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Sumitomo Chemical to Expand Capacity of High-Purity Alumina Manufacturing Facility

Sumitomo Chemical Co., Ltd. (“the Company”) has decided to expand the production capacity of a manufacturing facility for high-purity alumina, used mainly as a raw material for sapphire substrates used in LEDs, from a current 1,600 tons per year to 3,200 tons per year.

The Company’s high-purity alumina is over 99.99% pure. Over the past thirty years, it has been widely used in such applications as fillers for magnetic media, fillers to boost the thermal conductivity of composite resins, and ceramic parts and substrates used in electronic components and semiconductor manufacturing equipment. In recent years, especially with the spread of LEDs used for backlights in personal computers and LCD televisions as well as in lighting applications, demand for high-purity alumina as a raw material for single-crystal sapphire used in LED substrates has been increasing.

The Company manufactures high-purity alumina, which is ideal for all types of manufacturing methods for single-crystal sapphire and offers excellent productivity in forming single-crystal sapphire and processability, at its Ehime Works (Niihama, Ehime Prefecture). As one of the world's leading producers, the Company is expanding its high-purity alumina business. In order to meet the increasing demand in recent years, the Company embarked last year on a small-scale production capacity expansion from 1,600 tons per year to 2,000 tons per year. With demand expected to exceed projections, however, the Company has reconsidered this plan and has recently decided to build a new production line that will bring its production capacity to 3,200 tons per year. The new facility will be completed during the second quarter of 2012.

High-purity alumina is used not only in single-crystal sapphire, but also in coatings for a separator that improves the safety of lithium-ion secondary batteries as well as for battery electrodes. As the market for hybrid cars and electric vehicles expands, demand for high-purity alumina used in battery applications is expected to increase significantly. Given this situation, the Company intends to study the possible construction in fiscal 2013 of another production line.

The Company is not only strengthening its production capabilities, but also working to meet customers' diverse needs promptly, by developing new grades of high-purity alumina with properties optimized for a variety of applications as well as strengthening R&D to further improve product quality, in order to achieve further growth of its high-purity alumina business and actively expand its businesses in the field of ICT, a focus area under its fiscal 2010-2012 Corporate Business Plan.