

## **DENKA to Establish a Production Facility for “DENKA Thermo Film” Electronic Packaging Material in Vietnam**

DENKA hereby announces its decision to establish a new facility within the premises of its production subsidiary DENKA ADVANCED MATERIALS VIETNAM CO., LTD. (hereinafter “DAV”) to manufacture DENKA Thermo Film, a mainstay product of the Company’s Electronics & Innovative Products Division that is used as a cover tape for embossed carrier tapes.



DENKA Thermo Film

DENKA Thermo Film is used all around the world as a cover tape for embossed carrier tapes, which play an essential role in protecting electronic components and semiconductors during transport. On the back of the popularization of smartphones and tablet terminals as well as automobile electronics, we are seeing a steady increase in shipments of DENKA Thermo Film for overseas markets, particularly those of China and Southeast Asia, and production facilities at the Isesaki Plant (Isesaki, Gunma Prefecture) are operating at a full capacity. To accommodate burgeoning global demand, we have decided to establish a new production facility in Vietnam to augment our product supply capacity.

Once completed, DAV will work to streamline the operation of this facility in concert with the operation of other facilities currently being constructed for the manufacture of VINI-TAPE, a vinyl chloride-based adhesive tape. As it is located in Vietnam, one of key countries constituting emerging Southeast Asian markets, DAV will also leverage its advantages in distribution and cost efficiency, thereby delivering products with greater competitiveness.

As a part of growth strategies set forth in the DENKA100 management plan, DENKA is striving to create the most optimal production system with the aim of strengthening the competitiveness of existing products. In line with this, we are promoting a shift to local production for products aimed at overseas markets. We will further optimize our production system by establishing the new production facility for DENKA Thermo Film in Vietnam.

### **Outline of New Facility**

Company name:	DENKA ADVANCED MATERIALS VIETNAM CO., LTD (established in December 2013)
Location:	Greater Hanoi City, Vietnam (Thang Long Industrial Park II, Hung Yen Province)
Product:	DENKA Thermo Film
Production capacity:	50 million m <sup>2</sup> per year
Completion:	September 30, 2015 (scheduled)
Investment:	Approximately ¥800 million
Personnel assigned:	About 20 persons (2016)
Sales target:	Approximately ¥5 billion (a total of fiscal 2017 sales of DENKA Thermo Film)