



NEWS RELEASE

FOR IMMEDIATE RELEASE

December 16, 2003

Tosoh to Establish Trading Company in China

Tokyo, Japan – Tosoh Corporation (TSE: 4042) announced plans to establish a wholly owned subsidiary in Shanghai by April of 2004. As China emerges as a powerhouse manufacturer and consumer nation, establishment of a subsidiary will swiftly position the Company in that high-growth market.

Tosoh is witnessing increased volumes to China and further market penetration will facilitate growth and play a vital role in the introduction of new products and technologies. The trading company will explore new business opportunities while strengthening existing sales routes. As part of Tosoh's overall strategy to expand global operations, focus will be placed on electronic materials, scientific and diagnostic instruments and related products, as well as fine chemicals.

"In view of current market development, Tosoh Corporation feels it is necessary to establish a company with trading functions to support our growth strategies in China. We are seeing rapidly increasing demand in all business sectors and believe this move is a prerequisite to maximizing that growth," said a company spokesman.

Strategically, Tosoh is expanding the scale of basic operations while developing and positioning in global niche markets. China will play an important role on both sides of this equation. In Vinyl Chain operations, the Company is strengthening the production base while maintaining a leading position in Asia where double-digit growth in demand for VCM and PVC resins is expected. In Petrochemicals, exports for polyphenylene sulfide (PPS) resins will be increased in 2004.

Dedicated to achieving growth overseas, Tosoh continues to shift strategic emphasis to generate higher consolidated returns from a more tightly integrated Tosoh Group worldwide. Tosoh stands to benefit greatly from China's emergence as a pivotal Asian consumer and low-cost manufacturer.

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About Tosoh Corporation

Headquartered in Tokyo, Japan, Tosoh Corporation is a diversified global chemical and specialty materials company. Founded in 1935, the Company has expanded its reach into high value-added businesses such as fine chemicals, scientific instrumentation, thin film materials, and quartzware. Tosoh is a multi-billion dollar corporation that employs more than 9,000 people worldwide and is listed on the Tokyo and Osaka Stock Exchanges.

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