



December 8, 2017
Mitsui Chemicals, Inc.

Completion of Expansion of Electrolyte Solution Production Capacity in China

- Meeting growing EV demand in China -

Mitsui Chemicals, Inc. (Tokyo; President & CEO: Tsutomu Tannowa; “Mitsui Chemicals”) has announced the commencement of commercial operation of facilities for the production of electrolyte solution for lithium-ion batteries run by Formosa Mitsui Advanced Chemicals Co., Ltd. (“FMAC”), a joint venture of Mitsui Chemicals and Formosa Plastics Corporation (Taiwan; Chairman & President: Jason Lin; “Formosa Plastics”), in November 2017. The capacity had previously been expanded in December 2016.

The market for lithium-ion batteries is growing in line with the rising demand for laptops, smartphones and tablets. It is anticipated that the market will expand further, mainly in China, given that plug-in hybrid vehicles and electric vehicles (EVs) with smaller environmental footprints will come into widespread use.

In collaboration with Formosa Plastics, Mitsui Chemicals constructed the facilities to produce high quality electrolyte solution, beginning commercial operation in July 2016. In preparation for the market growth, the recent expansion was made to bolster the supply system by calling on well established technologies and knowledge on electrolyte solution, to meet growing demand in the Chinese market.

<Outline of FMAC and expanded production capacity>

1. Name	Formosa Mitsui Advanced Chemicals Co., Ltd.
2. Establishment	August 2013
3. Capital	US\$ 8.2 million
4. Equity ratio	Mitsui Chemicals 50%, Formosa Plastics 50%
5. Location	FPC industrial complex in Ningbo, China
6. Business	Manufacture, sales and research for electrolyte solution in China
7. Capacity	5,000 tons / year (including the recent expansion by 3,500 tons / year)

Demand for lithium-ion battery-use electrolyte solution is also expected to grow in Japan, especially for onboard equipment. At Mitsui Chemicals, its production facility with the capacity of 5,000 tons/year at the Nagoya Works has been in commercial operation since April 2017.

Mitsui Chemicals has targeted the mobility domain as a growth driver. As one of the growth leaders in this domain, it is actively pursuing expansion of its unique and distinctive electrolyte solutions for

lithium-ion batteries. It will continue to strengthen and enlarge its mobility business by expanding its electrolyte solution supply systems in China and Japan.

<Outline of Formosa Plastics>

1. Name	FORMOSA PLASTICS CORPORATION
2. Establishment	November 1954
3. Capital	US\$ 1,930 million
4. Location	201 Tung Hwa N. Road Taipei, Taiwan
5. Business	Manufacture and sales of petrochemicals and chemical products
6. Employees	6,316 (2016)

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