

April 23, 2007

Mitsubishi Chemical Holdings Corporation
Mitsubishi Plastics, Inc.

Notice Regarding the Change in Status of Mitsubishi Plastics, Inc., to a Wholly Owned Subsidiary through a Share Exchange

Mitsubishi Chemical Holdings Corporation (Head office: Minato-ku, Tokyo; President: Yoshimitsu Kobayashi; hereinafter referred to as "MCHC," and together with the subsidiaries and affiliates of MCHC hereinafter referred to as the "MCHC Group") and Mitsubishi Plastics, Inc. (Head office: Chiyoda-ku, Tokyo; President: Akira Kano; hereinafter referred to as "MPI," and together with MCHC hereinafter referred to as "Both Companies") have passed resolutions at meetings of their respective boards of directors held this date to execute a share exchange that will make MCHC a full parent company and MPI a wholly owned subsidiary effective October 1, 2007 (hereinafter referred to as "the Share Exchange").

1 Purpose of Change of Status to a Wholly Owned Subsidiary through a Share Exchange

The MCHC Group announced on February 8, 2007, that it is reorganizing and merging its functional products business and the business resources of four subsidiaries in the functional products business to further strengthen its business development and problem solving capabilities by maximizing group synergies through faster decision making and more flexible and efficient management action to continue to accurately meet the needs of customers that are expected to continue to have increasingly more diversified, advanced, and complex operations in the area of the functional products. Further, on the same day, it was announced that in advance of the reorganization and mergers, Mitsubishi Chemical Corporation (hereinafter referred to as "MCC"), a wholly owned subsidiary of MCHC, would make a tender offer for the shares of MPI, a core company in the functional products business and that a series of subsequent procedures would be taken to make MPI a wholly owned subsidiary of MCHC.

In particular, as the first step in this transaction, during the period from February 9, 2007 to March 15, 2007, MCC made a tender offer (hereinafter referred to as "the Tender Offer") for the purpose of purchasing all of the outstanding shares of MPI (however, this does not include the shares of MPI already held by MCC and the treasury stock of MPI). As a result, MCC's ownership of shares of MPI increased to 91.41% of MPI's total outstanding shares. Since MCC was unable to acquire all of the outstanding shares of MPI through the Tender Offer, after MCHC has acquired all of the MPI shares held by MCC by or around the latter part of September 2007, the Share Exchange will be executed between MCHC and MPI using the shares of MCHC as consideration to make MPI a wholly owned subsidiary. The anticipated effective date of the Share Exchange is October 1, 2007. The details of the Share Exchange were approved today by the boards of directors of Both Companies and a share exchange agreement was concluded.

To ensure the fairness of the share exchange ratio (the "Share Exchange Ratio") for the Share Exchange, Both Companies separately selected a third-party appraisal organization with MCHC selecting Nikko Citigroup Limited (hereinafter referred to as "Nikko Citigroup") and MPI selecting Mitsubishi UFJ Securities Co., Ltd. (hereinafter referred to as "Mitsubishi UFJ Securities"), and said third-party appraisal organizations were commissioned to calculate the Share Exchange Ratio. Both Companies then referred to the contents of this calculation document and, after careful study with due diligence of the Share Exchange Ratio, decided at their respective boards of directors meetings held on April 23, 2007, by unanimous vote of the board members that the Share Exchange Ratio set in 2(2) is appropriate. Note that there are no commonly appointed officers between Both Companies. Also note that Shigeyoshi Murase, an operating officer of MCC, a consolidated wholly owned subsidiary of MCHC, also serves as an outside auditor of MPI and did not participate in the above deliberations of the board of directors.

In addition, the shares of MPI are currently listed on the Tokyo Stock Exchange First Section and the Osaka Securities Exchange First Section, but since the "number of shares held by the special few" as defined in the securities listing regulations of both stock exchanges exceeded 90% of the

number of listed shares, the number falls into the stock delisting standard of the securities listing provisions of both exchanges and so the shares of MPI will be delisted from both exchanges by or around the latter part of July 2007 after the specified procedures are completed.

Note: The Tender Offer increased the percentage of voting rights of MPI shares held by MCC to 91.53% (which is calculated as the percentage of 196,856 voting rights for the shares held by MCC after the Tender Offer, etc., to 215,068 voting rights held by all MPI's shareholders based on the 215,068,931 shares arrived at by subtracting the 297,419 shares of treasury stock held by MPI as of September 30, 2006 from the 215,366,350 total outstanding shares of MPI as of September 30, 2006).

2 Share Exchange Summary

(1) Share Exchange Schedule

Share Exchange Resolution Board of Directors Meeting	April 23, 2007 (Mon)
Share Exchange Agreement Conclusion	April 23, 2007 (Mon)
Share Exchange Scheduled Date (Effective date)	October 1, 2007 (Mon)
Share Distribution Date	November 20, 2007 (Tue) (Scheduled)

Note: At the execution of the Share Exchange, MCHC will execute a simplified share exchange based on the provisions in the Company Act Article 796 Paragraph 3 without receiving approval at a general shareholder's meeting, and MPI will execute a summary share exchange based on the provisions in the Company Act Article 784 Paragraph 1 without receiving approval at a general shareholders' meeting.

(2) Share Exchange Ratio

Company name	Mitsubishi Chemical Holdings Corporation (Full parent company)	Mitsubishi Plastics, Inc. (Wholly owned subsidiary)
Share Exchange Ratio	1	0.41

Note 1. Stock allotment ratio

One share of MPI common stock will be exchanged for 0.41 shares of MCHC common stock. However, MCHC expects to acquire all of the common stock of MPI held by MCC by or around the latter part of September 2007, and a stock allotment via the Share Exchange will not be conducted for said shares.

2. Calculation method for the number of shares exchanged through the Share Exchange, etc.

At the execution of the Share Exchange, MCHC shall exchange with MPI shareholders (including substantial shareholders) common shares of treasury stock held by MCHC in the number obtained by multiplying 0.41 by the total number of MPI common stock held by the shareholders (excluding MCHC) stated or recorded in the register of shareholders (including the register of substantial shareholders) of MPI at the end of the day immediately prior to the effective date as cash, etc., exchanging for the share of MPI common stock held by said shareholders. Further, if the number of common shares of MCHC that must be exchanged with the shareholders of MPI for the Share Exchange is a fraction less than one, cash shall be used for exchange with such shareholders in accordance with the provisions of the Company Act Article 234.

(3) Basis for Calculating the Share Exchange Ratio, Etc.

1) Calculation Fundamentals and History

To ensure the fairness of the Share Exchange Ratio for the Share Exchange, Both Companies separately selected a third-party appraisal organization with MCHC selecting Nikko Citigroup and MPI selecting Mitsubishi UFJ Securities, and said third-party appraisal

organizations were commissioned to calculate the Share Exchange Ratio.

Nikko Citigroup analyzed and studied from multiple perspectives the financial information and information regarding the future that has been publicly announced by Both Companies, the significance to operations of the Tender Offer and the Share Exchange, the share prices and its formation states of Both Companies as well as other information and then used the discounted cash flow analysis method (hereinafter referred to as the "DCF method"), the public market comparables method, and the market share price method to calculate the Share Exchange Ratio, and the calculation results were presented to MCHC.

Nikko Citigroup calculated the stock price appraisal of Both Companies by using the DCF method and assessed the number of shares of MCHC common stock allotted per share of MPI common stock from 0.321 shares to 0.422 shares based upon the Share Exchange Ratio also calculated by using the DCF method. The analysis using the DCF method does not incorporate significant change in profits or losses in the presupposed future profit plans of Both Companies. Further, Nikko Citigroup calculated the stock price appraisal of Both Companies by using the public market comparables method and assessed the number of shares of MCHC common stock allotted per share of MPI common stock from 0.334 shares to 0.450 shares based upon the Share Exchange Ratio also calculated by using the public market comparables method. Using the market share price method, Nikko Citigroup performed an analysis of the volume weighted average price for the closing price of each trade day for each of the periods from February 9, 2007, the day immediately after the announcement of the Tender Offer, to April 19, 2007, and from March 16, 2007, the day immediately after the last day of the tender offer period for the Tender Offer, to April 19, 2007 for Both Companies, and assessed the number of shares of MCHC common stock allotted per share of MPI common stock from 0.399 share to 0.425 shares based upon the Share Exchange Ratio also calculated by using the market share price method.

For MCHC, Mitsubishi UFJ Securities used the market average share price method to appraise the shares taking into consideration the impact on the financial numbers of the Share Exchange and the state of the share price formation, and for MPI, it performed the appraisal using the market average share price method and the DCF method, and then it comprehensively considered the results from these to calculate the Share Exchange Ratio and present it to MPI. Note that the DCF method does not incorporate a significant change in profits or losses in the presupposed MPI future profit plan. The results calculated by using these appraisal methods assessed the number of shares of MCHC common stock allotted per share of MPI common stock from 0.399 shares to 0.429 shares by using the market average share price method (the periods used for calculation were multiple periods, including the most recent 1 month period, during the period from February 5, 2007, to April 19, 2007, based on the average price for the closing price), and from 0.391 shares to 0.537 shares (calculated as the ratio to the appraisal of the MCHC shares by using the market average share price method) by using the DCF method.

MCHC referred to the Share Exchange Ratio calculation results performed by Nikko Citigroup, and MPI referred to the Share Exchange Ratio calculation results performed by Mitsubishi UFJ Securities, and then Both Companies comprehensively took into consideration the state of the share price formation after the Tender Offer, future financial conditions and performance trends, the results of the Tender Offer, and other factors and mutually discussed them. As a result, Both Companies agreed that the Share Exchange Ratio stated in (2) above is appropriate and would not cause harm to the shareholders of either MCHC or MPI, and thereafter concluded the Share Exchange based upon approval at the respective boards of directors meetings of Both Companies held on April 23, 2007.

Note that in the event of a material change in the conditions on which the Share Exchange Ratio calculation is based, the Share Exchange Ratio may be changed through consultation between Both Companies.

2) Relationship with the Appraisal Organizations

Nikko Citigroup is not a related party to MCHC or MPI. Further, Mitsubishi UFJ Securities is not a related party to MCHC or MPI.

- (4) Handling of Share Warrants and Bonds with Warrants of the Share Exchange Wholly Owned Subsidiary
Not applicable. MPI has not issued any share warrants or bonds with warrants.

3 Profile of the Share Exchange Companies

(1)	Company name	Mitsubishi Chemical Holdings Corporation	Mitsubishi Plastics, Inc.
(2)	Description of business	Business administration of certain companies through holding stocks of or interests in said companies.	Manufacture and sale of plastic products.
(3)	Date of establishment	October 3, 2005	January 15, 1943
(4)	Head office location	Minato-ku, Tokyo	Chiyoda-Ku, Tokyo
(5)	Representative title and name	President Yoshimitsu Kobayashi	President Akira Kano
(6)	Capital	50,000 million yen (As of September 30, 2006)	21,503 million yen (As of September 30, 2006)
(7)	Number of outstanding shares	1,806,288,107 shares	215,366,350 shares
(8)	Net assets	287,622 million yen (Non-consolidated) (As of September 30, 2006)	51,856 million yen (Non-consolidated) (As of September 30, 2006)
(9)	Gross assets	429,025 million yen (Non-consolidated) (As of September 30, 2006)	145,556 million yen (Non-consolidated) (As of September 30, 2006)
(10)	End of fiscal year	March 31	March 31
(11)	Number of employees	32 persons (Non-consolidated) (As of September 30, 2006)	1,553 persons (Non-consolidated) (As of September 30, 2006)
(12)	Main customers	Mitsubishi Chemical Corporation Mitsubishi Pharma Corporation	Mitsubishi Corporation Asahi Sangyo Kaisha, Ltd.
(13)	Major shareholders and ownership percentage	1. The Master Trust Bank of Japan, Ltd. Account in trust 4.30% 2. Japan Trustee Services Bank, Ltd. Account in trust 3.37% 3. Meiji Yasuda Life Insurance Company 3.35% 4. Takeda Pharmaceutical Company Limited 2.86% 5. Nippon Life Insurance Company 2.73% (As of September 30, 2006)	1. Mitsubishi Chemical Corporation 52.61% (Note 1) 2. Japan Trustee Services Bank, Ltd. account in trust 2.48% 3. The Bank of Tokyo-Mitsubishi UFJ, Ltd. 2.17% 4. The Master Trust Bank of Japan, Ltd. Account in trust 1.93% 5. Mitsubishi UFJ Trust and Banking Corporation 1.38% (As of September 30, 2006)
(14)	Main trade banks	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mizuho Corporate Bank, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Norinchukin Bank Japan Bank for International Cooperation	The Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation, etc.

(15)	Relationship between party companies, etc.	Capital ties	As of March 31, 2007, MCHC indirectly holds through MCC, a wholly owned subsidiary, 91.41% of the outstanding shares of MPI, thus making it a consolidated company. MCHC plans to acquire all of the shares of MPI held by MCC by on or around the latter part of September 2007.				
		Personnel ties	There are no commonly appointed officers between Both Companies.				
		Trade ties	There is no trade relationship between the two party companies.				
		Status applicable to the related parties	MCHC treats MPI as a consolidated company.				
(16)	Results for the past 3 years	(Consolidated/Unit: Million yen)					
		Mitsubishi Chemical Holdings Corporation (Full parent company)			Mitsubishi Plastics, Inc. (Wholly owned subsidiary)		
	Fiscal year	2004 (Note 2)	2005 (Note 2)	2006 (Note 3)	2004	2005	2006
	Sales	1,925,331	2,189,462	2,408,945	170,961	177,567	186,228
	Operating income	98,163	148,624	133,619	7,517	9,736	9,943
	Ordinary income	82,613	148,069	143,575	6,416	9,112	9,723
	Net income	34,547	55,372	85,569	3,422	4,202	5,805
	Net income per share (yen)	15.82	25.40	69.51	15.88	19.53	26.9899
	Dividend per share (yen)	4.00	6.00	8.00	4.00	5.00	5.00
	Net assets per share (yen)	182.59	205.09	478.72	225.86	239.7172	277.4546
	(Note 1) The Tender Offer makes the ownership percentage held by MCC to be 91.41% as of March 31, 2007.						
	(Note 2) MCHC was established in October 2005, so the consolidated financial figures of MCC are used as the figures for fiscal years 2004 and 2005 of MCHC.						
	(Note 3) The dividend per share for the period ended March 2006 only shows the end of period dividend amount because MCHC was established in October 2005. Note that the interim dividend per share for the period ended March 2006 of MCC was 3.00 yen.						

4 Status After Share Exchange

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| (1) | Company name | Mitsubishi Chemical Holdings Corporation |
| (2) | Description of business | Business administration of certain companies through holding stocks of or interests in said companies. |
| (3) | Head office location | Minato-ku, Tokyo |
| (4) | Representative title and name | President Yoshimitsu Kobayashi |
| (5) | Capital | 50,000 million yen |
| (6) | Net assets | Not finalized at the current time. |
| (7) | Gross assets | Not finalized at the current time. |
| (8) | Fiscal year | March 31 |
| (9) | Accounting procedure summary | This is expected to apply to minority shareholders of those related to transactions under common administration, etc. There will be goodwill generated by the Share Exchange, however no details have been determined at the present time. |
| (10) | Forecast of the impact on performance of the Share Exchange | MPI is currently a consolidated subsidiary of MCHC, so the impact on the consolidated and unconsolidated results of MCHC by the Share Exchanged is expected to be minimal. |

For further information, please contact:

Public Relations and Investor Relations Office

Mitsubishi Chemical Holdings Corporation

Tel: +81-3-6414-4870

Public Relations Group, Administration and Personnel Department

Mitsubishi Plastics, Inc.

Tel: +81-3-3283-4006