

Explosion and Fire at Iwakuni-Ohtake Works (#5)

May 2, 2012

Mitsui Chemicals, Inc.

On April 22 (2:15am), a tragic explosion and fire occurred at Mitsui Chemicals' Iwakuni-Ohtake Works claiming the life of one employee and injuring persons from the local community and Works employees.

Mitsui Chemicals extends heartfelt sympathy to the family of the deceased and sincerest apologies to all persons injured in the accident, residents suffering damages to homes and property, persons of the local community, persons working at nearby companies, the authorities, our customers, and all stakeholders.

Information update: (May 2, 9:00): (changes are in bold print)

The Company will issue updates as information becomes available.

1. Address and facilities involved in accident:

Please refer to April 23 news release.

2. Casualties/injured:

1 dead, 21 injured (details as follows)

Community residents: 10 injured

JX Nippon Oil & Energy (adjacent refinery) cooperating company employees: 2 injured

Mitsui Chemicals employees: 1 dead, 7 injured (2 seriously)

Cooperating company employees: 2 injured

3. Damage to buildings/homes:

Community buildings/homes: **484 (increase of 2 from April 26 13:00 report)**

4. Other effects on community

There is no report of leakage of hazardous substances or materials at this time.

Premises warehouses store catalyst waste which includes radioactive material. This material is stored in accordance with applicable laws and regulations. Storage facilities are over 500 meters from the affected area and there has been no report of changes in either containers or radiation measurements as compared with those prior to the accident.

5. Response to community damage:

From April 22, approximately 300 Mitsui Chemicals employees visited the **8382** families living in the area adjacent to the Iwakuni-Ohtake Works to apologize on behalf of the Company and confirm damages.

The Company continues to lend out plastic sheet coverings, arrange accommodations, and undertake repair work to damaged property. The Company will continue to respond to needs of persons affected by this accident.

6. Damage to plants/facilities:

Damage to all 29 plants is as follows:

- a. Substantial damage 2 plants (Iwakuni area: RS, CY)
- b. Damage to exterior slate, glass, etc. (details unknown): 15 plants
(Iwakuni area: MPCR, HQ, 3GT, 1PET, 2PET, LC, 2LC, TPX, HM, 2HM, WAX, NWAX, PR, AFR, boilers)
- c. Damage to exterior slate, glass, etc. with no damage to installations: 1 plant
(Ohtake area: MIP)
- d. No damage: 11 plants
(Ohtake area: 1PZ, 2PZ, MC, BK, AL, Pellicles, MDP, OTY, 1MO, 2MO, H)
For explanation of abbreviations, please refer to the attachment.

7. Effect on operations:

Of all 29 plants, **3 plants** are in operation. (Ohtake area: 1MO, MIP, **Pellicles**)
Operations at the Pellicles plant in the Ohtake area have been resumed.
Operations at all other **26 plants** continue to be suspended.

8. Effect on product supply:

Including products from plants which are in or have resumed operations, effects on product supplies are unknown at this point in time.

9. Causes and measures:

The authorities are currently conducting an official investigation as to the causes of the accident. In addition, the Company formed an [Accident Investigation Committee] comprised solely of members of the academia and external specialists to investigate causes of the accident and develop measures to prevent future recurrences. **The Committee held its first meeting on May 1.** The Company will fully cooperate with the Accident Investigation Committee and investigating authorities.

List of abbreviations

Products	Usage	Plant Location	Plant Name
Resorcinol	adhesive agent for wood and tire	Iwakuni	RS
Acetone (By-product of resorcinol)	solvent, methyl isobutyl ketone raw material	Iwakuni	
Cymene	solvent, meta/para-cresol raw material	Iwakuni	CY
Meta/Para-cresol	vanish for wire enamel, laminare for PCB	Iwakuni	MPCR
Hydroquinone	polymerization retardant, anti-degradation agent for rubber	Iwakuni	HQ
Purified terephthalic acid	polyester fiber, polyester film, PET resin	Iwakuni	3GT
PET Resin (polyethylene-terephthalate)	PET bottle raw material	Iwakuni	1PET 2PET
LUCANT™ (hydrocarbon-based synthetic oil)	additives for lubricants	Iwakuni	LC 2LC
TPX™ (methylpentenecopolymer)	mold releasing film, plastic wrap	Iwakuni	TPX
HI-ZEX MILLION™ (ultrahigh molecularweight polyethylene)	battery separators, high-strength fiber	Iwakuni	HM 2HM
Hi-WAX™ EXCEREX™	pigment dispersant, processing aid	Iwakuni	WAX NWAX
FTR™	hot-melt adhesives, tackifiers	Iwakuni	PR
(Plant fire extinguishing material)	–	Iwakuni	AFR
(Plant utility)	–	Iwakuni	boiler
Catalyst	catalyst	Ohtake	1PZ 2PZ MC
MIBK (methyl isobutyl ketone)	solvent of paints, ink	Ohtake	BK
ARLEN™ (modified polyamide 6T)	electronic/ electric parts, automotive parts	Ohtake	AL
Mitsui MP (pellicles)	dust proof membrane applied on photomask during lithography process	Ohtake	pellicles
Milason	packaging material	Ohtake	MDP
Himilan Nucrel	packaging films, golf ball covering	Ohtake	
Gas pipes	gas pipes	Ohtake	MIP
(Tank yard)	–	Ohtake	OTY
(Plant utility)	–	Ohtake	1MO 2MO H

* Iwakuni: Yamaguchi Prefecture Ohtake: Hiroshima Prefecture