

## Research and Development

In a bid to transform its business portfolio, Mitsui Chemicals has adopted a 5-5-5 strategy under which it positions five priority businesses, five (highly competitive) world-leading businesses, and (the creation of new core businesses in) five development areas at the heart of ongoing activities aimed at driving growth. At the same time, research and development has been identified as one of several key components to achieving this overarching strategy. On this basis, and guided by its Groupwide research and development strategy, Mitsui Chemicals will work to ensure greater efficiency and focus in the allocation of research and development resources. Moreover, every effort will be made to strengthen research and development management and accelerate new product and business development.

### Groupwide Research and Development Strategy

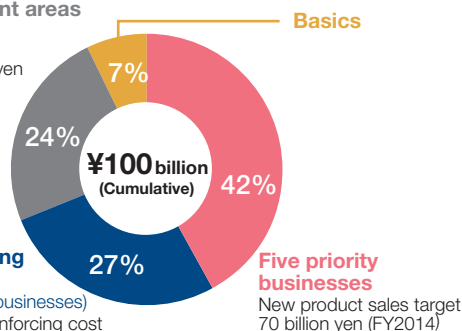
Initiating its efforts to promote a Groupwide research and development strategy, Mitsui Chemicals has set specific research and development themes for each growth field to better coincide with the focused allocation of resources under its 5-5-5 approach.

Specifically, the Company aims to bolster the production technologies of its five priority and world-leading businesses while enhancing competitive strengths. Furthermore, Mitsui Chemicals will narrow its focus and accelerate new product and business development. Under this policy, approximately 90% of research and development resources, which over the next three years are budgeted at ¥100 billion, will be allocated based on the aforementioned 5-5-5 approach. Taking into consideration the benefits expected to accrue from this focused investment, new product sales are projected at ¥70 billion Groupwide in FY2014, and at ¥200 billion by FY2018 in the five development areas.

A second initiative under the Groupwide research and development strategy was the establishment of the R&D Strategy Division in June 2011. This initiative aims to help strengthen technological management while accelerating new product development and practical application. The roles of this new division are:

#### Five development areas

Reference:  
Envisioned sales  
Approx. 200 billion yen  
(Around FY2018)



#### Five world-leading businesses

(Highly competitive businesses)  
Comprehensively reinforcing cost competitiveness (Even greater focus on distinctive technologies)

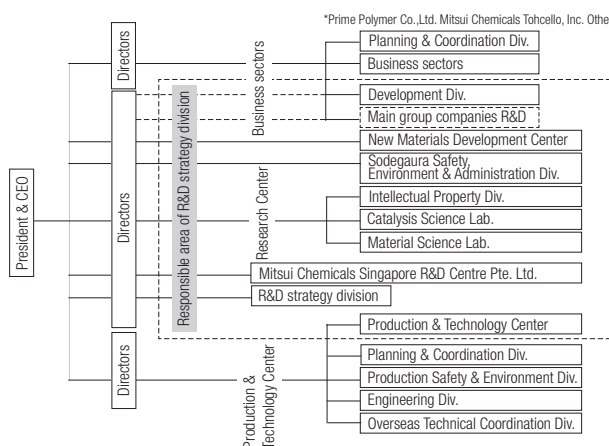
#### Basics

#### Five priority businesses

New product sales target  
70 billion yen (FY2014)

To formulate, implement, and manage research and development strategies in line with the Group's overall corporate strategies

To accelerate corporate research and development efforts by coordinating and optimizing the functions of research and development-related divisions, including those mainly concerned with technological development.



### Research and Development-Related Topics

In June 2011, Mitsui Chemicals spun off the Technical Centre of Mitsui Chemicals Asia Pacific and established the Mitsui Chemicals Singapore R&D Centre. This facility has been delegated authority equivalent to that held by head office business sectors and will help optimize and intensify the Group global business and presence through the development of overseas research and development bases.

#### Purpose of the New Company

- Link research and development with business model development to intensify new business opportunities
- Support market development by accelerating the communication of information on rapidly growing demand in Asian markets, and
- Develop and strengthen global human resources

#### Outline of the New Company

##### Company Name:

Mitsui Chemicals Singapore R&D Centre Pte. Ltd.

##### Equity:

100% Mitsui Chemicals

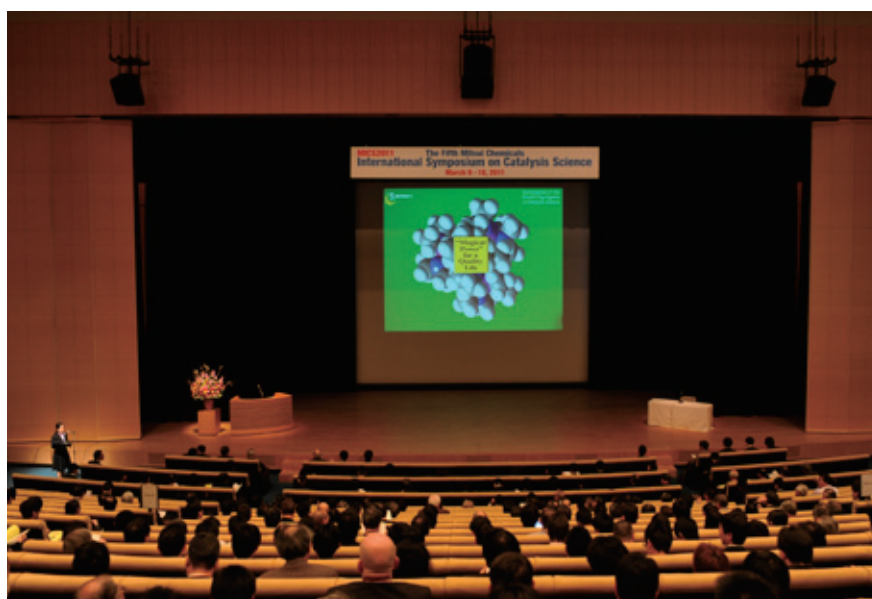
##### Capital:

US\$7 million (approximately ¥0.6 billion)

##### Function

Perform research and development on behalf of the Mitsui Chemicals Group (Corporate & Business Sector)

## The Fifth Mitsui Chemicals International Symposium on Catalysis Science (2011)



Kazusa Academia Hall (Kisarazu, Chiba Prefecture, Japan)

Mitsui Chemicals has been organizing the Mitsui Chemicals International Symposium on Catalysis Science (MICS) every other year since 2003, with the aim of furthering the development of catalysis science, a fundamental technology that is the cornerstone behind the company's corporate mission, which is to "Contribute broadly to society through innovations and the creation of materials while keeping in harmony with the global environment."

The fifth symposium, MICS2011, was held on March 9th and 10th under the theme of "Catalysis Science and Its Contribution to Sustainable Development." The event featured lectures from eleven of the world's frontline researchers, including plenary lectures from Nobel Prize Laureates in Chemistry Professor Yuan T. Lee (1986) and Professor Sir John E. Walker (1997), and special lectures from Emeritus Professor Akira Suzuki and Professor Eiichi Negishi, both of whom were awarded the 2010 Nobel Prize in Chemistry.

Global warming, environmental pollution, and energy,

water, and food shortages have become serious world problems. Chemistry and the chemical industry must help solve these crucial issues for all of humanity in the 21st century. In this respect, catalysis science is expected to play a key role in the development of technologies that save scarce resources, lower energy consumption, and aid in the creation of environmentally friendly high-performance materials. The lectures at this symposium therefore underlined the important role that catalysis science is set to play in the development of sustainable societies.

The symposium was attended by 1,600 people from industry, government and academic institutions worldwide, including more than 300 junior and senior high school students. It is Mitsui Chemicals' fervent hope that if young people are given the opportunity to interact with leading international researchers they will become even more interested in catalysis science.



**Prof. Yuan T. Lee**  
(Academia Sinica, Taiwan)



**Prof. Sir John E. Walker**  
(Medical Research Council, U.K.)



**Emeritus Prof. Akira Suzuki**  
(Hokkaido University, Japan)



**Prof. Ei-ichi Negishi**  
(Purdue University, U.S.A.)



To celebrate the centennial anniversary of the Nobel Prize for Chemistry award to Marie Curie, The year 2011 has been designated as the International Year of Chemistry, with the aim of increasing public appreciation of chemistry, encouraging interest in chemistry among young people, and generating enthusiasm for the creative future of chemistry.

MICS2011 was held in support of the International Year of Chemistry.