

Fuel DME Production Co., Ltd.
Mitsubishi Gas Chemical Company, Inc.
ITOCHU Corporation
Japan Petroleum Exploration Co., Ltd.
Taiyo Oil Co., Ltd.
TOTAL Di-Methyl Ether Japan Ltd.
Toyota Tsusho Corporation
JGC Corporation
Mitsubishi Heavy Industries, Ltd.
Mitsubishi Chemical Corporation

December 18, 2008

**FUEL DME PROMOTION PLANT IS READY
TO MAKE ITS FIRST DELIVERY IN JANUARY 2009**

Tokyo, Japan (December 18, 2008) Fuel DME Production Co., Ltd. (“FDME”), a joint venture of Mitsubishi Gas Chemical Company, Inc., ITOCHU Corporation, Japan Petroleum Exploration Co., Ltd., Taiyo Oil Co., Ltd., TOTAL Di-Methyl Ether Japan Ltd., Toyota Tsusho Corporation, JGC Corporation, Mitsubishi Heavy Industries, Ltd., and Mitsubishi Chemical Corporation, is pleased to announce that it has become ready at all stages from production to distribution of the fuel Di-Methyl Ether (“DME”) to its customers. In June 2008, FDME successfully completed a trial operation of the Fuel DME Promotion Plant (Niigata City, Japan) with a capacity of 80,000 tons per annum. In addition, two specialized bulk lorries were acquired in December 2008 for timely DME distribution to customers.

In January 2009, FDME is scheduled to make its first delivery to a customer, who introduced a new DME boiler facility partly subsidized by the Ministry of Economic, Trade and Industries. The delivery of DME will be made immediately after the regulatory permission issued by the local authority for the facility.

FDME is committed to promotional activities by introducing the fuel DME in the applications of boilers, furnaces, power plants (including fuel cells), automobiles (as diesel substitute) as well as chemical feedstock, etc. Furthermore, entire partners of FDME are committed to the utilization of DME as an essential energy in terms of Japan’s energy strategy represented by three “E”s (Energy Security, Environmental Protection & Economic Growth).

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【General Information of DME】

Currently in Japan, DME is mainly used as aerosol propellant for spray paint, insecticide and cosmetics; however, DME also has excellent burning characteristics. Owing to the fact that its properties are easy to handle and quite similar to those of LPG, DME is gathering attention as a new energy of 21st Century. Characteristics of DME as a fuel are as follows.

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|-----------------------------------|--|
| (1) Easy to Handle | • Properties similar to LPG |
| (2) Clean Energy | • Emits less CO ₂ in comparison to coal or crude oil |
| | • Does not emit soot (PM: Particulate Matter) or SO _x |
| (3) Multi-Source & Sustainability | • Can be produced from natural gas, coal or biomass |
| (4) Multi-Use | • Can be burned in substitute or replacement of LPG, diesel, crude oil or kerosene |
| | • Applied to boiler, furnace, automobile or power plant |
| | • Can be used as chemical feedstock |

【About Fuel DME Bulk Lorry】

Fuel DME bulk lorry is designed and manufactured for the purpose of fuel DME distribution from the Fuel DME Promotion Plant to DME users. The lorries are designed to meet various technical conditions in order to supply the fuel to respective users, as one is equipped with a submerged pump while the other with a compressor. Each of the lorries has a loading capacity of eleven tons, and will be operated by one of the leading fuel logistics companies in Japan, Niyac Corporation.

【Fuel DME and Japan's Policy】

The Japanese Government clearly stated in its National Energy Strategy that the promotion of fuel DME is an important task, and a various supports have already been provided by the government to encourage technical development of its production and application. Starting from this fiscal year, the main focus of such monetary support is shifted from research programs to promotion programs. The Ministry of Economy, Trade and Industries launched a support program to encourage introduction of facility using fuel DME, and an industrial DME boiler is being installed at present by taking advantage of such support program. Simultaneously, the Ministry of Land, Infrastructure and Transportation is considering a model program starting next year to conduct a verification test of DME-fuelled vehicle. Being strongly supported by the government, FDME will further extend our effort to accelerate our promotional activities.

【Details of Fuel DME Production Co., Ltd.】

1. Name	:	Fuel DME Production Co., Ltd.	
2. President	:	Mr. Akira Ishiwada	
3. Headquarters	:	Niigata City, Japan	
4. Capital	:	JPY 465,000,000	
5. Shareholders	:	Mitsubishi Gas Chemical Company, Inc.	29.5%
		ITOCHU Corporation	13.25%
		Japan Petroleum Exploration Co., Ltd.	12.00%
		Taiyo Oil Co., Ltd.	10.00%
		TOTAL Di-Methyl Ether Japan Ltd.	10.00%
		Toyota Tsusho Corporation	10.00%
		JGC Corporation	5.30%
		Mitsubishi Heavy Industries, Ltd.	5.30%
		Mitsubishi Chemical Corporation	5.00%
6. Description of Business	:	Production of Di-Methyl Ether (DME)	
7. Date of Establishment	:	April 2007	
8. Production Capacity	:	80,000 tons per year	
9. Delivery Capacity	:	Bulk Lorry (11 ton) x 2	

Fuel DME Promotion Plant (Niigata City, Japan)



Fuel DME Bulk Lorry

