



# Press Release

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FOR IMMEDIATE RELEASE:

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## ADEKA to Commence Full-Scale Polymer Additives Business in Middle East -Establishes a joint venture with the Al Ghurair Group -

ADEKA Corporation (President: Kunihiko Sakurai) has decided to establish a joint venture company in Dubai, the United Arab Emirates, to expand its operations by developing a production and sales structure for polymer additives in the Middle East. Initial manufacturing will be one pack granule additives (\*) production.

ADEKA will invest approximately ¥350 million in Al Ghurair Additives LLC (AGA), a subsidiary of the Al Ghurair Petrochemicals (Chairman - Rashid Saif Al Ghurair), which is part of Al Ghurair Group a leading conglomerate in the United Arab Emirates. AGA will be made a joint venture with Al Ghurair Petrochemicals LLC, the parent company of AGA.

AGA expects to be renamed ADEKA Al Ghurair Additives LLC in April 2011.

ADEKA regards the polymer additives business as one of its core businesses and has adopted aggressive global strategies. It has expanded the business and manages now 12 companies in ten countries and regions, including Japan, the United States, Europe, China and the other Asian regions.

With an estimated market scale of ¥10 billion, the polymer additives market in the Middle East is a key market expected to grow some 10% annually in the future. In particular, the consumption of one pack granule additives, which are to be manufactured by the new joint venture and which are the main polyolefin polymer additives product in the region, is expected to rise from 20,000 tons in 2008 to 40,000 tons in 2014. Moreover, in addition to one pack granule additives and general additives, the market for the highly functional polymer additives in which ADEKA excels is likely to grow and evolve in the future. Consequently, ADEKA expects to expand the production capacity and product lineup of the joint venture as sales grow.

While watching the current situation in the Middle East, with these initiatives to develop markets and ensure supply capability, after five years ADEKA will aim to acquire 25% share in the polymer additives market in the Middle East.

(\*) One pack additives are granules consisting of more than two polymer additives, such as antioxidants and light stabilizers, and are made of a mixture of additives and tailored to the working environment, production management, and other needs of customers.

(Reference)

□ Profile of the joint venture

Name	ADEKA Al Ghurair Additives LLC (to rename in April 2011)
Location	Abu Dhabi, United Arab Emirates (Plant)
Capital	AED30,784,000 (approximately ¥700,000,000) *1AED = ¥22.7
Investment ratio	ADEKA:49%; Al Ghurair Petrochemicals LLC: 51% (the parent company of AGA)
Officers	ADEKA: 3 (including CEO) / The Al Ghurair Group: 2
Schedule	<ul style="list-style-type: none"><li>- April 2011: Establishment of ADEKA Al Ghurair Additives LLC</li><li>- Summer of 2011: Completion of construction of the plant</li><li>- Autumn of 2011: Commencement of imports and sales</li><li>- 2012: Commencement of sales of products manufactured in the plant</li></ul>

□ Profile of Al Ghurair Group

A conglomerate in Dubai that operates in the Middle East, North Africa, Eurasia, and other regions

Number of employees	Approximately 40,000
Assets	\$6.5 billion (2010)
Operating countries	More than 20 countries
Chairman	Saif Ahmad Al Ghurair