

## Expansion of Production Facilities for Spunbonded Nonwoven Fabrics

Mitsui Chemicals, Inc. (Toshikazu Tanaka, President & CEO) announced plans to expand production facilities for spunbonded fabrics in response to increased demand resulting from a growing disposable diapers market.

### Outline of Expansion

1. Product: Hygienic spunbonded fabric(\*)
2. Location: Sunrex Industry Co., Ltd. (Yokkaichi, Mie Prefecture)
3. Capacity increase: 15,000 tons/year (current 64,000 tons/year to 79,000 tons/year)
4. Total investment: Approximately 5 billion yen
5. Commercial Operation: April 2012

Mitsui Chemicals has continued to develop its hygienic spunbonded fabric operations in response to increased demand of Asian disposable diaper manufacturers. The company continues to intensify its supply framework and expand operations in East Asian, including Japan, and Southeast Asia. As the concerned market is expected to show further growth in both East and Southeast Asia, the company will further strengthen its spunbonded fabric operations to respond to stepped up manufacturer demands.

In Japan, expansion of demand for high quality hygienic spunbonded fabrics with improved functionality for disposable diapers is forecasted. The planned production facility expansion will help the company respond to the needs of this growing market.

Mitsui Chemicals wholly owned subsidiary, Sunrex Industry Co., Ltd. in Yokkaichi, Mie Prefecture boasts the largest domestic production facility for spunbonded fabrics. Additionally, the company has a wholly owned subsidiary in Thailand, Mitsui Hygiene Materials Thailand Co., Ltd., which manufactures spunbonded fabric. The two production facilities continue to operate at full capacity.

The company will further intensify and expand operations to meet growing market demands and reinforce its position as the top provider of spunbonded fabrics in Asia.

### <Reference 1: Mitsui Chemicals Spunbonded Fabrics Production Capacity>

	Current	Post-Expansion
Sunrex Industry (Yokkaichi, Mie Prefecture)	34,000 tons/year	49,000 tons/year
Mitsui Hygiene Materials Thailand (Eastern Seaboard Industrial Area, Rayong Province)	30,000 tons/year	30,000 tons/year
Total	64,000 tons/year	79,000 tons/year

<Reference 2: Outline of Sunrex Industry Co., Ltd.>

Location	1, Asake-cho, Yokkaichi, Mie
Business	Manufacture and sale of spunbonded nonwoven fabrics from resin
Establishment	1960
Capital	240 million yen
Equity	Mitsui Chemicals 100%
CEO	Motoyuki Esaki

- (\*) Spunbonded fabric: Spunbonded fabric has superior smoothness, durability and tensile strength and is widely used in hygienic, industrial (architectural, construction, agricultural), and other materials.