

Ube Material Industries Establishes Subsidiary in Thailand

TOKYO, October 17, 2016 — Ube Industries, Ltd. today announced that its consolidated subsidiary, Ube Material Industries, Ltd., has established a company for the manufacturing and marketing of MOS-HIGE^{*1} magnesium oxysulfate whisker in Bangkok, Thailand. The new company is named Ube Materials (Thailand) Co., Ltd. and was established in September 2016.

MOS-HIGE is added to plastics as a filler, helping to reduce the weight of automobiles. Demand for MOS-HIGE is growing as automakers strive to reduce the weight of automobiles in order to lower CO₂ emissions to curb global warming. Ube Material Industries currently has an annual production capacity of 3,000 tonnes of MOS-HIGE, having already expanded its production facilities twice, in 2012 and 2015.

Ube Material Industries currently manufactures MOS-HIGE at a single plant in Ube City, Yamaguchi Prefecture. With demand for MOS-HIGE expected to continue growing, and with its commitment to better serving the local procurement needs of resin compound manufacturers outside of Japan, Ube Material Industries decided to establish a local subsidiary in Thailand, which is a center for automotive production in Asia. The establishment of the subsidiary will pave the way for Ube Material Industries to establish manufacturing facilities for MOS-HIGE in Thailand.

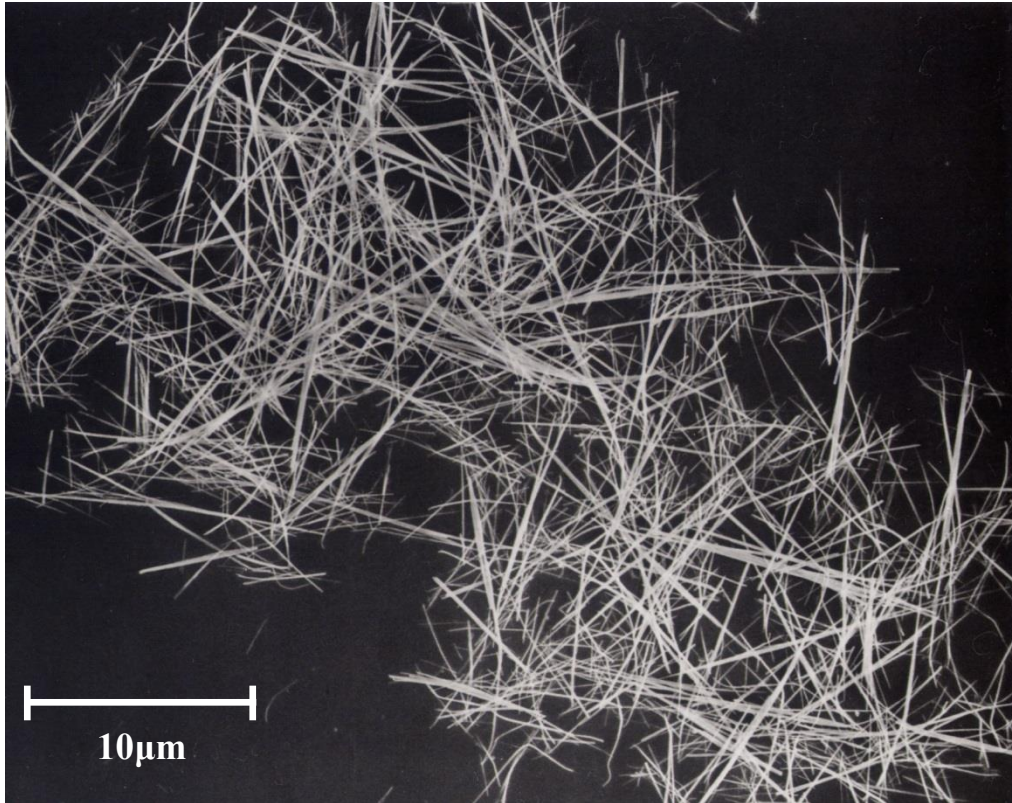
The manufacturing facilities will be located within the complex operated by another UBE Group company, UBE Chemicals (Asia) Public Company Limited, in Rayong Province, Thailand. The facilities are expected to be completed in 2019.

*1. MOS-HIGE is a magnesium oxysulfate whisker added as a filler to polypropylene used in automotive components. MOS-HIGE leverages the magnesium hydroxide manufacturing technology of Ube Material Industries and applies hydrothermal synthesis to produce whiskers. Compared with talc, which is also used to reinforce plastics, MOS-HIGE realizes the same rigidity at approximately one-third the weight. With less high-specific-gravity filler added, the plastics used in automobiles weigh less.

Profile of Ube Materials (Thailand) Co., Ltd.

Location	Bangkok, Thailand
Business Description	Manufacturing and marketing of MOS-HIGE magnesium oxysulfate whisker
Established	September 2016
Capital Stock	100 million baht
Shareholder	Ube Material Industries, Ltd. (100%)

MOS-HIGE magnesium oxysulfate whisker



For inquiries please contact:

Ube Material Industries, Ltd.

General Affairs Department

Phone: +81(3)3279-3231