

MITSUBISHI CHEMICAL CORPORATION

NOTE:

Please note that this is a summary translation of the Notice of Meeting in Japanese only for the reference of foreign investors and is not official texts and the voting form is not attached. The official Notice has been mailed to the custodian in Japan of each foreign shareholder. The company is not responsible for the accuracy or completeness of the translation.

June 7, 2005

To the Shareholders:

Notice of the 11th Ordinary General Meeting of Shareholders

On behalf of the Board, I would like to thank you, our shareholders, for your continued support.

Mitsubishi Chemical Corporation (hereinafter, “**Mitsubishi Chemical**”, “**we**” or the “**Company**”) cordially invite you to attend the 11th Ordinary General Meeting of Shareholders to be held on the date and at the venue specified herein.

If you are unable to attend the meeting, please read the “**Reference Materials for the Exercise of Voting Rights**” attached hereto and exercise your voting rights in either manner specified below.

1. Vote-By-Mail:

If you vote by mail, please indicate whether you agree or disagree with the proposals, affix your seal on the enclosed “Card For Exercise Of Voting Rights”, and return it to the Company by June 27, 2005.

2. Vote-By-Internet:

If you vote by Internet, please access the address and exercise voting rights according to the guidance set forth herein by June 27, 2005.

(Supplemental Note: Foreign investors, who hold the Company’s shares through custodians in Japan, may not vote by mail or Internet. The official Notice and the CARD FOR EXERCISE OF VOTING RIGHTS have been mailed to each custodian in Japan. The foreign investors are kindly requested to indicate their agreement or disagreement on the proposals to the custodians.)

Sincerely yours,

Ryuichi Tomizawa

President

Mitsubishi Chemical Corporation

1. Date: June 28, 2005, Tuesday, 10:00 a.m.
2. Venue: Conference Hall, Mitsubishi Chemical Corporation
5th Floor, Dai-ichi Tamachi Building
33-8, Shiba 5-chome, Minato-ku, Tokyo
3. Agenda:

Matters to be Reported:

- Item 1. To report on the contents of Business Report, Consolidated Balance Sheet, Consolidated Statement of Income and Retained Earnings, Non-Consolidated Balance Sheet, and Non-Consolidated Statement of Income and Retained Earnings, of the 11th fiscal year ended March 31, 2005
- Item 2. To report on the results of audit, by Accounting Auditors and Board of Corporate Auditors, of consolidated financial statements of the 11th fiscal year ended March 31, 2005

Matters to be Resolved:

- Agendum 1: Approval for the Proposed Appropriation of Retained Earnings of the 11th Fiscal Year
- Agendum 2: Partial Amendment to the Articles of Incorporation
- Agendum 3: Issuance of Stock Acquisition Rights as the means of a Stock Option Scheme
- Agendum 4: Establishment of a Pure Holding Company through Kabushiki Iten (Stock Transfer under the Commercial Code of Japan)
- Agendum 5: Election of 9 Directors

BUSINESS REPORT
(From April 1, 2004 to March 31, 2005)

I. OVERVIEW OF OPERATIONS

1. Business Development and Results

During the fiscal year ended March 31, 2005, the Japanese economy remained steady overall, despite an increase in crude oil prices and stagnant exports from a deceleration in the Chinese and the United States economies in the second half of the fiscal year. As for the Mitsubishi Chemical Group, the business environment remained generally favorable, buoyed by steady demand in Japan and overseas countries such as China and the United States, in spite of the impact of higher crude oil prices.

Under these circumstances, the Mitsubishi Chemical Group made concerted efforts to achieve the five pillars of its medium-term management plan, “KAKUSHIN Plan: Phase 1”, i.e. to reform its business portfolio, to improve its financial condition, to engage in R&D for sustainable growth, to thoroughly reduce costs, and to bolster the comprehensive capabilities of the Group. Especially, Mitsubishi Chemical Corporation reduced interest-bearing debt to 711.1 billion yen as of March 31, 2005, surpassing the initial target of 870.0 billion yen by a considerable amount.

Moreover, the Company exerted endeavors to revise product prices to match the rising crude oil prices and engaged in proactive sales activities by redoubling marketing efforts. At the same time, the Company actively worked to promote “Total Productive Maintenance” that focuses on thoroughly reducing production and running costs, and increasing capital efficiency.

As a result of these management measures, total sales increased 13.7% over the previous fiscal year to 2,189.4 billion yen, owing to, inter alia, revisions of product price resulting from higher material costs. Operating profits rose 51.4% to 148.6 billion yen and recurring profits climbed 79.2% to 148.0 billion yen, over the previous fiscal year, respectively. This is due, primarily, to the significant increase in total sales, and to the stock of low-priced raw materials, mainly naphtha, procured before their price increase. Net profits for the term were 55.3 billion yen, 60.2% increase compared to the previous term, as the result of recording extraordinary losses including the early implementation of impairment accounting on fixed assets and a loss on the disposal of fixed assets.

(Overview by Segment)

(1) Petrochemicals Segment

Sales of basic petrochemicals, chemical products, synthetic fiber intermediates and synthetic resins increased considerably owing to the efforts on revising product prices in the face of rising crude oil prices, in addition to a rise in overseas prices, reflecting robust demand in China, and a boom in demand in Japan and overseas.

As a result, overall sales for the Petrochemicals Segment increased 25.8% from the previous term, to 933.4 billion yen.

In May 2004, in order to strengthen competitiveness by diversification of raw materials, the Company began the construction of a facility at the Olefin Aroma Center in the Kashima Plant which will enable the use of heavy oil products in addition to naphtha and LPG. The construction is scheduled to be completed in December 2005. Moreover, in March 2004, along with ITOCHU Corporation and Mitsubishi Corporation, the Company submitted the Detailed Feasibility Study of the purified terephthalic acid (PTA) project to the Chinese government. In February 2005, we received final approval from the Chinese government, and in April 2005, we established Ningbo Mitsubishi Chemical Corporation as a production and marketing subsidiary in China, and began construction of production facilities.

(2) Performance Products Segment

As for the Amenity Life business, sales had steady growth in food ingredients and performance polymers, leading to an increase in overall sales. Within Information and Electronics business, sales of optical discs were largely unchanged from the previous fiscal year, as higher sales volume and the launch of new products compensated for a substantial decline in sales prices due to the proliferation of DVDs. Sales of organic photo conductor (OPC) drums increased along with higher sales volume regardless of lower sales prices. In the Environment Solution business, the precision cleaning and glass recycling businesses performed well, supported by demand in the semiconductor and LCD industries. Sales of ion-exchange resins expanded, by the favorable demand in food and medical applications. In the Carbon Black business, sales of coke rose significantly, bolstered by robust demand for steel. Within Inorganic Chemicals business, the Company secured steady sales of fertilizers amid lackluster demand, owing to sales of high-value-added products.

As a result, overall sales of the Performance Products Segment grew by 3.7%, to 469.9 billion yen.

In December 2004, in an aim to strengthen business competitiveness, Mitsubishi Chemical and its subsidiary Nippon Kasei Chemical Co., Ltd integrated their ammonia-related products businesses, and in January 2005, they also reached agreement to the transfer of the synthetic silica business of Mitsubishi Chemical to Nippon Kasei Chemical in April 2005.

(3) Functional Products Segment

Sales of films and sheets in industrial applications increased on the back of stronger demand for semiconductor and liquid crystal-related products, in spite of the adverse impact of higher raw material prices. For packaging material applications, the sales also rose owing to the development of new uses and sales growth. For high-performance materials such as composite materials and aluminum fibers, sales increased by firm demand, despite the impact of higher materials prices. Civil engineering and construction-related products saw sales increase on account of sales of high-value-added products, amid a persistent slump in public-sector investment and housing construction.

As a result, sales of the Functional Products Segment rose 5.4% from the previous term to 356.6 billion yen.

In April 2004, with a view to strengthening competitiveness in the agricultural material business, Mitsubishi Chemical MKV Co., a subsidiary of the Company, transferred its agricultural material businesses to MKV Plotech Co., Ltd., a joint venture company with Mitsui Kagaku Plotech Co., Ltd. (now Mitsui Chemical Fabro, Inc.).

(4) Health Care Segment

Although sales expanded for the mainstay products, ‘Radicut’, an ethical neuroprotective agent, and ‘ANPLAG’, an anti-platelet agent, total sales of pharmaceuticals decreased, adversely affected by government pharmaceuticals price revisions and the transfer of the over-the-counter (OTC) pharmaceuticals business. Even with the effects of revisions to points of the national medical service fee system, the clinical testing business grew by acquiring new customers and expanding transactions with existing customers, and by increasing receiving orders for clinical trial services.

As a result, sales of the Health Care Segment edged up 0.2% to 277.8 billion yen.

In April 2004, in order to strengthen the ethical pharmaceuticals business in China, Mitsubishi Pharma Corporation (a subsidiary of Mitsubishi Chemical) made Green Cross Guangzhou Pharmaceutical Co., Ltd. a wholly owned subsidiary, by acquiring 20% of its shares from Guangzhou Qiaoguang Pharmaceutical Co., Ltd.

(5) Services Segment

Sales in the Logistics business increased substantially with the acquisition of new customers. In addition, sales increased for Engineering Services business by receiving more orders.

As a result, sales in the Services Segment advanced 31.3% to 151.6 billion yen.

II. DIRECTORS AND AUDITORS

Position	Name	Charge or Profession
Chairman, Director (Representative Director)	Kanji Shono	
President (Representative Director)	Ryuichi Tomizawa	
Director (Representative Director)	*Masaoki Funada	(Special Mission, and supervising - Internal Audit)
Director (Representative Director) (Chief Compliance Officer)	*Yosuke Yamada	(In charge of Services Segment and responsible for Public and Investor Relations, Administration, Personnel, Purchasing, Logistics and Information Systems)
Director (Representative Director)	*Yoshiyuki Maekawa	(Head of Technology and Production Center, responsible for Production, Technology, Environmental Safety, Quality Assurance and Utility)
Director	*Ryuichi Sato	(Head of Carbon Products and Inorganic Chemicals Dept., in charge of Corporate Planning)
Director	*Hisashi Ishikawa	(In charge of Consolidated Management, Investor Relations, Finance and Accounting)
Director	George Stephanopoulos	Professor, Massachusetts Institute of Technology, Department of Chemical Engineering
Director	Shinichiro Handa	Advisor, Mitsubishi Pharma Corporation
Auditor (Full-time)	Hideaki Yoshida	
Auditor (Full-time)	Koichi Takami	
Auditor (Full-time)	Yoshikazu Takagaki	
Auditor	Hiroyasu Sugihara	Attorney-at-law

Notes:

- Director Shinichiro Handa is a *Shagai-Torishimariyaku* (an Outside Director) as defined in Article 188, Paragraph 2, Item 7-2 of the Commercial Code of Japan.
- Auditors Messrs. Yoshikazu Takagaki and Hiroyasu Sugihara are *Shagai-Kansayaku* (Outside Auditors) as defined in Article 18, Paragraph 1 of the “Law for Special Exceptions to the Commercial Code Concerning Audit, etc. of Kabushiki Kaisha” of Japan.
- Directors marked with an asterisk (*) concurrently hold the position of Executive Officer.
Parentheses in Charge or Profession indicate the responsibility as Executive Officer.
- Director and Auditors who retired during the term are as follows: (Positions: As of time of retirement; both retired on June 25, 2004)

Senior Managing Director	Hideaki Yoshida
Auditor	Keisuke Mizukami

- On April 1, 2005, Yoshiyuki Maekawa ended his term as Representative Director and Senior Managing Director, and his duty as Head of Technology and Production Center. He was also relieved from his responsibilities for Production, Technology, Environmental Safety, Quality Assurance and Utility on the same date.

Remuneration to Directors and Corporate Auditors by Mitsubishi Chemical

Type	Remuneration		Retirement Bonus	
	No. of personnel	Paid amounts (Millions of yen)	No. of personnel	Paid amounts (Millions of yen)
Directors	10	266	1	34
Corporate Auditors	5	77	1	21
Total	15	344	2	55

Notes:

1. The Company has not paid any remuneration to the directors concurrently holding the position of employee.
2. The Company has not paid any bonus to directors and corporate auditors.
3. Upper limits of remuneration to directors were ¥ 40 million per month as resolved at the General Meeting of Shareholders held on June 29, 1999.
4. Upper limits of remuneration to corporate auditors were ¥ 11 million per month as resolved at the General Meeting of Shareholders held on June 29, 1994.
5. Numbers of directors and corporate auditors are 9 and 4, respectively, at the end of the fiscal year ended March 31, 2005.

Remuneration to Accounting Auditors by Mitsubishi Chemical Group

		Paid amounts (Millions of yen)
1	Total remuneration paid to accounting auditors by Mitsubishi Chemical and its subsidiaries	281
2	Of the amount in (1) above, total remuneration paid to accounting auditors by Mitsubishi Chemical and its subsidiaries for audit certification services as defined in Article 2, Paragraph 1 of the Certified Public Accountant Law	268
3	Of the amount in (2) above, remuneration paid to accounting auditors by Mitsubishi Chemical	49

Note: Mitsubishi Chemical does not distinguish between amounts paid for auditing according to “Special Exceptions to the Commercial Code Concerning Audits, etc. of Kabushiki Kaisha”, and amounts for auditing according to “Securities Transfer Law” in its auditing contract with accounting auditors.

III. SUBSEQUENT EVENTS AFFECTING THE MITSUBISHI CHEMICAL GROUP

On April 26, 2005, Mitsubishi Chemical resolved to execute the agreement concerning the joint establishment of a 100% parent company (the “**Holding Co.**”) with its subsidiary, Mitsubishi Pharma Corporation (“**Mitsubishi Pharma**”), by means of “*Kabushiki Iten*” (stock transfer) at the Board of Directors Meeting, and signed the agreement.

(Supplemental Note: “*Kabushiki Iten*” is a method that an existing company newly creates a 100%-parent company, either solely or jointly with other company(ies), in accordance with Articles 364 through 372 of the Commercial Code of Japan. All the shares owned by the shareholders of the existing company(ies) are transferred to the 100%-parent company to be newly incorporated, and the shares of the 100%-parent company are allotted to the shareholders in exchange. “*Kabushiki Iten*” is hereinafter referred to as the “**Stock Transfer**”.)

A summary of the agreement is as follows:

1. Name of Holding Co.:

Mitsubishi Chemical Holdings Corporation

2. Capital and Capital Reserves of Holding Co.:

Paid-up Capital: 50 billion yen

Capital Reserves: Total net assets of Mitsubishi Chemical and Mitsubishi Pharma on the Stock Transfer Date (as defined below), excluding the paid-up capital amount above.

3. Share Allotment to Shareholders of Both Companies:

Shareholders of Mitsubishi Chemical will receive 0.5 shares of ordinary shares of the Holding Co. for each ordinary share of Mitsubishi Chemical.

Shareholders of Mitsubishi Pharma will receive 1.565 shares of ordinary shares in the Holding Co. for each ordinary share of Mitsubishi Pharma.

4. Procedure Completion Date and Effective Date:

Procedure Completion Date: October 1, 2005

Stock Transfer Date (Registration of Incorporation): October 3, 2005 (Scheduled)

(Supplemental Note: The “**Procedure Completion Date**” means the date on which all the procedures required to the Stock Transfer, except for the registration of incorporation of a 100%-parent company, have completed. The Stock Transfer will become legally effective upon incorporation of the 100%-parent company. The effective date of the Stock Transfer (date of registration of incorporation) is referred to as the “**Stock Transfer Date**”.)

MITSUBISHI CHEMICAL CORPORATION

Consolidated Balance Sheet

March 31, 2005

<u>Assets</u>	<u>Millions of yen</u>	<u>Thousands of U.S. dollars (Note 3)</u>
Current assets:		
Cash and cash equivalents	¥52,575	\$491,355
Short-term investments	2,648	24,747
Securities	13	121
Trade receivables	515,274	4,815,644
Inventories:		
Finished goods	126,682	1,183,943
Work in process	63,922	597,401
Raw materials and supplies	82,177	768,009
Land held for sale	4,940	46,168
Deferred taxes - current	32,806	306,598
Prepaid expenses and other current assets	36,169	338,028
Allowance for doubtful accounts	(2,327)	(21,747)
Total current assets	914,879	8,550,271
 Property, plant and equipment, at cost:		
Land	176,169	1,646,439
Buildings	631,316	5,900,149
Machinery and equipment	1,489,944	13,924,710
Construction in progress	26,538	248,018
	2,323,967	21,719,317
Accumulated depreciation	(1,649,014)	(15,411,345)
Net property, plant and equipment	674,953	6,307,971
 Investments and other assets		
Investment securities	259,816	2,428,186
Long-term loans	3,024	28,261
Deferred taxes - non-current	44,731	418,046
Others	74,477	696,046
Allowance for doubtful accounts	(1,352)	(12,635)
Total investments and other assets	380,696	3,557,906
Total assets	¥1,970,528	\$18,416,149

See notes to consolidated financial statements.

MITSUBISHI CHEMICAL CORPORATION

Consolidated Balance Sheet, continued March 31, 2005

Liabilities and shareholders' equity	Millions of yen	Thousands of U.S. dollars (Note 3)
Current liabilities:		
Short-term debt	¥248,381	\$2,321,317
Current portion of long-term debt	78,875	737,149
Trade payables	439,009	4,102,887
Accrued expenses	48,776	455,850
Accrued income taxes	23,333	218,065
Other current liabilities	44,168	412,785
Total current liabilities	882,542	8,248,056
Long-term liabilities:		
Long-term debt	376,821	3,521,691
Accrued retirement benefits	102,600	958,878
Other non-current liabilities	23,184	216,672
Total long-term liabilities	502,605	4,697,242
Minority interests	139,404	1,302,841
Shareholders' equity:		
Common stock	145,086	1,355,943
Additional paid-in capital	117,108	1,094,467
Retained earnings	162,966	1,523,046
Revaluation surplus	1,901	17,766
Valuation gain/(loss) of investment securities after tax-effect	37,794	353,214
Foreign currency translation adjustments	(17,917)	(167,448)
Treasury stock at cost	(961)	(8,981)
Total shareholders' equity	445,977	4,168,009
Total liabilities and shareholders' equity	¥1,970,528	\$18,416,149

See notes to consolidated financial statements.

MITSUBISHI CHEMICAL CORPORATION

Consolidated Statement of Income Year ended March 31, 2005

	Millions of yen	Thousands of U.S. dollars (Note 3)
Net sales:	¥2,189,462	\$20,462,261
Cost of sales	1,668,818	15,596,429
Gross profit	520,644	4,865,831
Selling, general and administrative expenses	372,020	3,476,822
Operating income	148,624	1,389,009
Other income (expenses):		
Interest expenses	(10,856)	(101,457)
Interest income	1,178	11,009
Dividend income	3,573	33,392
Equity in earnings of non-consolidated subsidiaries and affiliates	8,999	84,102
Exchange gain	4,081	38,140
Impairment loss on fixed assets	(17,302)	(161,700)
Gain (Loss) on sale and disposal of property, plant and equipment, net	(8,639)	(80,738)
Amortization of transition amount under post-employment benefits accounting	(8,061)	(75,336)
Personnel expenses of employees on secondment charged by affiliated and unaffiliated companies	(4,541)	(42,439)
Write-down of securities and investment securities	(3,601)	(33,654)
Loss from increase of accrued liabilities for disposal of property, plant and equipment	(3,493)	(32,644)
Additional benefits for employees' early retirement	(3,300)	(30,841)
Write-down of property, plant and equipment	(1,462)	(13,663)
Provision for losses on the disposal of businesses in the affiliated companies	(917)	(8,570)
Gain on sale of securities and investment securities	2,499	23,355
Immediate recognition of reduction in prior service cost	2,427	22,682
Gain on sale of business	535	5,000
Other, net	(3,140)	(29,345)
Income before income taxes	106,604	996,299
Income taxes:		
Current	35,706	333,700
Deferred	5,121	47,859
	40,827	381,560
Minority interests in consolidated subsidiaries	(10,405)	(97,242)
Net income	55,372	517,495
Per share:		
Net income (loss)	¥25.40	\$0.237
Cash dividends applicable to the year	6.00	0.056

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

1. Accounting policies

The accompanying consolidated financial statements as of and for the Year ended March 31, 2005 have been prepared in accordance with generally accepted accounting standards in Japan that are applicable to such financial statements.

The Corporation and its domestic consolidated subsidiaries have early adopted a new accounting standard for impairment losses on fixed assets effective in the year ending March 31, 2005. As a result, the income before income taxes was decreased by 15,554 million yen. Accumulated impairment losses on fixed assets are included in "Accumulated depreciation" on the balance sheets.

The Corporation and its domestic consolidated subsidiaries have adopted a new accounting policy for disposal of property, plant and equipment as "Accrued liabilities". As a result, the income before income taxes was decreased by 3,493 million yen.

2. Reclassification of items

Certain items presented in the original financial statements have been reclassified for the convenience of readers outside Japan.

3. U.S. dollar amounts

The Corporation and its domestic consolidated subsidiaries maintain their accounting records in Japanese yen. The U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been translated, as a matter of arithmetical computation only, at the rate of ¥107 to US\$1, the approximate exchange rate prevailing in the Tokyo foreign exchange market at the end of March 2005. This translation should not be construed as a representation that the yen amounts actually represent, or have been or could be converted into U.S. dollars at this or at any other rate.

4. Contingent liabilities

As of March 31, 2005, the Corporation and its consolidated subsidiaries were contingently liable as a guarantor or a legally construed guarantor for below borrowings incurred by non-consolidated subsidiaries, affiliates, and others.

[¥ in millions] [US\$ in thousands]	Gross including a third party's liabilities		Net Corporation's own liabilities	
Guarantee	8,890	US\$ 70,000	1,014	US\$ 96,392
Stand-by guarantee	,536	US\$ 4,355	,416	US\$ 3,233
Other construed guarantee	0,653	US\$ 9,560	,039	US\$ 7,093

Forward-Looking Statements:

The forward-looking statements are based largely on the Corporation expectations and information available as of the date here of, and are subject to risks and uncertainties which may be beyond the Corporation control. Actual results could differ materially due to numerous factors, including without limitation market conditions, and the effects of industry competition.

MITSUBISHI CHEMICAL CORPORATION

Non-Consolidated Balance Sheet

March 31, 2005

<u>Assets</u>	Millions of yen	Thousands of U.S. dollars (Note 3)
Current assets:		
Cash and cash equivalents	¥3,149	\$29,438
Marketable securities	9	93
Trade receivables:		
Notes	1,707	15,961
Accounts	99,483	929,752
Subsidiaries and affiliates	86,807	811,290
Inventories:		
Finished goods	27,084	253,126
Work in process	26,091	243,842
Raw materials and supplies	36,031	336,746
Land held for sale	844	7,897
Short-term advances to subsidiaries and affiliates	4,351	40,666
Deferred tax - current	7,965	74,439
Prepaid expenses and other current assets	2,438	22,795
Allowance for doubtful accounts	(263)	(2,458)
Total current assets	295,703	2,763,587
Property, plant and equipment, at cost:		
Land	79,526	743,240
Buildings	324,237	3,030,253
Machinery and equipment	780,027	7,289,980
Construction in progress	6,843	63,961
	1,190,635	11,127,434
Accumulated depreciation	(923,509)	(8,630,932)
	267,125	2,496,502
Investments and other assets:		
Investments in subsidiaries and affiliates	358,428	3,349,798
Investment securities	126,979	1,186,729
Advances to subsidiaries and affiliates	19,395	181,262
Long-term loans	282	2,638
Deferred tax - non-current	26,016	243,140
Others	12,620	117,947
Allowance for doubtful accounts	(10,654)	(99,573)
	533,067	4,981,941
Total assets	¥1,095,897	\$10,242,030

See notes to non-consolidated financial statements.

MITSUBISHI CHEMICAL CORPORATION

Non-Consolidated Balance Sheet, continued March 31, 2005

<u>Liabilities and shareholders' equity</u>	<u>Millions of yen</u>	<u>Thousands of U.S. dollars (Note 3)</u>
Current liabilities:		
Short-term debt	¥139,547	\$1,304,185
Current portion of long-term debt	36,400	340,195
Trade payables:		
Accounts	116,986	1,093,336
Subsidiaries and affiliates	47,542	444,320
Accrued expenses	14,989	140,092
Accrued income tax	8,313	77,697
Other current liabilities	12,074	112,851
Total current liabilities	<u>375,856</u>	<u>3,512,676</u>
Long-term debt	298,278	2,787,649
Accrued retirement benefits	61,393	573,775
Accrued liabilities for affiliate's discontinued operation	3,699	34,574
Other non-current liabilities	8,730	81,594
Total liabilities	<u>747,958</u>	<u>6,990,268</u>
Shareholders' equity:		
Common stock:		
Authorized - 5,900,000 thousand shares;		
Issued - 2,177,675 thousand shares	145,086	1,355,950
Additional paid-in capital	116,978	1,093,257
Other capital surplus		
Gain on sales of treasury stock	5	54
Earned reserve	18,431	172,259
Unappropriated retained earnings	37,886	354,084
Valuation gain/(loss) of investment securities after tax-effect	30,356	283,702
	<u>348,745</u>	<u>3,259,306</u>
Less: Treasury stock at cost		
2,323 thousand shares	(807)	(7,543)
Total shareholders' equity	<u>347,938</u>	<u>3,251,763</u>
 Total liabilities and shareholders' equity	<u>¥1,095,897</u>	<u>\$10,242,030</u>

See notes to non-consolidated financial statements.

MITSUBISHI CHEMICAL CORPORATION

Non-Consolidated Statement of Income and Retained Earnings Year ended March 31, 2005

	Millions of yen	Thousands of U.S. dollars (Note 3)
Net sales:		
Subsidiaries and affiliates	¥331,796	\$3,100,904
Other customers	538,479	5,032,516
	870,275	8,133,420
Cost of sales	748,525	6,995,570
Gross profit	121,749	1,137,850
Selling, general and administrative expenses	69,828	652,604
Operating income	51,921	485,246
Other income (expenses):		
Interest income	314	2,936
Dividend income	19,224	179,672
Gain/(loss) on sales of investment securities, net	872	8,158
Interest expenses	(7,305)	(68,280)
Debt issue expenses	(318)	(2,973)
Gain/(loss) on sales and disposals of property, plant and equipment, net	(5,995)	(56,036)
Write-off of property, plant and equipment	(1,462)	(13,667)
Write-down of investment securities	(3,186)	(29,777)
Loss on impairment of fixed assets	(5,849)	(54,672)
Gain from decrease of allowance for normal receivables	1,588	14,846
Loss from increase of accrued liabilities for disposal of property, plant and equipment	(3,344)	(31,253)
Personnel expenses of employees on secondment charged by affiliated and unaffiliated companies	(4,035)	(37,720)
5-year amortization of unrecognized prior service cost under postemployment accounting	(5,004)	(46,771)
Gain on business transfers	1,021	9,547
Other, net	1,277	11,943
Income (loss) before income taxes	39,718	371,199
Income taxes:		
Current	3,453	32,273
Deferred	6,088	56,897
Net income (loss)	30,177	282,029
Unappropriated retained earnings at beginning of the year	16,411	153,377
Appropriations:		
Cash dividends	(8,701)	(81,322)
	(8,701)	(81,322)
Unappropriated retained earnings (losses) at end of the period	¥37,886	\$354,084
Per share:		
Net income (loss)	¥13.87	\$0.130
Cash dividends applicable to the year	6.00	0.056

See notes to non-consolidated financial statements.

Notes to Non-Consolidated Financial Statements

1. Accounting policies

The accompanying non-consolidated financial statements as of and for the Year ended March 31, 2005 have been prepared in accordance with generally accepted accounting standards in Japan that are applicable to such financial statements.

The Corporation has early adopted a new accounting standard for impairment losses on fixed assets effective in the year ending March 31, 2005. As a result, the income before income taxes was decreased by 5,849 million yen. Accumulated impairment losses on fixed assets are included in "Accumulated depreciation" on the balance sheets.

The Corporation has adopted a new accounting policy for disposal of property, plant and equipment as "Accrued liabilities". As a result, the income before income taxes was decreased by 3,344 million yen.

2. Reclassification of items

Certain items presented in the original financial statements have been reclassified for the convenience of readers outside Japan.

3. U.S. dollar amounts

The Corporation maintains its accounting records in Japanese yen. The U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been translated, as a matter of arithmetical computation only, at the rate of ¥107 to US\$1, the approximate exchange rate prevailing in the Tokyo foreign exchange market at the end of March 2005. This translation should not be construed as a representation that the yen amounts actually represent, or have been or could be converted into U.S. dollars at this or at any other rate.

4. Contingent liabilities

As of March 31, 2005, the Corporation was contingently liable as a guarantor or a legally construed guarantor for below borrowings incurred by its subsidiaries, affiliates, and others.

[¥ in millions] [US\$ in thousands]	Gross including a third party's liabilities		Net Corporation's own liabilities	
Guarantee	4,732	US\$ 04,978	1,316	US\$ 73,048
Stand-by guarantee	,384	US\$ 8,363	,384	US\$ 8,363
Other construed guarantee	1,854	US\$ 10,794	,081	US\$ 6,181

Above numbers include ¥49,312 million (US\$ 460,864 thousand) contingent liabilities for the Corporation's fully consolidated subsidiaries' borrowings.

Forward-Looking Statements:

The forward-looking statements are based largely on the Corporation expectations and information available as of the date here of, and are subject to risks and uncertainties which may be beyond the Corporation control. Actual results could differ materially due to numerous factors, including without limitation market conditions, and the effects of industry competition.

MITSUBISHI CHEMICAL CORPORATION

Proposed Appropriation of Retained Earnings Year ended March 31, 2005

	Millions of yen	Thousands of U.S. dollars (Note 3)
Retained earnings before appropriations	¥37,886	\$354,084
	¥37,886	\$354,084
To appropriate as follows:		
Cash dividends (¥ 6.00 per share)	¥13,047	\$121,939
	¥13,047	\$121,939
Unappropriated retained earnings to be carried forward	¥24,839	\$232,145
Other capital surplus before appropriations	¥5	\$54
	¥5	\$54
Unappropriated other capital surplus to be carried forward	¥5	\$54
	¥5	\$54

Reference Materials for the Exercise of Voting Rights

Total number of voting rights of shareholders: 2,153,236 voting unit

1. Agenda and References

Agendum 1: Approval for the Proposed Appropriation of Retained Earnings of the 11th Fiscal Year

The proposed appropriation of retained earnings is as stated on page 17 hereof.

As for the dividend of profit, the Company proposes to pay a cash dividend of 6 yen per share, considering the Company's performance and middle- to long-term stability of the dividends.

Agendum 2: Partial Amendment to the Articles of Incorporation

The purport and objective of amendment:

With the enactment of the "Law Partially Revising the Commercial Code to Introduce Electronic Notification Systems" (Law No. 872004) on February 1, 2005, companies are allowed to make notifications on their Internet web site if permitted by their Articles of Incorporation. The Company's proposal is to make the necessary amendment to Article 4 (Notification Methods) to publish notifications on the web site.

The proposed amendment to the Articles of Incorporation are as follows:

(The contents of proposed amendment are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Method of Public Notice) Article 4. Public notices of the Company shall be made <u>in the Nihon Keizai Shimbun</u> .	(Method of Public Notice) Article 4. Public notices of the Company shall be made on <u>Internet web site; provided that in the event the Company is unable to make public notice on Internet web site due to accidents or other unavoidable circumstances, the Company shall make public notice in the Nihon Keizai Shimbun</u> .

Agendum 3: Issuance of Stock Acquisition Rights as the means of a Stock Option Scheme

Subject to the provisions of Article 280, Paragraphs 20 and 21 of the Commercial Code of Japan, the Company asks for approval to issue stock acquisition rights in favor of directors and executive officers and retiring directors and executive officers of the Company as the means of a stock option scheme, as follows.

1. Reason for Issuance of the Stock Acquisition Rights:

The Company will issue stock acquisition rights ("**Stock Acquisition Rights**") at no cost in favor of the directors and executive officers (the "**Directors and Officers**", which will include the retiring directors and executive officers), as a compensation-by-stock corresponding to a stock option scheme.

The exercise period of Stock Acquisition Right will start after the retirement of the Directors and Officers, and the amount to be paid when exercising a Stock Acquisition Right will be 1 yen per share.

The intention of the Company is to make the compensation scheme for the Directors and Officers which increases connectivity to the business performance of the Company and shareholder value.

(1) Introduction of the Compensation Scheme for Directors and Officers according to their Contribution to the Company's Business Performance:

The Company has considered the reform of the existing compensation scheme for Directors and Officers with the view to making their compensation have connection to business performance and shareholder value.

The plan is (i) to reduce the compensation and allowance for retirement benefits for the Directors and Officers in part, and (ii) to institute a new scheme, using the surplus from such reduction as the fund, by which Directors and Officers are compensated according to their contribution to the Company's business performance (based on their performance evaluation) during each fiscal year (from April 1 through March 31 of the following year) by being granted the Stock Acquisition Rights after the expiry of the relevant fiscal year.

Under this new performance-related compensation scheme, the contribution of the Directors and Officers will be evaluated based on attainment of their mission in each fiscal year, and the Company will reward them amounting in total from zero up to twice of the fund at a maximum.

(2) Realizing the Performance-Related Compensation Scheme working with Shareholder Value:

Under the performance-related compensation scheme, the Company will reward the Directors and Officers not by paying cash, but by granting Stock Acquisition Rights, which has the same effect as rewarding them by granting the shares of the Company.

As a result, the Directors and Officers will share both advantages and disadvantages relating to the stock prices with the Company's shareholders, which will encourage

the Directors and Officers to improve the Company's business performance and the middle- and long-term value.

2. Terms and Conditions for Issuance of the Stock Acquisition Rights

(1) Type and Number of Shares to be Acquired upon Exercise of the Stock Acquisition Rights:

No more than 1,170,000 ordinary shares of the Company

Provided, in the event of a stock split or consolidation of ordinary shares of the Company after the issue date of the Stock Acquisition Rights (the "**Issue Date**"), the number of shares to be acquired upon exercise of the Stock Acquisition Rights will be adjusted by the following formula (with any fraction less than one share being disregarded).

$$\begin{array}{rcccl} \text{Number of shares} & & & & \\ \text{after adjustment} & = & \text{Number of shares} & \times & \text{Ratio of stock split} \\ & & \text{before adjustment} & & \text{or consolidation} \end{array}$$

The number of shares to be acquired upon exercise of the Stock Acquisition Rights will also be adjusted to the reasonable extent, in the event of a capital reduction, merger or corporate split of the Company after the Issue Date, or in any other event that would unavoidably require such adjustment, taking into consideration the terms and conditions of such capital reduction, merger, corporate split and other events.

(2) Aggregate Number of the Stock Acquisition Rights to be Issued:

No more than 11,700 units.

The number of shares to be acquired upon exercise of each Stock Acquisition Right (the "**Number of Shares to be Granted**") will be 100 shares; provided, however, if the number of shares to be acquired upon exercise of the Stock Acquisition Rights is adjusted as set forth in (1) above, the said aggregate number and the Number of Shares to be Granted will be likewise adjusted.

(3) Issue Price of the Stock Acquisition Rights:

Zero

(4) Amount to be Paid upon Exercise of each Stock Acquisition Rights:

The amount to be paid upon exercise of each Stock Acquisition Rights (the "**Exercise Price**") will be the amount obtained by multiplying 1 yen per share of the shares to be newly issued or transferred upon exercise of each Stock Acquisition Right by the Number of Shares to be Granted.

(5) Period during which the Stock Acquisition Rights may be Exercised (the "**Exercise Period**"):

The Exercise Period of the Stock Acquisition Rights will be determined by the Board of Directors of the Company to fall within the period from June 28, 2006 to June 27,

2026.

(6) Other Conditions for the Exercise of the Stock Acquisition Rights:

- 1) No Stock Acquisition Right may be exercised in part only.
- 2) The other conditions for the exercise of the Stock Acquisition Rights will be determined by a resolution of the Board of Directors of the Company.

(7) Limitation on Transfer of the Stock Acquisition Rights:

Transfer of the Stock Acquisition Rights will require an approval of the Board of Directors of the Company.

(8) Event of Cancellation of the Stock Acquisition Rights and the Conditions Therefor:

The Company may at any time cancel, at no cost, any Stock Acquisition Rights remaining unexercised which acquired and held by the Company.

(9) Succession of the Stock Acquisition Rights upon “Kabushiki-Kokan” or “Kabushiki-Iten”, collectively a “Stock Trade”:

(Supplemental Note: “*Kabushiki Kokan*” is a method that an existing company becomes a 100%-parent company holding all the shares of other existing company(ies) by stock-for-stock exchange, and “*Kabushiki Iten*” is a method that existing company(ies) newly creates a 100%-parent company by transfer of all its(their) shares to such 100%-parent company.)

In the event of a Stock Trade upon which the Company becomes a wholly-owned subsidiary of any company, the obligations with respect to the Stock Acquisition Rights then remaining unexercised and not cancelled be succeeded by such company (the “**100%-Parent Company**”).

Provided, the foregoing will be applied, only if, the General Meeting of Shareholders of the Company (or, if a 100%-Parent Company will be incorporated by the Company jointly with any other company, the General Meeting of Shareholders of the Company and such other company, respectively) approves: (i) an agreement for “*Kabushiki Kokan*” to be entered into between the Company and the 100%-Parent Company, or (ii) an agenda for “*Kabushiki Iten*”, any of which provide that the 100%-Parent Company will succeed the obligations with respect to the Stock Acquisition Rights in accordance with the following principles.

1) Type of Shares of 100%-Parent Company to be Acquired upon Exercise of the Stock Acquisition Rights:

Ordinary shares of the 100%-Parent Company.

2) Number of Shares of the 100%-Parent Company to be Acquired upon Exercise of the Stock Acquisition Right:

Taking into account the ratio of the Stock Trade and the other conditions, the Number of Shares to be Granted (if already adjusted as set forth in (2) above, the

Number of Shares to be Granted after such adjustment) will be adjusted.

3) Amount to be Paid upon Exercise of each Stock Acquisition Right:

The Exercise Price after succession will be calculated using the same method as for the Exercise Price before succession.

4) Exercise Period of the Stock Acquisition Rights:

From the later of either (i) the commencement date of the Exercise Period set forth in (5) above or (ii) the date of Stock Trade, through the expiry date of the Exercise Period set forth in (5) above.

5) Other Conditions for the Exercise of the Stock Acquisition Rights and the Event of Cancellation of the Stock Acquisition Rights and the Conditions Therefor:

To be determined pursuant to (6) and (8) above.

6) Limitation on Transfer of the Stock Acquisition Rights:

Transfer of the Stock Acquisition Rights will require an approval of the Board of Directors of the 100%-Parent Company.

Agendum 4: Establishment of a Pure Holding Company through Kabushiki Iten (Stock Transfer under the Commercial Code of Japan)

1. Reason for Kabushiki Iten (Stock Transfer):

Mitsubishi Chemical introduced a segment management in April 2002 and has implemented its group management based on a business holding company system (a system with similar governance and management system of a holding company based on strategic business segmentation).

In order to further increase the corporate value of the group and smoothly restructure businesses in various fields in the future, Mitsubishi Chemical concluded that it is better to move to a pure holding company system in which functions for individual business management will be completely separated from those for decision-making related to group strategies and the optimal use of management resources (i.e. portfolio management).

Thus, Mitsubishi Chemical decided to, subject to approval for this Agendum, establish a pure holding company (the “**Holding Co.**”) along with its subsidiary, Mitsubishi Pharma Corporation (“**Mitsubishi Pharma**”), by means of “*Kabushiki Iten*” (stock transfer).

(Supplemental Note: “*Kabushiki Iten*” is a method that an existing company newly creates a 100%-parent company, either solely or jointly with other company(ies), in accordance with Articles 364 through 372 of the Commercial Code of Japan. All the shares owned by the shareholders of the existing company(ies) are transferred to the 100%-parent company to be newly incorporated, and the shares of the 100%-parent company are allotted to the shareholders in exchange. “*Kabushiki Iten*” will be hereinafter referred to as the “**Stock Transfer**”.)

Mitsubishi Chemical Group will be able to enhance its corporate value by reforming into a pure holding company system. That is to say, the Mitsubishi Chemical Group will flexibly and quickly respond to changes in the business environment. In addition, Mitsubishi Pharma will be able to accelerate its strategies of becoming a global research-driven pharmaceutical company, such as tie-ups and alliances with other pharmaceutical companies.

2. Details of Stock Transfer:

(1) Articles of Incorporation of the Holding Co.:

The Articles of Incorporation of the Holding Co. are as stated in the section titled “Articles of Incorporation of Mitsubishi Chemical Holdings Corporation” on pages 30–36.

(2) Type and Number of Shares to be Issued by the Holding Co.:

The type and number of shares to be issued by the Holding Co. are as follows:

Ordinary shares: 1,806,288,107 shares

Provided, in the event that convertible bonds issued by Mitsubishi Chemical are converted into ordinary share(s) before the “**Procedure Completion Date**”, the total number of ordinary shares to be issued upon the Stock Transfer will be calculated in

accordance with Article 1. 3. of the “Supplementary Provisions” of the “Articles of Incorporation of Mitsubishi Chemical Holdings Corporation”.

(Supplemental Note: The “**Procedure Completion Date**” means the date on which all the procedures required to the Stock Transfer, except for registration of incorporation of a 100%-parent company, have completed. The Stock Transfer will become legally effective upon incorporation of the 100%-parent company. The effective date of the Stock Transfer (date of registration of incorporation) is referred to as the “**Stock Transfer Date**”.)

(3) Share Allocation to Shareholders of Mitsubishi Chemical and Mitsubishi Pharma:

Shareholders registered or recorded on the latest shareholders’ register (including the beneficial shareholders’ register) of Mitsubishi Chemical and Mitsubishi Pharma on the date preceding the Procedure Completion Date will receive ordinary share of Holding Co. in accordance with the allotment ratio below (the “**Allotment Ratio**”):

- 1) Shareholders of Mitsubishi Chemical will receive 0.5 shares of Holding Co. for each ordinary share of Mitsubishi Chemical
- 2) Shareholders of Mitsubishi Pharma will receive 1.565 shares of Holding Co. for each ordinary share of Mitsubishi Pharma

(4) Paid-in Capital and Capital Reserves of Holding Co.:

- 1) Paid-up Capital: 50 billion yen
- 2) Capital Reserves: Total net assets of Mitsubishi Chemical and Mitsubishi Pharma on the Stock Transfer Date, excluding the paid-up capital amount above

(5) Cash Distribution upon the Stock Transfer:

No cash distribution will be made upon the Stock Transfer.

(6) Completion of Procedures:

The scheduled Procedure Completion Date is October 1, 2005. Registration of incorporation of Holding Co. is scheduled to be made on October 3, 2005. If necessary, however, the above schedule may be changed upon mutual agreement of Mitsubishi Chemical and Mitsubishi Pharma.

(7) Upper Limit of the Amount of Dividends:

Mitsubishi Chemical intends to distribute year-end dividends of up to 6 yen per share for a total of up to 13.1 billion yen to shareholders and beneficiaries registered or recorded on the last shareholders’ register as of March 31, 2005.

In addition, Mitsubishi Chemical intends to pay interim dividends of up to 3 yen per share for a total of up to 6.6 billion yen to shareholders and beneficiaries registered or recorded on the last shareholders’ register as of September 30, 2005.

Mitsubishi Pharma intends to distribute year-end dividends of up to 5 yen per share

for a total of up to 2.3 billion yen to shareholders and beneficiaries registered or recorded on its last shareholders' register as of March 31, 2005.

In addition, Mitsubishi Pharma intends to pay interim dividends of up to 5 yen per share for a total of up to 2.3 billion yen to shareholders and beneficiaries registered or recorded on the last shareholders' register as of September 30, 2005.

(8) Directors of the Holding Co.:

The directors of Mitsubishi Chemical Holdings Corporation will be as follows.

Name (date of birth)	Number of shares held in both companies	Notes
Ryuichi Tomizawa (Aug. 21, 1941)	Mitsubishi Chemical: 79,248 Mitsubishi Pharma: 11,000	[Status of Representation] President of Mitsubishi Chemical; Chairman of Mitsubishi Pharma
Yosuke Yamada (Feb. 9, 1943)	Mitsubishi Chemical: 43,300 Mitsubishi Pharma: 0	[Status of Representation] Representative Director of Mitsubishi Chemical
Takeshi Komine (April 14, 1947)	Mitsubishi Chemical: 0 Mitsubishi Pharma: 15,174	[Status of Representation] President of Mitsubishi Pharma
Masaoki Funada (June 3, 1942)	Mitsubishi Chemical: 55,460 Mitsubishi Pharma: 0	[Status of Representation] Representative Director of Mitsubishi Chemical President of Ningbo PTA Investment Co., Ltd.
Yoshiyuki Maekawa (Oct. 28, 1942)	Mitsubishi Chemical: 70,000 Mitsubishi Pharma: 0	
Ryuichi Sato (Sept. 7, 1943)	Mitsubishi Chemical: 20,000 Mitsubishi Pharma: 0	
Hisashi Ishikawa (April 19, 1943)	Mitsubishi Chemical: 39,000 Mitsubishi Pharma: 8,000	
Kunihiko Shimojuku (March 24, 1945)	Mitsubishi Chemical: 8,000 Mitsubishi Pharma : 4,000	[Status of Representation] Vice President of Mitsubishi Pharma

(9) Corporate Auditors of Holding Co.:

The corporate auditors of Mitsubishi Chemical Holdings Corporation will be as follows.

Name (date of birth)	Number of shares held in both companies	Notes
Hideaki Yoshida (Jan. 10, 1942)	Mitsubishi Chemical: 23,000 Mitsubishi Pharma : 0	
Yoshikazu Takagaki (July 2, 1942)	Mitsubishi Chemical: 11,000 Mitsubishi Pharma : 0	
Takayasu Kishi (April 18, 1946)	Mitsubishi Chemical: 10,400 Mitsubishi Pharma : 0	
Hiroyasu Sugihara (May 18, 1938)	Mitsubishi Chemical: 0 Mitsubishi Pharma : 0	
Somitsu Takehara (April 1, 1952)	Mitsubishi Chemical: 0 Mitsubishi Pharma : 0	

Note: Corporate Auditors, Messrs. Yoshikazu Takagaki, Hiroyasu Sugihara and Somitsu Takehara, are *Shagai-Kansayaku* (Outside Auditors) as defined in Article 18, Paragraph 1 of the “Law for Special Exceptions to the Commercial Code Concerning Audit, etc. of Kabushiki Kaisha.”

(10) Upper Limit of Remuneration to Directors and Corporate Auditors of Holding Co.:

Remuneration to the directors and corporate auditors of Mitsubishi Chemical Holdings Corporation will be limited to 30 million yen per month for directors and 11 million yen per month for corporate auditors.

Mitsubishi Chemical Holdings Corporation will have 8 directors and 5 corporate auditors at the time of its establishment.

(11) Succession of Obligations regarding Stock Acquisition Right:

At the Board of Directors meeting held on April 26, 2005, Mitsubishi Chemical resolved to propose, as an Agendum at its Ordinary General Meeting of Shareholders scheduled to be held on June 28, 2005, the issuance of Stock Acquisition Rights (as defined in Agendum 3, Paragraph 1 above) as a compensation-by-stock to its directors and executive officers as well as retiring directors and executive officers according to Article 280, Paragraphs 20 and 21 of the Commercial Code of Japan.

Obligations of Mitsubishi Chemical with respect to the Stock Acquisition Rights remaining unexercised and not cancelled on the Procedure Completion Date will, subject to approval for that Agendum, be succeeded by Holding Co., as follows:

1) Type of Shares of Holding Co. to be Acquired upon Exercise of each Stock Acquisition Right:

Ordinary shares of Holding Co.

2) Number of shares of Holding Co. to be Acquired upon Exercise of each Stock Acquisition Right:

The number of shares to be acquired upon exercise of each Stock Acquisition Right in Agendum 3, Paragraph 2 (2), will be adjusted in consideration of the Allotment Ratio for shares of Holding Co. defined in Agendum 4, Paragraph 2 (3) 1).

3) Amount to be Paid upon Exercise of Each Stock Acquisition Right:

The Exercise Price (as defined in Agendum 3, Paragraph 2 (4)) after succession will be calculated using the same method as set forth in Agendum 3, Paragraph 2 (4).

4) Exercise Period of Stock Acquisition Rights:

The period for exercising Stock Acquisition Rights will be from the commencement date of the Exercise Period set forth in Agendum 3, Paragraph 2 (5), through the expiry date of the Exercise Period.

5) Other Conditions for Exercising Stock Acquisition Rights, the Event of Cancellation of Stock Acquisition Rights and the Conditions Therefor:

As set forth in Agendum 3, Paragraph 2 (6) “Other Conditions for the Exercise of the Stock Acquisition Rights”, and 3, Paragraph 2 (8) “Event of Cancellation of the Stock Acquisition Rights and the Conditions Therefor” above.

6) Limitation on Transfer of Stock Acquisition Rights:

Approval by the Board of Directors of the Holding Co. is required to transfer the Stock Acquisition Rights.

(12) Matters relating to Appointment of Accounting Auditor of Holding Co.:

The accounting auditor of Mitsubishi Chemical Holdings Corporation is as follows.

(As of February 28, 2005)

Name	ChuoAoyama PricewaterhouseCoopers	
Address	Main office: 2-5, Kasumigaseki 3-chome, Chiyoda-ku, Tokyo	
History	Dec. 1968 Established <u>ChuoAoyama accounting office</u> July 1984 Became member firm of Coopers & Lybrand International July 1988 <u>Chuo Shinko</u> formed in merger of <u>Chuo</u> and <u>Shinko</u> July 1993 Changed name to <u>Chuo</u> July 2000 <u>ChuoAoyama</u> formed in merger of <u>Chuo</u> and <u>Aoyama</u> Jan. 2001 Merged with <u>Itou</u>	
Summary	Partners	CPAs: 439
	Employees	CPAs: 1,109 Junior CPAs: 1,074 Other staff: 763
	Offices	Domestic offices: 27 Overseas offices: 29

(13) Matters related to Joint Establishment

The Company will jointly establish Mitsubishi Chemical Holdings Corporation with Mitsubishi Pharma.

(Outline of Mitsubishi Pharma)

(As of March 31, 2005)

Name	Mitsubishi Pharma Corporation
Address	2-6-9, Hiranomachi, Chuo-ku, Osaka-shi, Osaka
Establishment	August 1, 1940
Paid-in capital	¥30,560 million
Businesses	Production and sales of pharmaceuticals, chemical products, chemical intermediates
Representative	Takeshi Komine
Employees	5,917 (consolidated), 3,546 (non-consolidated)

3. Explanation of Transfer Ratio in accordance with Article 366, Paragraph 1, Item 2 of the Commercial Code of Japan:

In regard to the joint establishment of Holding Co. as a pure holding company with Mitsubishi Pharma by means of Stock Transfer (the Procedure Completion Date is October 1, 2005), Mitsubishi Chemical has reached a conclusion on the Allotment Ratio applicable to shareholders of Mitsubishi Chemical and Mitsubishi Pharma, both of which are to become wholly owned subsidiaries of the Holding Co, as follows:

(Mitsubishi Chemical and Mitsubishi Pharma will be collectively referred to as “**Both Companies**”.)

Both Companies jointly appointed Mitsubishi Securities Co., Ltd. (“**Mitsubishi Securities**”) as an independent third party financial advisor to ensure fair and adequate determination of the ratio of the Stock Transfer (the “**Transfer Ratio**”), and requested it for calculation of the Transfer Ratio for a reference of the Both Companies.

In addition, Mitsubishi Chemical independently appointed Nikko Citigroup Limited (“**Nikko Citigroup**”) and Mitsubishi Pharma also independently appointed Nomura Securities Co., Ltd. (“**Nomura Securities**”), as their respective financial advisors, and asked them to verify adequacy and fairness of the Transfer Ratio.

At the request of Both Companies, Mitsubishi Securities calculated the Transfer Ratio based on stock comparison method, discounted cash flow method, and other methods deemed appropriate by Mitsubishi Securities, and presented the calculation results to Both Companies.

Based on the calculation results of Mitsubishi Securities, Mitsubishi Chemical conducted internal examinations from various viewpoints, and discussed, with receiving advice from Nikko Citigroup, the Transfer Ratio with Mitsubishi Pharma.

As the result, in overall consideration of various factors based on the calculation results, Both Companies agreed on the Transfer Ratio of 1 for Mitsubishi Chemical and 3.13 for Mitsubishi Pharma.

At the request of Mitsubishi Chemical, Nikko Citigroup verified the Transfer Ratio using methods it deemed appropriate, and provided Mitsubishi Chemical with a fairness opinion to Mitsubishi Chemical stating that the Transfer Ratio is fair from a financial perspective for shareholders of Mitsubishi Chemical as of April 25, 2005.

Since a voting unit of the Holding Co.’s shares is 500 shares, 0.5 ordinary share of Holding Co. will be allocated to 1 ordinary share of Mitsubishi Chemical, and 1.565 shares of Holding Co. will be allocated to 1 ordinary share of Mitsubishi Pharma, respectively. The agreement on establishment of the Holding Co. (the “**Establishment Agreement**”), in which the Transfer Ratio was incorporated, was approved at the Board of Directors of meetings of each Mitsubishi Chemical and Mitsubishi Pharma held on April 26, 2005, and was executed on the same day.

Provided, Both Companies thereby agree that, during the period from the date of the Establishment Agreement to the Stock Transfer Date, (i) if any significant changes occur in

premised conditions of the Transfer Ratio, or the fact that significant changes in premised conditions of the Transfer Ratio had already occurred before the date of the Establishment Agreement was proven, or such changes occur, and (ii) if requested by either party, the Transfer Ratio may be changed upon mutual agreement.

The convocation of the General Meeting of Shareholders was resolved at the Board of Directors meeting held on May 12, 2005, by confirming that (i) no significant change in the premised conditions of the Transfer Ratio had occurred on or before the date of the Establishment Agreement, and there had been no such changes since that date, and (ii) it was unnecessary to change the Transfer Ratio.

On April 25, 2005, Mitsubishi Pharma received an opinion from Nomura Securities, stating that the Transfer Ratio is fair for benefits of shareholders of Mitsubishi Pharma from the financial viewpoint.

4. Explanation of Conditions to be Succeeded in accordance with Article 366, Paragraph 1, Item 2-2 of the Commercial Code of Japan:

Both Companies have decided that:

(i) the “Succession of Obligations regarding Stock Acquisition Right” set forth in this Agendum 4, Paragraph 2 (11) shall comply with the policy established in “Succession of the Stock Acquisition Rights upon “Kabushiki-Kokan” or “Kabushiki-Iten”” in Agendum 3, Paragraph 2 (9); and

(ii) the number of the shares to be issued by Holding Co. upon exercise of each Stock Acquisition Right shall be determined in accordance with the Transfer Ratio in this Agendum 4, Paragraph 3.

5. Balance Sheets and Statements of Income under Article 366, Paragraph 1, Item 3-6 of the Commercial Code of Japan:

Mitsubishi Chemical’s balance sheets and statements of income are on pages 13-15.

Mitsubishi Pharma’s balance sheets and statements of income are on pages 37-39.

6. Matters related to the Resolution of this Proposal

This agendum requires the approval at the Ordinary General Meeting of Shareholders of Both Companies.

(Translation)

MITSUBISHI CHEMICAL HOLDINGS CORPORATION

ARTICLES OF INCORPORATION

CHAPTER I : GENERAL PROVISIONS

Article 1. Trade Name

The name of the Company shall be Mitsubishi Chemical Holdings Kabushiki Kaisha and shall be rendered in English as Mitsubishi Chemical Holdings Corporation.

Article 2. Purpose

1. The purpose of the Company shall be to manage companies which engage in the following businesses, by holding shares or interest in such companies:
 - (1) Industrial chemical businesses, such as organic chemical products manufacturing, pharmaceutical products manufacturing, inorganic chemical products manufacturing, and chemical fertilizer products manufacturing.
 - (2) Manufacturing of petroleum products and coal products.
 - (3) Manufacturing of carbon products and graphite products.
 - (4) Manufacturing of plastics products.
 - (5) Manufacturing of magnetic tapes, magnetic disks, and other electrical machinery and apparatuses.
 - (6) Manufacturing of electronic parts and devices.
 - (7) Manufacturing of medical instruments and apparatuses, medical supplies, and other precision instruments and apparatuses.
 - (8) Manufacturing of food stuffs.
 - (9) Manufacturing of nonferrous metals and metal products.
 - (10) Supply of electricity, gas, and heat.
 - (11) Wholesales and retails, such as chemical products wholesaling, pharmaceuticals, cosmetics, and other related products wholesaling, and pharmaceuticals and cosmetics retailing.
 - (12) General construction work, equipment installation work, and other construction works.
 - (13) Cargo road transport business, water transport business, warehousing business, and other transport businesses.
 - (14) Software service, information processing and service, and other information services.
 - (15) Medical service, nursing care service, and testing service.
 - (16) Real estate dealing business, and real estate leasing and management business.
 - (17) Moneylending business, nonlife insurance agency business, and life insurance agency business.
 - (18) Education and learning assistance service, such as operation of employment and education support facility.

- (19) Research and development, travel agency service, entertainment service, waste disposal service, labor dispatch service, and other services.
 - (20) Restaurants business and accommodation operation.
 - (21) Printing business and publishing business.
 - (22) Any and all businesses incidental and relating to any of the foregoing items.
2. The Company may engage in business consulting services.

Article 3. Location of Head Office

The head office of the Company shall be located in Minato-ku, Tokyo.

Article 4. Method of Public Notice

Public notices of the Company shall be made on Internet web site; provided that in the event the Company is unable to make public notice on Internet web site due to accidents or other unavoidable circumstances, the Company shall make public notice in the Nihon Keizai Shimbun.

CHAPTER II : SHARES

Article 5. Total Number of Shares Authorized to be Issued by the Company

The total number of shares authorized to be issued by the Company shall be six billion (6,000,000,000) shares. However, in case of redemption of shares, this number shall be decreased correspondingly.

Article 6. Acquisition of Own Shares

The Company may purchase its own shares by resolution of the Board of Directors in accordance with Article 211-3, Paragraph 1, Item 2 of the Commercial Code of Japan.

Article 7. Number of Shares Constituting One Unit, Non-Issuance of Shares Certificates for the Shares Less Than One Unit, and the Purchase of the Shares Less Than One Unit

1. The number of shares constituting one unit of the Company's shares shall be five hundred (500).
2. The Company shall not issue share certificates for shares in numbers less than a "*Tangen*" (unit) share (hereinafter referred to as the "**Shares Less Than One Unit**"), unless otherwise stated in the Share Handling Regulations established by the Board of Directors.

(Supplemental Note: "*Tangen*" means a unit that the Company may establish as a voting right at Shareholders' Meeting as well as a trading unit of shares in accordance with Article 221 of the Commercial Code of Japan.)

3. Shareholders (as used herein, including beneficial shareholders) holding the Shares Less Than One Unit may request the Company to sell shares to them to fulfill the basic unit in accordance with the Share Handling Regulations.

Article 8. Share Handling Regulations

The Share Handling Regulations sets forth that (i) classes of share certificates, and (ii) handling procedures and fees for, registration of transfer of share ownership, entries or recordings into the register of beneficial shareholders and the register of missing shares certificates, purchases and sales of the Shares Less Than One Unit, and any other matters relating thereto.

Article 9. Transfer Agent

1. The Company shall appoint a transfer agent for its shares.
2. Selection of the transfer agent and its place of business shall be made by resolution of the Board of Directors, and shall be announced by public notice.
3. The Company's register of shareholders (as used herein, including the register of beneficial shareholders) and register of missing share certificates shall be kept at the place of business of the transfer agent, and any procedures for the handling of shares, such as registration of transfer of share ownership, entries or recording into the register of beneficial shareholders and the register of missing share certificates, purchases and sales of Shares Less Than One Unit, acceptance of notifications, and other matters relating thereto, shall be handled by the transfer agent, but not by the Company.

Article 10. Notification

1. Shareholders and registered pledgees or their legal representatives shall provide notification with respect to their names, addresses and seal impressions, pursuant to the provisions of the Share Handling Regulations of the Company. This shall apply to any change thereto.
2. In addition to the above paragraph, shareholders and registered pledgees or their legal representatives residing abroad shall designate their mailing address in Japan or appoint standing proxy in Japan, and shall provide notification thereof pursuant to the provisions of the Share Handling Regulations. This shall apply to any change thereto.
3. Foreigners may substitute their signatures for seal impressions provided for in Paragraph 1 of this Article.

Article 11. Record Date

1. The shareholders who are entitled to exercise shareholders' rights at the Ordinary General Meeting of Shareholders for settlement of accounts for each fiscal year, shall be those entered or recorded on the final register of shareholders as of March 31 of such fiscal year.
2. Except as otherwise stipulated in these Articles of Incorporation, by resolution of the Board of Directors and given public notice in advance, the Company may, if necessary, regard the shareholders or registered pledges, who are entered or recorded on the final register of shareholders on a designated date, as those entitled to exercise their rights.

CHAPTER III : GENERAL MEETING OF SHAREHOLDERS

Article 12. Convening General Meeting of Shareholders

The Ordinary General Meeting of Shareholders shall be held in June of each year, and an Extraordinary General Meeting of Shareholders shall be held at any time whenever necessary.

Article 13. Chairman of General Meeting of Shareholders

The President shall act as chairman of General Meetings of Shareholders. If the President is unable to act or the post of the President is vacant, one of the other Directors shall act in his/her place in the order previously determined by the Board of Directors.

Article 14. Method of Resolution

1. Unless otherwise provided by laws and regulations or these Articles of Incorporation, resolutions of a General Meeting of Shareholders shall be adopted by a majority vote of the shareholders present.
2. The quorum for a General Meeting of Shareholders to adopt special resolutions as provided for in Article 343 of the Commercial Code of Japan, require the presence of shareholders representing one-third (1/3) of voting rights, and such resolutions shall be adopted by a two-thirds (2/3) vote of the shareholders present.

Article 15. Exercise of Voting Right by Proxy

A shareholder may exercise his/her voting rights through a proxy; provided that such proxy shall also be a shareholder of the Company with voting rights.

CHAPTER IV : DIRECTORS AND BOARD OF DIRECTORS

Article 16. Number

The number of Directors of the Company shall be ten (10) or less.

Article 17. Election

1. Directors shall be elected at a General Meeting of Shareholders by a majority vote of the shareholders present, holding one-third (1/3) or more of all shareholders' voting rights.
2. The election of Directors shall not be made by cumulative voting.

Article 18. Term of Office

The term of office of the Directors shall come to an end at the conclusion of the Ordinary General Meeting of Shareholders for the settlement of accounts for the last fiscal year that ends within one (1) year of the date on which the Directors assumed their posts.

Article 19. Representative Directors

1. Representative Directors shall be appointed by a resolution of the Board of Directors.
2. Each Representative Director shall represent the Company and shall execute the business of the Company in accordance with resolutions of the Board of Directors.
3. The Chairman of the Board and the President may be appointed by a resolution of the Board of Directors.

Article 20. Person to Convene Meetings of the Board of Directors and Chairman thereat

The Chairman of the Board of Directors shall convene a meeting of the Board of Directors and act as chairman thereat. If the Chairman of the Board of Directors is unable to act or the post of the Chairman of the Board of Directors is vacant, the President shall act in his/her place. If the President is unable to act or the post of the President is vacant, one of the other Directors shall act in his/her place in the order previously determined by the Board of Directors.

Article 21. Notice Convening Meetings

A notice convening meetings of the Board of Directors shall be sent to each Director and Corporate Auditor at least three (3) days prior to the date of the meeting. In urgent cases, however, this period may be shortened.

Article 22. Limitation of Liabilities of Directors

1. In accordance Article 266, Paragraph 12 of the Commercial Code of Japan, the Company may, by resolution of the Board of Directors, limit the liabilities of a Director (including a former Director) in respect of his/her liabilities arising out of acts specified under Article 266, Paragraph 1, Item 5 of the Commercial Code of Japan, to the extent permitted by law.
2. In accordance Article 266, Paragraph 19 of the Commercial Code of Japan, the Company may enter into an agreement with each of the Outside Directors to the effect that any liability of such Outside Director arising out of acts specified under Article 266, Paragraph 1, Item 5 of the Commercial Code of Japan; provided that the total liabilities based on such agreement shall be limited to the total amount set by each Item of Article 266, Paragraph 19 of the Commercial Code of Japan.

CHAPTER V : CORPORATE AUDITORS AND BOARD OF CORPORATE AUDITORS

Article 23. Number

The number of Corporate Auditors of the Company shall be six (6) or less.

Article 24. Election

Corporate Auditors shall be elected at a General Meeting of Shareholders by a majority vote of the shareholders present, holding one-third (1/3) or more of all shareholders' voting rights.

Article 25. Term of Office

1. The term of office of Corporate Auditors shall come to an end at the conclusion of the Ordinary General Meeting of Shareholders for the settlement of accounts for the last fiscal year that ends within four (4) years of the date on which the Corporate Auditors assumed their posts.
2. The term of office of a Corporate Auditor elected to fill a vacancy shall be until the expiry of the term of office of the Corporate Auditor which created the vacancy.

Article 26. Full-time Corporate Auditors

Corporate Auditors shall appoint full-time Corporate Auditors among themselves.

Article 27. Notice Convening Meetings

A notice convening meetings of the Board of Corporate Auditors shall be sent to each Corporate Auditor at least three (3) days prior to the date of the meeting. In urgent cases, however, this period may be shortened.

Article 28. Limitation of Liabilities of Corporate Auditors

In accordance with Article 280, Paragraph 1 of the Commercial Code of Japan, the Company may, by resolution of the Board of Directors, limit the liabilities of a Corporate Auditor (including a former Corporate Auditor) in respect of his/her liabilities to the extent permitted by law.

CHAPTER VI : ACCOUNTS

Article 29. Fiscal Year

The fiscal year of the Company shall be one (1) year beginning on April 1 of each year and ending on March 31 of the following year. Accounts shall be settled on the last day of each fiscal year.

Article 30. Dividends and Interim Dividends

1. Dividends shall be paid to shareholders and registered pledgees whose names have been entered or recorded in the final register of shareholders as of March 31 of each year.
2. The Company may, by a resolution of the Board of Directors, distribute interim dividends (as used herein, cash distributions under Article 293, Paragraph 5 of the Commercial Code of Japan) to shareholders and registered pledgees whose names have been entered or recorded in the final register of shareholders as of September 30 of each year.
3. If dividends or interim dividends are not claimed within three (3) full years from the date of commencement of payment thereof, the Company shall be exempt from liability to make such payment.
4. No interest shall accrue on unpaid dividends and interim dividends.

SUPPLEMENTARY PROVISIONS

Article 1. Issuance of Shares upon Establishment of the Company

1. The establishment of the Company shall be carried out using the method of “*Kabushiki Iten*” (stock transfer) stipulated in Article 364 of the Commercial Code of Japan.

(Supplemental Note: “*Kabushiki Iten*” is a method to incorporate a 100%-parent company by existing company(ies) in accordance with Articles 364 through 372 of the Commercial Code of Japan.)

2. The total number of shares to be issued upon the establishment of the Company shall be 1,806,288,107.
3. In the event that convertible bonds issued by the Company are converted into ordinary share(s) by the preceding day of the “**Procedure Completion Date**”, the total number of ordinary shares to be issued upon “*Kabushiki Iten*” shall be the sum of (1) and (2) below, disregarding the numbers less than one share.
 - (1) the amount by multiplying 0.5 by the sum of 2,177,675,032 and the numbers of ordinary shares issued by conversion of convertible bonds issued by the Company
 - (2) the amount by multiplying 458,434,833 by 1.565(Supplemental Note: The “Procedure Completion Date” means closing date of procedures required to the “*Kabushiki Iten*”, except for the registration to incorporate a 100%-parent company.)

Article 2. Initial Fiscal Year

Irrespective of the stipulations in Article 29 of these Articles of Incorporation, the initial fiscal year of the Company shall commence on the date of establishment of the Company and conclude on March 31, 2006.

Article 3. Initial Term of Corporate Auditors Following Establishment of Company

The term of office of the Corporate Auditors who will assume their positions upon the establishment of the Company, regardless of the stipulations of Article 25 of these Articles of Incorporation, shall come to an end at the conclusion of the Ordinary General Meeting of Shareholders for the settlement of accounts for the last fiscal year that ends within one (1) year of the date on which the Corporate Auditors assumed their posts.

Non-consolidated Balance Sheets

(Unit: Million of Yen)

	2005/03/31	2004/03/31	Thousands of U.S. Dollars
[Assets]			
Current assets:			
Cash and deposits	11,358	14,752	106,150
Notes and accounts receivable, trade	66,149	70,231	618,215
Inventories	24,430	25,014	228,318
Loans to subsidiaries	8,806	11,667	82,299
Loans to others	29,680	14,929	277,383
Deferred income taxes	12,954	13,851	121,065
Other current assets	3,110	1,984	29,065
<u>Total current assets</u>	<u>156,492</u>	<u>152,432</u>	1,462,542
Fixed assets:			
Property, plant and equipment:			
Buildings and structures	18,953	18,515	177,131
Machinery and vehicle	7,927	9,427	74,084
Land	10,365	10,737	96,869
Construction in progress	1,469	1,808	13,729
Other fixed assets	3,357	3,769	31,374
Property, plant and equipment, net	42,072	44,259	393,196
Investments and other assets:			
Intangible assets	2,638	3,175	24,654
Investments in securities	11,414	11,680	106,673
Investments in subsidiaries and affiliates	35,532	34,465	332,075
Long-term loans to subsidiary	4,140	75	38,692
Long-term prepaid expenses	309	539	2,888
Deferred income taxes	4,116	8,948	38,467
Other assets	2,181	2,603	20,383
Allowance for doubtful receivables	(15)	(32)	(140)
Total investments and other assets	60,316	61,455	563,701
<u>Total fixed assets</u>	<u>102,389</u>	<u>105,715</u>	956,907
<u>Total assets</u>	<u>258,881</u>	<u>258,147</u>	2,419,449

Non-consolidated Balance Sheets

	2005/3/31	2004/3/31	Thousands of U.S. Dollars
[Liabilities]			
Current liabilities:			
Notes and accounts payable, trade	14,285	13,565	133,505
Short-term loans	8,222	9,122	76,841
Current portion of long-term debt	50	183	467
Other accounts payable	15,264	13,683	142,654
Income taxes payable	2,984	8,308	27,888
Accrued expenses	1,726	1,709	16,131
Allowances	8,320	8,071	77,757
Notes payable, construction	14	18	131
Other current liabilities	3,516	1,400	32,860
Total current liabilities	54,384	56,064	508,262
Long-term liabilities:			
Long-term debt	–	50	–
Accrued retirement benefits	3,221	8,646	30,103
Other long-term liabilities	576	2,220	5,383
Total long-term liabilities	3,797	10,916	35,486
<u>Total liabilities</u>	<u>58,181</u>	<u>66,981</u>	543,748
[Shareholders' equity]			
Common stock	30,560	30,560	285,607
Additional paid-in capital	70,972	70,964	663,290
Retained earnings	101,127	91,355	945,112
Net unrealized holding gain on securities	3,378	3,156	31,570
Treasury stock, at cost	(5,340)	(4,871)	(49,907)
<u>Total shareholders' equity</u>	<u>200,699</u>	<u>191,166</u>	1,875,692
<u>Total liabilities and shareholders' equity</u>	<u>258,881</u>	<u>258,147</u>	2,419,449

Notes: In the current financial statements, yen amounts have been translated into U.S. dollars, for convenience or at the rate of ¥107=U.S.\$1.00, the exchange rate on March 31, 2005.

Non-consolidated Statements of Income

	(Unit: Million of Yen)		Thousands of
	2004/04/01 ~2005/03/31	2003/04/01 ~2004/03/31	U.S. Dollars
I Net sales	197,914	200,350	1,849,664
II Cost of sales	65,505	65,338	612,196
Gross profit	132,409	135,012	1,237,467
III Selling, general and administrative expenses	105,763	109,327	988,439
<u>Operating income</u>	<u>26,646</u>	<u>25,684</u>	249,028
IV Non-operating income:			
Interest and dividend income	1,610	1,652	15,047
Other income	1,334	1,387	12,467
V Non-operating expenses:			
Interest expense	48	187	449
Other expenses	1,783	2,571	16,664
<u>Ordinary income</u>	<u>27,758</u>	<u>25,965</u>	259,421
VI Extraordinary income:			
Reversal to income of accrued retirement benefit obligations for employees	2,427	4,887	22,682
Gain on sales of property, plant and equipment	1,775	608	16,589
Gain on sales of investments in securities	255	938	2,383
Others	17	34	159
VII Extraordinary loss:			
Loss on sales of property, plant and equipment	206	–	1,925
Loss on disposal of fixed assets	308	258	2,879
Loss on impairment of fixed assets	2,060	–	19,252
Amortization of retirement benefit obligation at transition	1,103	1,192	10,308
Provision of doubtful debts	528	5,287	4,935
Restructuring expenses	3,397	5,035	31,748
Amortization of patent	–	2,000	–
Loss on revaluation of investments in securities	301	–	2,813
Others	67	639	626
Income before income taxes	24,261	18,021	226,738
Income taxes	4,351	8,915	40,664
Deferred income taxes	5,580	(1,414)	52,150
<u>Net income</u>	<u>14,329</u>	<u>10,520</u>	133,916

Notes: In the current financial statements, yen amounts have been translated into U.S. dollars, for convenience or at the rate of ¥107=U.S.\$1.00, the exchange rate on March 31, 2005.

Agendum 5: Election of 9 Directors

The terms of office of all Directors will expire at the close of this General Meeting of Shareholders. Therefore, it is proposed that 9 Directors be elected. The candidates therefor are as follows:

Name (date of birth)	Current Office	Number of shares of the Company held by him/her	Notes
Kanji Shono (March 1, 1936)	Chairman of the Board	130,000	<i>[Status of Representation of other company(ies)]</i> President of Mitsubishi Kagaku Institute of Life Sciences Kabushiki Kaishya
Ryuichi Tomizawa (Aug. 21, 1941)	Member of the Board, President	79,248	<i>[Status of Representation of other company(ies)]</i> Chairman of Mitsubishi Pharma Corporation
Masaoki Funada (June 3, 1942)	Member of the Board, Deputy Chief Executive Officer	55,460	<i>[Status of Representation of other company(ies)]</i> President of Ningbo PTA Investment Co., Ltd.
Yosuke Yamada (Feb. 9, 1943)	Member of the Board, Senior Managing Executive Officer	43,300	
Ryuichi Sato (Sept. 7, 1943)	Member of the Board, Managing Executive Officer	20,000	
Hisashi Ishikawa (April 19, 1943)	Member of the Board, Managing Executive Officer	39,000	
Yoshiyuki Maekawa (Oct. 28, 1942)	Member of the Board	70,000	
George Stephanopoulos (June 1, 1947)	Member of the Board	48,000	<i>[Status of Representation of other company(ies)]</i> Chairman of MC Research & Innovation Center, Inc.
Shinichiro Handa (Dec. 13, 1937)	Member of the Board	16,000	

Note: Mr. Shinichiro Handa is qualified for a Shagai-Torishimariyaku (an Outside Director) as defined in Article 188 Paragraph 2 Item 7-2 of the Commercial Code of Japan.