
Presentation for
***The Restructuring and Consolidation
of the Functional Products Businesses
of the Mitsubishi Chemical Holdings Group
and a Tender Offer for Shares
of Mitsubishi Plastics, Inc.***

-Net Conference-

February 8, 2007

Ryuichi Sato

Managing Executive Officer

 Mitsubishi Chemical Holdings Corporation

Outline of the Tender Offer

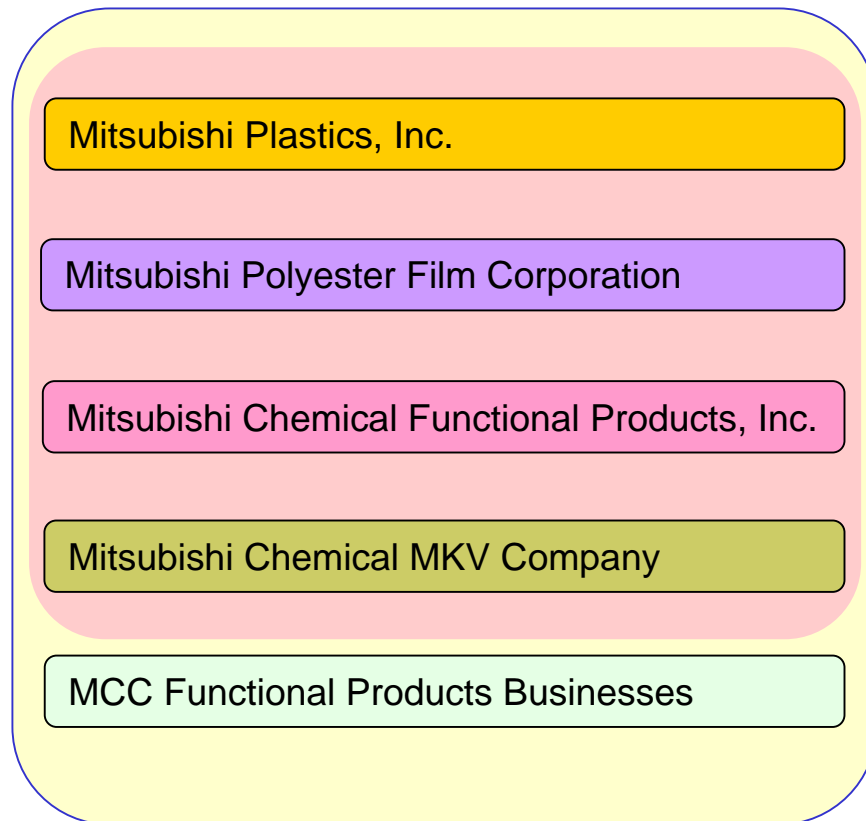
As a first step for establishing the Consolidated New Company which will be the driver for the functional products businesses in the MCHC Group, MCC will execute the Tender Offer to Mitsubishi Plastics, Inc., which will be a wholly-owned subsidiary of MCC.

- ◆ Shares to be purchased 101,769 thousand shares (47.4%)
 *All shares excluding MCC's current holding shares (113,299 thousand: 52.6%)
- ◆ Tender Offer price 410 yen per share
- ◆ Duration of the Tender Offer From February 9, 2007 to March 12, 2007
- ◆ Purchaser MCC

*MCHC: Mitsubishi Chemical Holdings Corporation

**MCC: Mitsubishi Chemical Corporation

Consolidated New Company

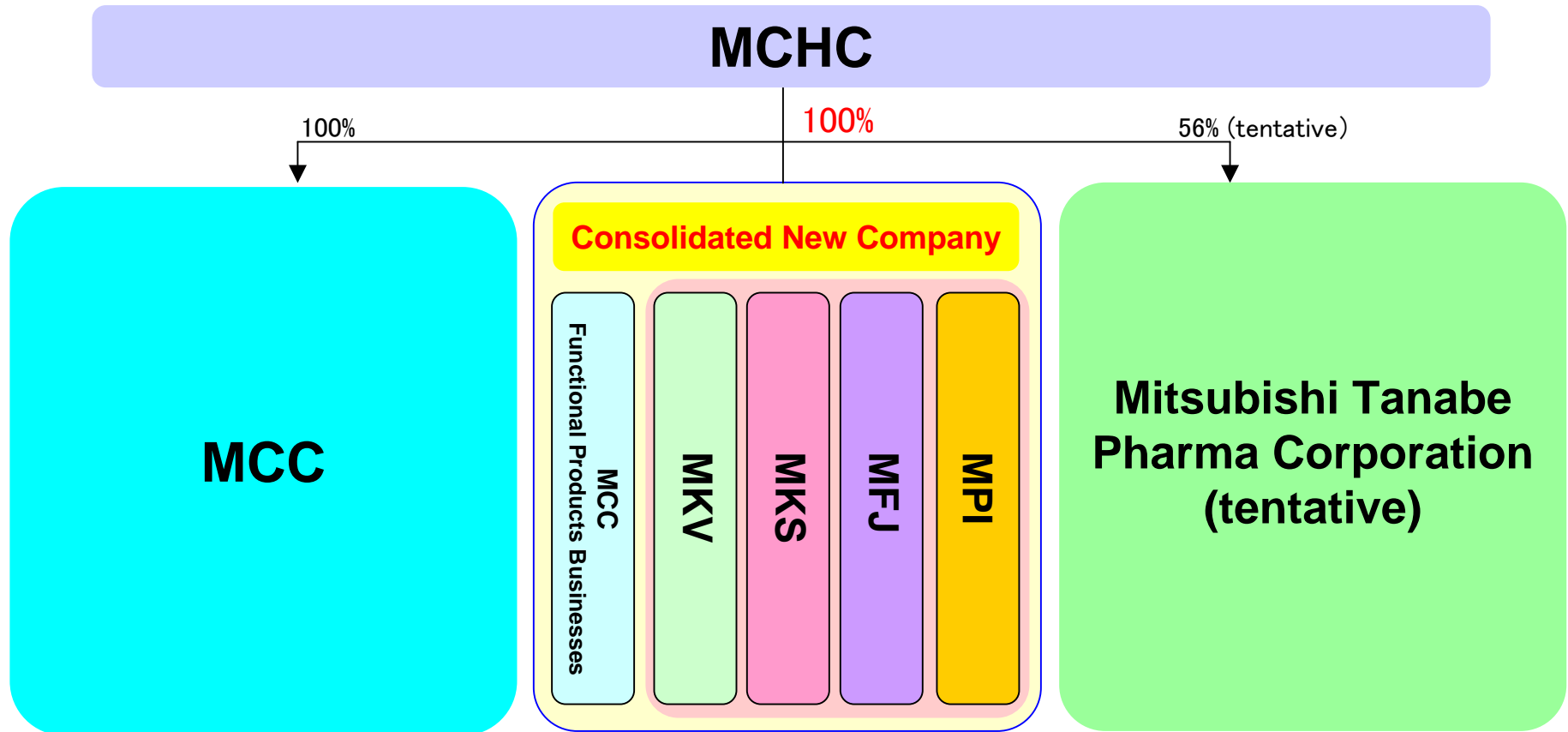


**Consolidated
New
Company**

- ◆ Preferred solution partner
- ◆ Deliver new values to customers with integrated solutions based on technology platforms and accumulated businesses know-how.

 Four Functional Products Business Subsidiaries

New Structure of the MCHC Group (as of April 2008)



MPI: Mitsubishi Plastics, Inc. (Group)
 MFJ: Mitsubishi Polyester Film Corporation (Group)
 MKS: Mitsubishi Chemical Functional Products Inc. (Group)
 MKV: Mitsubishi Chemical MKV Company (Group)

Outline of the Consolidated New Company

- ◆ Net sales*: 388 billion yen
- ◆ Number of employees: Approximately 6,800
- ◆ New company name: Mitsubishi Plastics, Inc. (tentative)
- ◆ Establishment date: April 1, 2008 (scheduled)

* The figure is the FY2006 projected MCHC consolidated net sales for the functional products businesses in the Performance and Functional Products Segment. Therefore, the figure does not show the net sales of the Consolidated New Company at the time of establishment.

Schedule for Establishing the Consolidated New Company

■ The final 10 days of September 2007

MCC will transfer all the shares of MPI held by MCC to MCHC.

■ October 1, 2007

In the event that MCC is unable to acquire all the outstanding shares of MPI in the Tender Offer, MCHC intends to conduct a share exchange with MPI, in order to make MPI, a wholly-owned subsidiary of MCHC.

■ April 1, 2008 (Targeted completion date)

The functional products businesses of MCC and the Four Functional Products Business Subsidiaries of the MCHC Group will be restructured and consolidated as the Consolidated New Company.

“KAKUSHIN Plan: Phase 2”: Basic Policies

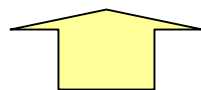
1. Execution of growth strategy

- Selection of business for growth and focused allocation of resources
- Incubation of new products, processes and business model

2. Strengthening management foundation

3. Integration of the Group strengths

- Reinforcement of the Group management



Strengthening of group-wide business strategy and market penetration

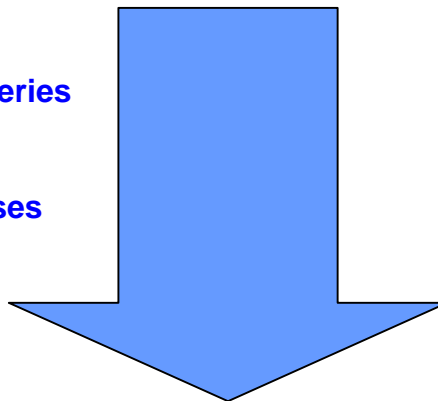
- ◆ Review of capital policy and strategy of the Group
- ◆ Reclassify business into new segments

(Excerpt: Presentation material of “KAKUSHIN Plan: Phase-2” as of December 7, 2004)

Management Challenge in the MCHC Group

- Manage against cyclical and naphtha price fluctuations
- Sustain attractive new product/business pipelines

- Measures on diversified sources of feedstocks; collaboration w/ oil refineries
- Changes in business model
- Business expansion & resource allocation on concentration businesses

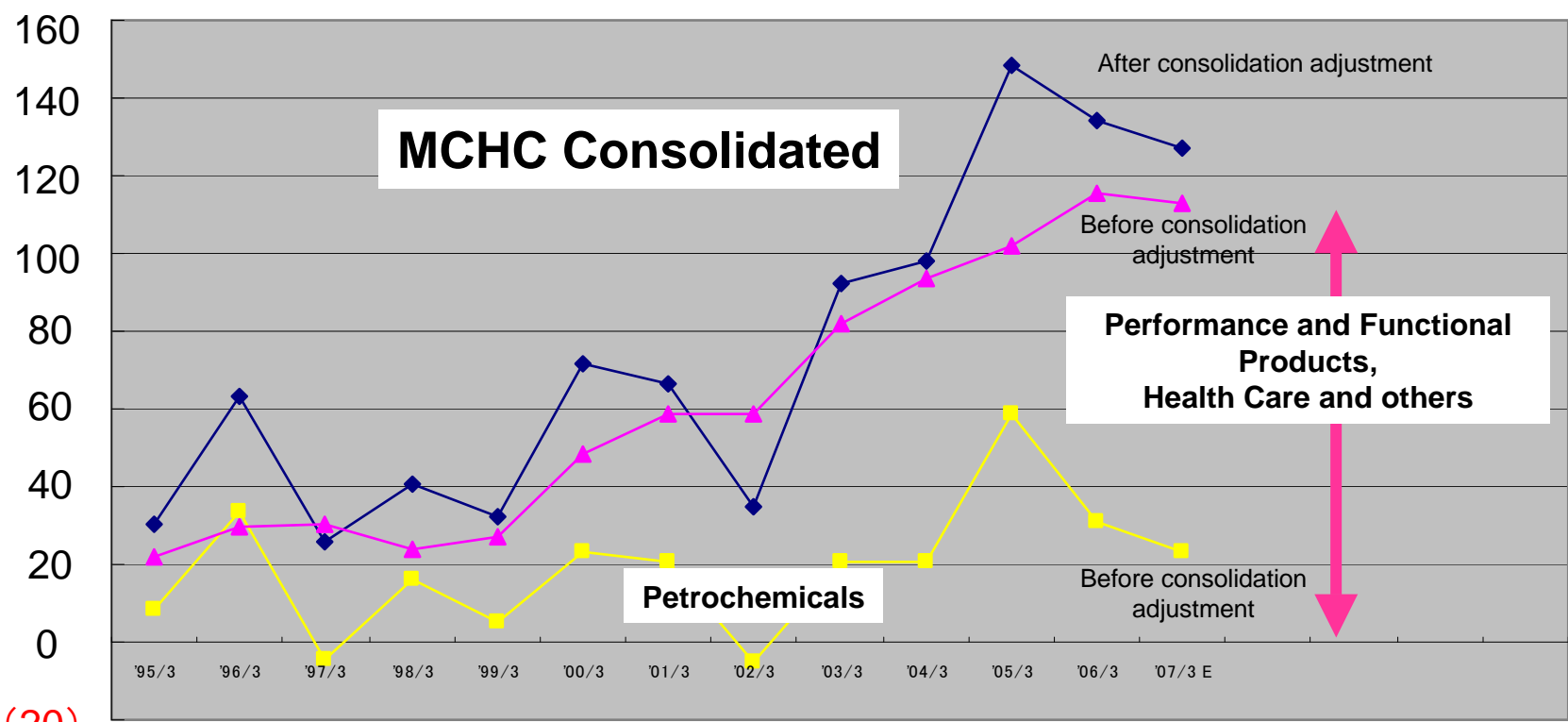


- Businesses in performance & functional products and health care have increased strength to raise the level of profit.
- Further portfolio restructuring and strengthening of businesses are in progress.

Contribution from Performance and Functional Products and Health Care

Operating income
(Billions of Yen)

Contribution from Performance and Functional Products and Health Care
have reached at the level of ¥100 billion (operating income).



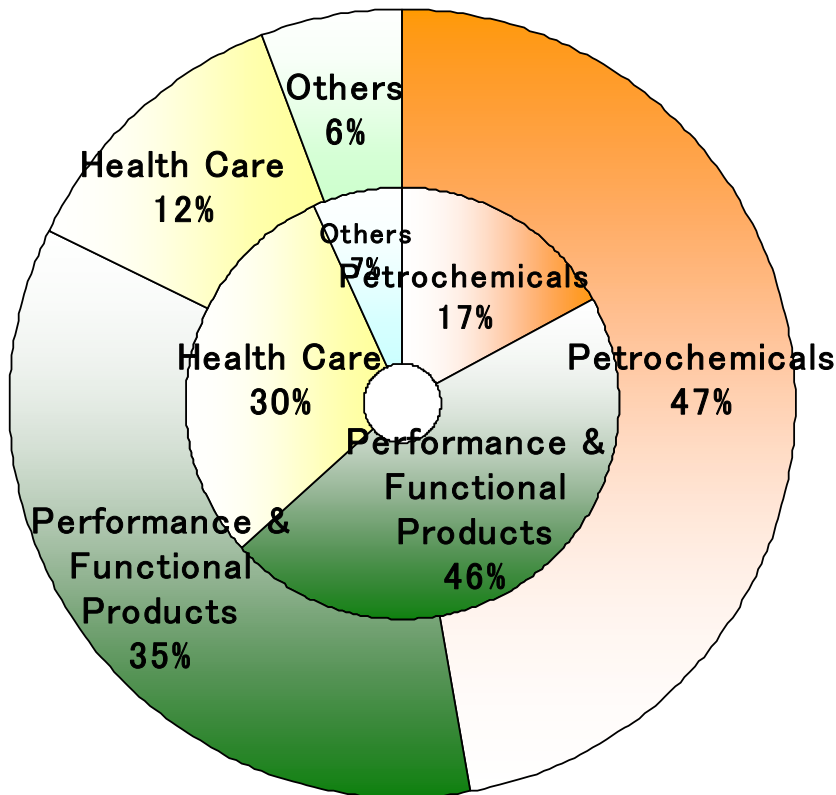
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Net Sales & Operating Income by Segments

Profit Drivers:

Performance and Functional Products & Health Care



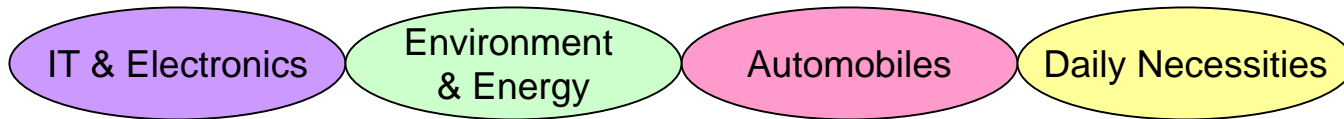
FY2006 Forecast

Outer circle: Net sales ¥2,600 billion

Inner circle: Operating income ¥127 billion

<Operating income>
 Functional Products accounts for the half income of Performance & Functional Products.

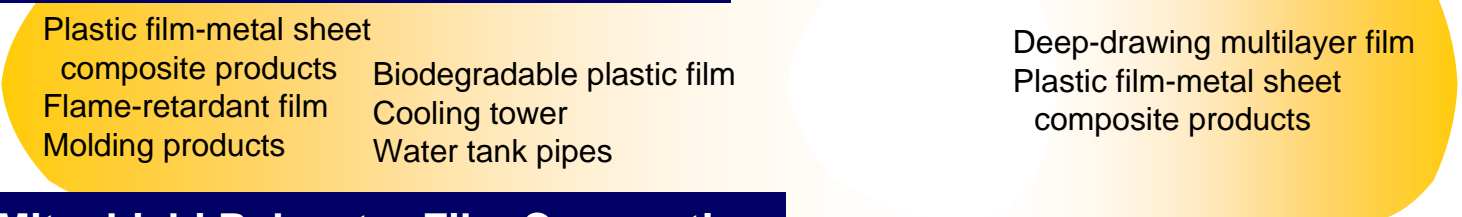
Functional Products Business Areas (Four Functional Products Business Subsidiaries)



Technology Platforms

- Polymer processing
- Polymer design
- Process design
- Interactive translation of customers' needs & product property
- Optical property control
- Surface property control
- Composite material design
- Sustainability solution
- Mold design

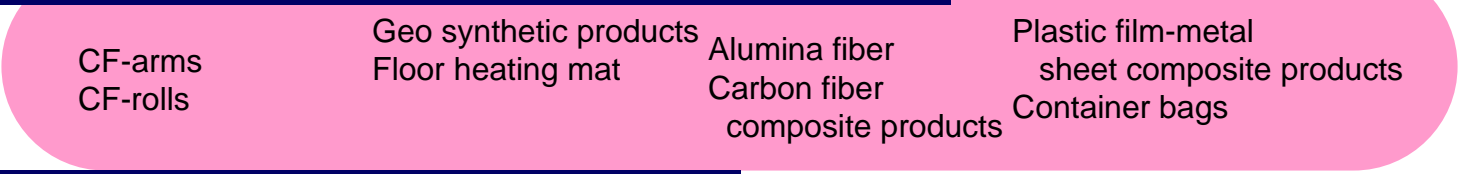
Mitsubishi Plastics, Inc.



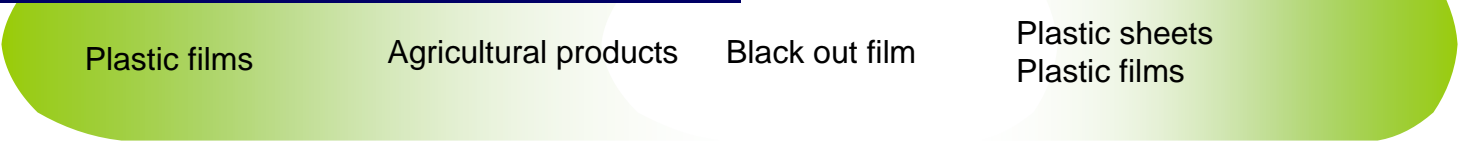
Mitsubishi Polyester Film Corporation



Mitsubishi Chemical Functional Products, Inc.



Mitsubishi Chemical MKV Company



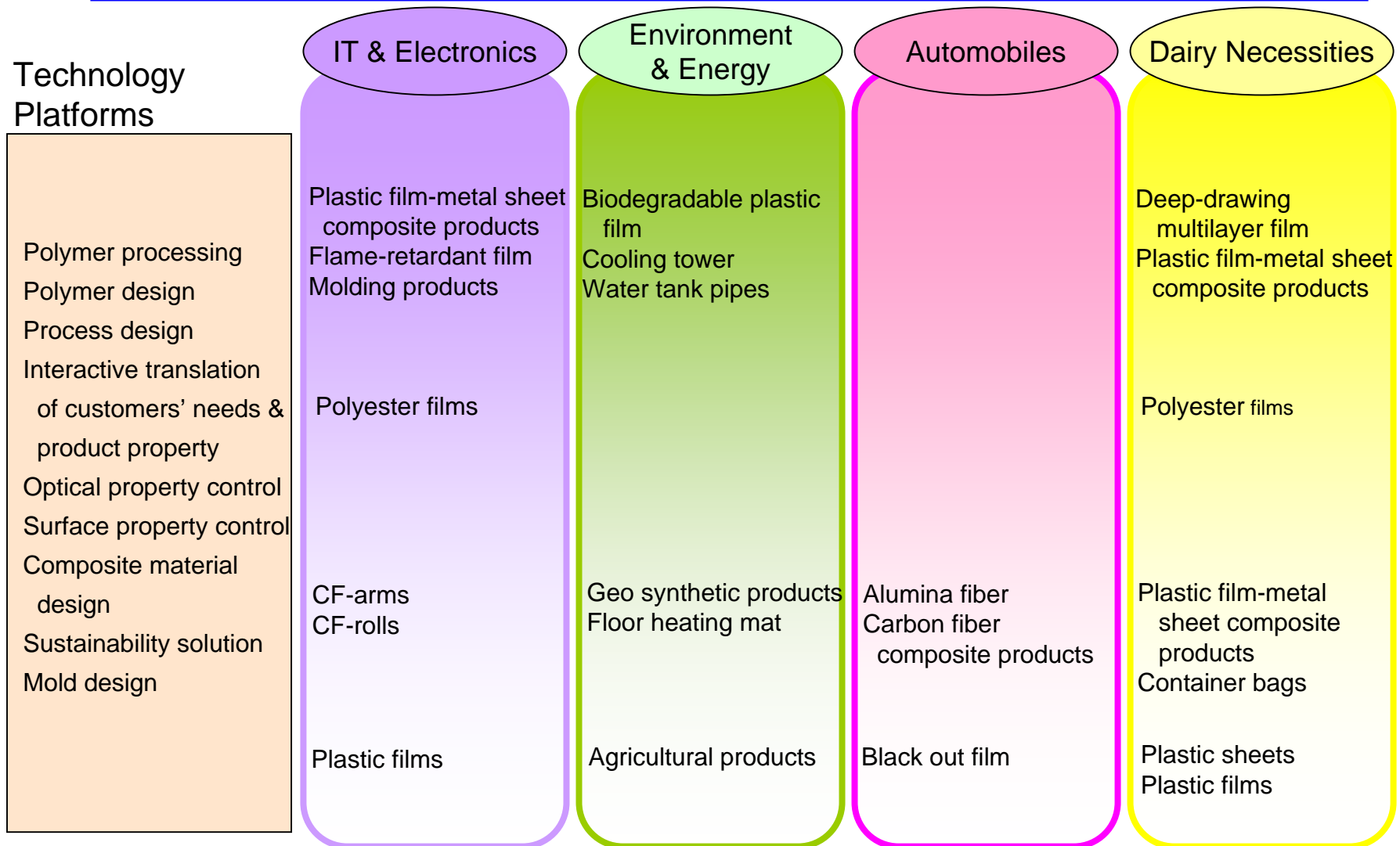
Purpose of the Proposed Restructuring and Consolidation

1. **Customer's needs are becoming increasingly varied, sophisticated and complex.**
2. **Competition will be much more intense.**

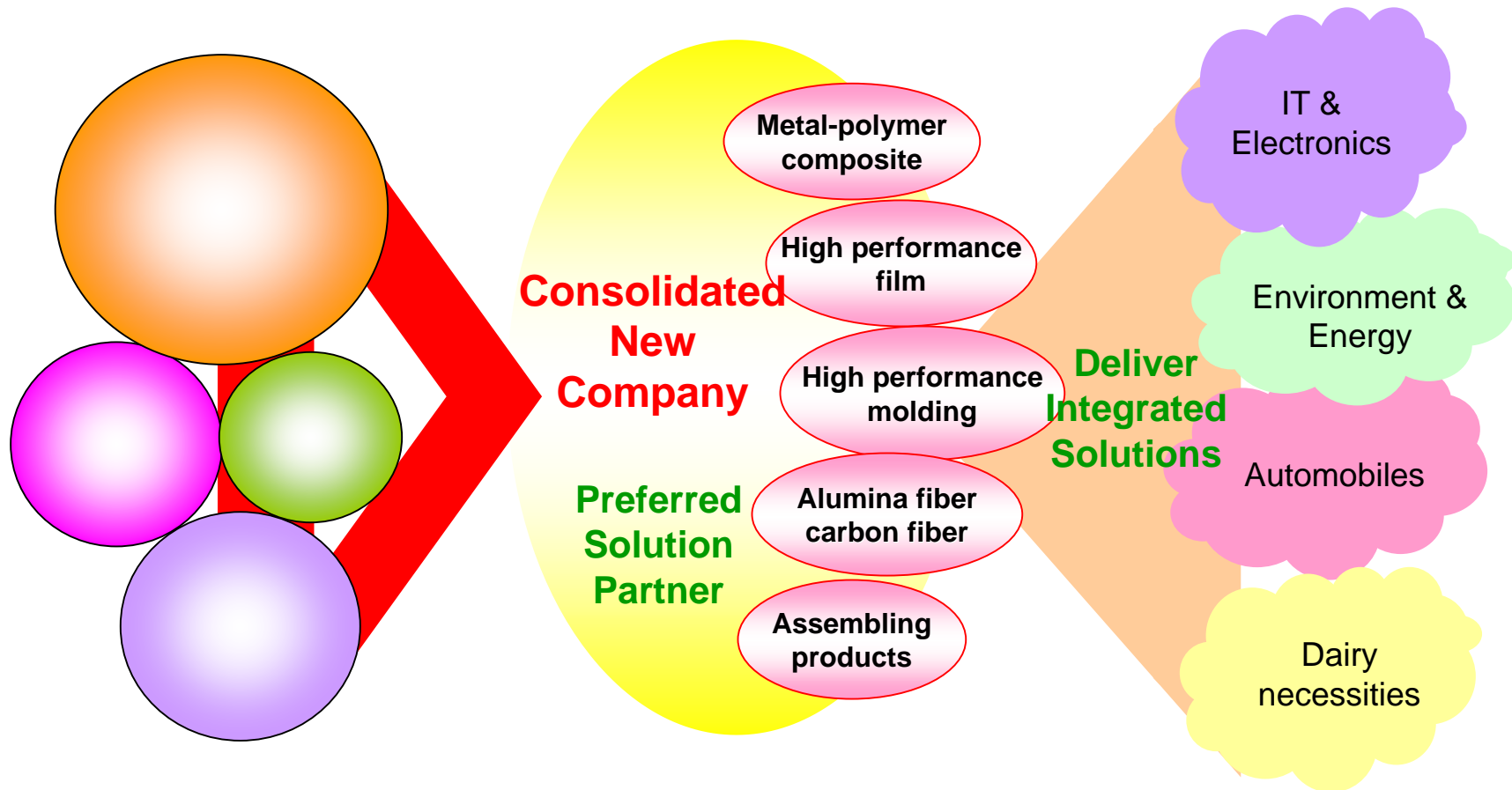
Consolidate capabilities in delivering new value with integrated solutions and continue to be the preferred solution partner.

Consolidated New Company

Business Area in the Consolidated New Company

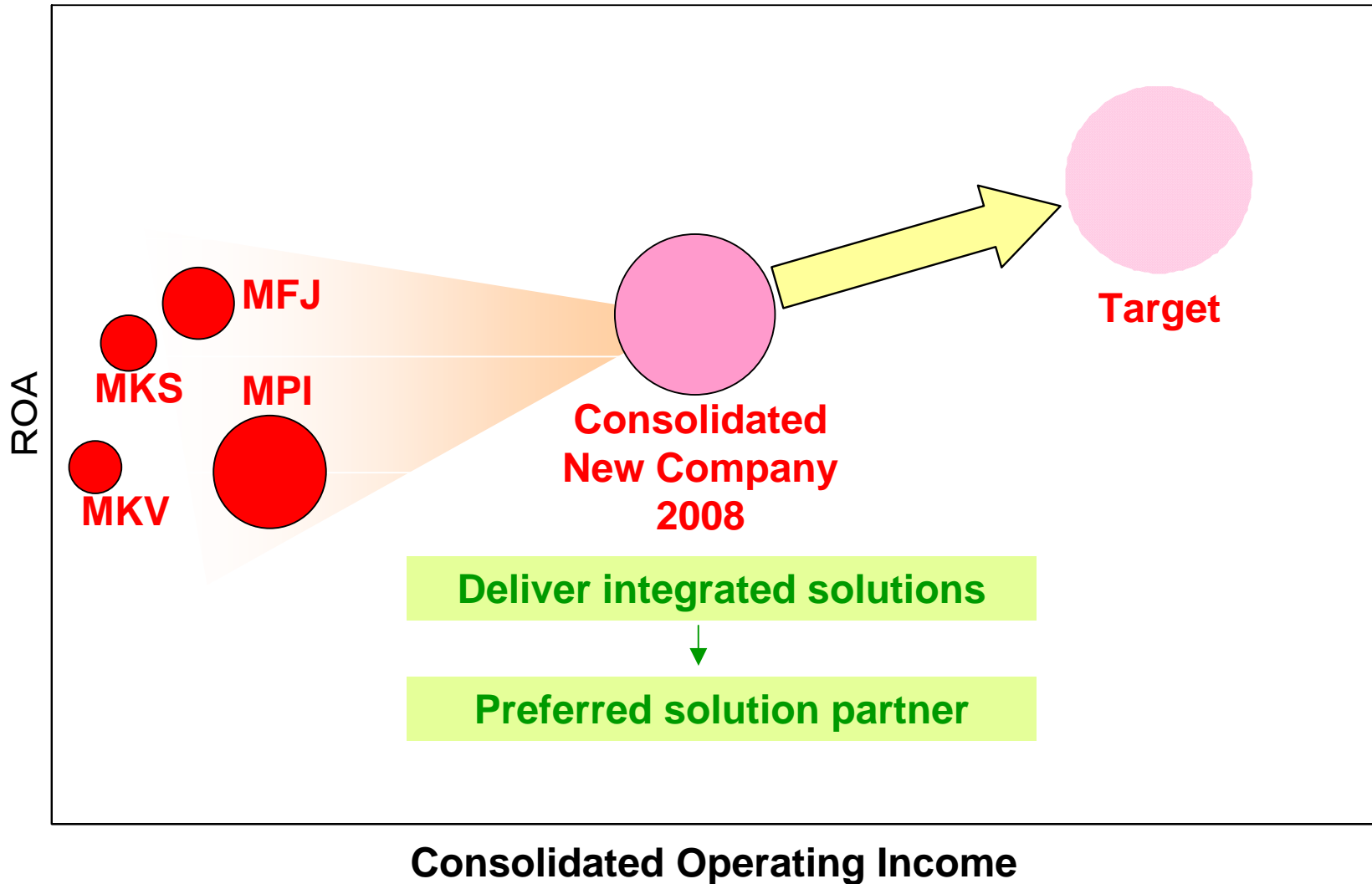


Consolidation of New Business Development and Integrated Solutions



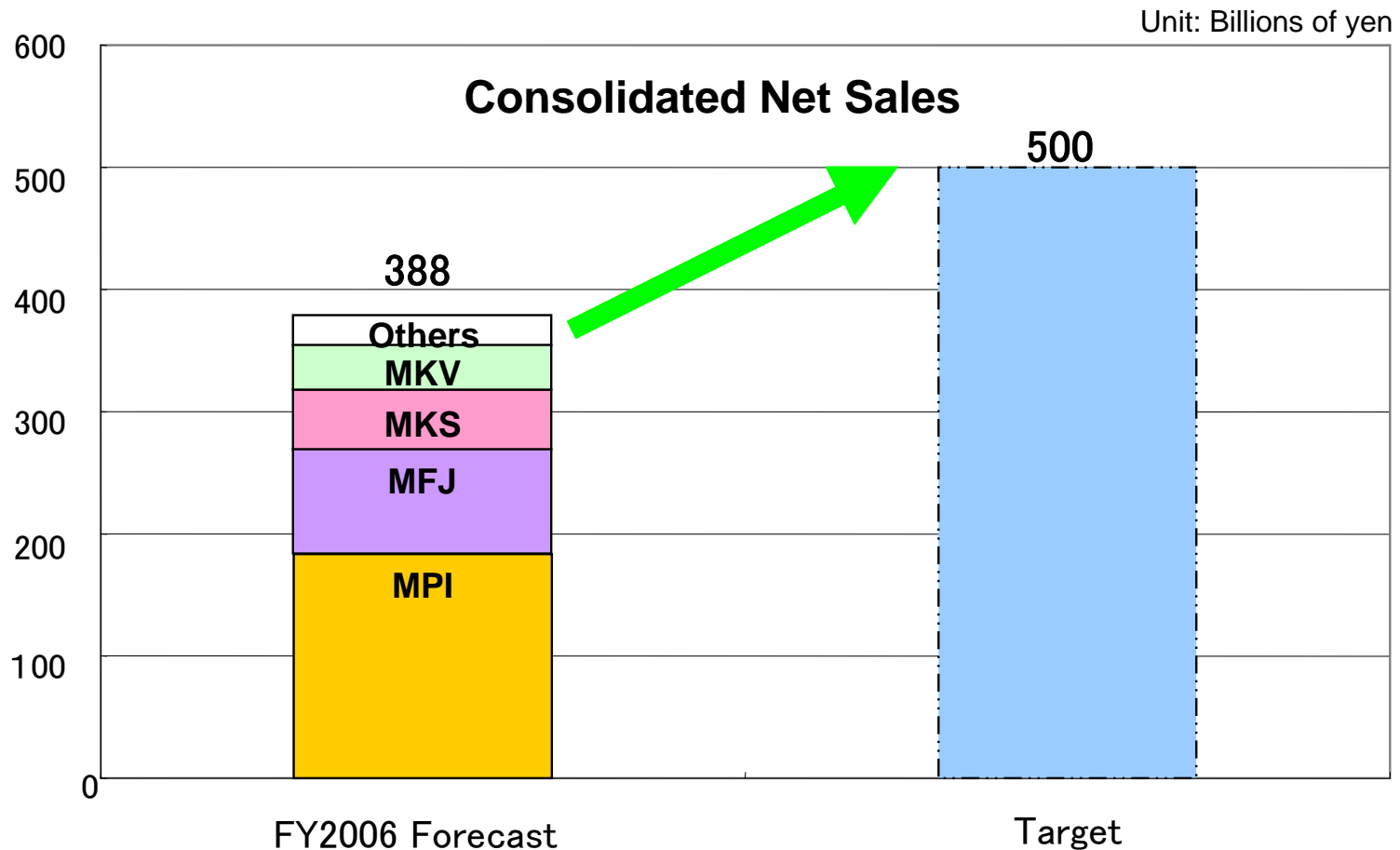
- Accelerate new business development.
- Deliver integrated solutions based on businesses know-how.
- Interactive translation of customers' needs and product property.
- Global business development.

Sustainable Growth and Profitability (1)



Sustainable Growth and Profitability (2)

- Exercising synergy for reaching the sales level of ¥500 billion.
- OP target is more than ¥50 billion.(FY2006 forecast: ¥26 billion)



Forward-looking Statements

The forward-looking statements are based largely on information available as of the date hereof, and are subject to risks and uncertainties which may be beyond company control. Actual results could differ largely, due to numerous factors, including but not limited to the following: Group companies execute businesses in many different fields, such as petrochemicals, carbon and inorganic products, information and electronics, pharmaceuticals, polymers and processed products, and these business results are subjected to influences of world demands, exchange rates, price and procurement volume of crude oil and naphtha, trend of market price, speed in technology innovation, National Health Insurance price revision, product liabilities, lawsuits, laws and regulations.

Reference

Outline of Four Functional Products Business Subsidiaries

Company name	Mitsubishi Plastics, Inc.	Mitsubishi Polyester Film Corporation	Mitsubishi Chemical Functional Products, Inc.	Mitsubishi Chemical MKV Company
Establishment	Jan. 15, 1943	May 8, 1975	Sep. 21, 1976	Sep. 22, 1983
Head office	Marunouchi, Chiyoda-ku, Tokyo	Shiba, Minato-ku, Tokyo	Marunouchi, Chiyoda-ku, Tokyo	Shiba, Minato-ku, Tokyo
Representative	Akira Kano	Akikazu Yano	Masami Segawa	Kazutoshi Kondo
Employees* (Consolidated)	About 3,600	About 1,800	About 700	About 400
Net sales* (Consolidated)	About ¥ 190 billion	About ¥ 90 billion	About ¥ 50 billion	About ¥ 40 billion

*FY2006 forecast