

Japan Energy Corporation  
Mitsubishi Chemical Corporation  
Mitsubishi Corporation

### **Joint Venture of Petrochemical Products by three Companies**

1. JAPAN ENERGY CORPORATION (Headquarters: Toranomom 2-chome, Minato-ku, Tokyo; President: Mitsunori Takahagi; hereafter “JAPAN ENERGY ”) and Mitsubishi Chemical Corporation (Headquarters: Shiba 5-chome, Minato-ku, Tokyo; President: Ryuichi Tomizawa; hereafter “Mitsubishi Chemical ”) had agreed last November on construction of new facilities for producing petrochemical products and operating the joint venture. Mitsubishi Corporation (Headquarters: Marunouchi 2-chome, Chiyoda-ku, Tokyo; President: Yorihiro Kojima) has decided to join the project, and the company established this January by JAPAN ENERGY as a promotion entity will be altered to the joint venture invested by the three companies.
2. Outline of the joint venture is as follows:
  - (1) Company name: Kashima Aromatics Co., Ltd.
  - (2) Headquarters: Toranomom 2-chome, Minato-ku, Tokyo
  - (3) President: Yukio Uchida
  - (4) Capital: 10 billion yen
  - (5) Capital contribution: JAPAN ENERGY 80%, Mitsubishi Chemical 10%, Mitsubishi Corporation 10%
  - (6) Start of operation: January 2008
  - (7) Business line: Production and sales of paraxylene, benzene and light naphtha
  - (8) Sales: 120 billion yen per annum
  - (9) Number of employees: not determined
3. Constructing new facilities for producing aromatic chemical products and light naphtha from imported condensate, a by-product of natural gas, JAPAN ENERGY acquires aromatic products and Mitsubishi Chemical acquires light naphtha respectively. Mitsubishi Corporation cooperates in procurement of condensate and sales of aromatic products.
4. The operation is entirely entrusted to Kashima Oil, which will contribute to strengthening the competitiveness of joint venture through optimizing the operation with the existing facilities operation.

#### **<Reference>**

##### Outline of facilities

- (1) Location; Kashima Oil Refinery, Kashima Oil Co., Ltd.
- (2) Main production facilities: Paraxylene-making facility (420,000 tons/year), CCR reformer (20,000 barrels/day), condensate splitter (60,000 barrels/day), etc.
- (3) Main products: Paraxylene (about 420,000 tons/year), benzene (about 190,000 tons/year), light naphtha (about 850,000 kiloliters/year), etc.
- (4) Start of construction: September 2006 (Start of operation: January 2008)
- (5) Capital investment: Approximately 70 billion yen

**Kashima Oil Refinery, Kashima Oil Co., Ltd.**

