

October 8, 2010

To whom it may concern:

Denki Kagaku Kogyo Kabushiki Kaisha

Establishment of Affiliate in Korea

This is to announce that Denki Kagaku Kogyo Kabushiki Kaisha (DENKA; Seiki Kawabata, President) established its affiliate in Seoul, Korea and started business there on October 1, 2010.

In Korea, there are many companies which manufacture electrical appliances, automobiles, electronic components, etc. using innovative technologies and carrying out business globally. DENKA has been selling synthetic resin, synthetic rubber, electronic materials and other materials to these companies for a long time. To collect market information more quickly and accelerate our product and market developments, we have established our new affiliate in Seoul, Korea and started business.

We will strive to improve our overseas business further with a target to increase the percentage of overseas sales from 24% in 2009 to 50% by 2015.

1. Name of affiliate: (in Japanese) 電気化学工業韓国株式会社

(in Korean) 전기화학공업한국주식회사

(in English) Denka Chemicals Korea Co., Ltd.

2. Address and telephone: Room 1416/1417, 14th floor, Hanshin Inter Valley (West Bildg.) 707-24,

Yeoksam-dong, Gangnam-gu, Seoul, KOREA Tel: +82-2-2183-1025, Fax: +82-2-2183-1019

3. Representative (President): Hiroshi Kawamoto4. Business start date: October 1, 2010

[Reference: Asian network of DENKA and our group companies]

DENKA and its group companies are strengthening their network to improve their presence in Asia.

Since the 1980s, DENKA has had a production base in Singapore, and it supplies conductive carbon black (acetylene black), fillers of Epoxy Molding Compounds for semiconductor packages (spherical fused silica) and styrene synthetic resin worldwide. In China, we established a plant to process materials for carrying electronic components in Suzhou in 2006 and we are also planning to establish a production base for other electronic components and a technical service base for synthetic rubber and other products.

Dalian Korea (Seoul)

Dalian Korea (Seoul)

Suzhou Shanghai

Suzhou Shanghai

Taiwan

Shenzhen

Regional integration company

Kuala Lumpur Singapore

Established in 2009

DENKA and its group companies have their sales bases in

Singapore, Kuala Lumpur, Taipei, Shanghai, Hong Kong, Shenzhen and Dalian. In addition to these bases, we established affiliates in Gurgaon (India) last year and in Seoul this time.

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