

March 18, 2011

Mitsui Chemicals, Inc.
Mitsui Chemicals Tohcello, Inc.

Joint Venture Company and Production Facilities for Solar Cell Encapsulants
(SOLAR EVA™)

Mitsui Chemicals Tohcello, Inc. (hereinafter referred to as "MCTI") with its head office in Tokyo, Japan (Ryoji Miyawaki, President & CEO), a wholly-owned subsidiary of Mitsui Chemicals, Inc. (hereinafter called "MCI") with its head office in Tokyo, Japan (Toshikazu Tanaka, President & CEO), and Scientex Berhad (hereinafter referred to as "Scientex") with its head office in Kuala Lumpur, Malaysia (Lim Peng Jin, Managing Director) reached an agreement to form a new joint venture company and construct production facilities in Malaysia to manufacture solar cell encapsulants (SOLAR EVA™).

1. Outline of Joint Venture

Company Name: MCTI SCIENTEX SOLAR SDN BHD

Business: Manufacture and sales of solar cell encapsulants (SOLAR EVA™)

Establishment: April 2011

Capital: 45 million Malaysia ringgit (MYR) (50:50 MCTI:Scientex)

Chief Officer: Tetsuo Masuda, President (currently MCTI Executive Officer)

Address: Malacca, Malaysia (within Scientex)

Commercial Operations of Production Facility: Early 2012

2. Background & Target

Background:

Global initiatives to resolve environmental issues have accelerated needs for clean energy sources such as solar energy. Europe is currently the largest market for clean energy. However, markets for energy with little or no environmental impact are expected to rapidly expand in Japan, the United States, China, and other countries. To target these markets, solar cell manufacturers are rapidly expanding and constructing production facilities in Asia. As a result, demand for solar cell encapsulants (SOLAR EVA™), which are necessary in the manufacture of solar panels, is expected to grow 20% annually over the next few years. .

Target:

In November 2010, MCI announced its new Mid-term Business Plan (2011-2013) in which it proposes strengthening of “Five Priority Businesses”, businesses such as functional films/sheets including SOLAR EVA™, that are resilient to changing economic conditions.

Concretely, MCI will strategically invest and expand sales in growing markets such as that of solar energy and intensify supply capabilities through establishment of Asian bases. In line with this plan, MCI decided to newly construct production facilities in Malaysia for SOLAR EVA™ with Scientex, which possesses superior fundamental processing technology and with which MCI currently has a joint venture company and good business relationship. The new joint venture company is expected to smoothly commence operations at an early stage.

The strategic positioning of MCTI's production facilities in Malaysia will allow it to respond to the needs of expanding Asian markets and customers in the areas of both manufacturing and sales. In addition, the new production facility will bring MCTI's annual production capacity to 50,000 tons, with a possibility of further facility expansion, thereby strengthening its position in the world market as a global leader in solar cell encapsulants.