

## Denka Completes Its New Dalian Facility for Producing Highly-Reliable Thermal Conductive Plate ALSINK for High-Speed Rolling Stock

DENKI KAGAKU KOGYO KABUSHIKI KAISHA (headquarters: Chuo-ku, Tokyo; president: Shinsuke Yoshitaka; hereinafter "Denka") hereby announces that on August 3, 2015, it completed a new plant for producing ALSINK in Dalian, China. Going forward, local subsidiary Denka Electronic Materials Dalian Co., Ltd. (hereinafter "DEMDC") will be in charge of plant operation, promoting the local production of ALSINK.

ALSINK is a Metal Matrix Composite (MMC), a metallic compound consisting of aluminum and silicon carbide. Developed by Denka in 2002, it has high heat conductivity and is lightweight, boasting superior strength and resilience against fluctuations in environmental temperatures. Thanks to these features, ALSINK is used to make the heat dissipation plates for power modules used in inverters that control high-speed rolling stock motors.

It is expected that demand for high-speed rolling stock will grow over the long term due to the advantages rail transport offers in terms of utility and safety, and a number of rail construction projects are being planned in emerging economies. Moreover, the environment-friendliness of rail transport is prompting developed countries to consider the further development of high-speed rolling stock networks. Given the circumstances, Denka has been constructing a new plant in China as its second ALSINK production facility after the Omuta Plant in Fukuoka Prefecture, Japan. This move was intended to better position Denka to accommodate growing demand for this energy-saving material, especially from railcar manufacturers whose facilities are concentrated in China. By doing so, Denka will ensure the stable supply of ALSINK and provide its customers with necessary technological services.

On August 3, 2015, DEMDC held a completion ceremony, welcoming Chinese government officials, including a representative from the Junpu New District Management Committee, representatives of the construction firms that worked on the plant and business partners who will cooperate with us in facility operations. Following the ceremony, celebrations moved to a nearby hotel where we were joined by representatives from customers and financial institutions.

At the first event, Denka president Shinsuke Yoshitaka expressed his deep gratitude to our many stakeholders, who generously supported the establishment of DEMDC and the construction of the new plant. He declared his commitment to proactively assisting China's social development while ensuring the timely supply of power modules used in high-speed rolling stock, which requires superior product quality and reliability.

In line with the growth strategy set forth in its DENKA100 management plan, Denka is striving to create the most optimal production system. Looking ahead, we will promote the local production of products for overseas markets while pursuing business activities tailored to the needs of each region, thereby enhancing our competitiveness.



External appearance of DEMDC's new ALSINK plant



A completion ceremony

Reference:

Please also see a news release titled "DENKA to Establish a New Subsidiary in China to Produce ALSINK for High-Speed Rolling Stocks" as of July 14, 2014.

[http://www.denka.co.jp/eng/news/pdf/20140714\\_alsink\\_e.pdf](http://www.denka.co.jp/eng/news/pdf/20140714_alsink_e.pdf)

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