

October 16, 2018
 Mitsui Chemicals, Inc.

Operations Start on Additional Production Facilities for High-Performance Nonwoven Fabrics in Japan

Further strengthening the hygienic materials business to meet growing demand

Mitsui Chemicals, Inc. (Tokyo: 4183; President & CEO: Tsutomu Tannowa) announced today that commercial operations have begun on October 2018 in additional facilities for high-performance nonwovens at Nagoya Works and at wholly owned subsidiary Sunrex Industry Co., Ltd. (President: Hiroshi Yuasa). The expanded facilities come in response to increasing demand from the disposable diaper market.

[Overview of the New Facilities]

Location	Mitsui Chemicals Nagoya Works (Minami-ku, Nagoya)	Sunrex Industry Co., Ltd. (wholly owned subsidiary of Mitsui Chemicals in Yokkaichi, Mie Prefecture)
Product	High-performance nonwovens with superior elasticity	High-performance nonwovens with superior elasticity and expandability
New Capacity	15,000 tons/year	6,000 tons/year
Construction Start	April 2016	July 2016



New facility at Nagoya Works



New facility at Sunrex Industry

Mitsui Chemicals' Long-Term Business Plan positions Healthcare alongside Mobility and Food & Packaging as one of its targeted business domains to drive growth. With nonwoven business falling under the Healthcare business, the company aims for further expansion by supplying both Japan and the rest of Asia with high-performance nonwovens to support the growth of the region's premium diaper manufacturers.

The disposable diaper market in Asia is witnessing steady growth in demand because of the increasing use of disposable diapers in the region and the relaxing of China's one-child policy. In recent years, there has also been dramatically rapid expansion in the market for high-quality premium disposable diapers, resulting in more efforts on the part of manufacturers to ramp up output.

The high-performance nonwoven fabrics manufactured at Nagoya Works' additional facilities offer superior elasticity. Meanwhile, the high-performance nonwoven fabrics from Sunrex Industry's additional facilities are nonwovens with both superior elasticity and expandability. Both facilities have adopted an improved process that complements conventional spunbond manufacturing with proprietary technology. Following the enhancements to production at these sites, Mitsui Chemicals' global production capacity now stands at 103,000 tons per year. The additional facilities also bolster expansion of the company's supply of high-performance nonwovens and will aid in further increasing the quality of premium disposable diapers and their range of applications.

Mitsui Chemicals will continue to capitalize on its proprietary technology as it further stabilizes supplies to its customers and meets their growing and diversifying needs for high-performance nonwovens, contributing as a solution provider to a better quality of life (QOL) for people around the world.