



MITSUBISHI GAS CHEMICAL COMPANY, INC.

June 9, 2005

MHI Selected for "AR-RAZI 5" Construction Project Contract

The Saudi Methanol Company (AR-RAZI) has agreed to enter a contract with Mitsubishi Heavy Industries, LTD.(MHI) for construction of the Stage 5 Methanol Project, to meet the growing global demand for methanol. AR-RAZI is a corporate joint venture between Japan Saudi Arabia Methanol Co., Ltd. (a Japanese investment consortium of eight companies, including MGC; Head office: Minato-ku, Tokyo; President: Hiromi Nakamura) and the Saudi Basic Industries Corporation (SABIC) (50:50 shareholding). The contract continues on the back of MHI's Stage 1 to Stage 4 projects. "AR-RAZI 5" will produce 1.7 million tons of methanol a year.

In February 1983, AR-RAZI started with the Stage 1 Methanol Plant (MGC process; 640,000 tons annual production) as the first plant in a series of petrochemical projects in the Al-jubail in Saudi Arabia. This was followed with Stage 2 (annual production of 720,000 tons; 1992), Stage 3 (850,000 tons; 1997), and Stage 4 (850,000 tons; 1999). As of June 2005, total annual production has reached 3.3 million tons. With the completion of AR-RAZI 5 (1.7 million tons) in the first quarter of 2008, annual production will reach 5 million tons, making it the largest single methanol producing complex in the world.

Overview of the Stage 5 Methanol Project

1. Process: Employs the Mitsubishi Process (MGC/MHI process); and the Haldor Topsoe Process for natural gas reformation
2. Details of Contract: Basic Engineering, Detailed Engineering, Procurement, Construction and Commissioning Supervision
MHI contracted for lump sum turn key base
3. Facility Capacity: 5,000 tons/day; annual production 1.7 million tons
4. Completion: Scheduled for the first quarter, 2008

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