Mitsubishi Gas Chemical Company, Inc.
February 22, 2011

Increasing Capacity at MXDA Facilities

2015 Target of Annual Production of 100,000 Tons at Three Worldwide Bases

Mitsubishi Gas Chemical Company Inc. (Head Office: Chiyoda-ku, Tokyo, President: Kazuo Sakai), referred to as MGC hereafter, will undertake work this coming spring to resolve the production bottleneck at the MXDA manufacturing facility in the Mizushima Plant (Kurashiki, Okayama prefecture). This will raise the facility's annual MXDA production capacity by 5,000 tons to 25,000 tons, giving MGC an overall annual production figure of 55,000 tons. This work will be undertaken along with regular repair work and is scheduled for completion at the beginning of March 2011.

Furthermore, this spring will also see work undertaken to correct the bottleneck at the facility producing the MXDA derivatives 1,3-BAC and GASKAMINE® to boost production capacity.

MXDA is used in products such as epoxy resin curing agent, polyamide (Nylon-MXD6) and isocyanate. All of these are in big demand around the world, so the future outlook for MXDA looks good, with per annum demand expected to increase to beyond ten percent. With this continually expanding market, we at MGC will strengthen our domestic and overseas production setup for MXDA in accordance with demand trends to ensure a stable and reliable supply. In Japan, we intend to increase the production capacity at the Mizushima Plant by further 5,000 tons to 30,000 tons annually by around 2013. Again, for the overseas arena, we are planning to build a new facility in either one of the heavy demand regions of North America or Europe, with the aim of operating it at an annual MXDA production rate of 40,000 tons. With this capacity increase, we will have created a production setup manufacturing 100,000 tons per annum at three worldwide bases.

Via these initiatives, we at MGC will underpin the foundation of our meta-xylene business.

[About MXDA and MXDA derivatives]

MXDA (meta-xylenediamine)
MXDA is a meta-xylene derivative, which is used in products such as epoxy resin curing agent, polyamide (Nylon-MXDA6) and isocyanate.

MX Nylon
This nylon is an important derivative of MXDA. It is noted for its excellent gas barrier qualities, which is extending its popularity as a nylon used in films for packing food products and in PET bottles. In addition, by reinforcing MX nylon with materials like glass fiber, it has been turned into the molding material "Reny®". This molding material is exceptionally strong and has a high elastic modulus – thus, it is used in a wide range of fields, including car components as well as electrical and electronic components, as a leading edge resin replacement for metals.

1,3-BAC (1,3-Bisaminomethylcyclohexane)
This is another MXDA derivative, which is used in epoxy resin curing agents and as an organic synthetic intermediary material, etc.

GASKAMINE®
This is yet another MXDA derivative, which is used in epoxy resin curing agents and in urethane resin curing agents, etc.

[Plans for Increasing Existing Facilities and a Building New Facility for MXDA]

	February 2011 (present)	March 2011	Around 2013	Around 2015
Mizushima Plant	20,000 tons	25,000 tons	30,000 tons	30,000 tons
Niigata Plant	30,000 tons	30,000 tons	30,000 tons	30,000 tons
New facility overseas	-	-	-	40,000 tons
Total	50,000 tons	55,000 tons	60,000 tons	100,000 tons

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