



Announcement of Commencement of the Tender Offer for Shares of JSP Corporation (TSE Code: 7942)

 **mitsubishi GAS CHEMICAL COMPANY, INC.**

February 4, 2015

MGC owns 13,212,982 shares (shareholding ratio (Note): 42.06%) of the common stock of JSP ("target company"), a company listed on the First Section of the Tokyo Stock Exchange, Inc. ("TSE") and treats the target company as an equity method affiliate. At the meeting of February 4, 2015, the MGC Board of Directors resolved to make this tender offer with the aim of enhancing the equity and business partnership between both companies and converting the target company into a consolidated subsidiary.

1. Purpose of the Tender Offer

MGC was founded in 1971 with the equal merger of Japan Gas Chemical Co., Inc. and Mitsubishi Edogawa Chemical Co., Ltd. Since then, the company has conducted a successful business operation applying its proprietary technologies to product development. MGC's broad product portfolio encompasses general-purpose chemicals such as methanol and petrochemicals, specialty chemicals such as engineering plastics and electronic materials, and information & advanced materials such as oxygen absorbers used to keep food fresh.

Covering the period between fiscal 2012 and 2014, the MGC Three-Year Medium-term Management Plan "MGC Will 2014" states the Group Vision: "The MGC Group* aims to demonstrate CSR in all its activities while developing and growing sustainably on the global stage as a leading chemicals group operating with major presence and a strong platform of proprietary technology." As such the management plan is aimed at shaping the "desired MGC Group" described below.

* The MGC Group is an industrial group comprising MGC and more than 120 affiliates.

- Trusted by society and realizing CSR in all corporate activities
- Sales exceeding ¥1 trillion, and ranked in the Global Top 30 chemical manufacturers
- Highly profitable and research driven, achieving global excellence

The basic policies for becoming "the desired MGC Group" are:

- Enhancing the core businesses,
- Restructuring loss-making businesses,
- Accelerating the creation and development of new businesses, and
- Improving total enterprise quality in support of sustainable growth.

In accordance with these policies, the MGC is now implementing various measures. But the Group is faced by increasingly difficult and complex challenges, such as low-cost alternatives from global competition,

shorter lifecycles of products and technologies due to the ongoing progress in information technology, and growing geopolitical risks. Against this background, MGC is convinced that becoming “the desired MGC Group” requires MGC to partner with diverse Group companies to increase the Group’s corporate value.

The target company was established in 1962 by Japan Gas Chemical Co., Inc., one of MGC’s predecessors, as a domestic producer of styrene paper in a step to develop engineering plastics operations.

Since then, it has successfully conducted its operations by focusing on foamed plastics, while at the same time developing various technologies and markets.

Currently the target company focuses on the production and distribution of various products made of plastics such as foamed polystyrene, foamed polyethylene, and foamed polypropylene. The product lineup includes food containers, boxes for carrying raw fish, display materials, heat insulating materials for homes, construction materials, industrial packing materials, automotive components such as bumper core materials, buffer materials for digital home appliances, and basic buffer materials for sports grounds. The dwindling birth rate, aging society, and the overseas transfer of an increasing number of domestic production sites restrict the growth of the domestic market. However, the target company expects to develop further potential growth markets by fully meeting customer requirements for applications such as lightweight design for hybrid and electric vehicles, carrying materials with permanent antistatic protection for LCD TV glass substrates, and insulating materials for energy savings. Due to their product characteristics, foamed plastics are difficult to export for volume sales. General-purpose products accordingly tend to be both produced and used locally. Increasing the sales of foamed plastic in overseas markets requires overseas production sites. The target company therefore has aggressively developed production networks in North America, Latin America, Asia, and Europe to gain access to growing markets. The target company’s strengths include its broad product lineup and its ability to develop overseas operations. These are made possible by the company’s excellent technological ability and ability to develop applied products. In addition to its traditional packaging and buffer materials, the target company develops high value-added products such as heat insulating materials and materials that facilitate lightweight automotive design. At the same time, the target company is aggressively increasing its presence in emerging economies — by expanding facilities in China, establishing a production site in India, and founding a distributor in Moscow.

Valuing independence in its business philosophy, the target company has regarded the independence and creativity of its directors and employees as key sources of corporate value. MGC also respects this business policy. The basic idea of the management of the MGC Group is that the individual growth of MGC and its affiliates increases the Group’s corporate value.

Growing globalization and the rise of emerging economies are making both companies’ business environments increasingly difficult. In early September 2014, MGC therefore proposed that MGC and the

target company jointly study the feasibility of further enhancing their traditional business partnership in product and technological development. Both companies started full-fledged discussion in late September 2014. As a result, they decided that both companies' business foundations, know-how, and technical information, be it available in Japan or abroad, should be used as a basis for growth strategies on partnership and personnel exchanges and that such strategies should be promoted to create synergy between both companies and increase the value of each, thereby adding to Group corporate value. To ensure that the above measures are implemented swiftly, MGC and the target company decided that it is crucial for both companies to enhance their equity relationship even further.

As stated above, MGC aims to enhance its partnership with the target company further and ensure that each company provides its business resources and know-how for use by the other to increase the value of both companies and thus Group corporate value. To this end, MGC decided that it is desirable for both companies to strengthen their equity relationship even further. At the meeting of February 4, 2015, the MGC Board of Directors resolved to make this tender offer for target company shares.

2. Management Policy after the Tender Offer

MGC and the target company have agreed that purchase of additional target company shares or the disposition of any target company shares by MGC or any of its subsidiaries requires the prior consent of the target company. At present, MGC has no plans to purchase further target company share certificates after the purchase through this tender offer. Should the total number of shares tendered in this tender offer fail to reach the predefined minimum number of shares to be purchased, MGC will discuss the matter with the target company. At present, however, MGC has yet to work out any specific plans to purchase further target company shares after the present tender offer.

3. Description of the Target Company

a.	Trade Name	JSP Corporation
b.	Address of Head Office	3-4-2, Marunouchi, Chiyoda-ku, Tokyo
c.	Name and Title of Representative	Kozo Tsukamoto, President
d.	Business Description	Production and sale of formed plastics, etc.
e.	Paid-in Capital	10,128 million yen
f.	Date of Incorporation	January 24, 1962

4. Schedule of the Tender Offer

From Thursday, February 5, 2015 through Monday, March 9, 2015 (Japan standard time)
(22 business days in Japan)

5. Tender Offer Purchase Price

Common Stock of the Target Company; JPY 2,686 per share of common stock

6. Number of Shares to be Purchased in the Tender Offer

Number of Shares intended to be purchased	Minimum Number of shares intended to be purchased	Maximum number of shares intended to be purchased
2,807,900	2,525,100	2,807,900

7. Aggregate Tender Offer Price

JPY 7,542 million

(Note) The Aggregate Tender Offer Price is calculated by multiplying the number of shares intended to be purchased (2,807,900) by the Purchase Price per share (JPY 2,686).

8. Maintenance of the Listing of the Target Company Shares

As of the date of this Tender Offer Statement, the shares of the target company are listed on the First Section of the TSE. In launching this tender offer, MGC does not intend to delist the target company. To keep the shares of the target company listed, MGC sets a maximum number of shares to be purchased (2,807,900). After the purchase through this tender offer, MGC will have only up to 16,020,882 shares of the target company (shareholding ratio: 51.00%). The number of target company shares that will be held by MGC and persons in special relationships (not including small shareholders and the target company) will not surpass 16,218,844 (shareholding ratio: 51.63%). After this tender offer is successful, the shares of the target company will remain listed on the First Section of the TSE.