

September 5, 2013  
Mitsui Chemicals, Inc.  
Itoh Oil Chemical Co., Ltd.

### **New Joint Venture in India for Bio-Polyol**

Mitsui Chemicals, Inc. (Toshikazu Tanaka, President & CEO) and Itoh Oil Chemical Co., Ltd. (Masatsugu Akita, President) announced the signing of a joint venture agreement on August 29th with India's Jayant Agro-Organics Ltd. (Abhay V. Udeshi, Chairman) for the establishment of the company in India to produce "bio-polyol", the main raw materials of which are non-edible plant derived fatty acid.



Signing Ceremony at Yokkaichi, Japan –from left to right : Mr. Hiroyasu Ishimaru of Mitsui Chemicals, Inc., Japan,  
Mr. Abhay V. Udeshi of Jayant Agro-Organics Ltd., India and  
Mr. Masatsugu Akita of Itoh Oil Chemical Co.,Ltd., Japan

Mitsui Chemicals manufactures and distributes polyurethane raw materials for various applications including that of insulation application for refrigerators. The Company is the largest supplier of polyurethane raw materials for automotive interior to Japanese manufacturers and is the world's only commercial supplier of non-edible plant derived bio-polyol. The joint venture will make "bio-polyol" cost competitive with fossil derived polyol, allowing Mitsui Chemicals to target further expansion of automotive application sales on its own and through its six system houses strategically located throughout Asia. (refer to note)

Itoh Oil Chemical is Japan's leader in castor oil production with state-of-the-art refineries, manufacturing technology, and quality control expertise in castor oil derivatives such as fatty acids. The Company targets use of other by-products, co-produced in the manufacture of bio-polyol, in development of new applications to expand its castor oil derivative market and intensify existing businesses such as its urethane elastomer operations.

Jayant Agro-Organics is the world's leading producer of castor oil. Through supply of raw materials derived from castor oil to the new joint venture, the Company targets development of new business in the castor oil derivatives sector to further strengthen its position in the castor business.

The partnership of the three companies who bring their own unique strengths to the table in India, where 80% of the world's castor oil are produced, will establish a stable supply base for overwhelmingly cost competitive bio-polyol.

Note: System House: Strategic production and distribution sites where manufacturing formulas are meticulously adjusted to meet individual customer needs in polyurethane foam materials including bio-polyol.

<Outline of Joint Venture>

1. Company name	Vithal Castor Polyols Pvt. Ltd.
2. Business area	Manufacture of bio-polyol
3. Location	Gujarat, India
4. Investment ratio (based on voting rights)	JAO 50%, Mitsui Chemicals 40%, Itoh Oil Chemical 10%
5. Production capacity	Bio-polyol 8000 tons/year
6. Schedule (tentative)	Establishment: September 2013 Commerical operation: January 2015

**Bio-Polyol expansion through Mitsui Chemicals Group's system houses**

