

# Continuing to help Japan get back on its feet

We would like to offer our heartfelt sympathies to all those who have been affected by the Great East Japan Earthquake on March 11, 2011, and our sincerest condolences to the victims and those who have lost family members and loved ones.

We made every effort to support those affected by the earthquake during the immediate aftermath, starting in March by making donations to the affected area and quickly dispatching a range of supplies from our rapid-response emergency stockpiles. (See P5: Responding to the Great East Japan Earthquake)

Since then, we have continued to think carefully about what we can do here at the Mitsui Chemicals Group, and what we should be doing, to help restore and rebuild the affected area, and Japan as a whole. We are determined to contribute to society to the fullest possible extent through our business activities.



*T. Tanaka*

**Toshikazu Tanaka**

President & CEO  
Mitsui Chemicals, Inc.

## The impact of the earthquake on the Mitsui Chemicals Group

Despite the fact that we put safety equipment into operation and our employees performed emergency shutdowns at a number of our works immediately after the earthquake, we have now managed to restore normal operations at all of the facilities that were suspended. We were concerned that we would be unable to continue production of certain products, due to difficulties obtaining raw materials and disruption to logistics services, but we have worked flat-out to restore our supply chain, in partnership with our customers and suppliers, and have so far managed to avoid any serious issues with regard to operations or product supplies. We would like to take this opportunity to thank all those concerned for their understanding and cooperation during the process of restoring things back to normal. We are committed to resolving the issues that have been highlighted by the earthquake, with regard to our supply chain and in areas such as crisis management, so as to ensure that we remain a trusted corporate group.

## Three-axis management and results for fiscal 2011

Here at the Mitsui Chemicals Group, we have been setting ourselves targets along three key axes – economic, environmental and social – and working to achieve those targets via our system of three-axis management ever since fiscal 2008, in an effort to contribute to the sustainable development of society

## Message from the President

and our own operations. On the economic axis, we have been working hard to reinforce groupwide marketing capabilities, to increase sales of new and high added value products, and to reduce overheads and other costs. We have surpassed our targets as a result, posting an operating income of ¥40.5 billion and successfully establishing profitability.

On the environmental axis, we have significantly exceeded our target of reducing greenhouse gas emissions by 50,000 tons, achieving a reduction of 90,000 tons through initiatives such as installing facilities to effectively harness LNG cold heat in conjunction with local companies at our Osaka Works. As to our goal of reducing accidents in the workplace on the social axis, although we have made improvements, we have unfortunately been unable to meet our targets and still have a number of outstanding issues to address.

### Mid-term business plan and three-axis management targets

Having formulated the Mitsui Chemicals 2011 Mid-Term Business Plan in November 2010, we have set aside the three-year period from fiscal 2012 to 2014 to lay the foundations for growth. As such, we intend to build a business portfolio that ensures growth potential and durability and create a chemical company with a global presence, especially in Asia.

Our current mid-term business plan will once again be based on three-axis management. In addition to continuing our mission to achieve world-leading occupational safety standards on the social axis, we intend to switch our reduction targets for greenhouse gas emissions from specific consumption (reducing emissions per unit of production) to overall emissions on the environmental axis, in an effort to reduce emissions by 9% compared to levels in fiscal 1991 (approximately 500,000 tons).

### Dealing with power shortages

With eastern parts of Japan facing prolonged power shortages, we are implementing power saving measures at all of our works, so that we can fulfill our supply obligations whilst also responding to public demand to save electricity. At our Ichihara Works (Chiba

prefecture), our largest facility in eastern Japan, we generate all of the power we need in-house, as well as supplying approximately 10,000 kilowatts of surplus power to local power companies. We are also working to save electricity wherever possible through measures such as suspending selected equipment, altering operating hours, changing weekly holidays and grouping together holidays over summer, and are steadily reducing the amount of power we consume.



In-house turbine facilities at the Ichihara Works

### Taking positive steps towards recovery

The Great East Japan Earthquake caused a great deal of damage and affected many people. As a result, the future of the Japanese economy is expected to remain uncertain for the time being. The earthquake also brought about substantial changes in the environment, and has prompted us to reexamine the country's entire attitude to energy and consumption.

Here at the Mitsui Chemicals Group too, we are making every possible effort to fulfill our supply obligations, in our capacity as a chemical company supplying people with a wide range of materials, so that we can speed up the recovery process as much as possible. We intend to think long and hard about the role that society needs us to play following the earthquake, and to quickly confront new developments head-on so that we can make a difference to society as a whole, through activities such as developing and supplying those materials that harness natural energy and achieve energy savings. We hope that all of you will let us know exactly what you think about our efforts, both now and in the future.