

September 21, 2005

Mitsubishi Gas Chemical Company, Inc.
Mitsubishi Chemical Corporation

Establishment of a Polyvalent Alcohols Joint Venture

Mitsubishi Gas Chemical Company, Inc. ("MGC") (Head office: Chiyoda-ku, Tokyo; President: Hideki Odaka) and Mitsubishi Chemical Corporation ("MCC") (Head office: Minato-ku, Tokyo; President: Ryuichi Tomizawa) have reached a basic agreement to establish a joint venture to produce polyvalent alcohols including neopentyl glycol, trimethylol propane and ester glycol.

Polyvalent alcohols are mainly used for coating resins, and the demands for environment-friendly applications such as aqueous polyurethanes, UV-cured resins and polyester powder coatings have recently been increasing rapidly, and are expected to continue to grow in the future.

In the joint venture, butyl aldehyde from MCC and formalin from MGC will be supplied as starting materials. MGC, which owns production facilities of polyvalent alcohols, will be commissioned by the joint venture to produce polyvalent alcohols. The entire produced polyvalent alcohols are purchased by MGC for sale.

This business partnership ensures stable sales of MCC's butyl aldehyde, while enabling MGC to establish a consistent system from purchase of the starting materials to sales of polyvalent alcohols. The polyvalent alcohols business will thus have a strengthened position in the domestic market as well as in the global competition.

The outline of the joint venture is given in a separate document.

<Inquires>

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(Outline of the Joint Venture)

1. Company name: Polyols Asia Company LTD.
2. President: Kuniaki Ageishi
(Executive Officer, Natural Gas Chemicals Company,
Mitsubishi Gas Chemical Company, Inc.)
3. Head office address: 2-5-2 Marunouchi, Chiyoda-ku, Tokyo
4. Capital: 50 million yen
5. Equity: 66% Mitsubishi Gas Chemical Company, Inc.
34% Mitsubishi Chemical Corporation
6. Business description: Production and sales of polyvalent alcohols
(neopentyl glycol, trimethylol propane, and ester glycol)
7. Starting date of operation: November 1, 2005
8. Expected yearly sales: 10 billion yen