

To whom it may concern:

Company: Denki Kagaku Kogyo Kabushiki Kaisha

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Announcement to build a new “DENKA IP®” plant in Singapore

We, Denki Kagaku Kogyo Kabushiki Kaisha (DENKA; Seiki Kawabata, President), hereby announce the decision by DENKA to build a new “DENKA IP®” plant for the manufacture of Styrene-N-Phenylmaleimide copolymer used to impart heat resistance to AS or ABS resin in Singapore, with scheduled launch in April 2012.

DENKA is operating its manufacturing plant in Chiba prefecture at full capacity to produce 16,000 tons of “DENKA IP®” annually to meet robust demand, with shipment to China, India and the Middle East, where growing automotive markets drive strong “DENKA IP®” shipments to be used for applications such as automotive interior parts. Anticipating the continuing strong growth of “DENKA IP®” shipments, we made the executive decision to build a new plant and can thus enhance high value styrene-based product line and project expanded sales in China and elsewhere worldwide.

Since DENKA started production of acetylene black in the early 1980s in Singapore, we have expanded our product portfolio to include fused silica, polystyrene, MS resin and SBC resins, which we export worldwide by exploiting the favorable business circumstances in Singapore including logistics, tax policy and raw material cost. The land required to build our plant has already been secured and by building a new “DENKA IP®” plant, we can further strengthen our international business that is part of our key strategy.

1. Product: “DENKA IP®” (Styrene-N-Phenylmaleimide copolymer)
2. Production Capacity: 20,000 tons/year
3. Location: Singapore (Seraya Plant, Denka Singapore Pte. Ltd.)
4. Scheduled Launch (tentative): April 2012
5. Capital Expenditure: approx. 3 billion yen

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Reference Material

1. Application of “DENKA IP®”

“DENKA IP®” is used to impart heat resistance to Heat Resistant ABS for automobiles or home electronics or as polymer alloy compatibilizer to modify various engineering plastics, as well as for other applications.

2. Property of “DENKA IP®”

- Styrene-N-Phenylmaleimide copolymer with superior heat resistance and stability; developed applying our unique technology.
- Thanks to its excellent compatibility with AS resin, it is possible to impart heat resistance through simple production process by blending it into AS or ABS resins.
- Owing to its reactive group, it is used as polymer alloy compatibilizer of various engineering plastics and helps enhance heat or impact resistance.
- By comparison, Maleimide-based Heat Resistant ABS resin made up of “DENKA IP®” shows performance superior to conventional α -Methylstyrene-based Heat Resistant ABS resin as follows:

- (1) Because of its higher glass transition temperature at 200°C, high heat resistant resin can be achieved by adding just a small quantity of “DENKA IP®”.
- (2) Because of its superior heat stability, Maleimide-based Heat Resistant ABS resin compound only generates small quantity of corrosive gas, cause of damage to molds during the molding process.
- (3) Utilizing superior heat resistance or easy compounding process, wider range of product lines can be made available.
- (4) Because α -Methylstyrene-based resins are by-products derived from phenol production, their supply can fluctuate. On the other hand, a stable supply of “DENKA IP®” can be maintained stable because of its on-purpose production.



“DENKA IP®”



Practical example: Inner panel of car