



DENKI KAGAKU KOGYO KABUSHIKI KAISHA
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Jun 13th, 2008

Price Increase for "DENKA Thermosheet EC" "DENKA ClearensheetC" and "DENKA Thermofilm ALS"

We have decided to increase prices of captioned products as follows. Negotiation with customers will be started soon.

Details

1. Effective July 1, 2008 (ETD based)

2. Price increase

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|----------------------|----------------------|
| DENKA Thermosheet EC | JPY45/kg |
| DENKA Clearensheet C | JPY40/kg |
| DENKA Thermofilm ALS | JPY 3/m ² |

3. Reasons of price increase

- (1)Recent price increase of raw materials (especially raw materials coming from Naphtha).
- (2)Recent cost increase of utilities, logistics etc.

In fact, we have been making the best effort to keep a stable supply and good quality in order to be a competitive and reliable supplier. As you know, however, recent cost pressure, especially Naphtha price, exceeds these efforts. Raw material prices and energy cost are sharply rising day by day. The level of the cost-up is so big that we cannot absorb it only by our productivity improvement. As a leading supplier of plastic sheets for carrier tape and plastic film for cover tape, we have obligation and responsibility to maintain stable supply and sustain quality improvements. Under above situations, we are obliged to ask for your understanding and assistance on the price revision of our products.

For further enquiries, please feel free to contact:

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Sincerely yours,

DENKI KAGAKU KOGYO K.K.

General Manager / Toichi Takagi
Functional Films Department