Presentation for

The Restructuring and Consolidation
of the Functional Products Businesses
of the Mitsubishi Chemical Holdings Group
and a Tender Offer for Shares
of Mitsubishi Plastics, Inc.

-Net Conference-

February 8, 2007
Ryuichi Sato
Managing Executive Officer
Outline of the Tender Offer

As a first step for establishing the Consolidated New Company which will be the driver for the functional products businesses in the MCHC Group, MCC will execute the Tender Offer to Mitsubishi Plastics, Inc., which will be a wholly-owned subsidiary of MCC.

◆ Shares to be purchased 101,769 thousand shares (47.4%)
  *All shares excluding MCC’s current holding shares (113,299 thousand: 52.6%)

◆ Tender Offer price 410 yen per share

◆ Duration of the Tender Offer From February 9, 2007 to March 12, 2007

◆ Purchaser MCC

*MCHC: Mitsubishi Chemical Holdings Corporation
**MCC: Mitsubishi Chemical Corporation
Consolidated New Company

Mitsubishi Plastics, Inc.
Mitsubishi Polyester Film Corporation
Mitsubishi Chemical Functional Products, Inc.
Mitsubishi Chemical MKV Company
MCC Functional Products Businesses

◆ Preferred solution partner

◆ Deliver new values to customers with integrated solutions based on technology platforms and accumulated businesses know-how.
New Structure of the MCHC Group (as of April 2008)

MCHC

100% 100% 56% (tentative)

MCC

MCCMFJMKSMKVMPI

Consolidated New Company

Mitsubishi Tanabe Pharma Corporation (tentative)

MPI: Mitsubishi Plastics, Inc. (Group)
MFJ: Mitsubishi Polyester Film Corporation (Group)
MKS: Mitsubishi Chemical Functional Products Inc. (Group)
MKV: Mitsubishi Chemical MKV Company (Group)
Outline of the Consolidated New Company

- **Net sales**: 388 billion yen
- **Number of employees**: Approximately 6,800
- **New company name**: Mitsubishi Plastics, Inc. (tentative)
- **Establishment date**: April 1, 2008 (scheduled)

* The figure is the FY2006 projected MCHC consolidated net sales for the functional products businesses in the Performance and Functional Products Segment. Therefore, the figure does not show the net sales of the Consolidated New Company at the time of establishment.
The final 10 days of September 2007
MCC will transfer all the shares of MPI held by MCC to MCHC.

October 1, 2007
In the event that MCC is unable to acquire all the outstanding shares of MPI in the Tender Offer, MCHC intends to conduct a share exchange with MPI, in order to make MPI, a wholly-owned subsidiary of MCHC.

April 1, 2008 (Targeted completion date)
The functional products businesses of MCC and the Four Functional Products Business Subsidiaries of the MCHC Group will be restructured and consolidated as the Consolidated New Company.
“KAKUSHIN Plan: Phase 2”: Basic Policies

1. Execution of growth strategy
   - Selection of business for growth and focused allocation of resources
   - Incubation of new products, processes and business model

2. Strengthening management foundation

3. Integration of the Group strengths
   - Reinforcement of the Group management

   Strengthening of group-wide business strategy and market penetration
   ◆ Review of capital policy and strategy of the Group
   ◆ Reclassify business into new segments

(Excerpt: Presentation material of “KAKUSHIN Plan: Phase-2” as of December 7, 2004)
Management Challenge in the MCHC Group

- Manage against cyclicality and naphtha price fluctuations
- Sustain attractive new product/business pipelines

➤ Measures on diversified sources of feedstocks; collaboration w/ oil refineries
➤ Changes in business model
➤ Business expansion & resource allocation on concentration businesses

Businesses in performance & functional products and health care have increased strength to raise the level of profit.
Further portfolio restructuring and strengthening of businesses are in progress.
Contribution from Performance and Functional Products and Health Care

Operating income (Billions of Yen)

Contribution from Performance and Functional Products and Health Care have reached at the level of ¥100 billion (operating income).

MCHC Consolidated

Performance and Functional Products, Health Care and others

Petrochemicals

Before consolidation adjustment

After consolidation adjustment
Net Sales & Operating Income by Segments

Profit Drivers:
Performance and Functional Products & Health Care

FY2006 Forecast
Outer circle: Net sales ¥2,600 billion
Inner circle: Operating income ¥127 billion

<Operating income>
Functional Products accounts for the half income of Performance & Functional Products.
Functional Products Business Areas

Four Functional Products Business Subsidiaries

Technology Platforms

- Polymer processing
- Polymer design
- Process design
- Interactive translation of customers’ needs & product property
- Optical property control
- Surface property control
- Composite material design
- Sustainability solution
- Mold design

Mitsubishi Plastics, Inc.
- Plastic film-metal sheet composite products
- Flame-retardant film
- Molding products
- Biodegradable plastic film
- Cooling tower
- Water tank pipes
- Deep-drawing multilayer film
- Plastic film-metal sheet composite products

Mitsubishi Polyester Film Corporation
- Polyester films

Mitsubishi Chemical Functional Products, Inc.
- CF-arms
- CF-rolls
- Geo synthetic products
- Floor heating mat
- Alumina fiber
- Carbon fiber composite products
- Plastic film-metal sheet composite products
- Container bags

Mitsubishi Chemical MKV Company
- Plastic films
- Agricultural products
- Black out film
- Plastic sheets
- Plastic films
1. Customer’s needs are becoming increasingly varied, sophisticated and complex.

2. Competition will be much more intense.

Consolidate capabilities in delivering new value with integrated solutions and continue to be the preferred solution partner.

Consolidated New Company
Business Area in the Consolidated New Company

Technology Platforms

IT & Electronics
- Plastic film-metal sheet composite products
- Flame-retardant film
- Molding products
- Polyester films
- CF-arms
- CF-rolls
- Plastic films

Environment & Energy
- Biodegradable plastic film
- Cooling tower
- Water tank pipes
- Geo synthetic products
- Floor heating mat

Automobiles
- Alumina fiber
- Carbon fiber composite products
- Black out film

Dairy Necessities
- Deep-drawing multilayer film
- Plastic film-metal sheet composite products
- Polyester films
- Plastic film-metal sheet composite products
- Container bags
- Plastic sheets
- Plastic films
Consolidation of New Business Development and Integrated Solutions

- Accelerate new business development.
- Deliver integrated solutions based on businesses know-how.
- Interactive translation of customers’ needs and product property.
- Global business development.
Sustainable Growth and Profitability (1)

Deliver integrated solutions
Preferred solution partner

Consolidated Operating Income

Target

ROA

MKS
MKV
MFJ
MPI

Consolidated New Company 2008
Sustainable Growth and Profitability (2)

- Exercising synergy for reaching the sales level of ¥500 billion.
- OP target is more than ¥50 billion (FY2006 forecast: ¥26 billion)

Consolidated Net Sales

Unit: Billions of yen

FY2006 Forecast

- MPI
- MFJ
- MKS
- MKV
- Others

Target

- ¥500 billion
Forward-looking Statements

The forward-looking statements are based largely on information available as of the date hereof, and are subject to risks and uncertainties which may be beyond company control. Actual results could differ largely, due to numerous factors, including but not limited to the following: Group companies execute businesses in many different fields, such as petrochemicals, carbon and inorganic products, information and electronics, pharmaceuticals, polymers and processed products, and these business results are subjected to influences of world demands, exchange rates, price and procurement volume of crude oil and naphtha, trend of market price, speed in technology innovation, National Health Insurance price revision, product liabilities, lawsuits, laws and regulations.
Reference
# Outline of Four Functional Products Business Subsidiaries

<table>
<thead>
<tr>
<th>Company name</th>
<th>Establishment</th>
<th>Head office</th>
<th>Representative</th>
<th>Employees* (Consolidated)</th>
<th>Net sales* (Consolidated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mitsubishi Plastics, Inc.</td>
<td>Jan. 15, 1943</td>
<td>Marunouchi, Chiyoda-ku, Tokyo</td>
<td>Akira Kano</td>
<td>About 3,600</td>
<td>About ¥190 billion</td>
</tr>
<tr>
<td>Mitsubishi Polyester Film Corporation</td>
<td>May 8, 1975</td>
<td>Shiba, Minato-ku, Tokyo</td>
<td>Akikazu Yano</td>
<td>About 1,800</td>
<td>About ¥90 billion</td>
</tr>
<tr>
<td>Mitsubishi Chemical Functional Products, Inc.</td>
<td>Sep. 21, 1976</td>
<td>Marunouchi, Chiyoda-ku, Tokyo</td>
<td>Masami Segawa</td>
<td>About 700</td>
<td>About ¥50 billion</td>
</tr>
<tr>
<td>Mitsubishi Chemical MKV Company Company</td>
<td>Sep. 22, 1983</td>
<td>Shiba, Minato-ku, Tokyo</td>
<td>Kazutoshi Kondo</td>
<td>About 400</td>
<td>About ¥40 billion</td>
</tr>
</tbody>
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*FY2006 forecast