



December 11, 2014

To Whom It May Concern

DENKI KAGAKU KOGYO KABUSHIKI KAISHA  
MITSUI & CO., LTD.

## **Announcement of Acquisition of Chloroprene Rubber Business from DuPont, U.S.**

DENKI KAGAKU KOGYO KABUSHIKI KAISHA (Headquarter: Chuo-ku, Tokyo; Shinsuke Yoshitaka, President & CEO, hereinafter “**DENKA**”) and MITSUI & CO., LTD. (Headquarter: Chiyoda-ku, Tokyo; Masami Iijima, President & CEO, hereinafter “**Mitsui**”) are pleased to announce that DENKA and Mitsui decided to establish Denka Performance Elastomer, a joint venture company with the capital ratio of 70% by DENKA and 30% by Mitsui (“**DPE**”), in the U.S., and to enter into an agreement with DuPont, an international diversified chemicals manufacturer, for an acquisition (the “**Acquisition**”) of DuPont’s business relating to the manufacture and sale of chloroprene rubber (“**CR**”) business (the “**Subject Business**”) and that DENKA and Mitsui entered into such agreement with DuPont on December 9, 2014.

We aim to complete the Acquisition during the 1<sup>st</sup> half of 2015, subject to official approvals of competent authorities.

### \* What is CR

CR is a synthetic rubber which is easy to process and has a strong balance of excellent properties such as weather resistance, ozone resistance, oil resistance, abrasion resistance, flame retardance, heat resistance, etc. CR is used for a wide range of application such as transmission belts and automotive parts, foam rubber, adhesives, etc. There are two methods to manufacture CR, acetylene method and butadiene method, of which main raw materials differ.

### 1. Purpose of Acquisition

In 1962, DENKA commenced the manufacture and sale of CR at the Omi plant (Itoigawa-city, Niigata) by using its own technology (acetylene method), and currently is one of the largest CR manufacturer supplying in approximately 80 countries worldwide.

In 1931, DuPont first developed CR, leading the way for companies around the world. It currently manufactures in butadiene method, and supplies in North America, South America, and Europe.

As a result of this Acquisition, DENKA will hold a second production base of butadiene method in a predominant location, North America, in addition to the Omi plant of acetylene method. This will enhance a high-quality stable supply structure and is expected to increase customer satisfaction.

The acquisition is one of the most important subject for DENKA’s “Achieve flexible production structure” which is one of DENKA’s new growth strategies, and DENKA will continue to try to achieve early the numerical targets.

While Mitsui has utilized its global sales network, has cooperated with DENKA for a long period, and has engaged in sales of Denka Chloroprene, by jointly conducting the Acquisition, Mitsui aims further to expand and develop the CR business together with DENKA as its business partner.

## 2. Outline of Acquisition

We will acquire from DuPont its CR business, a part of DuPont's performance polymers segment.

The outline of the Acquisition is as follows:

(1) Subject Business	Business of manufacture and sales of CR, owned by DuPont
(2) Business Location	Location of Plant: Pontchartrain plant located at La Place, Louisiana, U.S.
(3) Number of Employees	Approx. 235 employees

\*The acquisition price is scheduled to be from JPY10 billion to JPY14 billion

\*We expect the size of DENKA's CR business after acquisition to be approximately JPY50 billion.

## 3. Outline of DuPont

(1) Company Name	E.I.du Pont de Nemours and Company
(2) Address	Wilmington, Delaware, U.S.
(3) Name and Title of Representative	Ellen J.Kullman, Chair of the Board & CEO
(4) Main Business	Provision of products, technologies and services based on science technologies
(5) Stated Capital	USD541 million (as of the end of December 2013) Approx. JPY65 billion (JPY120/USD)
(6) Year of Incorporation	1802
(7) Consolidated Net Assets	USD16,286 million (as of the end of December 2013) Approx. JPY1,950 billion (JPY120/USD)
(8) Consolidated Total Assets	USD51,499 million (as of the end of December 2013) Approx. JPY6,180 billion (JPY120/USD)

(reference from DuPont's "Annual Report 2013")

## 4. Expected Schedule

(1) Date of Execution of Agreement	December 9, 2014
(2) Date of Acquisition of Business	1 <sup>st</sup> half of 2015 (projected ) (Note) The closing of the transaction is subject to official approvals of competent authorities.

End.

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### **DuPont to Sell DuPont™ Neoprene to Denka Performance Elastomer LLC**

WILMINGTON, Del., Dec. 10, 2014 – Today, DuPont Performance Polymers and DENKA (Denki Kagaku Kogyo K.K. TSE:4061) announced they have signed a definitive agreement to sell DuPont™ Neoprene polychloroprene to Denka Performance Elastomer LLC, a new joint venture company owned 70 percent by DENKA and 30 percent by Mitsui (Mitsui & Co., Ltd. TSE:8031). The sale is expected to close in the first half of 2015 pending receipt of customary regulatory approvals. Financial terms of the deal are not being disclosed.

Neoprene, invented by DuPont in 1931, is a synthetic rubber used for many chemical and weather-resistant products such as wet suits and orthopedic braces. It also is used as a base resin in adhesives, electrical insulation and coatings. DuPont is a leading producer of Neoprene polychloroprene in North America through manufacturing operations at its Pontchartrain Works site in La Place, La. Approximately 235 employees in the United States will be included in the transaction.

“Neoprene has been an important product line within DuPont Performance Polymers and we believe it will truly thrive as part of the Denka Performance Elastomer portfolio,” said [Patrick E. Lindner](#), president of DuPont Performance Polymers. “This agreement further enables the DuPont Performance Polymers business to focus on innovative new offerings that drive profitable growth both today and over the long term.”

“We are excited to welcome Neoprene and the employees who manage this product,” said Shinsuke Yoshitaka, DENKA president & CEO. “Chloroprene rubber is our core business and the acquisition from DuPont will largely contribute to our further sustainable growth. Also, DENKA can establish a flexible supply structure with high-quality products. Furthermore, we expect to enjoy synergies with our Research & Development and technical services, which are our strengths. I believe that these positive effects will enable us to serve the market and the customers much better.”

DENKA was founded in 1915 and is headquartered in Tokyo, Japan. DENKA manufactures and distributes a wide range of chemical products, encompassing organic and inorganic materials, polymer processing, electronic materials and pharmaceuticals. Since 1962, DENKA has been manufacturing polychloroprene in its plant in Omi, Japan, using the acetylene method of polychloroprene production.

DuPont has been bringing world-class science and engineering to the global marketplace in the form of innovative products, materials, and services since 1802. The company believes that by collaborating with customers, governments, NGOs, and thought leaders we can help find solutions to such global challenges as providing enough healthy food for people everywhere, decreasing dependence on fossil fuels, and protecting life and the environment. For additional information about DuPont and its commitment to inclusive innovation, please visit [www.dupont.com](http://www.dupont.com).

**DuPont Forward-Looking Statements:** This document contains forward-looking statements which may be identified by their use of words like: “intends,” “estimates,” “anticipates” or other words of similar meaning. All statements that address expectations or projections about the future, including statements about the company’s strategy for growth, product development, regulatory approval, market position, anticipated benefits of recent acquisitions, timing of anticipated benefits from restructuring actions, outcome of contingencies, such as litigation and environmental matters, expenditures and financial results, are forward-looking statements. Forward-looking statements are not guarantees of future performance and are based on certain assumptions and expectations of future events which may not be realized. Forward-looking statements also involve risks and uncertainties, many of which are beyond the company’s control. Some of the important factors that could cause the company’s actual results to differ materially from those projected in any such forward-looking statements are: fluctuations in energy and raw material prices; failure to develop and market new products and optimally manage product life cycles; significant litigation and environmental matters; failure to appropriately manage process safety and product stewardship issues; changes in laws and regulations or political conditions; global economic and capital markets conditions, such as inflation, interest and currency exchange rates; business or supply disruptions; security threats, such as acts of sabotage, terrorism or war, weather events and natural disasters; ability to protect and enforce the company’s intellectual property rights; successful integration of acquired businesses and separation of underperforming or non-strategic assets or businesses and successful completion of the proposed spinoff of the Performance Chemicals segment including ability to fully realize the expected benefits of the proposed spinoff. The company undertakes no duty to update any forward-looking statements as a result of future developments or new information.

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