



Press Release

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To whom it may concern



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ADEKA to Install More Production Equipment for Polyester Additives —Advancing Expansion of Polymer Additive Business—

ADEKA (President: Kunihiro Sakurai) is pleased to announce that it has decided to install more production equipment for polyester additives, which are used for resins such as polyvinyl chloride (PVC), at its Chiba Factory (Sodegaura City, Chiba Prefecture).

Plans call for the company to invest 1.5 billion yen in the new equipment, which will go into operation in April 2012.

Polyester additives demonstrate their plasticizing function when used as an additive mainly for PVC and rubber, and give such substances various characteristics, including flexibility, anti-transferability, and anti-extractability. In particular, PVC's flexibility can be freely controlled by adjusting the amount of polyester additive, and the PVC thus produced can be used for a wide range of products such as wallpaper and other construction materials, interior and exterior finishing materials for automobiles, electric wire coverings, furniture with a leather-like feel, and daily goods. The demand for polyester additives for construction materials and automotive interior and exterior finishing materials is expanding, chiefly in emerging economies, and is expected to grow substantially in future.

ADEKA's proprietary combination and manufacturing technologies enable the adaptation of polyester additives to various types of resin, and its polyester additives utilize their characteristic of being polyester-based to enhance the functionality of such resins. In addition to construction materials and automotive interior and exterior finishing materials, the new demand for polyester additives for resins that are used in sectors related to information home appliances, which require a high level of functionality, as well as in energy and other sectors, is expected to grow. For this reason, we have recently decided to install more production equipment for polyester additives.

Since 2005, with the growth of global polyester additive demand, we have increased our production capacity at ADEKA Fine Chemical (Shanghai) Co., Ltd. in China and ADEKA Fine Chemical (Thailand) Co., Ltd. in Thailand as well as in Japan. In the current plan, we will enhance our production equipment at our Chiba Factory so that we can produce 5,600 tons of polyester additives annually, boosting ADEKA's global supply capacity by 40% compared to our current equipment levels in Japan, China, and Thailand, to 22,000 tons/year. We will thus establish a complete system that enables us to supply polyester additives to the global market from our four sites in and outside Japan (Mie Factory, Chiba Factory, China, and Thailand) in a stable manner.

We have positioned Polymer additives as our core business, and we will continue to take various measures to expand the scale of our business.