



GE, Mitsui Chemicals and Nagase Reach Agreement on their Japan Joint Ventures

TOKYO, Japan — August 23, 2007 — GE, Mitsui Chemicals, Inc. (MCI) and Nagase & Co., Ltd. (Nagase) announced today that they have reached the following agreement regarding their Japanese joint ventures GE Plastics Japan Ltd. (GEPJ) and GEM PC Ltd. (GEMPC).

GE Plastics Japan Ltd

GE has acquired the entire equity interests of MCI and Nagase in GEPJ thereby increasing its equity to 100%. Except for the closing of GEPJ's Chiba Facility located within MCI's Ichihara Works, there will be no change in GEPJ's operations and GEPJ will continue to serve the GE Plastics' Japan customer base as it has in the past.

Nagase will continue to serve the GE Plastics' customers in Greater China and SEA as a sales representative and distributor.

GEM PC Ltd

GE has acquired the entire equity interests of Nagase in GEMPC thereby increasing its equity to 58%. GEMPC will continue to produce Lexan* resins as a joint venture between GE and MCI until March 31, 2008. GEMPC will then cease business operations and will be liquidated. GEPJ will supply Lexan* polycarbonate from other GE Plastics' polycarbonate manufacturing facilities located globally.

Toshikazu Tanaka, Executive Vice President of MCI commented, "Considering the longstanding amicable relationship with GE, we seriously considered GE's proposal for the termination of the alliance. We accepted GE's proposal and believed that the arrangement is consistent with MCI's business strategy and will contribute to respective future growth."

Hiroshi Nagase, president of Nagase, commented, "We jointly operated GEPJ with GE since 1971. We would like to express our appreciation for the customers who have given valuable patronage to GEPJ's products for a long time. Although we have agreed to terminate joint ventures in Japan with GE, Nagase will keep the longstanding business relationship with GE Plastics and will continue to serve their customers in Greater China and SEA as a sales representative and distributor. In order to develop and grow our business, we will continue to provide our customers with the goods and services needed."

"We are pleased to reach a mutual agreement with our partners in Japan that creates a win-win situation for all of us. As we look to simplify our global business and fully leverage our leading global polycarbonate asset base, this transaction makes a lot of sense for us," noted Brian Gladden, CEO, GE Plastics. "This move will improve our global cost position for the Lexan business. We have built a great team in Japan with outstanding customer relationships, and this will ensure our strong position in the marketplace."

Takashi Hata, president of GE Plastics Japan, said, “We feel that this move will help us in the important Japan market, and we are committed to make the customer transition activities smooth and efficient.”

As announced in May, GE has agreed to sell its Plastics business to SABIC (Saudi Basic Industries Corporation), at which the new business will be renamed to SABIC Innovative Plastics. The sale is targeted to close in the third quarter.

About GE Plastics

[GE Plastics \(www.geplastics.com\)](http://www.geplastics.com) is a global supplier of plastic resins widely used in automotive, healthcare, consumer electronics, transportation, performance packaging, building & construction, telecommunications, and optical media applications. The company manufactures and compounds polycarbonate, ABS, SAN, ASA, PPE, PC/ABS, PBT and PEI resins, as well as the LNP* line of high-performance specialty compounds. GE Plastics, Specialty Film & Sheet manufactures high-performance Lexan* sheet and film products used in thousands of demanding applications worldwide. In addition, GE Plastics’ dedicated Automotive organization is an experienced, world-wide competitor, offering leading plastics solutions for five key automotive segments: body panels and glazing; under the hood applications; component; structures and interiors; and lighting. As a Worldwide Partner of the Olympic Games, GE is the exclusive provider of a wide range of innovative products and services that are integral to a successful Games.

About Mitsui Chemicals, Inc.

The Mitsui Chemicals Group (<http://www.mitsui-chem.co.jp/e/index.htm>) provides society with a broad range of products used in consumable and durable materials for an immense number of areas, such as but not limited to, Automobiles, Consumer Living, Healthcare, Electronics and Information, Agriculture and Fisheries, Housing and Construction. The Mitsui Chemicals Group is also developing business activities based on a corporate mission which states: “Contribute broadly to society by providing high-quality products and services to customers through innovations, and creation of materials and products while keeping harmony with the global environment.” For this purpose, the Mitsui Chemicals Group is constantly pursuing innovation and materializing dreams with the wonder of chemistry.

About Nagase & Co., Ltd.

With its longstanding knowledge and experience in chemicals and plastics industries, Nagase & Co., Ltd. (www.nagase.co.jp) provides the trading, marketing, R&D, manufacturing and processing functions for the major four strategic industrial areas of “electronics”, “life science”, “automotive” and “overseas”. Keeping the company motto of “To maintain good and fair business practices”, Nagase & Co., Ltd. is aiming to be “a technology and intelligence oriented company that turns wisdom into business”, and is continuously offering high-level response to customer needs.

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* Lexan and LNP are trademarks of the General Electric Company.

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