



NEWS RELEASE

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February 26, 2004

Tosoh Continues to Bolster Chlor-alkali Operations in Asia Equity Increased to 80% in Philippine Top PVC¹ Player

Tokyo, Japan – Tosoh Corporation has reached an agreement with Mitsubishi Corporation to acquire 30% of the outstanding shares in the top Philippine PVC manufacturer, Philippine Resins Industries, Inc. (PRII). As a result, Tosoh will increase equity from 50% to 80% in PRII, and will assume a central role in management. “Increasing our participation in PRII is an integral part of Tosoh’s overall strategy to maintain our dominant position as a supplier of chlor-alkali products in Asia,” said a company spokesman. Over the last few years, Tosoh has been increasing the scale and competitiveness of its chlor-alkali operations to meet swelling Asian demand.

PRII was established in The Philippines in 1996 for the production and sale of PVC resins. In 1999, capacity and sales had reached 70,000 tons and in 2001, a capacity increase of 20,000 tons was undertaken to meet growing demand. Present debottlenecking operations are scheduled for completion in May of 2004 and will result in the plant achieving a 100,000-ton capacity. The additional capacity will place PRII into the top manufacturer position of PVC in The Philippines. To assure a stable supply and high quality, Tosoh will provide the primary raw material, vinyl chloride monomer (VCM), from its Nanyo Complex in western Japan.

PVC is the second largest-selling plastic in the world and used to make everything from food wrap to auto body parts. Low cost, versatility and performance make it the material of choice for dozens of industries such as health care, communications, aerospace, automotive, retailing, textiles, and construction. Tosoh Corporation as a leader in the PVC industry will continue to strengthen overall operations in support of market demand.

¹ Polyvinyl chloride (PVC) is one of the most important polymers in the world and is used in hundreds of consumer, as well as industrial products.

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Philippine Resins Industries, Inc.

Established in 1996, Philippine Resins Industries, Inc. is engaged in the manufacturer and sale of PVC resins. The Company has moved quickly to meet the demands of the growing PVC market and is scheduled to reach a 100,000-ton capacity in May of 2004. Tosoh Corporation will retain an 80% percent interest and Mitsubishi Corporation a 20% interest as of March 2004.

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.

Stock Exchange Ticker Symbol: 4042

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