

Denka Completes Construction of Production Facility to Boost Production of High Functional Transparent Polymers (MS Resin) at Base in Singapore ~Doubling Annual Production Capacity to Approx. 140,000 tons and Enhancing Specialty Business~



<DSPL Seraya Plant>

Denka Singapore Private Limited (DSPL), a Singaporean consolidated subsidiary of Denka Company Limited (headquarters: Chuo-ku, Tokyo; president: Toshio Imai; hereinafter, “Denka”), has completed construction of production facility to boost production of high functional transparent polymers: MS resin (*) at its Seraya Plant. The facility entered operation on July 1. This will double Denka's annual production capacity of MS resin from approx. 70,000 tons to approx. 140,000 tons, continuing to addressing the rise in demand.

Having high-level transparency and low-level moisture absorbency, MS resin features high-level dimensional stability. In addition to optical applications of the material as light guide plates for the backlights of LCD TVs and PC monitors, it is also used for non-optical applications for products such as cosmetics containers, needs for which are growing significantly, especially in China, among other Asian countries. In response to growing needs for energy-saving TVs and monitors with larger displays and narrower frames and cosmetics containers of higher quality, Denka decided to boost production capacity by renovating the production facility of general-purpose polystyrene in September 2019.

Under the Denka Value-Up management plan that sets out specialization in the core businesses as one of the pillars of growth strategy, Denka's Polymer Solutions category has focused on the high functional/high-value added styrene functional resin such as MS resin, whose production capacity has just been boosted, SBC resin (CLEAREN®) that are used in shrink labels and suchlike and heat resistance modifier (DENKA IP®) that are used for automotive interior and exterior materials. Going forward, with the SDGs as its compass, Denka endeavors to be a company that is genuinely needed and is indispensable for society by instituting a business portfolio shift through a concentration on businesses in which it can outperform others and by further specializing in key operations.

1. Outline of the investment

- Facilities in which the investment was made: Denka Singapore Private Limited Seraya Plant
- Purposes of the investment: Enhancement of the production capacity of MS resin by revamping the polystyrene production facilities
- Investment: approx. 2.7 billion yen

2. Impact on business performance

The matter has been reflected in the forecast for consolidated financial results for the fiscal year ending March 31, 2022.

(*) MS resin: Methyl Methacrylate-Styrene Copolymer

A copolymer material comprising styrene and methyl methacrylate

It features high-level dimensional stability attributable to the material having low-level moisture absorbency, low specific gravity and excellent moldability and many other qualitative advantages. Denka's base in Singapore boasts the technologies to reliably produce high functional resin products that feature low contamination and an excellent exterior, by leveraging precision polymerization technologies at its plant equipped with a continuous production process. By doing so, it has been facilitating the differentiation of both its production technologies and its products from those of other companies and earning high marks from users in Japan and overseas.



*Reference

- "Notice Regarding Decision to Increase MS Resin Production in Singapore by Renovating Polystyrene Production Facilities" September 9, 2019
https://www.denka.co.jp/eng/storage/news/pdf/245/20190909_denkasingapore_mspolymer_increase_en.pdf

About Denka

Denka is a chemical manufacturer headquartered in Chuo-ku, Tokyo. The company specializes in developing business activities on a global scale across a wide range of fields, from inorganic and organic chemicals, to electronic materials and pharmaceuticals. Founded in 1915, Denka has steadily continued to develop and manufacture products that contribute to the development of society by fully utilizing its unique concepts and technological capabilities. Upholding its corporate slogan, "Possibility of chemistry" the company and its president, Toshio Imai, are committed to contributing to the sound development of the society while sincerely tackling the challenges that the society is now confronting.

For more information, please visit: <https://www.denka.co.jp/eng/>

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