

December 4, 2018

MITSUBISHI GAS CHEMICAL COMPANY, INC.

**Notice Related to the Establishment of an Overseas Subsidiary  
(Specified Subsidiary)**

We hereby notify you that Mitsubishi Gas Chemical Company, Inc. (MGC) has decided to establish an overseas subsidiary in the People's Republic of China as described below.

We also are notifying you that we will establish it as a wholly owned subsidiary, but in September 2020 (planned), when acceptance of the funding from MGC and Jiangsu Suhua Group Co. Ltd. (JSGC) is complete, the subsidiary's capital will be equivalent to 10% of the capital of MGC or more, and it will be a specified subsidiary.

**1. Purpose in establishing the subsidiary**

In 2008, as a joint venture with JSGC, we established Suzhou MGC Suhua Peroxide Co., Ltd. (MGC Suhua) in Dongsha chemical area in Zhangjiagang, China, and it has been engaged in the manufacture and sale of hydrogen peroxide and chemical polishing fluids. At the end of 2017, a decision was made to close Dongsha chemical area, and we also ended the operations of MGC Suhua, but demand in China for hydrogen peroxide and chemical polishing fluids is expected to increase. To meet this demand, which is anticipated to be an earning opportunity in the long term, we decided to establish a new subsidiary in a new region to take over the business base of MGC Suhua.

**2. Overview of subsidiaries to be established**

(1) Company Name	Taixing MGC Suhua Specialty Materials Co., Ltd
(2) Location	Taixing Economic Development Zone, Taixing, China
(3) Rep.Name/Title	Susumu Yoshida(Director, Managing Executive Officer, MGC) /President
(4) Business Description	Manufacture and sale of Hydrogen peroxide, Chemical Polishing Fluids
(5) Capital Stock and Shareholders(planned)	As of the end of March, 2019: USD 29 million (MGC 100%) As of the end of September, 2020: USD 40 million (MGC 89%, JSGC 11%)
(6) Date of Foundation(planned)	December, 2018
(7) Fiscal Year End	December

### 3. Effect on future performance

The effect of the establishment of this subsidiary on the company's performance for the fiscal year ended March 2019 will be insignificant.

END

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## INQUIRIES

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