



May 29, 2012

Mitsui Chemicals, Inc.

China Petroleum &amp; Chemical Corp.

## Establishment of EPT Joint Venture Company in China

Mitsui Chemicals, Inc. (hereinafter referred to as "MCI") with its Head Office in Tokyo, Japan (Toshikazu Tanaka, President & CEO) and China Petroleum & Chemical Corp. (hereinafter referred to as "Sinopec") with its head office in Beijing, China (Wang Tianpu, President) announced formation of a new equal partnership joint venture company, Shanghai Sinopec Mitsui Elastomers, Co., Ltd., to manufacture and distribute EPT (ethylene-propylene-diene terpolymer, see note below).

The two companies conducted joint feasibility studies following the signing of a Letter of Intent in December 2009 and received approval from the Chinese government to establish a joint venture company.

The joint venture company will adopt state-of-the art metallocene catalyst technology and build one of the world's largest and most advanced EPT plants in China's Shanghai Chemical Industry Park.

The rapid expansion of China's automobile industry and development of its social infrastructure (railways, etc.) are expected to significantly increase demand for EPT used in these industries. The joint venture company will target early establishment of manufacturing and distribution to meet needs of a rapidly growing Chinese market.

### Outline of EPT Joint Venture

1. Company name: Shanghai Sinopec Mitsui Elastomers, Co., Ltd.  
(MCI 50%, Sinopec 50%)
2. Establishment: May 28, 2012
3. Paid-in-capital: RMB 630 million
4. Location: Shanghai Chemical Industry Park, Shanghai, China
5. Business area: Manufacture and distribution of EPT
6. Production Capacity : 75,000 tons/year (Process: metallocene catalyst technology)
7. Commercial operation: First quarter of 2014
8. Total investment: approximately RMB 2 Billion

Note: EPT, which has good resistance to heat/cold, UV rays, and chemicals, in addition to good electric insulation and other superior properties, is widely used in automotive parts, electric cables, and in other industrial materials.



Attachment

## Outline of Mitsui Chemicals and Sinopec

Mitsui Chemicals, Inc.	
Main business:	Petrochemicals business , Basic chemicals business Polyurethane business , Functional polymeric materials business Functional chemicals business
Net sales for FY2011	1,454 billion yen
Paid-in capital	125,053 million yen
Number of employees	12,868 persons (consolidated)
Head Office	Shiodome City Center, 1-5-2, Higashi-Shimbashi, Minato-ku, Tokyo, Japan

China Petroleum & Chemical Corp. (Sinopec Corp.)	
Main business	Oil and gas mining business , Oil refinery business Chemical business , Engineering business
Net sales in 2011	RMB 2,506 billion
Capital stock	18.6 billion dollars (listed on the stock exchanges of NY, London, and HK)
Number of employees	377,000 persons
Head Office	22 Chaoyangmen North Street, Chaoyang District Beijing, China