

Sumitomo Chemical Expands MMA Monomer Production in Korea

Tokyo, August 22, 2005 – Sumitomo Chemical Co., Ltd. today announced that its South Korean affiliate, LG MMA Corporation (LG MMA), has started construction at its Yeosu plant of a new methyl methacrylate (MMA) monomer production facility with an annual capacity of 76,000 tons. The new facility is scheduled to begin commercial operation in April 2008.

In recent years Korea has seen a surge in demand for optical grade MMA polymer for use in such products as the light-guide plates for LCD backlights. To meet this demand, LG MMA constructed an MMA polymer production facility based on Sumitomo Chemical's continuous bulk polymerization technology, which began commercial operation in July of this year. In the country, MMA monomer is also in increasing demand not only as a raw material for MMA polymer, but also for use in such materials as artificial marble and MBS resins. LG MMA's new monomer plant makes it possible to meet brisk demand in the Korean market, where the product is in tight supply. Together with the two existing plants, LG MMA's total MMA monomer production capacity will increase to 176,000 tons annually once the new plant is brought on stream..

Sumitomo Chemical positions its MMA business as one of the core businesses in its Basic Chemicals Sector, and is actively expanding its operations with a focus on Asian markets by leveraging its internationally competitive proprietary technologies, such as the direct oxidation process used to efficiently produce MMA monomer. In Singapore, the Company plans to undertake another capacity expansion of its MMA monomer plant, with commercial operation to start in the first quarter of 2008. When the expanded plant becomes operational, Sumitomo Chemical will have a total annual MMA monomer production capacity in Japan, Singapore and South Korea of 489,000 tons. The Company will continue to further expand its MMA business as Asia's leading manufacturer of the product.

Overview of LG MMA Corporation

Name:	LG MMA Corporation
President:	Han-Seob Kim (originally from LG Group)
Ownership:	LG Corporation 50%
	Sumitomo Chemical Co., Ltd. 25%
	Nippon Shokubai Co., Ltd. 25%
Capital:	24 Billion Won
Established:	1991
Major Business:	Production and sale of MMA monomer and MMA polymer
Employees:	194