

March 16, 2015

Mitsui Chemicals, Inc.

### **Startup of Milastomer™ and Admer™ Compound Plants in Shanghai**

Mitsui Chemicals, Inc. (Tokyo, Japan; President & CEO: Tsutomu Tannowa) announced the successful March startup of Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.'s (Chairman: Takayoshi Shimogoori; "MFS" ) plants for Milastomer™ and Admer™ in China's Shanghai Jinshan District. Mitsui Chemicals Functional Composites (Shanghai) was established in October 2012 as the Group's strategic base in China for manufacture and sale of functional polymeric materials.

In China, rapid growth continues in the automotive and packaging material markets. To capture share in these expanding markets, Mitsui Chemicals strategically situated its new company and manufacturing facilities to serve as its compound base and to support the Group's efforts as a central player in supplying manufacturers concentrated in Eastern China.

The startup of the new plant underpins the Group's aggressive efforts to strengthen and expand its functional polymeric compound business through intensification of manufacture, distribution, and technical service for its high quality, state-of-the-art products.



(the outside appearance of MFS)

#### Outline of MFS

Name	Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.
Location	Jinshan District Shanghai, China
Establishment	October 2012
Business area	Manufacture and Sale of Milastomer™ and Admer™
Shareholder	Mitsui Chemicals 100%
Capacity	11,000 tons/year
Startup	March 2015

Reference

	<b>Milastomer™</b>	<b>Admer™</b>
Characteristics	Milastomer™ is an olefinic elastomer (EPT, etc.) which uses olefin resin (PP, etc.) as its main component. It is highly flexible, resembling vulcanized rubber, and adapts well to various molding methods. With low density, Milastomer™ is light-weight with wide applications in the automotive industry and great expectations for its potential to improve fuel consumption. As the material is easily recyclable, economic benefit from reuse of scrap material is high.	Admer™ is an adhesive resin developed by Mitsui Chemicals using proprietary technology. A modified polyolefin with functional groups, Admer™ is designed to bond to a variety of polyolefins, ionomers, polyamides, gas barrier resin's such as ethylene vinyl alcohol (EVOH), ceramics, glass, and metals. Its strong adherence and use with a wide variety of co-extrusion processes allows uses in bottle, tube, sheet, and film applications in various industries including food packaging.
Applications	<ul style="list-style-type: none"> <li>■ Automotive glass run channels, automobile interior materials, mudguards, sealing, grip</li> <li>■ Building material gaskets, civil engineering joint materials, sporting goods, etc.</li> </ul>	<ul style="list-style-type: none"> <li>■ Automotive fuel tanks</li> <li>■ Packaging (bottles for food and cosmetics, tubes for food and cosmetics, food sheets and films)</li> </ul>
Chinese Market Trends	<p>Expanding demand for TPV* automotive glass run channels and better interior material for luxury automobiles</p> <p>*TPV : Cross-linked thermoplastic elastomer</p>	<p>Increasing awareness of food safety and hygiene and demand for multi-layer food packaging material</p>