

July, 2009

Sumitomo Chemical Announces Expansion of Olyset® Net Plan in Tanzania

Sumitomo Chemical has announced that Vector Health International Limited (Vector Health), its joint venture in Tanzania for the manufacture of its anti-malarial Olyset® Net mosquito nets, will expand production capacity by 9.9 million nets per year, raising its capacity to 16.6 million nets per year. The expanded plant is scheduled to start operation in December of this year. This capacity expansion will bring the total number of Olyset® Nets manufactured in Tanzania to 29 million nets annually, and to 51 million annually worldwide.

Every year, between 350 and 500 million people worldwide become infected with malaria and over a million of them die from the disease. Ninety percent of malaria cases occur in Sub-Saharan Africa, and the death toll is highest among children under the age of five. Malaria is one of the causes of poverty, and its prevention and eradication is vital to Africa's economic development. The Olyset® Net developed by Sumitomo Chemical is highly durable and long-lasting mosquito net that retains its efficacy for over 5 years even with repeated washing. It is an economical and effective way of protecting people from the mosquitoes that transmit malaria, and its use is therefore endorsed by the WHO.

In 2003, Sumitomo Chemical provided its Olyset® Net technology free of charge to Tanzanian mosquito net manufacturer A to Z Textile Mills Limited (A to Z), beginning local production of the nets in Africa. Then, in September 2005, Sumitomo Chemical partnered with an A to Z group company to form Vector Health, which has been expanding production capacity to meet the increasing demand. The distribution of insecticidal mosquito nets has been deemed an effective means of preventing the spread of malaria, which is one of the Millennium Development Goals* put forth by the UN, and though percentage of children in Sub-Saharan Africa sleeping under insecticidal mosquito nets rose from a mere 2% in 2000 to 20% in 2006, even more nets are needed. This has prompted Sumitomo Chemical to further expand Vector Health's Olyset® Net production capacity.

This capacity expansion is expected to increase the number of people employed in the manufacture of Olyset® Net from approximately 4000 persons to approximately 6000 persons, and thus will contribute to the creation of local employment opportunities. Sumitomo Chemical will continue to provide its Olyset® Net and promote local production in its efforts not only to expand its business but also to contribute to Africa's autonomous development.

* Millennium Development Goals (MDG s):

A series of 8 development targets addressing issues such as poverty, education, the environment and human rights to be achieved by 2015 based on the UN's Millennium Development Declaration adopted in September 2000.