



December 21 2016  
Mitsui Chemicals, Inc

## **Expansion of Electrolyte Solution Production Capacity for Taiwan JV**

Mitsui Chemicals enhances mobility business  
to capture share in China's environment-friendly car market

Formosa Mitsui Advanced Chemicals Co., Ltd. ("FMAC"), a joint venture of Mitsui Chemicals, Inc. (Tokyo: 4183; President & CEO: Tsutomu Tannowa; "Mitsui Chemicals") and Formosa Plastics Corporation (Taiwan: 1301; Chairman & President: Jason Lin; "Formosa Plastics"), is to beef up the capacity of its lithium-ion, battery-use, electrolyte solution production facilities.

Demand for lithium ion batteries has expanded in line with the growth of the laptop, smartphone, and tablet device markets. In the future, greater market growth is forecast for the mobility market with the surge in demand for environment-friendly plug-in hybrid and electric vehicles especially in China.

Mitsui Chemicals, with Formosa Plastics, has exploited its extensive knowledge and cutting-edge technology to build high-quality production facilities for electrolyte solutions at FMAC to meet the needs of an expanding Chinese market, with operations commencing in July 2016. This latest plan for FMAC will expand production and supply systems in preparation for further market growth. Below is an outline of FMAC and the planned expanded production capacity.

<Outline of FMAC and planned expanded production capacity>

1.Name	Formosa Mitsui Advanced Chemicals Co., Ltd.
2.Establishment	August 2013
3.Capital	US\$ 8.2 million
4.Equity ratio	Mitsui Chemicals 50%, Formosa Plastics 50%
5.Location	FPC industrial complex in Ningbo, China
6.Business	Manufacture, sales and research for electrolyte solution in China
7.Capacity	1500 tons/year (commercial operations commenced July 2016)
8.Planned expanded production capacity	Following expansion: +3,500 tons/year (to be 5,000 tons/year) Construction Start scheduled: December 2016 Commercial operations scheduled: November 2017

Demand for lithium-ion battery-use electrolyte solution is also forecast to grow in Japan, especially for onboard equipment. Mitsui Chemicals established a production facility for 5,000 tons/year at Nagoya Works in October 2016, with commercial operations scheduled to commence in April 2017.

The Company has targeted the mobility domain as a growth driver. As one of the growth leaders in this domain, Mitsui Chemicals is actively pursuing development in the area of lithium-ion battery-use electrolyte solutions. Mitsui Chemicals will further strengthen its electrolyte solution business by expanding its production and supply systems in China and Japan.

<Outline of Formosa Plastics>

1 . Name	FORMOSA PLASTICS CORPORATION
2 . Establishment	November 1954
3 . Capital	US\$ 1,930 million
4 . Location	201 Tung Hwa N. Road Taipei, Taiwan
5 . Business	Manufacture and sales of petrochemicals and chemical products
6 . Employees	6,024 (2015)

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