November 25, 2010

Sumitomo Chemical Announces Construction of New S-SBR Manufacturing Plant in Singapore

Sumitomo Chemical ("the Company") has announced that it has decided to construct a new plant in Singapore for the manufacture of its solution styrene-butadiene rubber (S-SBR). The newly constructed plant will have a production capacity of 40 thousand tons per year and will start commercial operation in the fourth quarter of 2013.

S-SBR is seeing rapid demand growth as a raw material for high-performance, fuel-efficient tires amid increasingly strict worldwide regulations on automobile fuel consumption in efforts to combat global warming. In Asia, particularly in China, India, and Thailand, tire manufacturers are planning a succession of capacity expansions, and supply capacity for S-SBR is expected to grow in the near term.

Sumitomo Chemical decided to construct the new plant in Singapore because of its geographic advantage in supplying the growing Asian markets and a secured stable supply of the raw material butadiene, which is likely in tight supply, as well as easy access to existing businesses of the Sumitomo Chemical Group in Singapore that can be leveraged effectively.

Sumitomo Chemical's S-SBR is manufactured using the Company's proprietary manufacturing process technology and it develops high-performance grades with its polymer modification technology -- key to high performance. This S-SBR has won high praise from its customers in the tire manufacturing industry both in Japan and overseas for being a highly fuel-efficient tire material with outstanding abrasion resistance. Sumitomo Chemical's new plant in Singapore, in tandem with its existing plant in Japan, will drive the further global expansion of its S-SBR business.

Overview of New Construction Plan

- Site Location: Merbau area, Jurong Island, Singapore
- Production Capacity: 40 thousand tons/yr.
- Products: Styrene-butadiene rubber for highly fuel-efficient tires
- Production Process: Solution polymerization
- Planned Operation: Start of commercial operation in Q4 2013