

NOTE:

Please note that this is a summary translation of the Notice of Meeting in Japanese only for the reference of foreign investors and is not official texts and the voting form is not attached.

The official Notice has been mailed to the custodian in Japan of each foreign shareholder.

The company is not responsible for the accuracy or completeness of the translation.

June 5, 2008

To Shareholders:

Notice of the Third Ordinary General Meeting of Shareholders

On behalf of the Board, I would like to thank you, our shareholders, for your continued support.

Mitsubishi Chemical Holdings Corporation (hereinafter the “Company” or “MCHC”) cordially invites you to attend the Third Ordinary General Meeting of Shareholders to be held on the date and at the venue specified below.

If you are unable to attend the meeting, please refer to the “Reference Materials for the General Meeting of Shareholders” attached hereto and exercise your voting rights by one of the following methods.

1. Vote-By-Mail:

If you vote by mail, please indicate your approval or disapproval of the proposals on the enclosed Card for Exercise of Voting Rights and return it to the Company to arrive by 5:00 p.m. on June 25, 2008.

2. Vote-By-Electromagnetic Method (Using the Internet etc.):

If you vote by Internet, please refer to the “Procedures for Exercising Voting Rights via the Internet” on page 3 and 4 of this notice and indicate your approval or disapproval of the proposals by 5:00 p.m. on June 25, 2008.

(Supplemental Note: Foreign investors, who hold the Company’s shares through custodians in Japan, may not vote by mail or Internet. The official Notice and the CARD FOR EXERCISE OF VOTING RIGHTS have been mailed to each custodian in Japan. The foreign investors are kindly requested to indicate their agreement or disagreement on the proposals to the custodians.)

Sincerely yours,

Yoshimitsu Kobayashi, President
Mitsubishi Chemical Holdings Corporation

- 1. Date:** Thursday, June 26, 2008, at 10:00 a.m.
- 2. Venue:** Mitsubishi Chemical Holdings Bldg. 8th Floor, Conference Hall
14-1, Shiba 4-chome, Minato-ku, Tokyo

3. Agenda:

Matters to be Reported:

- Item 1. The contents of Business Report, Consolidated Financial Statements, and results of audit by Accounting Auditors and Board of Corporate Auditors of Consolidated Financial Statements for the third fiscal year from April 1, 2007, to March 31, 2008.
- Item 2. The contents of Financial Statements for the third fiscal year from April 1, 2007, to March 31, 2008.

Matters to be Resolved:

- Agendum 1. Appropriation of Retained Earnings
- Agendum 2. Election of Seven Directors
- Agendum 3. Election of One Corporate Auditor

4. Guidance Notes on the Exercise of Voting Rights

Please refer to “Exercise of Voting Rights” on page 3 and 4 of this notice.

(When attending the meeting, please submit the enclosed Card for Exercise of Voting Rights to reception at the meeting venue.)

(Supplemental Note to foreign investors who hold the Company’s shares through custodians in Japan:

The official Notice and the Card for Exercise of Voting Rights have been mailed to each custodian in Japan. The foreign investors are kindly requested to indicate their agreement or disagreement on the proposals to the custodians.)

Exercise of Voting Rights

1. Exercising Voting Rights by Proxy

If you are unable to attend the Ordinary General Meeting of Shareholders, you may have another shareholder with voting rights attend the meeting as your proxy. Please be aware that a written statement attesting to the right of proxy must be submitted.

2. Handling of Redundant Voting

In the case the Card for Exercise of Voting Rights is submitted by mail and voting rights are exercised in an electromagnetic method (via the Internet etc.), votes placed in an electromagnetic method will be considered effective.

If voting rights are exercised multiple times in an electromagnetic method, the final vote cast will be considered effective.

3. Notification Method for Revisions to Information Contained in the Reference Materials for the General Meeting of Shareholders, Business Report, Financial Statements, or Consolidated Financial Statements

Please be aware that if it becomes necessary to revise information contained in the Reference Materials for the General Meeting of Shareholders, Business Report, Financial Statements, or Consolidated Financial Statements, the revised information will be posted on the Company's website (<http://www.mitsubishichem-hd.co.jp>).

4. Procedures for Exercising Voting Rights via the Internet

1) Only exercise your voting rights via the Internet after reviewing the following information. If anything is unclear, please contact the help desk stated in section 3) below.

a. Voting rights can be exercised via the Internet only by using a computer or a mobile phone (i-mode, EZweb, or Yahoo! Keitai) to access our Internet voting website (<http://www.evotep.jp>). (However, votes cannot be cast from 2:00 a.m. to 5:00 a.m. each day.)

* i-mode, EZweb, Yahoo! are trademarks or registered trademarks of NTT DoCoMo, Inc., KDDI Corporation, and U.S. Yahoo! Inc., respectively.

b. You may not be able to vote through the website depending on your Internet usage environment, such as if you connect to the Internet through a firewall, have anti-virus software installed, or use a proxy server. Also, please be aware that you will not be able to vote when using a PDA, game console, or other such device to access the Internet.

- c. Please use any one of following service to exercise your voting right: i-mode, EZweb or Yahoo! Keitai. Please note that the website is not compatible with mobile phones that are not SSL-enabled or cannot send and receive the mobile phone's terminal ID information.
 - d. Use the Login ID and Temporary Password indicated on the right-hand side of the Card for Exercise of Voting Rights and indicate your approval or disapproval following the instructions on the screen. Please be aware that in order to prevent improper access or vote altering by non-shareholders you will be asked to change your Temporary Password on the voting site the first time you log in. The Login ID and Temporary Password are only effective for this General Meeting of Shareholders.
 - e. In exercising your voting rights via the Internet you may be required to pay connection charges to your Internet provider or communications charges (phone charges) to your communications carrier. Please be aware that you are responsible for such charges.
- 2) Shareholders who have participated in the Electronic Platform to Exercise Voting Rights for Institutional Investors operated by ICJ, Inc. can exercise their rights via the said platform.
- 3) Inquiries
- a. Inquiries regarding the exercise of voting rights via the Internet
Mitsubishi UFJ Trust and Banking Corporation,
Corporate Agency Division (Help Desk)
Phone: 0120-173-027 (toll-free)
Hours: 9:00 a.m. to 9:00 p.m. (including weekends and holidays)
 - b. Other inquiries
Mitsubishi UFJ Trust and Banking Corporation,
Corporate Agency Division
Phone: 0120-232-711 (toll-free)
Hours: 9:00 a.m. to 5:00 p.m. (excluding weekends and holidays)

Business Report
(From April 1, 2007 to March 31, 2008)

1. Group Overview of Operation

(1) Mitsubishi Chemical Holdings Group

In October 2007, Mitsubishi Plastics, Inc. (“MPI”) as a consolidated subsidiary became a wholly-owned subsidiary of Mitsubishi Chemical Holdings Corporation (“MCHC”) as a result of a stock swap, and Mitsubishi Tanabe Pharma Corporation (“MTPC”) as a listed consolidated subsidiary of MCHC came into being concurrently with the merger of Mitsubishi Pharma Corporation (“MPC”), as the then wholly-owned subsidiary, with Tanabe Seiyaku Co., Ltd. (“TSC”). This has led to the creation of the new Mitsubishi Chemical Holdings Group (the “Group” or “MCHC Group”) structure comprising Mitsubishi Chemical Corporation (“MCC”), MPI and MTPC as the core divisions operating the three core business segments of petrochemical products, performance and functional products and health care under the aegis of MCHC as the pure holding company.

MCHC works to further improve the corporate value of the Group by formulating group-wide strategy, optimally allocating management resources, supervising business administration, and conducting other related activities.

(2) Business Development and Performance

In the fiscal year under review, the Japanese economy stayed on a mildly expanding track as capital expenditure increased against the backdrop of favorable corporate performances and the robust growth of exports to China and other Asian destinations. During the latter half of the year, however, the economy began showing outward signs of a slowdown amidst such adverse factors as the soaring prices of crude oil and other fuel and raw materials, mounting concerns about the slowing U.S. economy and lingering uncertainty over the future of the financial and capital markets that are attributed to the subprime mortgage crisis, and the sharp appreciation of the yen.

Although market demand, notably for petrochemical products, remained strong both at home and abroad, the operating environment for the Group became difficult from the latter half of the third quarter because of the soaring prices of fuel and raw materials and the depressed overseas market conditions for some products. Elsewhere, the health care segment including drugs continued to be in a difficult operating environment as medical

expenses remained curbed while market competition intensified further.

Under these adverse circumstances, the Group endeavored to adjust product prices, expand sales and reduce operating costs. At the same time, in accordance with the Group's three-year, medium-term management plan "KAKUSHIN Plan: Phase 2" for which the year under review was the final year, the Group made all-out efforts to devote its management resources to R&D initiatives and capital expenditures in priority market areas, make active use of proposal-oriented R&D facilities aimed at solving customers' problems, and implement programs to enhance technological and marketing capabilities by establishing Automotive Solutions aimed at developing technologies and products comprehensively.

As a result of these efforts and initiatives, the Group's consolidated net sales for the year under review stood at ¥2,929.8 billion (up 11.7% year-on-year) thanks primarily to the increased prices of petrochemicals and other products and to the creation of MTPC through the merger of MPC and TSC. Although the operating scale expanded as a result of MTPC's formation, the Group finished the year with consolidated operating income and recurring income of ¥125.0 billion (down 2.7% year-on-year) and ¥128.8 billion (down 8.7% year-on-year), respectively, mainly because of the soaring prices of fuel and raw materials, depressed overseas market conditions for certain petrochemical products, and the fire at MCC's Kashima Plant. Nonetheless, consolidated net income increased sharply (63.5% year-on-year) to ¥164.0 billion as gains were recorded on change in interest in earnings for consolidation purposes in the wake of MPC's merger with TSC.

On December 21, 2007, four employees from associate companies died in the fire that broke out at the No. 2 Ethylene Plant of MCC's Kashima Plant. We sincerely apologize to our shareholders, business partners, people in the local community and other stakeholders for causing them so much trouble and inconvenience. We will set up strict safety controls once again and exert every possible effort to prevent the recurrence of a similar accident.

Information for each segment follows below.

Petrochemicals Segment

Production of ethylene, a base material for petrochemical products, dropped 10.6% year-on-year to 1.2 million tons owing to the fire at MCC's Kashima Plant. Basic petrochemicals, chemical derivatives, synthetic fiber materials and neat resins continued to

enjoy strong demand at home and abroad. Although production dropped because of the aforementioned fire, sales increased as prices were adjusted in line with the soaring prices of fuel and raw materials, overseas market conditions improved generally, and production of terephthalic acid started in China.

As a result of these developments, net sales for the Petrochemicals Segment reached ¥1,431.8 billion (up 14.8% year-on-year), but operating income decreased (67.3% year-on-year) to ¥9.2 billion because of the stagnant overseas market conditions for terephthalic acid as raw material for synthetic fiber intermediates and the aforementioned fire.

In August 2007, MCC decided to build new facilities in the Ningbo Daxie Development Zone in Zhejiang Province, China, for production of polytetramethylene ether glycol whose demand is growing mainly for apparel use (to be completed in April 2009). In January 2008, MCC also decided to form a joint venture with China Petroleum and Chemical Corporation and Mitsubishi Engineering-Plastics Corporation in Beijing, China and build new facilities for production of bisphenol-A and polycarbonate resin whose demand is expected to grow in the automotive materials field (to be completed in March 2010).

Performance and Functional Products Segment

- Performance Products

Food ingredients continued to sell favorably and their sales figures increased. In the area of information and electronics related products, demand for DVDs remained robust but the sales figures for optical disks dropped as their selling prices fell. Business equipment-use printing supplies such as organic photo conductor (OPC) drums and toner sold roughly as much as in the previous year in terms of volume, but their sales figures fell off as their selling prices dropped. In the carbon business, although domestic steel demand remained strong, sales of coke declined because of the downslide in coke prices that accompanied a reduction in the prices of coking coal. Despite weakening demand, fertilizer sales increased as we implemented consignment production and adjusted the selling prices to cover increases in raw material prices. In the environment solution business, precision cleaning and wafer reclamation services continued to generate favorable sales on the back of solid demand in the semiconductor and liquid crystal display (LCD) industries.

- Functional Products

Sales of industrial-use film and sheet products increased on robust demand for products for semiconductor and LCD applications, but sales of packaging material-use film and sheet products turned out to be on a par with the previous year's as demand remained generally weak although the product prices were adjusted after the increased fuel and raw material prices. In the area of processed resin products, information and electronics related products saw sales comparable with the previous year's, but sales of civil engineering and construction related products decreased as housing starts fell off further during the latter half-year in the face of the amended Building Standards, while public works and housing construction remained generally sluggish. Sales of industrial and construction materials including carbon fiber and alumina fiber increased thanks to the successful product price adjustments against the increased fuel and raw material prices and active marketing efforts abroad.

Overall net sales of the Performance and Functional Products Segment stood at ¥924.2 billion (down 0.1% year-on-year), but operating income declined 6.7% year-on-year to ¥55.3 billion primarily because of delays in adjustments of prices of certain products against the increased fuel and raw material prices.

In October 2007, Mitsubishi Polyester Film Corporation ("MPF") embarked on construction work (to be completed in October 2008) to expand the facilities at its Shiga Plant for production of silicone-coated release film whose demand is growing for flat panel displays.

With the aim of reinforcing its functional products operations, MCHC acquired all MPI's shares held by MCC by means of dividend in kind in September 2007, and turned MPI into its wholly-owned subsidiary by means of a stock swap in October 2007. On April 1, 2008, MCC transferred all the shares of MPF, Mitsubishi Chemical Functional Products, Inc. ("MFP") and Mitsubishi Chemical MKV Company ("MKV") that it had held to MCHC, and its functional products operations to MPI, by means of an absorption-type demerger, respectively, and MPI started as a newly consolidated company by merging with MPF, MFP and MKV.

Health Care Segment

With the aim of upgrading and reinforcing the pharmaceutical operations that play a central role in the Health Care Segment, MPC merged with TSC, and MTPC came into being as a newly consolidated listed subsidiary in October 2007. Pharmaceutical sales increased

sharply as a result of the expanded operating scale that came with the formation of MTPC and the increase in the sales volume of mainstay drugs such as *Remicade*, an anti-human TNF alpha monoclonal antibody preparation; *Talion*, an anti-allergy agent; *Anplag*, an anti-platelet agent; and *Urso*, an ursodeoxycholic acid. Both clinical testing and support for drug discovery operations made good progress with increased sales.

Overall net sales and operating income from the Health Care Segment grew 29.8% year-on-year to ¥395.7 billion and 44.4% year-on-year to ¥57.2 billion, respectively.

Others

Sales from both engineering services and logistics increased thanks to increased external orders.

As a result, overall net sales and operating income from the Other Segments increased 21.4% year-on-year to ¥177.9 billion and 24.1% year-on-year to ¥13.1 billion, respectively.

(3) Outstanding Issues

Although exports mainly to Asian destinations should remain brisk, fears of economic slowdown are beginning to mount and the Japanese economy does face a knife-edge situation in the latest circumstances where crude oil prices have soared and remain high, the U.S. economy has actually begun slowing down and the financial and capital markets have run into turmoil on a global scale in the wake of the subprime mortgage crisis, and corporate performances are beginning to suffer from the sharp foreign exchange market fluctuations.

In conjunction with these global economic conditions, the operating environment surrounding the MCHC Group is expected to be such that global competition will intensify even further and society will change at a faster pace than ever as China, India and other emerging economies assume greater prominence over the medium to long haul. Issues such as global environmental conservation and resource depletion will most likely come under much closer scrutiny as social issues than they did in the past, and chances are good that business enterprises will be called upon to further reduce emissions of greenhouse gases or otherwise deal more actively with environmental issues. It is equally likely that, in step with the aging of the population, healthcare needs will become more complex and diversified than ever, and even greater attention will be focused on health and healthcare.

Bearing this operating environment in mind, the MCHC Group will orient the direction of its future operating activities to the following three decision criteria: “Sustainability,” “Health,” and “Comfort.” In its new medium-term management plan covering the three-year period between this fiscal year and fiscal 2010, the Group will seek to enhance the lineup of high-performing and high-value-added products that offer continued growth potential within the scope of the existing business. At the same time, under the new management plan, the Group intends to create and develop new businesses by focusing its management resources on R&D and capital investment initiatives in the following seven fields that it has identified as priority developmental businesses: Solid-state lighting, Next-generation displays, Li-ion battery materials for HEVs, Chemical components for automobiles, Organic photovoltaic modules, Bio-based polymers, and Personalized medicine. The MCHC Group will eye prospects of strategic business acquisitions and tie-ups and will take proactive steps towards growing, innovating, and leaping ahead.

In launching the new medium-term management plan, the Group has decided to adopt the acronym APTSIS as a new motto, manifesting its resolution to make all-out efforts to achieve the plan. The acronym stands for the following six factors that will be critical if the Group is to maintain sustainable growth as a strong corporate group:

- Agility (Be alert, act quickly)
- Principle (Sharing theories, principles and ideals)
- Transparency (Transparency, accountability and compliance)
- Sense of Survival (A sense of being on the verge, a sense of crisis)
- Internationalization (Enhancing our performance within the global market)
- Safety, Security & Sustainability (Ensuring safety in manufacturing, trust in quality, information security and environmental consciousness)

Based on the philosophy, “*Good Chemistry for Tomorrow – Creating better relationships among people, society, and our planet,*” the MCHC Group strives to enhance its corporate social responsibility (CSR) activities and help bring an affluent and pleasant society into reality through providing useful products and services. In addition, the Group will further endeavor not only to advance the Responsible Care initiative (the chemical industry’s global initiative aimed at continuously improving safety and environmental performances in all processes of operating activities) but to make sure to manage risks and comply with such laws as the provisions of the Antimonopoly Law, regulations and corporate ethics by developing and operating its internal control systems in a proper manner. In this respect, we sincerely accept the seriousness of the fire that broke out at the No. 2 Ethylene Plant of

MCC's Kashima Plant in December 2007. The Group will make all-out efforts to drive home the significance of safety control once again and take every possible measure to prevent recurrence of a similar accident. We also regret that we have caused our shareholders anxiety over the hepatitis C litigation involving MTPC, but would like to inform you that, in the wake of promulgation and enforcement in January 2008 of a new special measures law dealing with the hepatitis C problem, MTPC is currently holding settlement talks with the plaintiffs. We understand that MTPC intends to deal with the plaintiffs in good faith with a view to reaching a full and complete agreement. MCHC, for its part, will continue to provide MTPC with all necessary advice and support.

Under the supervision of MCHC as the holding company, the Group will make all-out efforts to deal with these management issues, and will strive to live up to the shareholders' expectations by gaining society's confidence in the Group and enhancing corporate and shareholder value further. The Group therefore requests your continuing support and guidance.

(4) Capital Expenditures

The MCHC Group's aggregate capital expenditures for the fiscal year under review (from April 1, 2007 to March 31, 2008) stood at ¥170.0 billion, the majority of which was applied to construction of new and additional manufacturing facilities, renewal of existing facilities, and rationalization investments in other existing facilities.

The major new and additional facilities include the following:

a) Major facilities completed during the fiscal year under review

- Petrochemicals Segment:

• MCC Mizushima Plant

Facilities at the chemical complex of the Mizushima Plant in response to diversification of raw materials (enhancement)

• Mitsubishi Chemical Performance Polymers, Inc.

Production facility for performance polymer compounds (addition)

b) Major facilities under construction

- Petrochemicals Segment:

• MCC Kurotaki Plant

Production facility for polycarbonate resin (addition)

• MCC Kashima Plant

Production facility for propylene (new)

- Japan Polypropylene Corporation Kashima Plant
Production facility for polypropylene (addition)
 - MCC PTA India Corporation Private Limited (India)
Production facility for purified terephthalic acid (addition)
- Performance and Functional Products Segment
- Performance Products:
- MCC Yokkaichi Plant
Production facility for chemical toner (addition)
- Functional Products:
- Mitsubishi Polyester Film Corporation Shiga Plant
Facilities for production of silicone-coated release film (addition)

(5) Fund Procurement

In the fiscal year under review (from April 1, 2007 to March 31, 2008), the MCHC Group procured the necessary funds by borrowings funds and issuing corporate bonds and commercial paper.

The aggregate amount of the Group's borrowings, corporate bonds and commercial paper as of the closing of the fiscal year under review stood at ¥822.5 billion. Major corporate bonds issued during the fiscal year under review were as follows:

Issue	Date of Issue	Aggregate Issue Amount
¥70,000,000,000 Zero Coupon Guaranteed Convertible Bonds due 2011	October 2007	70.0 billion yen
¥70,000,000,000 Zero Coupon Guaranteed Convertible Bonds due 2013	October 2007	70.0 billion yen

(6) Significant Business Realignments

- With the aim of reinforcing their existing businesses and developing new businesses, Mitsubishi Kagaku Bio-Clinical Laboratories, Inc. (“BCL”), Mitsubishi Kagaku Iatron, Inc. and Mitsubishi Chemical Safety Institute Ltd. integrated their operations in April 2007 by means of a stock swap whereby BCL became the wholly-owning parent company and changed its corporate name to Mitsubishi Chemical Medience Corporation.

(Health Care Segment)

- With the aim of reinforcing its information processing services, Ryoka Systems Inc. acquired from Alphatec Solutions Holdings Co.,Ltd. all the shares of its wholly-owned subsidiary Alphatec Solutions Co., Ltd. in May 2007.

(Others Segment)

- With the aim of reinforcing its functional products operations, MCHC acquired all MPI's shares held by MCC by means of dividend in kind in September 2007, and turned MPI into its wholly-owned subsidiary by means of a stock swap in October 2007. On April 1, 2008, MCC transferred all the shares of MPF, MFP and MKV that it had held to MCHC, and its functional products operations to MPI, by means of an absorption-type demerger, respectively, and MPI started as a newly consolidated company by merging with MPF, MFP and MKV.

(Performance and Functional Products Segment)

- With the aim of expanding and reinforcing its pharmaceutical operations, MPC merged with TSC in October 2007, and MTPC as a new consolidated listed subsidiary came into being. (MCHC's equity investment ratio after the merger was 56.3%.)

(Health Care Segment)

- In March 2008, with the aim of strengthening its polymer operations, Japan Polychem Corporation (“JPC”) acquired from Mitsubishi Shoji Plastics Corporation (“MSP”) all the shares of Japan Polyethylene Corporation (“JPE”) that MSP had held. (JPE's shares had previously been held 50% by JPC, 42% by Japan Polyolefins Co., Ltd. and 8% by MSP.)

(Petrochemicals Segment)

(7) Changes in the Conditions of Assets and Profit/Loss

Category	(Fiscal 2004)	1st Term (Fiscal 2005)	2nd Term (Fiscal 2006)	3rd Term (Fiscal 2007)
Net Sales (in billion yen)	(2,189.4)	2,408.9	2,622.8	2,929.8
Recurring Income (in billion yen)	(148.0)	143.5	141.2	128.8
Net Income (in billion yen)	(55.3)	85.5	100.3	164.0
Net Income per Share (in yen)	(25.40)	69.51	73.25	119.51
Net Assets (in billion yen)	(445.9)	656.0	758.7	1,095.9
Net Assets per Share (in yen)	(205.09)	478.72	520.05	601.45
Total Assets (in billion yen)	(1,970.5)	2,126.6	2,318.8	2,765.8

Notes:

1. Financial figures for fiscal 2004 do not exist as MCHC was established on October 3, 2005. The figures within brackets represent MCC's consolidated fiscal year-end figures. The figures for 1st term (fiscal 2005) comprise MCC's consolidated financial results for the first half and MCHC's consolidated financial results for the second half of the year.
2. Net income per share is calculated on the basis of average aggregate number of issued and outstanding shares during fiscal year excluding treasury stocks. Net assets per share is calculated on the basis of the average aggregate number of issued and outstanding shares as of the end of fiscal year excluding treasury stocks. Net income per share for 1st term (fiscal 2005) is calculated based on the weighted-average number of common share of MCC (first half) and MCHC (second half). The number of common share of MCC is adjusted according to allotment ratio to the common share of MCHC.
3. "Accounting Standard for Presentation of Net Assets in the Balance Sheets" (ASBJ Statement) and "Guideline on Accounting Standard for Presentation of Net Assets in the Balance Sheets" (ASBJ Guidance No.8) are adopted from 2nd term (fiscal 2006) onward.

(8) Description of Principal Businesses (as of March 31, 2008)

Segment		Main Products
Petrochemicals		Basic petrochemicals, chemical derivatives, neat resins and compounds, and synthetic fiber materials
Performance and Functional Products	Performance Products	Fine chemicals, organic intermediates, performance resins, recording media, information and electronics-related materials, inorganic materials, fertilizers, and carbon products
	Functional Products	Polymer processing products and composites
Health Care		Pharmaceuticals, diagnostic reagents and instruments, and clinical testing
Others		Engineering, logistics, and real estate

(9) Status of Major Subsidiaries and Affiliates (as of March 31, 2008)

(a) Major Subsidiaries

Company Name	Capital	MCHC's Equity Investment Ratio (%)	Principal Business
[Direct Investees]			
Mitsubishi Chemical Corporation	50.0 billion yen	100.0	Manufacture and marketing of chemical products
Mitsubishi Plastics, Inc.	21.5 billion yen	100.0	Manufacture and marketing of plastics-derivative products
Mitsubishi Tanabe Pharma Corporation	50.0 billion yen	56.3	Manufacture and marketing of pharmaceuticals
[Indirect Investees]			
(Petrochemicals Segment)			
Japan Polyethylene Corporation	7.5 billion yen	58.0	Manufacture and marketing of polyethylene
V-Tech Corporation	6.0 billion yen	85.1	Manufacture and marketing of vinyl chloride
Japan Polypropylene Corporation	5.0 billion yen	65.0	Manufacture and marketing of polypropylene
MCC PTA India Corporation Pvt. Ltd.	7,392 million rupee	65.9	Manufacture and marketing of terephthalic acid
Ningbo Mitsubishi Chemical Co., Ltd.	1,005 million yuan	90.0	Manufacture and marketing of terephthalic acid
P.T. Mitsubishi Chemical Indonesia	146 million U.S. dollars	100.0	Manufacture and marketing of terephthalic acid
(Performance and Functional Products Segment)			
<u>Performance Products</u>			
Nippon Kasei Chemical Co., Ltd.	6.5 billion yen	52.7	Manufacture and marketing of chemical products
Kansai Coke and Chemicals Co., Ltd.	6.0 billion yen	51.0	Manufacture and marketing of coke
Mitsubishi Kagaku Media Co., Ltd.	4.0 billion yen	100.0	Development and marketing of recording media and computer peripheral equipment
Mitsubishi Chemical Agri, Inc.	1.5 billion yen	100.0	Manufacture and marketing of fertilizers
Japan Epoxy Resins Co., Ltd.	1.2 billion yen	100.0	Manufacture and marketing of epoxy resins
Calgon Mitsubishi Chemical Corporation	0.6 billion yen	50.9	Manufacture and marketing of activated carbon
Mitsubishi-Kagaku Foods Corporation	0.5 billion yen	100.0	Manufacture and marketing of food ingredients
Shinryo Corporation	80 million yen	100.0	Ecological recycling; manufacture and marketing of semiconductors

Verbatim Corporation	283 million U.S. dollars	100.0	Marketing of recording media and computer peripheral equipment
Verbatim Ltd.	3 million euro	100.0	Marketing of recording media and computer peripheral equipment
<u>Functional Products</u>			
Mitsubishi Polyester Film Corporation	4.7 billion yen	100.0	Manufacture and marketing of polyester film
Mitsubishi Chemical Functional Products Inc.	2.7 billion yen	100.0	Manufacture and marketing of industrial materials
Mitsubishi Chemical MKV Co.	0.4 billion yen	100.0	Manufacture and marketing of synthetic resin film
Mitsubishi Polyester Film Inc.	29 million U.S. dollars	100.0	Manufacture and marketing of polyester film
Mitsubishi Polyester Film GmbH	160,000 euro	100.0	Manufacture and marketing of polyester film
<u>(Health Care Segment)</u>			
API Corporation	4.0 billion yen	100.0	Manufacture and marketing of active pharmaceutical ingredients and intermediate bodies
Mitsubishi Chemical Medience Corporation	3.0 billion yen	99.3	Clinical testing and drug discovery support services; marketing of in vitro diagnostic agents
Mitsubishi Kagaku Iatron, Inc.	0.3 billion yen	100.0	Manufacture of in vitro diagnostic agents
Mitsubishi Chemical Safety Institute Ltd.	0.3 billion yen	100.0	Safety testing and research for chemicals
<u>(Others)</u>			
Mitsubishi Chemical Group Science and Technology Research Center, Inc.	2.5 billion yen	100.0	Research and technology development; analysis services
Mitsubishi Chemical Logistics Corporation	1.5 billion yen	100.0	Logistics services
Mitsubishi Chemical Engineering Corporation	1.4 billion yen	100.0	Engineering and construction services
Mitsubishi Chemical Techno-Research Corporation	80 million yen	93.2	Survey, consulting and information services

Notes:

1. MCC operates businesses that fall into the categories of Petrochemicals Segment, Performance and Functional Products Segment, and Others.
2. MPI operates businesses that fall into the categories of Performance and Functional Products Segment.
3. MTPC operates businesses that fall into the categories of Health Care Segment.
4. Capital reported for each of Verbatim Corporation and Mitsubishi Polyester Film Inc. represents paid-in capital.
5. Japan Polyethylene Corporation, Ningbo Mitsubishi Chemical Co., Ltd., Verbatim Corporation, Verbatim Ltd., Mitsubishi Polyester Film Inc., Mitsubishi Polyester Film GmbH and Mitsubishi Chemical Techno-Research Corporation have been newly added as major subsidiaries.

6. Mitsubishi Polyester Film Co., Mitsubishi Chemical Functional Products Inc. and Mitsubishi Chemical MKV Co. dissolved themselves on April 1, 2008 upon their merger with MCC on the same date.

(b) Major Affiliates

Company Name	Capital	MCHC's Equity Investment Ratio (%)	Principal Business
(Petrochemicals Segment)			
The Nippon Synthetic Chemical Industry Co., Ltd.	17.9 billion yen	35.1	Manufacture and marketing of organic synthetic chemicals
Kawasaki Kasei Chemicals Ltd.	6.2 billion yen	36.3	Manufacture and marketing of organic synthetic chemicals
Kashima-Kita Electric Power Corporation	6.0 billion yen	39.8	Generation and supply of electric power
(Performance and Functional Products Segment)			
<u>Functional Products</u>			
Kodama Chemical Industry Co., Ltd.	3.0 billion yen	20.6	Manufacture and marketing of plastic products
Nitto Kako Co., Ltd.	1.9 billion yen	37.1	Manufacture and marketing of rubber and plastic products

Notes:

- Both of the above-listed companies are MCHC's indirect investees.
- Kashima-Kita Electric Power Corporation was newly added as part of major affiliates.
- Japan Polyethylene Corporation previously listed in the foregoing section is now listed as a significant subsidiary in Section (9) (a) as MCHC's equity investment ratio has now reached 58.0%.

(10) Principal Business Offices and Plants (as of March 31, 2008)

(a) MCHC

	Address
Head Office	14-1, Shiba 4-chome, Minato-ku, Tokyo

(b) Significant Subsidiaries

Company Name	Location
[Direct Investees]	
Mitsubishi Chemical Corporation	Tokyo, Fukuoka, Mie, Okayama, Ibaraki, Niigata, Kagawa, Ehime, Kanagawa
Mitsubishi Plastics, Inc.	Tokyo, Shiga, Kanagawa, Yamaguchi, Fukushima
Mitsubishi Tanabe Pharma Corporation	Osaka, Tokyo, Ibaraki
[Indirect Investees]	
(Petrochemicals Segment)	
Japan Polyethylene Corporation	Tokyo, Ibaraki, Kanagawa, Okayama, Oita
V-Tech Corporation	Tokyo, Okayama, Mie, Kanagawa
Japan Polypropylene Corporation	Tokyo, Ibaraki, Chiba, Kanagawa, Mie, Okayama
MCC PTA India Corporation Pvt. Ltd.	India
Ningbo Mitsubishi Chemical Co., Ltd.	China
P.T. Mitsubishi Chemical Indonesia	Indonesia
(Performance and Functional Products Segment)	
<u>Performance Products</u>	
Nippon Kasei Chemical Co., Ltd.	Tokyo, Fukushima, Fukuoka
Kansai Coke and Chemicals Co., Ltd.	Hyogo
Mitsubishi Kagaku Media Co., Ltd.	Tokyo
Mitsubishi Chemical Agri, Inc.	Tokyo, Fukuoka, Okayama, Fukushima
Japan Epoxy Resins Co. Ltd.	Tokyo, Mie
Calgon Mitsubishi Chemical Corporation	Tokyo, Fukuoka, Fukui
Mitsubishi-Kagaku Foods Corporation	Tokyo
Shinryo Corporation	Fukuoka
Verbatim Corporation	U.S.A.
Verbatim Ltd.	U.K.
<u>Functional Products</u>	
Mitsubishi Polyester Film Corporation	Tokyo, Shiga
Mitsubishi Chemical Functional Products Inc.	Tokyo, Niigata, Kagawa
Mitsubishi Chemical MKV Co.	Tokyo, Ibaraki, Aichi
Mitsubishi Polyester Film Inc.	U.S.A.
Mitsubishi Polyester Film GmbH	Germany
(Health Care Segment)	
API Corporation	Tokyo, Osaka, Fukuoka, Mie, Shizuoka, Fukushima
Mitsubishi Chemical Medience Corporation	Tokyo
Mitsubishi Kagaku Iatron, Inc.	Tokyo, Chiba, Ibaraki
Mitsubishi Chemical Safety Institute Ltd.	Tokyo, Ibaraki, Kanagawa, Fukuoka, Kumamoto

(Others)	
Mitsubishi Chemical Group Science and Technology Research Center, Inc.	Tokyo, Kanagawa
Mitsubishi Chemical Logistics Corporation	Tokyo
Mitsubishi Chemical Engineering Corporation	Tokyo
Mitsubishi Chemical Techno-Research Corporation	Tokyo

Notes:

1. MCC operates businesses that fall into the categories of Petrochemicals Segment, Performance and Functional Products Segment, and Others.
2. MPI operates businesses that fall into the categories of Performance and Functional Products Segment.
3. MTPC operates businesses that fall into the category of Health Care Products.

(11) Employees of the Group (as of March 31, 2008)

(a) Number of Employees of the Group

Segment		No. of Employees	Year-on-year Increase/Decrease
Petrochemicals		5,873	Up 562
Performance and Functional Products	Performance Products	5,832	Down 49
	Functional Products	6,678	Down 58
Health Care		13,869	Up 4,613
Others		6,146	Up 783
Company-wide (Common)		885	Down 15
Sum Total		39,283	Up 5,836

Notes:

1. Those employees who are engaged in activities such as basic R&D which cannot be definitively sorted into any specific Segment are included in "Company-wide (Common)."
2. Employees loaned to entities outside of the MCHC Group are not included.
3. The increase in the employee complement is attributable mainly to the fact that MPC merged with TPC and MTPC was created.

(b) Status of Employees of MCHC

No. of Employees (Year-on-year Change)	Average Age	Average Years of Service
32 (no change)	43 years and 4 months	18 years and 8 months

Note: All of MCHC's employees are on loan from MCC, MPI and MTPC, and their average years of service include and reflect the years of service that they have accumulated at these companies.

(12) Principal Lenders (as of March 31, 2008)

Lenders	Amount Borrowed
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	90.4 billion yen
Japan Bank for International Cooperation	37.7 billion yen
Mitsubishi UFJ Trust and Banking Corporation	37.1 billion yen
Mizuho Corporate Bank, Ltd.	28.4 billion yen
Meiji Yasuda Life Insurance Co.	25.6 billion yen

(13) Other Significant Matters Related to the Present State of Corporate Group

(a) Hepatitis C Litigations Involving Mitsubishi Tanabe Pharma Corporation (“MTPC”)

Along with the government, MTPC and its wholly-owned subsidiary Benesis Corporation (“Benesis”) are being sued for damage compensation by those people who claim that they became infected with HCV (hepatitis C virus) by using fibrinogen preparation or factor IX preparation manufactured and marketed by the now-defunct Green Cross Corporation which was one of MTPC’s predecessor’s concerns.

In this round of litigations, lawsuits has been continuing at courts. Nevertheless, in the wake of promulgation and enforcement in January 2008 of a new special measures law dealing with the hepatitis C problem, they are currently holding settlement talks with the plaintiffs, and have announced their intention to deal with the plaintiffs in good faith with a view to reaching a full and complete agreement.

(b) Onsite investigations of Mitsubishi Plastics, Inc. by Japan Fair Trade Commission

In July 2007, the Japan Fair Trade Commission commenced onsite investigations of the offices of Mitsubishi Plastics, our consolidated subsidiary, in connection with possible antitrust violation accusations. The investigation is related to Mitsubishi Plastics, Inc. alleged price collusion with other manufacturers in their sales practices for polyvinyl chloride pipes and related products. MPI is cooperating fully with this investigation, and is making efforts to drive home the significance of compliance within the organization once again.

2. Matters Related to Corporate Stocks (as of March 31, 2008)

(1) Number of Authorized Shares: 6,000,000,000

(2) Number of Issued and Outstanding Shares:

1,506,288,000 (representing a year-on-year decrease of 300,000,000 shares)

Note: Effective October 31, 2007, MCHC cancelled 300,000,000 shares of treasury stock.

(3) Aggregate Number of Shareholders:

164,772 (representing a year-on-year decrease of 4,914 shareholders)

(4) Major Shareholders

Name of Shareholders	Equity Investments in MCHC	
	No. of Shares Held	Equity Investment Ratio (%)
The Master Trust Bank of Japan, Ltd. – Trust Account	62,365,000	4.5
Meiji Yasuda Life Insurance Co.	60,644,000	4.4
Takeda Pharmaceutical Co., Ltd.	51,730,000	3.7
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	50,937,000	3.6
Nippon Life Insurance Co.	49,428,000	3.5
Tokio Marine and Nichido Fire Insurance Co., Ltd.	42,312,000	3.0
State Street Bank and Trust Co.	42,192,000	3.0
Japan Trustee Services Bank, Ltd. – Trust Account	39,485,000	2.8
Japan Trustee Services Bank, Ltd. – Trust Account 4	24,578,000	1.7
Taiyo Life Insurance Co.	23,547,000	1.7

Notes:

1. In addition to the above, MCHC holds 129.587 million shares as treasury stocks, but these shares are non-voting pursuant to the provisions of Article 308, paragraph 2 of the Corporation Law.
2. Equity investment ratios are calculated to the exclusion of the treasury stocks (129.587 million).
3. In addition to the above, equity investments of The Bank of Tokyo-Mitsubishi UFJ, Ltd. in MCHC include 4.75 million shares of stock (representing the equity investment ratio of 0.3%) held in the name of “The Nomura Trust and Banking Co., Ltd. Retirement Benefit Trust / The Bank of Tokyo-Mitsubishi UFJ Account” over which The Bank of Tokyo-Mitsubishi UFJ, Ltd. retains the right to issue instructions regarding the exercise of the relevant voting right.

3. Stock Acquisition Rights

(1) Stock Acquisition Rights Issued to the Directors

	(1)	(2)
Name of Stock Acquisition Rights	First Stock Acquisition Right (Stock Reward-Type Stock Option Plan A) Issued by Mitsubishi Chemical Holdings Corporation	Third Stock Acquisition Right (Stock Reward-Type Stock Option Plan A) Issued by Mitsubishi Chemical Holdings Corporation
Date of Resolution for Issue	November 27, 2006	November 26, 2007
No. of Stock Acquisition Rights	1,408	794
Type and No. of Stock as Object of Stock Acquisition Rights	70,400 shares of MCHC's common stock	39,700 shares of MCHC's common stock
Amount Paid In	¥34,100 per stock acquisition right	¥44,350 per stock acquisition right
Exercise Period	From December 14, 2006 to December 13, 2026	From December 13, 2007 to December 12, 2027
Intended Grantees	MCHC's Directors (3)	MCHC's Directors (2)
No. of Equity Warrants as of Last Day of Fiscal Year under Review	1,408	794

Notes:

1. The number of stocks as object of the aforementioned stock acquisition rights is 50 per stock acquisition right. However, if MCHC's common stocks are split, the number of stocks per stock acquisition right will be adjusted.
2. The value of assets to be invested on the occasion of exercise of the aforementioned stock acquisition rights would be ¥1 per share.
3. In principle, the holders of equity warrants may exercise their stock acquisition rights only if they lose all of their positions as Director, Corporate Auditor and Executive Officer of MCHC and its subsidiaries during the respective Exercise Periods.
4. Of the equity warrants described in (1) above, the number of stock acquisition rights held by MCHC's Director as of the last day of the fiscal year under review is 646 (held by one Director).
5. Of the equity warrants described in (2) above, the number of stock acquisition rights held by MCHC's Directors as of the last day of the fiscal year under review is 794 (held by two Directors).

(2) Stock Acquisition Rights Issued to the Executive Officers

	(1)	(2)
Name of Equity Warrant	First Stock Acquisition Right (Stock Reward-Type Stock Option Plan B) Issued by Mitsubishi Chemical Holdings Corporation	Second Stock Acquisition Right Issued by Mitsubishi Chemical Holdings Corporation
Date of Resolution for Issue	November 27, 2006	November 27, 2006
No. of Equity Warrants	564	6,620
Type and No. of Stock as Object of Equity Warrant	28,200 shares of MCHC's common stock	331,000 shares of MCHC's common stock
Amount Paid in	Gratis	¥34,100 per stock acquisition right
Exercise Period	From June 28, 2007 to June 27, 2027	From December 16, 2006 to December 15, 2026
Intended Grantees	MCHC's Executive Officer and Retiring Director (total 2)	Mitsubishi Chemical Corporation
No. of Equity Warrants as of Last Day of Fiscal Year under Review	256	5,865

	(3)	(4)
Name of Equity Warrant	Third Stock Acquisition Right (Stock Reward-Type Stock Option Plan B) Issued by Mitsubishi Chemical Holdings Corporation	Fourth Stock Acquisition Right Issued by Mitsubishi Chemical Holdings Corporation
Date of Resolution for Issue	November 26, 2007	November 26, 2007
No. of Equity Warrants	989	6,222
Type and No. of Stock as Object of Equity Warrant	49,450 shares of MCHC's common stock	311,100 shares of MCHC's common stock
Amount Paid in	Gratis	¥44,350 per stock acquisition right
Exercise Period	From December 13, 2007 to December 12, 2027	From December 15, 2007 to December 14, 2027
Intended Grantees	MCHC's Executive Officer and Retiring Director (total 3)	Mitsubishi Chemical Corporation
No. of Equity Warrants as of Last Day of Fiscal Year under Review	989	6,222

Notes:

1. MCC granted all of the stock acquisition rights described in (2) above to a total of 26 Directors and Executive Officers (including retiring Directors and retiring Executive Officers) of MCC on December 15, 2006, and also granted all of the stock acquisition rights described in (4) above to a total of 25 Directors and Executive Officers (including retiring Directors and retiring Executive Officers) of MCC on December 14, 2007, in each case as performance remuneration.
2. The number of stocks as object of the aforementioned stock acquisition rights is 50 per stock acquisition right. However, if MCHC's common stocks are split, the number of stocks per stock acquisition right will be adjusted.
3. The value of assets to be invested on the occasion of exercise of the aforementioned stock acquisition rights would be ¥1 per share.
4. In principle, the grantees may exercise the aforementioned stock acquisition rights only if they lose all of their

positions as Director, Corporate Auditor and Executive Officer of MCHC and its subsidiaries during the respective Exercise Periods.

(3) Stock Acquisition Rights Whose Obligations Have Been Inherited from Mitsubishi Chemical Corporation as a Result of Stock Transfer

Name of Equity Warrant	Stock Acquisition Right for Fiscal 2005 (Stock Reward-Type Stock Option) Issued by Mitsubishi Chemical Corporation
Date of Resolution for Issue	June 28, 2005
No. of Equity Warrants	9,321
Type and No. of Stock as Object of Equity Warrant	466,050 shares of MCHC's common stock
Amount Paid in	Gratis
Exercise Period	From June 28, 2006 to June 27, 2026
Intended Grantees	Mitsubishi Chemical Corporation's Directors and Executive Officers (including retiring Directors and retiring Executive Officers) (total 29)
No. of Equity Warrants as of Last Day of Fiscal Year under Review	7,122

Notes:

1. MCHC has inherited obligations under those of the stock acquisition rights issued by MCC to its Directors and Executive Officers (including retiring Directors and retiring Executive Officers) pursuant to the resolution passed at the meeting of its Board of Directors held on June 14, 2005 and the resolution passed at its General Meeting of Shareholders held on June 28, 2005 which were not exercised or retired as of the date (October 3, 2005) on which MCC and MPC (currently MTP) established MCHC by means of a stock transfer.
2. The number of stocks as object of the aforementioned stock acquisition rights is 50 per equity warrant. However, if MCHC's common stocks are split, the number of stocks per stock acquisition right will be adjusted.
3. The value of assets to be invested on the occasion of exercise of the aforementioned stock acquisition rights would be ¥1 per share.
4. In principle, the grantees may exercise the aforementioned stock acquisition rights only if they lose all of their positions as Director, Corporate Auditor and Executive Officer of MCHC and its subsidiaries during the respective Exercise Periods.

(4) Stock Acquisition Rights for Convertible Bonds

	(1)	(2)
Name of Corporate Bonds with Stock Acquisition Right	¥70,000,000,000 Zero Coupon Guaranteed Convertible Bonds due 2011	¥70,000,000,000 Zero Coupon Guaranteed Convertible Bonds due 2013
Date of Resolution for Issue	October 4, 2007	October 4, 2007
No. of Stock Acquisition Right	7,000	7,000
Type of Stock as Object of Equity Warrant	MCHC's common stock	MCHC's common stock
No. of Shares Issued per Stock Acquisition Right	Number obtained by dividing face value of this Corporate Bond (total face value: ¥70 billion) by conversion value	Number obtained by dividing face value of this Corporate Bond (total face value: ¥70 billion) by conversion value
Amount Paid in In	Gratis	Gratis
Conversion Value	¥1,207	¥1,177
Exercise Period	From November 5, 2007 to October 14, 2011	From November 5, 2007 to October 15, 2013
No. of Stock Acquisition Right as of Last Day of Fiscal Year under Review	7,000	7,000

Note: In case that MCHC issues, disposes or splits of its common stock at under fair market price, the conversion value shall be adjusted.

4. Directors and Corporate Auditors (as of March 31, 2008)

(1) Details of Directors and Corporate Auditors

Position	Name	Responsibility and Representation at Other Corporations
Director Chairman (Representative Director)	Ryuichi Tomizawa	Chairman, Japan Chemical Industry Association
Director President (Representative Director)	Yoshimitsu Kobayashi	President and CEO (Representative Director), MCC
Director (Chief Compliance Officer)	Atsushi Baba	Managing Executive Officer (Administration, Human Resources, PR and CSR)
Director	Shotaro Yoshimura	Managing Executive Officer (Corporate Management & IR)
Director	Kiyoshi Nakayama	Managing Executive Officer (Health Care Strategy)
Director	Etsujiro Koge	
Director	Natsuki Hayama	Representative Director (President and CEO), MTPC
Director	Takeshi Komine	Representative Director (Executive Officer and Vice President), MTPC
Corporate Auditor (full-time)	Takayasu Kishi	
Corporate Auditor (full-time)	Hideaki Yoshida	
Corporate Auditor (full-time)	Takashi Nishida	
Corporate Auditor	Hiroyasu Sugihara	Lawyer
Corporate Auditor	Somitsu Takehara	Certified Public Accountant

Notes:

- Corporate Auditors Takashi Nishida, Hiroyasu Sugihara and Somitsu Takehara are the outside corporate auditors as prescribed in Article 2, item 16 of the Corporation Law.
- The Director who was enrolled as Director on or subsequent to the day after the date of conclusion of MCHC's Second Ordinary General Meeting of Shareholders held on June 26, 2007 but retired thereafter during the fiscal year under review is as follows:
Director: Kunihiko Shimojuku (retired on October 1, 2007)
- Effective April 1, 2008, the responsibilities of Directors Atsushi Baba and Shotaro Yoshimura and their representations of other companies were changed as follows:

Position	Name	Responsibility and Representation in Other Companies
Director (Chief Compliance Officer)	Atsushi Baba	Managing Executive Officer (Administration, PR, Internal Control (Compliance and Risk Management) and CSR)
Director	Shotaro Yoshimura	Managing Executive Officer (Corporate Management, Internal Control (J-SOX), IR and Finance & Accounting)

- Director Kiyoshi Nakayama retired from the position of Managing Executive Officer effective April 1, 2008.
- Corporate Auditor Takayasu Kishi has considerable knowledge about finance and accounting as he has served

as a senior accounting staff at Mitsubishi Kasei Corporation. (currently MCC) and as General Manager, Accounting, at Mitsubishi-Tokyo Pharmaceuticals, Inc. (currently MTPC)

6. Corporate Auditor Hideaki Yoshida has considerable knowledge about finance and accounting as he has served as General Manager, Accounting, at Mitsubishi Kasei Corporation. and as Director in charge of accounting both at Mitsubishi-Tokyo Pharmaceuticals, Inc. (currently MTPC) and at MCC.
7. Corporate Auditor Somitsu Takehara had considerable knowledge about finance and accounting as he is qualified as a Certified Public Accountant.
8. In addition to the above, the status of significant offices held by Directors and Corporate Auditors is as follows:

Category	Name	Status of Significant Offices Concurrently Held	
		Company Name	Title
Director	Ryuichi Tomizawa	Mitsubishi Chemical Corporation	Director
		Kansai Coke and Chemicals Co., Ltd.	Director
		SPDC Ltd.	Director
		Taiyo Nippon Sanso Corporation	Director
	Yoshimitsu Kobayashi	Japan Singapore Petro Chemicals Co., Ltd.	Director
	Atsushi Baba	Mitsubishi Chemical Corporation	Director
		Mitsubishi Chemical Logistics Corporation.	Director
		Yupo Corporation.	Corporate Auditor
	Shotaro Yoshimura	Mitsubishi Chemical Corporation.	Director
		Mitsubishi Chemical Engineering Corporation	Director
		Mitsubishi Chemical Logistics Corporation	Director
		Nippon Asahan Aluminium Co., Ltd.	Director
		Mitsubishi Chemical USA, Inc.	Director
	Kiyoshi Nakayama	Mitsubishi Tanabe Pharma Corporation	Director
		Mitsubishi Chemical Medience Corporation	Director
	Etsujiro Koge	Mitsubishi Chemical Corporation	Director
SPDC Ltd.		Director	
Ningbo PTA Investment Co., Ltd.		Director	
San Nam Petrochemical Co., Ltd.		Director	
Corporate Auditor	Takayasu Kishi	Mitsubishi Chemical Corporation	Corporate Auditor
		Mitsubishi Chemical Logistics Corporation	Corporate Auditor
	Hideaki Yoshida	Mitsubishi Chemical MKV Co.	Corporate Auditor
		Mitsubishi Chemical Engineering Corporation	Corporate Auditor
	Takashi Nishida	Mitsubishi Chemical Corporation	Corporate Auditor
		Mitsubishi Tanabe Pharma Corporation	Corporate Auditor
	Hiroyasu Sugihara	Mitsubishi Chemical Corporation	Corporate Auditor
		Aeon Credit Service Co., Ltd.	Corporate Auditor
Oji Paper Co., Ltd.		Corporate Auditor	

(2) Aggregate Amount of Directors' and Corporate Auditors' Remuneration

Category	Remunerations	
	No. of Persons	Amount (in million yen)
Directors	9	189
Corporate Auditors	5	106
Sum Total	14	296

Notes:

1. No wage or salary has been paid to any Director concurrently serving as an employee for any work performed as an employee.
2. No bonus or retirement bonus has been paid to any Director or Corporate Auditor.
3. Remuneration of ¥35 million in the form of stock options are included in the aforementioned remuneration for Directors.
4. Remuneration from MCC or MTPC (including MPC before the merger) as MCHC's subsidiaries where Directors and Corporate Auditors concurrently serve as directors or corporate auditors are not included in the aforementioned payments of remuneration to Directors and Corporate Auditors.
5. The amount of remuneration for Directors is set to be ¥30 million or less per month. In addition, an annual limit of ¥80 million is in place for remuneration in the form of stock options.
6. The amount of remuneration for Corporate Auditors is set to be ¥11 million or less per month.
7. As of the close of the fiscal year under review, there were a total of eight Directors and five Corporate Auditors.

(3) Matters Related to Outside Corporate Auditors

(a) Concurrent Positions

- Corporate Auditor Takashi Nishida serves concurrently as an outside corporate auditor for MCC and MTPC.
- Corporate Auditor Hiroyasu Sugihara services concurrently as an outside corporate auditor for Aeon Credit Service Co., Ltd. and Oji Paper Co., Ltd.

(b) Status of Main Activities

- Corporate Auditor Takashi Nishida attended all 15 meetings of the Board of Directors and all 13 meetings of the Board of Corporate Auditors that were held after his inauguration as MCHC's Corporate Auditor, and has expressed his opinion as needed by drawing on his knowledge and experience accumulated through his services with a bank and a securities company.
- Corporate Auditor Hiroyasu Sugihara attended 17 out of 20 meetings of the Board of Directors and 17 out of 20 meetings of the Board of Corporate Auditors, and has expressed his opinion as needed by drawing on his expert knowledge and experience accumulated primarily through his services as a public prosecutor and lawyer.
- Corporate Auditor Somitsu Takehara attended 19 out of 20 meetings of the Board of Directors and all 20 meetings of the Board of Corporate Auditors, and has expressed his opinion as needed by drawing on his expert knowledge and

experience accumulated primarily through his services as a certified public accountant.

(c) Aggregate Amount of Remuneration

The remuneration paid to the three outside Corporate Auditors amounted to ¥42 million. In addition, MCC and MTPC (including MPC before the merger) as MCHC's subsidiaries paid remuneration of ¥9 million to MCHC's outside Corporate Auditors who concurrently serve as outside corporate auditors for MCHC's subsidiaries.

(d) Overview of Contents of Liability-Limiting Agreements

Pursuant to the provisions of Article 427, paragraph 1 of the Corporation Law, MCHC and its outside Corporate Auditors conclude liability-limiting agreements as prescribed in Article 423, paragraph 1 of the said Law. The maximum limit of damage compensation liability under these agreements is set to be the minimum limit of liability prescribed in Article 425, paragraph 1 of the said Law.

5. Status of Independent Auditor (as of March 31, 2008)

(1) Name

Ernst & Young ShinNihon (“Independent Auditor”)

(2) Amount of Remuneration, etc.

	Amount Paid (in million yen)
(i) Amount of remuneration to be paid by MCHC to Independent Auditors	33
(ii) Sum total of money and other financial benefits to be paid by MCHC and its subsidiaries to Independent Auditors	530

Note: As the amount of remuneration under the Corporation Law and the amount of remuneration under the Financial Instruments and Exchange Law are not distinguished in the audit agreement between MCHC and the independent auditor, a sum total of these amounts is reported in (i) above.

(3) Contents of Non-Audit Service

In addition to the service prescribed in Article 2, paragraph 1 of the Certified Public Accountant Law (audit certification service), MCHC has asked the Independent Auditor to prepare comfort letters in connection with issuance of corporate bonds with stock acquisition right.

(4) Policy on Decision to Dismiss or Not Reappoint Independent Auditors

If Independent Auditors are found to run counter to any of the items prescribed in Article 340, paragraph 1 of the Corporation Law, the Board of Corporate Auditors, subject to consent of all Corporate Auditors, will dismiss Independent Auditors.

In addition, if Independent Auditors are found to be incapable of performing their audit service in a proper manner, MCHC will, subject to consent of the Board of Corporate Auditors or upon demand from the Board of Corporate Auditors, propose to a General Meeting of Shareholders that Independent Auditors be dismissed or not be reappointed.

(5) Status of Audit of Financial Statements of MCHC’s Subsidiaries by Certified Public Accountants or Audit Corporations other than Independent Auditor

Of MCHC’s Major subsidiaries, the overseas subsidiaries are audited by certified public accountants or audit Corporations (including those locally certified) other than Independent Auditor, within the scope of the provisions of the Corporation Law or the Financial Instruments and Exchange Law (or similar foreign laws and regulations).

6. System to Ensure that the Company Operates in an Appropriate Manner

At the Board meetings following the end of each of the recent fiscal years, we routinely examine the progress of our basic policy on developing systems for assuring operational appropriateness that we initially passed a resolution at the Board meeting held on May 11, 2006. Our initial position is to review this policy annually and amend it as needed. However, because the Financial Instruments and Exchange Law became fully applicable and operational from April 1, 2008 onward, we passed a resolution to partially amend this policy at the Board meeting held on April 25, 2008, in order to add items pertaining to development of the structure and systems for assuring the reliability of financial reporting. The amended contents are as follows:

- (1) System for ensuring that Directors and Employees execution of their work duties conforms to laws, regulations and Articles of Incorporation
 - (a) MCHC Group, with MCHC as its parent company under the Corporation Law, shall treat the Group Charter of Corporate Ethics and the Group Compliance Code of Conduct as the basic regulations on compliance matters.
 - (b) Directors shall make decisions on MCHC's important matters at the Board of Directors and mutually monitor and supervise the exercising of their functions in accordance with the regulations of the Board of Directors and other relevant rules and regulations. Corporate Auditors shall audit Directors' exercising of their functions by attending the Board of Directors and other important meetings in accordance with the Corporate Auditors' audit standard, etc.
 - (c) Management shall develop, properly operate and manage internal control systems in order to assure the reliability of financial reporting.
 - (d) Management shall develop MCHC Group's training and education programs, audit/monitoring systems, hotlines and other compliance promotion programs in accordance with Group Compliance Promotion Regulations and other relevant rules and regulations, and properly operate and manage these programs by appointing an executive officer in charge of compliance promotion.

- (2) Regulations, structure and systems for managing risks of loss

The President shall be the chief risk manager. In accordance with the Group's Basic Regulations on Risk Management and other relevant rules and regulations, the President shall be responsible for preventing serious risks from manifesting themselves in connection with or arising from MCHC Group's business activities, and for developing, properly

operating and managing risk management systems for minimizing damage if any risk manifests itself.

- (3) System for ensuring that Directors exercise their functions efficiently
 - (a) The Board of Directors shall decide on Group strategies and allocation of management resources (portfolio management), and shall set specific management goals by developing the Group's medium-term management plan, annual budget, and other targets, and shall endeavor to achieve such goals.
 - (b) Management shall move ahead with separating supervision of management from execution of management by introducing the corporate executive officer system, clearly stipulate the powers of individual job positions and deliberating organs including the Board of Directors as well as jurisdictional responsibilities of each functional unit in the internal rules and regulations, and make management decisions and execute management duties in an efficient and proper manner.

- (4) System for preserving and managing information related to Directors' exercise of their functions
Management, in accordance with the Document-Handling Regulations and other relevant rules and regulations, shall preserve and manage the minutes of the Board of Directors, Decisions of the Management Meeting, Approval Documents and other documents and electromagnetic records related to Directors' exercise of their functions, and shall develop a system that will allow Directors and Corporate Auditors to inspect them.

- (5) System for assuring operational legitimacy within the corporate group
Management, in accordance with the Group's Management Regulations and other relevant rules and regulations, shall cause all concerned units and personnel to share the Group's internal control policies and systems covering compliance and risk management, and assure operational legitimacy within the MCHC Group by means such as reporting and approval of important Group management matters and internal audits.

- (6) System for ensuring that Corporate Auditors' audits are conducted in an effective manner
 - (a) Directors and Employees, pursuant to regulations such as the Corporate Auditors' Audit Standard, shall inform Corporate Auditors of any important management matters (including any fact or fraudulent act that might do material harm to MCHC or any fact in violation of laws, regulations or Articles of Incorporation).
 - (b) Management, at the Corporate Auditors' request, shall appoint audit assistants and

have them assist the Corporate Auditors. Appointment of specific assistants shall be subject to the consent of the Corporate Auditors.

- (c) In order to ensure that Corporate Auditors' audits are conducted in an effective manner, Management shall facilitate Corporate Auditors' regular meetings with senior executives including the President, coordination and information exchange between the Corporate Auditors and the Internal Audit Office personnel.

7. Basic Policy on Control of the Company

We have not specifically written down a basic policy on the modality of the persons exerting controlling influences over the Company's financial and management policy decisions, but are pleased to present our basic ideas below.

We believe it is by running the MCHC Group in a highly efficient and transparent manner, by bolstering our competitive edge and earning capabilities through optimal allocation of management resources and ultimately by enhancing our Group's corporate value that we will be able to live up to the expectations of our shareholders.

Although we have not introduced the so-called "takeover defense" measures, we do stand ready to take whatever measures we consider appropriate if we detect a company is attempting to make a massive purchase of MCHC's shares that might harm the MCHC Group's corporate value or undermine the common interests of our shareholders.

Having said that, we would like you to know that we will continue to closely examine the legal system, court precedents and social trends surrounding corporate takeover bids and explore propriety of introducing takeover defense measures as one of the important management challenges that we must deal with.

mitsubishi chemical holdings corporation

Consolidated Balance Sheet

3rd Consolidated Fiscal Year (As of March 31, 2008)

Unit: Millions of yen

Assets

Current assets:

Cash and deposits	116,073
Trade receivables	599,887
Inventories	427,143
Deferred income taxes—current	32,703
Other	150,292
Allowance for doubtful accounts	(1,127)
Total current assets	1,324,971

Fixed assets

Property, plant and equipment

Buildings and structures	233,127
Machinery and equipment	276,419
Land	212,763
Construction in progress	105,693
Other	24,804
Total property, plant and equipment	852,806

Intangible fixed assets

Goodwill	98,746
Other	20,488
Total intangible fixed assets	119,234

Investments and other assets

Investment securities	352,318
Long-term loans receivable	5,858
Deferred income taxes—non-current	26,634
Other	85,311
Allowance for doubtful accounts	(1,295)
Total investments and other assets	468,826
Total fixed assets	1,440,866
Total assets	2,765,837

mitsubishi chemical holdings corporation

Consolidated Balance Sheet, continued

3rd Consolidated Fiscal Year (As of March 31, 2008)

Unit: Millions of yen

Liabilities

Current liabilities:

Trade payables	435,096
Short-term borrowings	217,368
Commercial papers	51,500
Current portion of bonds payable	39,083
Accrued bonuses	34,998
Accrued income taxes	24,764
Reserve for periodic repairs scheduled within one year	7,665
Reserve for current portion of prospective loss on removal of fixed assets	4,160
Other	184,219

Total current liabilities

998,853

Long-term liabilities:

Bonds payable	170,000
Convertible bonds payable	140,311
Long-term borrowings	204,258
Accrued retirement benefits	82,577
Accrued retirement benefits for directors	1,437
Provisions for possible losses in connection with litigation	18,051
Reserve for periodic repairs	3,201
Reserve for prospective loss on removal of fixed assets	2,435
Reserve for costs associated with liquidation of subsidiaries and affiliates	2,545
Other	46,242

Total long-term liabilities

671,057

Total liabilities

1,669,910

Net Assets

Shareholders' equity:

Common stock:	
Issued and outstanding— 1,506,288,000 shares at March 31, 2008	50,000
Additional paid-in capital	303,063
Retained earnings	465,638
Less, Treasury stock at cost	(37,109)
Total shareholders' equity	<u>781,592</u>

Valuation, translation adjustments and other

Net unrealized holding gain on other securities	44,720
Loss on deferred hedges	(789)
Land revaluation surplus	1,765
Foreign currency translation adjustments	2,246
Unfunded retirement benefit obligation with respect to a foreign subsidiary	(1,725)
Total valuation, translation adjustments and other	<u>46,217</u>

Warrants

807

Minority interests in consolidated subsidiaries

267,311

Total net assets

1,095,927

Total liabilities and net assets

2,765,837

mitsubishi chemical holdings corporation
Consolidated Statement of Income
3rd Consolidated Fiscal Year (Year ended March 31, 2008)

Unit: Millions of yen

Net sales	2,929,810
Cost of sales	2,358,509
Gross profit	571,301
Selling, general and administrative expenses	446,255
Selling expenses	108,656
General and administrative expenses	337,599
Operating income	125,046
Other income	
Interest income	3,158
Dividend income	5,780
Equity in earnings of unconsolidated subsidiaries and affiliates	8,101
Rental income of fixed assets	3,730
Foreign exchange gain, net	3,280
Gain on reimbursement of salaries for employees on secondment, net	1,307
Other	9,021
Total other income	34,377
Other expenses	
Interest expenses	15,312
Loss on sales and disposal of property, plant and equipment	2,954
Amortization of business commencement expenses	1,949
Other	10,323
Total other expenses	30,538
Ordinary income	128,885
Total extraordinary income	
Gain on changes in interest in subsidiaries	118,091
Other	5,201
Total extraordinary income	123,292
Extraordinary losses	
Provision for possible losses in connection with litigation	9,532
Expense related to merger of consolidated subsidiaries	4,904
Loss on sales and disposal of property, plant and equipment	4,570
Loss due to lower capacity utilization resulting from a Kashima plant accident	3,007
Loss associated with liquidation of subsidiaries and affiliates	2,822
Other	9,551
Total extraordinary losses	34,386
Income before income taxes and minority interests in consolidated subsidiaries	217,791
Current income taxes	39,773
Deferred income taxes	6,218
Minority interests in consolidated subsidiaries	7,736
Net income	164,064

mitsubishi chemical holdings corporation
Consolidated Statement of Changes in Net Assets
3rd Consolidated Fiscal Year (Year ended March 31, 2008)

Unit: Millions of yen

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	50,000	379,793	322,049	(120,693)	631,149
Changes during the consolidated fiscal year					
Cash dividends (Note 1)			(20,544)		(20,544)
Net income			164,064		164,064
Purchase of treasury stock				(604)	(604)
Disposition of treasury stock (Note 2)		5,390		2,069	7,459
Retirement of treasury stock (Note 3)		(82,120)		82,120	-
Increase resulting from the merger of non-consolidated subsidiaries by a consolidated subsidiary			239		239
Decrease resulting from the decrease of an equity-method affiliate			(217)		(217)
Reversal of revaluation surplus for land			93		93
Other (Note 4)			(46)		(46)
Net change in items other than those in shareholders' equity					
Total changes during the consolidated fiscal year	-	(76,730)	143,589	83,584	150,443
Balance at March 31, 2008	50,000	303,063	465,638	(37,109)	781,592

Unit: Millions of yen

	Valuation, translation adjustments and other						Warrants	Minority interests in consolidated subsidiaries	Total net assets
	Net unrealized holding gain on other securities	Loss on deferred hedges	Land revaluation surplus	Foreign currency translation adjustments	Unfunded retirement benefit obligation with respect to a foreign subsidiary	Total valuation, translation adjustments and other			
Balance at March 31, 2007	80,016	(16)	1,858	3,179	(4,026)	81,011	543	46,049	758,752
Changes during the consolidated fiscal year									
Cash dividends						-			(20,544)
Net income						-			164,064
Purchase of treasury stock						-			(604)
Disposition of treasury stock						-			7,459
Retirement of treasury stocks						-			-
Increase resulting from the merger of non-consolidated subsidiaries by a consolidated subsidiary						-			239
Decrease resulting from the decrease of an equity-method affiliate						-			(217)
Reversal of revaluation surplus for land			(93)			(93)			-
Other						-			(46)
Net change in items other than those in shareholders' equity	(35,296)	(773)	-	(933)	2,301	(34,701)	263	221,262	186,824
Total changes during the consolidated fiscal year	(35,296)	(773)	(93)	(933)	2,301	(34,794)	263	221,262	337,175
Balance at March 31, 2008	44,720	(789)	1,765	2,246	(1,725)	46,217	807	267,311	1,095,927

Notes:

1. Cash dividends

Year-end dividend (¥9,588 million) was paid based on the resolution at the Ordinary General Meeting of Shareholders held in June 2007, and interim dividend (¥10,955 million) was paid based on the resolution at the Board of Directors meeting held in November 2007.

2. Disposition of treasury stock

The increase of ¥5,296 million in other additional paid-in capital and the decrease of ¥2,007 million in treasury stock, resulting from the share exchange between the Company and its consolidated subsidiary, Mitsubishi Plastics, Inc., effective October 2007, were included.

3. Retirement of treasury stock

The Company retired a part of treasury stock based on the resolution at the Board of Directors meeting held in October 2007.

4. Other

From the fiscal year under review, the U.S. Financial Accounting Standards Board (FASB) Interpretation No. 48, Accounting for Uncertainty in Income Taxes has been applied to the U.S. consolidated subsidiaries. The amount necessary to adjust to the said standard of ¥32 million are recognized and booked in retained earnings.

From the fiscal year under review, the Institute of Chartered Accountants of India (ICAI) No. 15, Employee Benefits has been applied to the consolidated subsidiary in India. The amount necessary to adjust to the said standard of ¥14 million are recognized and booked in retained earnings.

mitsubishi chemical holdings corporation

Non-consolidated Balance Sheet

As of March 31, 2008

Unit: Millions of yen

Assets

Current assets:

Cash and deposits	1
Income taxes receivable	25,409
Deferred income taxes—current	15
Short-term loans receivable	25,713
Other	3,705
Total current assets	<u>54,845</u>

Fixed assets

Property, plant and equipment

Tools, furniture and fixtures	0
Total property, plant and equipment	<u>0</u>

Intangible fixed assets

Software	60
Total intangible fixed assets	<u>60</u>

Investments and other assets

Stocks of subsidiaries and affiliates	425,519
Long-term prepaid expenses	14
Deferred income taxes—non-current	25
Total investments and other assets	<u>425,558</u>
Total fixed assets	<u>425,619</u>
Total assets	<u>480,465</u>

MITSUBISHI CHEMICAL HOLDINGS CORPORATION

Non-consolidated Balance Sheet, continued

As of March 31, 2008

Unit: Millions of yen

Liabilities

Current liabilities:

Accounts payables	11,199
Accrued income taxes	7
Deposits received	1
Accrued bonuses	43
Other	17
	<hr/>
Total current liabilities	11,270
	<hr/>

Long-term liabilities:

Convertible bonds payable	140,311
	<hr/>
Total long-term liabilities	140,311
	<hr/>
Total liabilities	151,581
	<hr/>

Net Assets

Shareholders' equity:

Common stock:	
Issued and outstanding—1,506,288,000 shares at March 31, 2008	50,000
Additional paid-in capital	297,860
Legal capital surplus	12,500
Other capital surplus	285,360
Retained earnings	77,197
Other retained earnings	77,197
Retained earnings brought forward	77,197
Less, Treasury stock at cost	(96,980)
	<hr/>
Total shareholders' equity	328,076

Warrants

	807
	<hr/>
Total net assets	328,883
	<hr/>
Total liabilities and net assets	480,465
	<hr/>

mitsubishi chemical holdings corporation

Non-consolidated Statement of Income

Year ended March 31, 2008

Unit: Millions of yen

Operating revenue	
Dividends income	23,622
Income from management service	2,567
Total operating revenue	26,189
General and administrative expenses	2,231
Operating income	<u>23,958</u>
Other income	
Interest income	338
Total other income	338
Other expenses	
Interest expenses	658
Bond issuance cost	361
Other	27
Total other expenses	<u>1,048</u>
Ordinary income	23,247
Extraordinary income	
Gain on extinguishment of combined equity interests	28,097
Total extraordinary income	<u>28,097</u>
Income before income taxes	51,345
Current income taxes	10
Deferred income taxes	(18)
Net income	<u><u>51,353</u></u>

MITSUBISHI CHEMICAL HOLDINGS CORPORATION

Non-consolidated Statement of Shareholders' Equity

Year ended March 31, 2008

Unit: Millions of yen

	Shareholders' equity					
	Common stock	Additional paid-in capital		Retained earnings	Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Other retained earnings		
				Retained earnings brought forward		
Balance at March 31, 2007	50,000	12,500	508,037	46,388	(326,512)	290,412
Changes during the fiscal year						
Cash dividends (Note 1)				(20,544)		(20,544)
Net income				51,353		51,353
Purchase of treasury stock					(604)	(604)
Disposition of treasury stock (Note 2)			1,802		5,657	7,459
Retirement of treasury stock (Note 3)			(224,479)		224,479	-
Net change in items other than those in shareholders' equity						
Total changes during the fiscal year	-	-	(222,676)	30,809	229,531	37,663
Balance at March 31, 2008	50,000	12,500	285,360	77,197	(96,980)	328,076

Unit: Millions of yen

	Warrants	Total net assets
Balance at March 31, 2007	543	290,956
Changes during the fiscal year		
Cash dividends		(20,544)
Net income		51,353
Purchase of treasury stock		(604)
Disposition of treasury stock		7,459
Retirement of treasury stock		-
Net change in items other than those in shareholders' equity (Note 4)	263	263
Total changes during the fiscal year	263	37,927
Balance at March 31, 2008	807	328,883

Notes:

1. Cash dividends

Year-end dividend (¥9,588 million) was paid based on the resolution at the Ordinary General Meeting of Shareholders held in June 2007, and interim dividend (¥10,955 million) was paid based on the resolution at the Board of Directors meeting held in November 2007.

2. Disposition of treasury stock

The increase of ¥1,816 million in other additional paid-in capital and the decrease of ¥5,487 million in treasury stock, resulting from the share exchange between the Company and its consolidated subsidiary, Mitsubishi Plastics, Inc., effective October 2007, were included.

3. Retirement of treasury stock

The Company retired a part of treasury stock based on the resolution at the Board of Directors meeting held in October 2007.

4. Net change in items other than those in shareholders' equity

This amount is an increase by the grant of stock options (¥355 million) and a decrease by the exercise (¥91 million).

Reference Materials for the General Meeting of Shareholders

Agenda and References

Agendum 1. Appropriation of Retained Earnings

Regarding the year-end dividend, the Company proposes to pay the following dividend based on consolidated financial results and a comprehensive consideration of the medium- to long-term stability of dividends, the augmentation of retained earnings as a group for the purpose of preparing for future business activities, the results of consolidated cash flows and other factors.

Since an interim dividend of 8 yen per share was paid, the total annual dividend will be 16 yen per share.

- (1) Type of dividend
Cash
- (2) Matters concerning appropriation of dividend property and total amount thereof
8 yen per share of the Company's common stock
Total dividends: 11,013,605,784 yen
- (3) Date on which distribution of retained earnings takes effect
June 27, 2008

Although consolidated net income for the current fiscal year increased from a year earlier, this increase is due to the fact that the Company booked the gain on changes in interest as extraordinary income on the consolidated accounting following the merger of the wholly-owned subsidiary Mitsubishi Pharma Corporation with Tanabe Seiyaku Co., Ltd. on October 1, 2007. Excluding the extraordinary factor, the Company recorded financial results which were lower than last year.

Agendum 2. Election of Seven Directors

The terms of office of all eight directors will expire at the conclusion of this General Meeting of Shareholders. It is therefore proposed that seven directors be elected.

The candidates for directors are as described in No. 1 to 7 below.

No.	Name (Date of birth)	Personal history, position and duty at the Company, and status of representation at other Corporations	Number of the Company's shares held
1	Ryuichi Tomizawa (August 21, 1941)	<p>Apr. 1965 Joined Mitsubishi Kasei Industries Corporation (present-day Mitsubishi Chemical Corporation)</p> <p>Jun. 1996 Member of the Board of Mitsubishi Chemical Corporation</p> <p>Jun. 1999 Managing Executive Officer of Mitsubishi Chemical Corporation</p> <p>Oct. 1999 Managing Director of Mitsubishi-Tokyo Pharmaceuticals, Inc. (present-day Mitsubishi Tanabe Pharma Corp.)</p> <p>Apr. 2000 President of Mitsubishi-Tokyo Pharmaceuticals, Inc.</p> <p>Oct. 2001 Member of the Board, Executive Vice President of Mitsubishi Pharma Corporation (present-day Mitsubishi Tanabe Pharma Corp.)</p> <p>Apr. 2002 Member of the Board, Deputy Chief Executive Officer of Mitsubishi Chemical Corporation</p> <p>Jun. 2002 Member of the Board, President and Chief Executive Officer of Mitsubishi Chemical Corporation (until March 2007)</p> <p>Jun. 2004 Member of the Board, Chairman of Mitsubishi Pharma Corporation (until October 2005)</p> <p>Oct. 2005 Member of the Board, President of Mitsubishi Chemical Holdings Corporation</p> <p>Apr. 2007 Member of the Board, Chairman of Mitsubishi Chemical to present</p> <p>Member of the Board of Mitsubishi Chemical Corporation</p>	70,339

No.	Name (Date of birth)	Personal history, position and duty at the Company, and status of representation at other Corporations	Number of the Company's shares held
2	Yoshimitsu Kobayashi (November 18, 1946)	<p>Dec. 1974 Joined Mitsubishi Kasei Industries Corporation (present-day Mitsubishi Chemical Corporation)</p> <p>Jun. 2003 Executive Officer of Mitsubishi Chemical Corporation</p> <p>Apr. 2005 Managing Executive Officer of Mitsubishi Chemical Corporation (until March 2007)</p> <p>Jun. 2006 Member of the Board of Mitsubishi Chemical Holdings Corporation (until March 2007)</p> <p>Feb. 2007 Member of the Board of Mitsubishi Chemical Corporation</p> <p>Apr. 2007 Member of the Board, President of Mitsubishi Chemical Holdings Corporation</p> <p>to present Member of the Board, President, and Chief Executive Officer of Mitsubishi Chemical Corporation (Status of representation at other Corporations) Representative Director of Mitsubishi Chemical Corporation (Member of the Board, President and Chief Executive Officer)</p>	11,500
3	Atsushi Baba (September 26, 1945)	<p>Apr. 1970 Joined Mitsubishi Kasei Industries Corporation (present-day Mitsubishi Chemical Corporation)</p> <p>Jun. 2002 Executive Officer of Mitsubishi Chemical Corporation</p> <p>Jun. 2005 Managing Executive Officer of Mitsubishi Chemical Corporation (current)</p> <p>Apr. 2007 Managing Executive Officer of Mitsubishi Chemical Holdings Corporation (current)</p> <p>Jun. 2007 Member of the Board of Mitsubishi Chemical Holdings Corporation</p> <p>to present Member of the Board of Mitsubishi Chemical Corporation</p>	19,375
4	Shotaro Yoshimura (February 13, 1949)	<p>Apr. 1972 Joined Mitsubishi Kasei Industries Corporation (present-day Mitsubishi Chemical Corporation)</p> <p>Jun. 2002 Corporate Auditor of Mitsubishi Pharma Corporation (present-day Mitsubishi Tanabe Pharma Corp.)</p> <p>Jun. 2003 Executive Officer of Mitsubishi Chemical Corporation (until March 2006)</p> <p>Oct. 2005 Executive Officer of Mitsubishi Chemical Holdings Corporation</p> <p>Apr. 2006 Managing Executive Officer of Mitsubishi Chemical Holdings Corporation (current) Managing Executive Officer of Mitsubishi Chemical Corporation (current)</p> <p>Jun. 2006 Member of the Board of Mitsubishi Chemical Holdings Corporation</p> <p>to present Member of the Board of Mitsubishi Chemical Corporation (Scheduled to be appointed as member of the Board of Mitsubishi Tanabe Pharma Corporation on June 24, 2008)</p>	13,000

No.	Name (Date of birth)	Personal history, position and duty at the Company, and status of representation at other Corporations	Number of the Company's shares held
5	Etsujiro Koge (July 20, 1946)	Apr. 1969 Joined Mitsubishi Petrochemical Co., Ltd. (present-day Mitsubishi Chemical Corporation) Apr. 2002 Executive Officer of Mitsubishi Chemical Corporation Apr. 2005 Managing Executive Officer of Mitsubishi Chemical Corporation (current) Jun. 2007 Member of the Board of Mitsubishi Chemical Holdings Corporation to present Member of the Board of Mitsubishi Chemical Corporation	20,000
6	Michihiro Tsuchiya (July 12, 1947)	Apr. 1976 Joined Tanabe Seiyaku Co., Ltd. (present-day Mitsubishi Tanabe Pharma Corporation) Apr. 1999 Executive Officer of Tanabe Seiyaku Co., Ltd. Jun. 2001 Member of the Board of Tanabe Seiyaku Co., Ltd. Jun. 2003 Managing Director of Tanabe Seiyaku Co., Ltd. Jun. 2005 Managing Executive Officer of Tanabe Seiyaku Co., Ltd. Jun.2006 Senior Managing Executive Officer of Tanabe Seiyaku Co., Ltd. Oct. 2007 Member of the Board, Vice President and Executive Officer of Mitsubishi Tanabe Pharma Corporation to present	0
7	Hiroshi Yoshida (October 20, 1947)	Apr. 1970 Joined Mitsubishi Petrochemical Co., Ltd. (present-day Mitsubishi Chemical Corporation) Jun. 2002 Executive Officer of Mitsubishi Chemical Corporation Apr. 2006 Managing Executive Officer of Mitsubishi Chemical Corporation Apr. 2007 Vice President and Executive Officer of Mitsubishi Plastics, Inc. (until March 2008) Jun. 2007 Member of the Board of Mitsubishi Plastics, Inc. Apr. 2008 Member of the Board, President of Mitsubishi Plastics, Inc. to present (Status of representation at other Corporations) Representative Director of Mitsubishi Plastics, Inc. (Member of the Board, President and Chief Executive Officer)	5,500

Agendum 3. Election of One Corporate Auditor

Since Corporate Auditor Hideaki Yoshida has informed the Company of his wish to resign at the conclusion of this General Meeting of Shareholders, it is proposed that one corporate auditor be elected.

The consent of the Board of Corporate Auditors has been obtained regarding the submission of this proposal.

The candidate for corporate auditor is as follows.

Name (Date of birth)	Personal history, position and duty at the Company, and status of representation at other Corporations	Number of the Company's shares owned
Kazutoshi Kondo (May 18, 1947)	Jul. 1971 Joined Mitsubishi Kasei Industries Corporation (present-day Mitsubishi Chemical Corporation) Jun. 2003 Executive Officer of Mitsubishi Chemical Corporation Apr. 2005 Member of the Board, Vice President of Mitsubishi Chemical MKV Company (present-day Mitsubishi Plastics, Inc.) Jun. 2005 Representative Director, President of Mitsubishi Chemical MKV Corporation (until March 2008) (Scheduled to be appointed as auditor of Mitsubishi Plastics, Inc. on June 23, 2008)	16,583