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Sumitomo Chemical Starts Construction of Manufacturing Facility for Next-Generation Touchscreen Panels

Sumitomo Chemical Co., Ltd. (“the Company”) has recently started construction of a new manufacturing facility for next-generation touchscreen panels on the site of Dongwoo Fine-Chem Co., Ltd. (“Dongwoo”), the Company’s Korean base of operations for electronic materials. The Company plans to invest KRW250 billion (approximately ¥19 billion) in the construction of this facility.

Touchscreen panels constitute a vital component that determines display functionality in devices such as smart phones and tablet computers, which have come into widespread use in recent years. In addition to existing applications, touchscreens are expected to find applications in a wide range of devices such as electronic blackboards, slate devices used in education, and navigation displays.

The touchscreens manufactured at this new facility will be next-generation panels used in organic LED (OLED) display panels. Such panels have won praise for their clarity of image, convenience in operation, low energy consumption, lightness, and other fine qualities.

The manufacture of these touchscreens involves steps that are substantially similar to those for the manufacturing of color filters used for LCD display production, enabling the Company to leverage effectively its long years of accumulated technical expertise in color filter manufacture. In addition, Samsung Mobile Display, which will be the major customer for the Company’s touchscreen panels, is the global leader in small- and medium-size devices using small-molecule organic LEDs (SMOLEDs). Working in collaboration with Samsung, the Company aims to establish a high standard of touchscreen panel manufacturing technologies.

Meanwhile, Sumitomo Chemical is also focusing development efforts on polymer organic LED (PLED) materials, which are expected to find applications in large-screen TVs, and is setting its sights on the future development of large-screen PLED touchscreen panels as it seeks to expand its business further.

Overview of Investment in New Facility

1. Product manufactured: next-generation touchscreen panels
2. Location: Dongwoo Fine-Chem Co., Ltd., Pyeongtaek, Republic of Korea
3. Investment: KRW250 bn (approx. ¥19 bn)
4. Production capacity: Not disclosed
5. Anticipated completion: Q4 2011 Production startup: Q1 2012