

August 2, 2004

Mitsui Chemicals to Expand Methylpentene Polymer (TPX[®]) Capacity

Japan's leading chemical company Mitsui Chemicals, Inc. (MCI) has decided to expand the production capacity of "TPX[®]" methylpentene polymer comprising a part of its functional olefin polymers line-up, the company announced today.

MCI's decision this time came in response to increasing market demand and customer needs for TPX[®] in the area of IT & electronics and industrial materials which are the main application fields taking advantage of the polymer's outstanding properties.

Expansion of TPX[®] capacity by 5,500 ton/yr will be achieved in the form of a partial modification of the existing commercial plant at MCI's Iwakuni-Ohtake Works in western Japan, raising the total capacity to 13,000 ton/yr. Construction work will begin in May 2005, with completion scheduled for July of the same year.

TPX[®] excels over other polyolefins in terms of heat resistance with a melting point of 230°C, while at the same time exhibiting superior characteristics such as clarity, mold release properties and chemical resistance. Heat resistance and mold release are being exploited in applications such as: release films for flexible printed circuit boards, molds for light-emitting diode fabrication, synthetic leather release papers, mandrels as well as sheaths for rubber hose production and laminated paper for non-stick confectionary baking cartons. On the other hand, TPX[®]'s clarity and chemical resistance make the polymer an excellent material for food and cosmetic containers as well as wrapping films.

In its current medium-term business plan, the company is aiming for expansion and growth in the Performance Materials sector consisting of Functional Polymeric Materials (FPM), IT & Electronic Materials and Healthcare Materials businesses. The FPM segment, in particular, is actively pursuing business expansion and growth as well as new product development, in order to play a central role in transforming the Performance Materials businesses into a high-revenue, high-profitability portfolio.

Owing to the significant expansion of the market and customer needs in IT & electronic materials as well as industrial materials fields in the recent years, demand for TPX[®] including overseas markets has been growing at over 10 percent per year. It is in view of a further boost in demand being projected owing to the added impetus of recently developed novel applications, that the MCI has decided to expand the TPX[®] capacity this time.

With a 7,500-ton/yr plant already in operation at Iwakuni-Ohtake Works, the expansion of the plant this time would raise the total TPX[®] capacity to 13,000 ton/yr by July 2005. The additional production is expected to promote the expansion of the current applications and to fill the added needs created by new applications, so that TPX[®] would serve as a mainstay of functional olefinic polymers in further expanding and growing the company's Performance Materials business.

>>>><<<<<