

September 20, 2006

Chisso Corporation
Nippon Mining Holdings, Inc.
Toho Titanium Co., Ltd.

Production Technology Co-Development of Chisso Solar-grade Silicon

Chisso Corporation (Headquarters: Otemachi, Chiyoda-Ku, Tokyo; President/COO: Shun'ichi Okada,) Nippon Mining Holdings, Inc. (Headquarters: Toranomom, Minato-ku, Tokyo; President/Representative Director: Mitsunori Takahagi,) and Toho Titanium Co., Ltd. (Headquarters: Chigasaki, Chigasaki City, Kanagawa; Corporate Officer: Kazuharu Nogami) have agreed to conduct a study together that will establish the technology for the production of polysilicon for photovoltaic power generation by zinc-reduction method (Chisso Solar-grade Silicon Technology, hereinafter referred to as "CSS".)

The companies will further deliberate upon the conclusion of the joint venture contract for the establishment and launch of a new company.

CSS transacts business in chlorination, reduction and electrolytic reaction. In this technology, silicon tetrachloride produced by the chlorination reaction of metal silicon is reduced by zinc to produce 6N grade polysilicon (99.9999%). The polysilicon specified for the photovoltaic generation purpose is used as the raw material of Crystalline Silicon Solar Cells.

Chisso Corporation and New Energy and Industrial Technology Development Organization (NEDO) have been engaged with the research and development of CSS since 2002. Upgrade from the bench-scale laboratory to a pilot plant is currently scheduled at Minamata Research Center (Minamata City, Kumamoto.) The chlorosilane production technology that is applied in the chloridation process is currently operated by Chisso. It follows the legacy of Japan's first high purity silicon technology for the semiconductor purpose that was offered by Chisso in the 1960s.

The core technology developed by Chisso will be fused with the electrolytic technology for the metal titanium production that Toho Titanium has accumulated over the years and the high purity metal technology of Nippon Mining Holdings Group.

CSS also employs a closed loop system. It cyclically utilizes zinc chloride, which is a side-effect of the reduction process, to reduce costs and to enhance the production of high quality polysilicon while greatly reducing the by-products.

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Nippon Mining Holdings, Inc. Tel: 03-5573-5130
Toho Titanium Co., Ltd. Tel: 0467-82-0742

[Reference 1 – Corporate Data]

1. Chisso Corporation

- (1) Head office: 2-2-1 Otemachi, Chiyoda-ku, Tokyo 100-8105
- (2) Representative: Shun'ichi Okada, President and Representative Director
- (3) Established: January 1950
- (4) Capital: ¥7.8 billion
- (5) Business lines:
 - Production and sales of chemical products
- (6) Net sales: ¥199.6 billion (Consolidated)
- (7) Number of employees: 2,280 (Consolidated)

2. Nippon Mining Holdings, Inc.

- (1) Head office: 10-1, Toranomom 2-chome, Minato-ku, Tokyo 105-0001
- (2) Representative: Mitsunori Takahagi, President and Representative Director

(3) Established: September 2002

(4) Capital: ¥73.9 billion

(5) Business lines:

- Exploration and drilling for oil resources; production and sales of petroleum and petrochemical products (Japan Energy Corporation)
- Resources and non-ferrous metals (exploration, mining, production, sales and recycling); production and sales of electronic materials and fabricated metal products (Nippon Mining & Metals Co., Ltd.)

(6) Net sales: ¥3,026.3 billion (Consolidated)

(7) Number of employees: 9,579 (Consolidated)

3. Toho Titanium Co., Ltd.

(1) Head office: 3-3-5, Chigasaki, Chigasaki-City, Kanagawa 253-8510

(2) Representative: Kazuharu Nogami, President and Representative Director

(3) Established: August 1953

(4) Capital: ¥4.8 billion

(5) Business lines:

- Production and sales of titanium metals
- Production and sales of electro-ceramic raw materials
- Production and sales of catalysts for propylene polymerization

(6) Net sales: ¥31.7 billion (Consolidated)

(7) Number of employees: 646 (Consolidated)