

June 21, 2017

**Mitsubishi Chemical to Cooperate with China's largest Internet-based direct  
retailer Jingdong in Plant Production System Project**  
**~Supporting creation of Chinese market for "reliable, safe and tasty" premium  
vegetables~**

Mitsubishi Chemical Corporation

Mitsubishi Chemical Corporation (Headquarters: Chiyoda-ku, Tokyo; President: Hitoshi Ochi, hereinafter "MCC") has entered into an agreement with Jingdong Shangcheng (Headquarters: Beijing City; CEO: Liu Qiangdong, hereinafter "JD"), the number-two Chinese e-commerce company (No.1 in direct selling) that operates "JD.com," to deliver a hydroponic culturing system fed with both artificial and solar light (hereinafter a "plant production system") to JD and form a tie-up for technological areas like vegetable farming and sanitation control.

The plant production system to be delivered by MCC this time features a hybrid greenhouse that combines the use of artificial light to raise seedlings and the use of solar light to efficiently produce plants from the raised seedlings. The system offers benefits including farming without agricultural chemicals, year-round harvesting, saving water, and proper use of fertilizers.

MCC has maintained a top level of sales performance in the Japanese plant production system market for years. At the same time, in the Asia-Pacific market among other overseas markets, MCC has been steadily expanding its plant production system operations, e.g. start of system sales in China in 2014 and establishment of its own leaf vegetable production and sales company adopting a plant production system in Australia in 2014.

Interest in fresh and tasty foods, as well as reliable and safe ingredients has been rapidly growing among people in China for recent years. In line with a year-by-year increase in meat consumption, Chinese consumers are beginning to form the habit of eating fresh vegetable salads as side dishes. As a result, there is growing demand for premium, high value-added vegetables among them.

MCC, a member of the Mitsubishi Chemical Holdings Group, will deliver the plant production system, and provide farming and sanitation control technologies to a JD Group company. The plant production system is MCC's first to come with a built-in device that adopts a water purification technology utilized for MCC's Cleansui® household water purifier as well and enables the supply of purified water suitable for hydroponic cultivation. JD will establish an all-in-one output structure encompassing in-house production of vegetables through distribution of

the products by use of its cold chain, one of the company's advantages. This will enable the company to directly deliver premium vegetables that meet "reliability, safety and tastiness" requirements to consumers in China while preventing the circulation of low-quality products.

Under the Mitsubishi Chemical Holdings Group's APTSIS 20 Medium-Term Management Plan, MCC will serve as the Group's department for environment and living solutions and provide these solutions to customers by combining and integrating the functions of business divisions that it exercises control over, while aiming for sales of JPY 170 billion in 2020. To meet this target, MCC will actively expand its operations while attracting demand from consumers in fast-growing Asian nations and enhancing cooperation with interested parties in the region.

Comment from Xiaosong Wang, President of Fresh Food Business Unit at JD  
"MCC has advanced technologies and a wealth of experience for plant production systems. Our strategic partnership with MCC will allow us to provide "reliable, safe and tasty" vegetables to consumers and create the Chinese market for high-quality vegetables."

Comment from Hitoshi Sasaki, Managing Executive Officer, and Chief Operating Officer of Environment & Living Solutions Business Domain at MCC  
"Jingdong will grow vegetables in-house and directly deliver fresh vegetables to customers. Creating this unprecedented reliable model is significant. MCC will support this creative endeavor and cooperate on it."



Signing ceremony held in Beijing on June 20, 2017

Arai Shinji, President of Wuxi Lingyang Green Agricultural System&Technology Co.,Ltd.

Hitoshi Sasaki, Managing Executive Officer, and Chief Operating Officer of Environment & Living Solutions Business Domain at MCC

Xiaosong Wang, President of Fresh Food Business Unit at JD

Yong Zhang, General Manager of Fresh Food Business Unit at JD

[Company profile of JD]

Company name: Beijing Jingdong Century Trading Co., Ltd. (Jingdong Shangcheng)

Head office: Beijing City, the People's Republic of China

Representative: Liu Qiangdong

Established: 1998

Net sales: 260.1 billion CNY (about 4.2 trillion JPY) in 2016, gross merchandise sales of 939.2 billion CNY (about 15 trillion JPY) in 2016

Operations: Retail business

<p>For further information, please contact: Public Relations and Investor Relations Office Mitsubishi Chemical Holdings Corporation TEL: [+81] (0)3-6748-7140</p>
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