



November 18, 2015
Mitsui Chemicals, Inc.

Boosting Breathable Film Production in Thailand

– Strengthening hygienic materials business to respond to growing demand –

Mitsui Chemicals, Inc. (Tokyo:4183; President & CEO: Tsutomu Tannowa) announced the augmentation of manufacturing facilities for breathable films at its wholly-owned Mitsui Hygiene Materials (Thailand) Co., Ltd. (President: Hiroshi Ishii, “MHM”), a manufacturer and distributor of non-wovens and breathable films for use in premium diapers, to cope with growing demands throughout East and Southeast Asia.

The augmentation will bolster growth and expansion of healthcare materials, along with our mobility and food & packaging businesses as growth pillars. One of the major products in our healthcare domain is hygienic materials. In line with relocation and overseas expansion of premium diaper manufacturers, we aim to expand our business in performance-driven hygienic materials by enhancing our supply capabilities throughout East and Southeast Asia.

Inbound and export (mainly China) demand for Japan-made premium baby diapers has expanded rapidly. In addition, premium disposal diapers needs in Southeast Asia have grown significantly and the market boom is expected to continue.

Our Group’s breathable film is been widely recognized by East and Southeastern manufacturers for its excellent performance and good printability, both important requirements for premium diapers, and as a result has shown healthy sales growth.

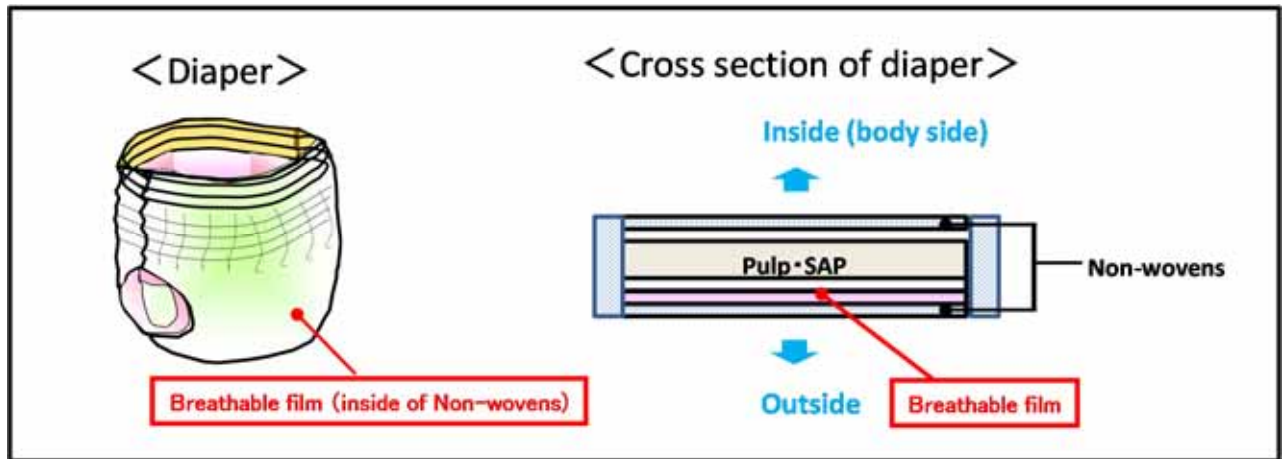
We will continue to respond to growing demands for performance driven breathable films by bolstering our production facilities to improve quality and cost competitiveness as the leading provider in East and Southeast Asia while strengthening and expanding our business.

【Outline of MHM and facility expansion】

1. Product : ESPOIR™ (breathable film for use in premium diapers)
2. Company name : Mitsui Hygiene Materials (Thailand) Co., Ltd.
3. Location : Eastern Seaboard Industrial Area, Rayong Province, Thailand
4. Business : Manufacturing and sales of non-wovens and breathable films
5. Establishment : August 2001
6. Capital : 1,310 million bahts (Mitsui Chemicals 100%)
7. Capacity expansion : 4,200 tons/annual (current capacity 6,700 tons/annual; total after augmentation 10,900 tons/annual)
8. Schedule :

Construction starts:	November 2015
Completion date:	November 2016
Commercial operation:	January 2017

<Photo 1: Breathable film applications>



<Photo 2 : MHM's breathable film manufacturing facilities>

