



November 14, 2005

Mitsui Chemicals to Launch the Operation of Third Production Line for Purified Terephthalic Acid in Thailand

Mitsui Chemicals, Inc. (MCI) launches the operation of a third production line for PTA, Purified Terephthalic Acid, at Siam Mitsui PTA Co., Ltd. (SMPC), a subsidiary of MCI, in Thailand with annual capacity of 500,000 metric ton.

As a result of smooth progress in plant's construction, which had started in March 2004, SMPC completed the construction work in mid August and has been running test operation from the beginning of September. The company decided to move into business operation since it is confident in the plant's performance.

Due to the launch of the third production lines, SMPC's production capacity will reach to a total of 1.4 million metric tons per year in these six years, which is the largest production volume in ASEAN countries, after the first plant with initial capacity of 350,000 metric tons per year went on stream in 1999.

PTA demand in Asia is expected to increase at 7% per annum as raw materials of polyester fiber, PET bottle and others. MCI decided to build an additional production line in order to cope with strong demand.

MCI expands and reinforces the PTA business as a core business. The company has manufacturing basis in Japan, Thailand and Indonesia and operates PTA business throughout Asia. MCI plans to gain increasing demand in Asia and expand the business. In order to achieve the purpose, SMPC is expected to play a key role as its competitiveness gets strengthened, having efficient, intensive capital expenditure of the three production lines.

<Overview of Siam Mitsui PTA Co., Ltd.>

Headquarters: 1 Siam Cement Road, Bangsue, Bangkok 10800,
Thailand

President: Akira Tsuzaki

Established: September 1995

Paid-in Capital: Thai bath 2.8 billion (about ¥7.8 billion)

Equity participation: MCI 49%, CCC* 49%, SMH Co., Ltd. 2%

Business description: manufacturing and sales of PTA

*Note: *CCC is Cementhai Chemical Co., Ltd., a wholly-owned petrochemical subsidiary of Siam Cement.*