



**MITSUBISHI GAS CHEMICAL COMPANY, INC.**

May 16, 2003

To whom this may concern:

**Company:** Mitsubishi Gas Chemical Co., Inc.  
**Representative:** Hideki Odaka, Director and President  
(Code Number 4182: Listed in the first section of stock exchanges in Tokyo, Nagoya and Osaka)  
**Contact for inquiries:** Mr. Jin Hata, General Manager, Corporate Communications Division  
(Telephone: 03-3283-5041)

**Announcement on Formulation of Mid-Term Management Plan and Reform of Management Structure**

Starting this fiscal year, the Company has formulated a new mid-term management plan entitled “**Kyoso 2005**” (Cooperative Value Creation 2005) for the Mitsubishi Gas Chemical group. The plan aims to ensure the survival of the Company as an “Excellent and Distinctive Chemical Corporation” in the face of continuous and substantial changes in the business environment of the 21st century.

In addition, to permit a prompt response to these changing circumstances for the business, the Company has adopted the corporate officer system, starting from June 27, 2003, as part of reforms to the management structure.

(Attached data 1 and 2)

- Over -



## MITSUBISHI GAS CHEMICAL COMPANY, INC.

[Attached data 1]

May 16, 2003

### Management Reform

#### The New Mid-Term Management Plan “**Kyoso 2005**”

(April, 2003 through March, 2006)

- Consolidated ROA (Ordinary income/total assets): 5% (For year ending March 2006)
- Reduction in consolidated interest-bearing liabilities: ¥ 15 billion

Mitsubishi Gas Chemical Co., Inc. (Headquarters: Tokyo, President: Hideki Odaka) has formulated a new mid-term management plan entitled “**Kyoso 2005**” (Cooperative Value Creation 2005) for the Mitsubishi Gas Chemical group. Starting this fiscal year, the plan aims to ensure the survival of the Company as an “Excellent and Distinctive Chemical Corporation” in the face of continuous and substantial changes in the business environment of the 21st century.

Under the preceding mid-term management plan, “MGC Evolution 21”, all members of the Company were united in an effort to tackle the issues of reinforcing management architecture and realigning the business structure. While a degree of progress was certainly achieved, there were some items that regrettably fell short of numerical targets on account of severe economic circumstances prevailing beyond expectations.

This being the case, in a bid to remodel the corporate group into one of high profitability by accelerating the reform of the business structure, the Company has drawn up a new mid-term management plan called “**Kyoso 2005**”. “**Kyoso**” refers to a management goal, aiming to “create new value” by bolstering the strength of each individual unit via a far-reaching differentiation strategy, and combining these strengths into a unified whole. We are determined to become a “corporate group of high profitability” through accomplishment of “**Kyoso**”.

The “**Kyoso 2005**” plan formulated on this occasion is outlined as follows:





## MITSUBISHI GAS CHEMICAL COMPANY, INC.

[Attached data 2]

May 16, 2003

### Management Reform

- Reform of Management Structure -  
Introduction of Corporate Officer System

The Company has to date carried out various reforms to the management structure, including the inauguration in 2000 of a new management system centering on an in-house company system. To boost these efforts, the Company has now decided to introduce a new corporate officer system as follows, commencing June 27, 2003.

1. Objectives of the corporate officer system

- (1) Improving management efficiency
- (2) Establishing corporate governance
- (3) Reinforcing group management

To accomplish these objectives, the management structure will be realigned in such a way that the functions of decision-making and supervision by the management and that of business execution will be clearly delineated to facilitate quick decision-making and execution of operations.

2. Details of the corporate officer system

- (1) The board of directors will make prompt decisions on matters of prime importance such as setting fundamental management policies, and supervising the execution of operations.

The number of directors will be 10, a reduction of eight from the current 18.

The system of charging directors with executive duties is abolished, and the directorate limited to representative directors and directors only.

- (2) The corporate officers will follow decisions made by the board of directors, and make decisions promptly and execute operations within the scope of business as commissioned.

The board of directors will nominate the corporate officers. Their terms of office will follow those for directors.

Some corporate officers will be assigned executive duties.

- Over -