Mitsui Chemicals, Inc., (“MCI”) and Prime Polymer Co., Ltd. have decided to expand annual polypropylene compound production capacity in North America, Thailand and China by 24%, for a combined annual total of 73,000 tons. This move is being taken to ensure MCI can respond to growing demand for polypropylene-based automotive materials in North America and Asian regions. In fact, combined with new production site in India (15,000 tons) which is under construction, MCI plans to increase capacity by 29% to 88,000 tons within the next two years.

### <Overview of the Expansion Plan>

<table>
<thead>
<tr>
<th>Region</th>
<th>Name</th>
<th>Production Capacity (t/y)</th>
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</thead>
<tbody>
<tr>
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<td>End of 2007</td>
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</tbody>
</table>
| North America   | Advanced Composites, Inc.  
|                 | (Ohio Plant)                                           | 109,000     | 6,000   | 115,000                         |
|                 | (Tennessee Plant)                                       | 63,000      | 17,000  | 80,000                          |
|                 | Advanced Composites Mexicana S.A. DE. C.V.             | 20,000      | 5,000   | 25,000                          |
| Thailand        | Grand Siam Composites Co., Ltd.                        | 86,000      | 27,000  | 113,000                         |
| China           | Mitsui Advanced Composites (Zhongshan) Co., Ltd.       | 24,000      | 18,000  | 42,000                          |
|                 | Subtotal(Increase in Production)                       | 302,000     | 73,000  | 375,000                         |
| India           | Mitsui Prime Advanced Composites India PVT LTD         | -           | 15,000  | 15,000                          |
|                 | Subtotal(Including Under Construction)                 | 302,000     | 88,000  | 390,000                         |
| Europe*         | Mitsui Chemicals Europe GmbH                           | (15,000)    |          | (15,000)                        |
The MCI Group positions the polypropylene-based automotive materials business, chiefly overseen by subsidiary Prime Polymer, as one of the core businesses of its Basic Chemicals Business Sector.

Japanese automobile manufacturers are accelerating global deployment these days, and their worldwide production is also rising significantly. In this climate, Prime Polymer is strengthening and expanding its global production framework with respective key bases in Japan, North America, Europe, Thailand, China and India. This latest expansion of capacity in North America, Thailand and China will ensure that the company can further enhance its already globally top-ranking supply capacity for polypropylene-based automotive materials.

MCI and Prime Polymer continue to strengthen and expand their polypropylene compound business by enhancing production, sales and technology service structure to supply high-quality products, responding to Japanese automobile manufacturers’ global deployment.
Reference

<1. Overview of Advanced Composites, Inc.>
(1) Established: September 1991
(2) Capital: US$14.1 million
(3) Equity interest: Mitsui Chemicals America, Inc. (59.8%), Prime Polymer Co., Ltd. (3.0%) and others (37.2%)
(4) Head Office: Ohio, U.S.A.
(5) Plant Locations: Ohio and Tennessee

<2. Overview of Advanced Composites Mexicana S.A. DE C.V.>
(1) Established: February 1994
(2) Capital: US$2.6 million
(3) Equity interest: Advanced Composites, Inc. (100%)
(4) Head Office and Plant Locations: Aguascalientes, Mexico

<3. Overview of Grand Siam Composites Co., Ltd.>
(1) Established: February 1996
(2) Capital: 63.7 million Bahts
(3) Equity interest: MCI (45.2%), Prime Polymer Co., Ltd. (3.0%), SCG Chemicals Co., Ltd. (46.2%), and others (5.6%)
(4) Head Office: Bangkok, Thailand
(5) Plant Locations: Rayong, Thailand

<4. Overview of Mitsui Advanced Composites (Zhongshan) Co., Ltd.>
(1) Established: April 2004
(2) Capital: US$9.23 million
(3) Equity interest: MCI (65.0%), Prime Polymer Co., Ltd. (5.0%), SCG Chemicals-Singapore (20.0%), and others (10.0%)
(4) Head Office and Plant Locations: Zhongshan, Guandong Province, China

<5. Overview of Mitsui Prime Advanced Composites India PVT LTD>
(1) Established: September 2007
(2) Capital: Rs.480 million
(3) Equity interest: MCI (80.0%), Prime Polymer Co., Ltd. (20.0%)
(4) Plant Location: Neemrana, Rajasthan, India
(5) Start of Commercial Production: April, 2009