

November 12, 2012

Asahi Glass Co., Ltd.
ADEKA Corporation
Kaneka Corporation
Shin-Etsu Chemical Co., Ltd.
Mitsubishi Chemical Corporation

Press Release

Agreement formalized on the reorganization of Kashima Chlorine & Alkali Co., Ltd. and Kashima Vinyl Chloride Monomer Co., Ltd.

Asahi Glass Co., Ltd. (Head Office: Tokyo; President and CEO Kazuhiko Ishimura, hereunder “Asahi Glass”); ADEKA Corporation (Head Office: Tokyo; President Akio Kohri, hereunder “ADEKA”); Kaneka Corporation (Head Office: Osaka; President Kimikazu Sugawara, hereunder “Kaneka”); Shin-Etsu Chemical Co., Ltd. (Head Office: Tokyo; President Shunzo Mori, hereunder “Shin-Etsu Chemical”); and Mitsubishi Chemical Corporation (Head Office: Tokyo; Representative Director, President and CEO Hiroaki Ishizuka, hereunder “Mitsubishi Chemical”) – hereunder referred to by the collective term of “five companies” – have continued discussions after the basic agreement reached on December 16, 2011 concerning such matters as the concrete details and conditions of the basic agreement regarding the operation of both Kashima Chlorine & Alkali Co., Ltd. (Head Office: Ibaraki; President Noboru Hasegawa, hereunder “Kashima Denkai”) – see the accompanying sheet for further information – and Kashima Vinyl Chloride Monomer Co., Ltd. (Head Office: Ibaraki; President Masaki Miyajima, hereunder “Kashima PVC Monomer”) – see the accompanying sheet for further information. Both of the latter two companies are joint ventures of the above five companies. The five companies have today formalized an agreement regarding the reorganization of the latter two companies that has the following contents.

- 1) Asahi Glass, ADEKA and Kaneka will withdraw their capital investment from both Kashima Denkai and Kashima PVC Monomer. Shin-Etsu Chemical and Mitsubishi Chemical will continue their capital investment in both joint-venture companies, and from now on both of these companies will be operated as subsidiary companies of Shin-Etsu Chemical.
- 2) Along with (1), with regard to the operation of the port’s berth facilities (the facilities for the purpose of receiving materials and shipping products) that is presently performed by Kashima Denkai, a new joint-venture company, Kashima Berth Co., Ltd. (Head Office: Ibaraki; President Makoto Kiguchi, hereunder “Berth Company”) – see the accompanying sheet for

further information – will be set up and the operation will be transferred to Berth Company.

Berth Company will be established by the spinning off of this business from Kashima Denkai.

For inquiries concerning the matters reported in this press release, please contact the following companies:

Asahi Glass Co., Ltd., Corporate Communications & Investor Relations Tel: 03-3218-5603

ADEKA Corporation, Legal Affairs & Publicity Dept. Tel: 03-4455-2803

Kaneka Corporation, Public Relations Office Tel: 06-6226-5019 (Osaka)

03-5574-8047 (Tokyo)

Shin-Etsu Chemical Co., Ltd., Public Relations Dept. Tel: 03-3246-5091

Mitsubishi Chemical Corporation,

(Mitsubishi Chemical Holdings Corporation, Public Relations and Investor Relations Office)

Tel: 03-6748-7140

For your reference, the outline of the joint-venture companies is as follows:

Outline of Kashima Chlorine & Alkali Co., Ltd.

1. Established in February 1968

2. Head Office address: 3 Towada, Kamisu-city, Ibaraki Prefecture

3. President: Noboru Hasegawa

4. Ratio of Investment

Present ratio: Asahi Glass 25%, ADEKA 23%, Shin-Etsu Chemical 23%, Mitsubishi Chemical 21%, and Kaneka 8%

After the reorganization (scheduled for late December 2012): Shin-Etsu Chemical 79%, Mitsubishi Chemical 21%

5. Business: Manufacturing and sales of caustic soda and chlorine

6. Production capacity: 400,000 tons/year of caustic soda

Outline of Kashima Vinyl Chloride Monomer Co., Ltd.

1. Established in February 1968

2. Head Office: 2 Towada, Kamisu-city, Ibaraki Prefecture

3. President: Toshihide Shimizu

4. Ratio of Investment

Present ratio: Shin-Etsu Chemical 50%, Mitsubishi Chemical 25%, Asahi Glass 10%, Kaneka 10%, and ADEKA 5%

After the reorganization (scheduled for late December 2012): Shin-Etsu Chemical 70.6%,
Mitsubishi Chemical 29.4%

5. Business: Manufacturing and sales of vinyl chloride monomer
6. Production capacity: 600,000 tons/year of vinyl chloride monomer

Outline of Kashima Berth Co., Ltd.

1. Establishment; Scheduled for December 2012
2. Head Office: 5 Towada, Kamisu-city, Ibaraki Prefecture
3. President: Makoto Kiguchi
4. Ratio of investment:
Asahi Glass 25%, ADEKA 23%, Shin-Etsu Chemical 23%, Mitsubishi Chemical 21%, Kaneka 8% (The investment ratio will be changed within one month of the establishment of the company to be the following: Asahi Glass 38%, ADEKA 13%, Shin-Etsu Chemical 23%, Mitsubishi Chemical 21%, Kashima Denkai 5%)
5. Business: Ownership, rental, operation and management of the port's berth facilities for the purpose of receiving materials and shipping products