



Mitsubishi Gas Chemical Company, Inc.

March 18, 2011

Situation at the Kashima Plant and the Impact on the Manufacture of Products at the Plant

This is a brief report on the most recent status of the MGC Kashima Plant (Kamisu City, Ibaraki), affected by the major earthquake that struck off the coast of Eastern Japan on March 11, 2011, as well as the impact on the manufacture of products at the plant.

An inspection has revealed that the Kashima Plant, which produces hydrogen peroxide and polycarbonates, has no major problems affecting its buildings or equipment. However, it will take a considerable time before the plant can restart operations. One of the reasons for this is that it remains uncertain when supplies of raw materials and utilities will be restored at the Kashima industrial complex.

The plant now ships a smaller amount of hydrogen peroxide because of damage to the berths used for marine shipment. Normally, MGC mainly uses the hydrogen peroxide from Kashima to produce super-pure hydrogen peroxide at another production site. Due to the difficulty in production of the hydrogen peroxide, however, the company has been forced to limit its shipment of super-pure hydrogen peroxide.

Inventories of polycarbonates* are now being checked, as it is uncertain when the plant will be able to restart operations.

At present, MGC expects that supplies of the products manufactured using materials from Kashima will be hindered for the immediate future; however, the company is committed to making every effort to restore production as soon as possible. Further reports will be provided as soon as more information becomes available.

* For the shipment of polycarbonates, also see the website of Mitsubishi Engineering-Plastics Corporation (Minato-ku, Tokyo), an affiliated sales company of MGC: <http://www.m-ep.co.jp/>