, efforts to strengthen research and development, sales and marketing, cost optimization and reduction are necessary. The business and capital tie-up will enable the three parties to use the strengths of each company to optimize operations and improve market presence and corporate value.

2. Content of Business and Capital Tie-up

a) Business Tie-up

Main points in the business tie-up are as follows. Details will be decided at a working meeting of the three parties.

- i. Shofu and Sun Medical will intensify product development efforts using MCI's material development technologies (for monomers and polymers).
- ii. The companies will expand their overseas markets by optimizing overseas distribution networks.
- iii. The companies will study improvement of production technology to optimize production.

b) Capital Tie-up

To solidify bonds of trust and cooperation, MCI will purchase 1,800,000 shares of Shofu's treasury stock (11.17% of outstanding stock volume).

Purchase details will be made public by Shofu today in its announcement concerning third party allocation of its treasury stock.

3. Schedule

May 20, 2009	Execution of Business and Capital Tie-up Agreement
May 20, 2009	Execution of Stock Purchase Agreement
June 4, 2009	Acquisition of stock