

July 28, 2011

Groundbreaking Ceremony Held for PT. NIPPON SHOKUBAI Indonesia's New AA/SAP Plants

NIPPON SHOKUBAI CO., LTD. [Headquarters: Chuo-ku, Osaka; President: Masanori Ikeda, TOSE:4114.T] ("NIPPON SHOKUBAI") announced that today, July 28, 2011, its subsidiary PT.NIPPON SHOKUBAI INDONESIA ("NSI") held a groundbreaking ceremony for a new Acrylic Acid ("AA") plant and a new superabsorbent polymers ("SAP") plant in Cilegon, Banten, Indonesia.

(The outline of NSI and the detail of capacity expansion work are mentioned below.)



SAP, one of NIPPON SHOKUBAI's core businesses, shows steady growth of demand as a raw material of disposable diapers. NIPPON SHOKUBAI established its production and supply network in the four key markets in Japan, America, Europe and China. To maintain its top-ranking market share, NIPPON SHOKUBAI decided to enlarge the original investment plan of SAP, together with AA, a main raw material of SAP, at NSI. (Please refer the News Release dated Mar. 31, 2011.)

With this project at NSI, NIPPON SHOKUBAI group's global AA and SAP production capacity will be as below, and NIPPON SHKUBAI will enhance its position as one of the world top suppliers of SAP.

NIPPON SHOKUBAI's AA/SAP Production Capacity (MT/Y)

	Current	End 2013
AA	620,000	700,000
SAP	470,000	560,000

The main attendants for the groundbreaking ceremony are as follows:

Mr. Sakri Widiyanto,
Special assistance on industrial resources and technology,
Ministry of Industry

Mrs. Hj. Ratu Atut Chosyiah SE
Governor, Banten

Ir. Wahyu
Head of BKPMMD Banten

Mr. Masanori Ikeda, President, NIPPON SHOKUBAI

Mr. Masakazu Tanaka, President Director, NSI

Number of attendants for the ceremony was around 100.

◆ Corporate outline of NSI

Established	August 1996
Location	Cilegon, Indonesia (Headquarters and plant)
Representative	Masakazu Tanaka (Mr.), President Director
Business	Production and sales of AA and acrylates AA Capacity : 60,000 MT/Y
Capital	120 million US dollars, paid in capital 93.7% owned by NIPPON SHOKUBAI
Number of employees	268 as of December 31,2010

◆ Feature of capacity expansion work

Production capacity	AA 80,000 MT/Y Current capacity is 60,000 MT/Y, after the completion total capacity will be 140,000 MT/Y SAP 90,000 MT/Y
Schedule	Mechanical completion – February 2013 Commercial operation – August 2013
Location	Existing plant site of NSI
Investment amount	Approx. 300 million US dollars, including the original plan

【Contacts】

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