

9 July 2007

Mitsui Chemicals, Inc.

Mitsui Chemicals to Expand TAFMER™ Production Capacity in Singapore

Mitsui Chemicals, Inc. (“MCI”), a leading company of polyolefin elastomers, will establish a new plant to augment production capacity for TAFMER™. The new plant will be managed by MITSUI ELASTOMERS SINGAPORE PTE. LTD. (“MELS”), a subsidiary of MCI, manufacturing and selling TAFMER™. This augmentation will allow MCI to secure stable supply of the material, in response to rapidly growing demand in Asia.

<Overview of New Plant>

1. Products: Alpha-Olefin Copolymer
2. Trademark: TAFMER™
3. Site: Jurong Island, Singapore
4. Production Capacity: 100Kt/y
(Total production capacity of MELS to be 200Kt/y, after adding to existing production capacity of 100Kt/y)
5. Schedule: Construction to start in Mar. 2008
Completion of plant in Aug. 2009
6. Total Investment: Approx. 19 billion yen

TAFMER™, a flexible and light resin modifier, dramatically improves impact resistance for molding materials such as automobile bumpers and sealability for packaging materials, when blended with thermoplastic resin such as polyethylene or polypropylene. It is also applied to midsoles of athletic shoes, thanks to its property as an excellent flexible molding material. TAFMER™ is expected to cover wide range of applications such as automotive, industrial and packaging materials.

Aiming to realize the Grand Design, the basic framework for the MCI group’s management, MCI established a business portfolio consisting of three business domains (Performance Materials, Advanced Chemicals, Basic Chemicals) with the Long-term Management Target upheld.

MCI intends to further accelerate growth and expansion of automotives and industrial materials, a core of the company’s Performance Materials Business by

augmenting the production capability.

<Overview of MELS>

1. Company Name: MITSUI ELASTOMERS SINGAPORE PTE.LTD.
2. Establishment: February 7, 2001
3. Capital: US\$35 million (100% owned by MCI)
4. Managing Director: Yasushi Nakashima
5. Business: Manufacture and sale of elastomer products