

May 23, 2017

Sumitomo Chemical to Expand Automotive Materials business in China

Sumitomo Chemical has decided to strengthen its Automotive Materials business in China by establishing a new manufacturing and sales base for polypropylene (PP) compounds in the city of Chengdu, Sichuan Province as well as providing manufacturing capabilities for thermoplastic elastomers (TPE) at its existing facility in Dalian, Liaoning Province.

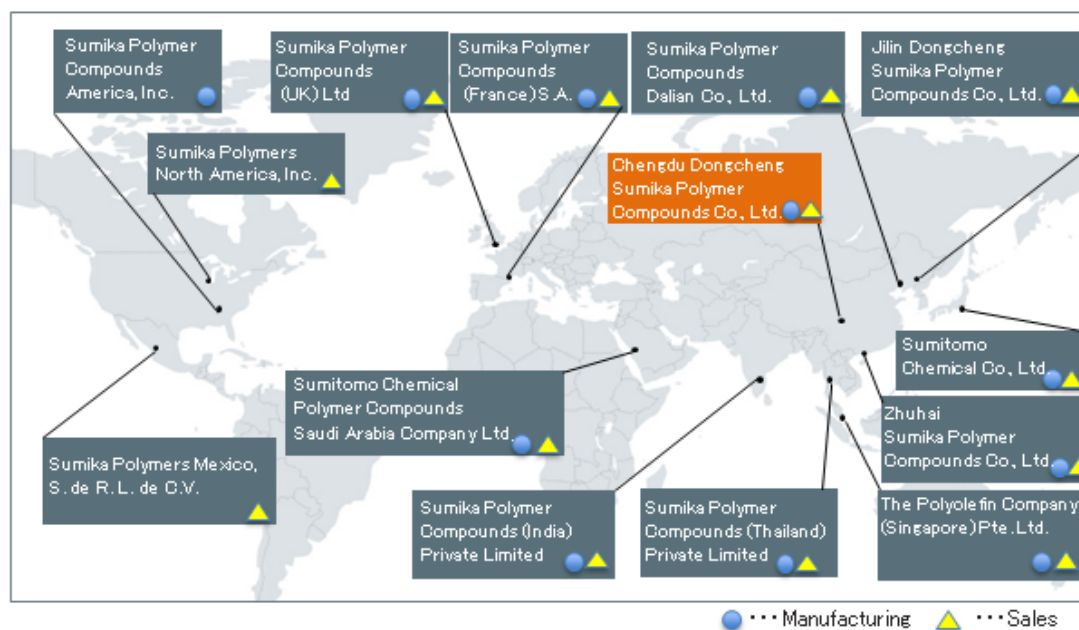
PP compounds are high-performance materials made by kneading synthetic rubber, glass fibers, and inorganic fillers into PP to improve or vary such parameters as impact resistance and functionalities according to target applications, e.g. automobile bumpers, and interiors. TPE is a material that melts and becomes pliable at high temperatures, while at the same time exhibiting a rubber-like elasticity at normal temperatures. It can be processed by molding in the same manner as thermoplastic resins. The primary applications include automotive materials, such as airbag covers and body seals.

China, the world's largest automobile market, is seeing an ever-growing demand for PP compounds for automotive exterior or interior applications. It is reported that people's rising awareness of auto-safety has been accompanied by an increasing number of vehicles equipped with air bags, including those made of TPE. The city of Chengdu where Sumitomo Chemical's PP compounds manufacturing facilities are to be located is one of the major cities in the western part of the country and holds the great promise of a continued high economic growth in the years to come. In light of the situation, Sumitomo Chemical has decided to further expand its Automotive Materials business in China by reinforcing the manufacturing capabilities.

Elsewhere in the world, Sumitomo Chemical is constantly working to develop the Automotive Materials business geared to high-growth markets. As far as PP compounds are concerned, the Company set up a new marketing base in Mexico and a manufacturing plant in India last year. Going forward, Sumitomo Chemical will continue to work on expanding and enhancing its global network of production and marketing capabilities so that it can respond to customers' diverse needs speedily and timely.

Sumitomo Chemical's manufacturing and sales bases for PP Compounds

Our global production capacity of PP compounds : approximately 260,000t per year



Overview of Chengdu Dongcheng Sumika Polymer Compounds

Company name : Chengdu Dongcheng Sumika Polymer Compounds Co., Ltd.
 Location : Chengdu, Sichuan province, China
 Established : October 2016
 Chairman : Zhang Xiqing
 Business : Manufacturing and sales of PP compounds

Overview of Sumika Polymer Compounds Dalian

Company name : Sumika Polymer Compounds Dalian Co., Ltd.
 Location : Dalian, Liaoning province, China
 Established : September 2011
 Chairman : Tohru Yabe
 Business : Manufacturing and sales of PP compounds and TPE