



2022.05.27

Mitsui Chemicals, Inc.

## **Mitsui Chemicals to Acquire Pellicle Business From Asahi Kasei**

Mitsui Chemicals, Inc. (Tokyo: 4183; President & CEO: HASHIMOTO Osamu) today announced that it has formed an agreement to acquire the pellicle business of Asahi Kasei Corporation (Tokyo: 3407; President: KUDO Koshiro).

### **1. Background and objectives of the business acquisition**

According to Mitsui Chemical's Long-Term Business plan VISION 2030, it is aiming with creating and growing a "unique" ICT Solutions business to grow products that will let it create and grow operations here into our third pillar of earnings under the business portfolio transformation. This will see the pellicle business in particular positioned as a key product lineup on the ICT materials front, as well as a business to focus on further going forward. Hopes then are to offer highly competitive new products and solutions that contribute to innovation in the semiconductor production process, allowing Mitsui Chemicals to serve as the number one manufacturer of cutting-edge pellicles.

Mitsui Chemicals has been able to secure a significant presence in the pellicle market since first launching pellicle sales in 1984. The company has become the leader in cutting-edge products for LSI pellicles<sup>\*1</sup>, and stands at the forefront in achieving commercialization of EUV pellicles – these being used in EUV lithography, an advanced technology in the semiconductor industry.

Still, with the LSI pellicle market trending toward higher resolutions and more advanced quality assurance standards, it will be essential to develop technologies here further and keep up investments. Mitsui Chemicals has therefore discussed the future of pellicle operations on a number of occasions with Asahi Kasei, which has both advanced technologies and a sturdy business foundation in the pellicle arena. Resulting from these discussions is the conclusion that the best way to strengthen business here would be to combine the pellicle businesses of Mitsui Chemicals and Asahi Kasei, moving to operate them.

Asahi Kasei's own pellicle business was first commercialized in 1986. Since then, this business has propped up the FPD pellicle<sup>\*2</sup> market as its number one player. It has also forged ahead with manufacturing process improvements, production capacity increases and more for LSI pellicles, facilitating an increasing market share in recent years in the cutting-edge market posed by ArF immersion lithography.

By acquiring this business, Mitsui Chemicals aims to combine its own pellicle business in the cutting-edge realm with Asahi Kasei's wide-ranging pellicle business portfolio, making for a comprehensive pellicle manufacturer that can strengthen our position as number one on the global stage.

### **2. Business acquisition scheme**

Mitsui Chemicals will take on the entirety of Asahi Kasei's pellicle business through an absorption-

type separation, turning Asahi Kasei EMS Co., Ltd. – which has manufacturing capabilities, into a wholly owned subsidiary and will then operate Asahi Kasei EMS's Nobeoka Plant as a pellicle manufacturing base alongside Mitsui Chemicals' existing Iwakuni-Ohtake Works.

The effective date of the absorption-type separation is scheduled on July 1, 2023.

The business in South Korea and Taiwan will be transferred from Asahi Kasei's local management to Mitsui Chemicals Korea, Inc. and TAIWAN MITSUI CHEMICALS, INC., respectively by the effective date of the separation.

The total compensation for the absorption-type separation and business transfer will be determined at a later date. This will be done by taking a 7.4 billion yen business value – a figure settled upon in the final agreement between Mitsui Chemicals and Asahi Kasei – and using this as a baseline from which to consider various value adjustments.

### 3. Overview of the business to be acquired

- |                     |  |
|---------------------|--|
| (1) Business        | Operations for the development, production and sale of pellicles |
| (2) Production site | Nobeoka Plant, Asahi Kasei EMS Co., Ltd.                         |
| (3) Employees       | Approximately 170 on a consolidated basis                        |

### 4. Outlook

As the impact of this deal on the financial performance of the Mitsui Chemicals Group will be minor, there is no change to the earnings forecast.

### Reference

#### Overview of Mitsui Chemicals

- |                   |   |
|-------------------|---|
| (1) Name          | Mitsui Chemicals, Inc.  |
| (2) Head office   | Shiodome City Center, 1-5-2 Higashi-Shimbashi, Minato-ku, Tokyo |
| (3) Business      | Comprehensive chemicals business                                |
| (4) Capital       | 125.41 billion yen (as of March 31, 2022)                       |
| (5) Establishment | October 1, 1997   |
| (6) Employees     | 18,780 (consolidated; as of the end of March, 2022)             |

#### Overview of Asahi Kasei

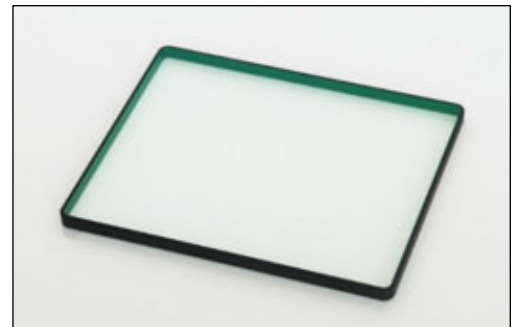
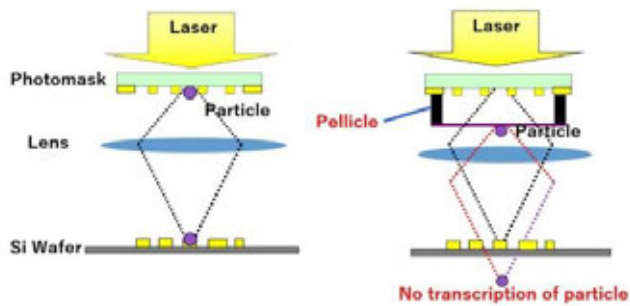
- |                   |   |
|-------------------|---|
| (1) Name          | Asahi Kasei Corporation                             |
| (2) Head office   | 1-1-2 Yurakucho, Chiyoda-ku, Tokyo                  |
| (3) Business      | Comprehensive chemicals business                    |
| (4) Capital       | 103.39 billion yen (as of March 31, 2022)           |
| (5) Establishment | May 21, 1931  |
| (6) Employees     | 46,751 (consolidated; as of the end of March, 2022) |

## Overview of target products

Employed in the exposure process that facilitates the production of semiconductors, LCD panels and more, photomask pellicles serve as a protective cover for intricately patterned photomasks, preventing dust from attaching to the photomask and affecting the imaging on the silicon wafer or panel substrate. The products to be acquired from Asahi Kasei through this deal are large FPD pellicles, which are used in the production of flat-panel displays, and small LSI pellicles, which are used in the production of semiconductors.

\*1 LSI pellicle : for semiconductors

\*2 FPD pellicle : for LCD & OLED. Main applications are smartphones, tablets, personal computers and TVs.



Pellicle