

November 15, 2019
Denka Company Limited

Notice Regarding Business Withdrawal from EVA Emulsion and Vinyl Acetate Resin Businesses

Denka Company Limited (headquarters: Chuo-ku, Tokyo; president: Manabu Yamamoto; hereinafter "Denka") announces that, as part of the "business portfolio reform/commodity business repositioning," promoted under the growth strategy in the Denka Value-Up management plan, Denka has decided to withdraw from the ethylene-vinyl acetate copolymers (EVA) emulsion and vinyl acetate resin businesses.

Both businesses began production and sales in the 1970s, and Denka has taken various measures such as cost reduction. However, as the market environment continues to change, Denka has judged it difficult to secure stable profits ensuring business continuity, resulting in this decision.

In the Denka Value-Up management plan, Denka lays out the goal of a 90% specialty ratio in operating profit in FY2022. With this withdrawal, including the optimal reallocation of manufacturing personnel to growth areas, Denka will aim at further specializing in high-performance elastomers and high-performance resins.

[Overview of the businesses subject to withdrawal]

1. Ethylene-vinyl acetate copolymers (EVA) emulsion business

Product name: Denka EVA Tex
Usage: Adhesive for building materials and woodworking, various painting materials
Production site: Chiba Plant (Ichihara-shi, Chiba Prefecture)
Production termination date: End of August 2021 (Sales end at the end of December 2021)

2. Vinyl acetate resin business

Product name: Saknohol, Denka ASR, Denka Melt
Usage: Adhesive for building materials, FRP anti-shrink agent
Production site: Omi Plant (Itoigawa-shi, Niigata Prefecture)
Production termination date: End of September 2020 (Sales end at the end of March 2021)

For inquiries about this press release: CSR & Corporate Communications Dept . For inquiries from customers Styrene & Acetyl Chemicals Dept, Elastomers & Performance Plastics	Tel: +81 3 5290 5511 Tel: +81 3 5290 5551
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