

Ube Material Industries to Establish MOS-HIGE Plant in Thailand

Ube Material Industries, Ltd.

TOKYO, March 19, 2018 —Ube Material Industries, Ltd., a subsidiary of the UBE Group, today announced that it will establish a plant for manufacturing MOS-HIGE magnesium oxysulfate whisker in Thailand. The new plant will be constructed within the industrial complex of UBE Chemicals (Asia) Public Co. Ltd. located in Rayong Province.

MOS-HIGE is added to plastics as a filler to help reduce the weight of automobiles.*¹ Demand for MOS-HIGE is growing amid a global trend for automakers to reduce the weight of automobiles in an effort to lower carbon dioxide emissions and address global warming. Ube Material Industries currently has an annual production capacity of 3,000 tonnes of MOS-HIGE, having twice expanded its production facilities 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 plant for MOS-HIGE in Thailand, which is a center of automotive production in Asia.

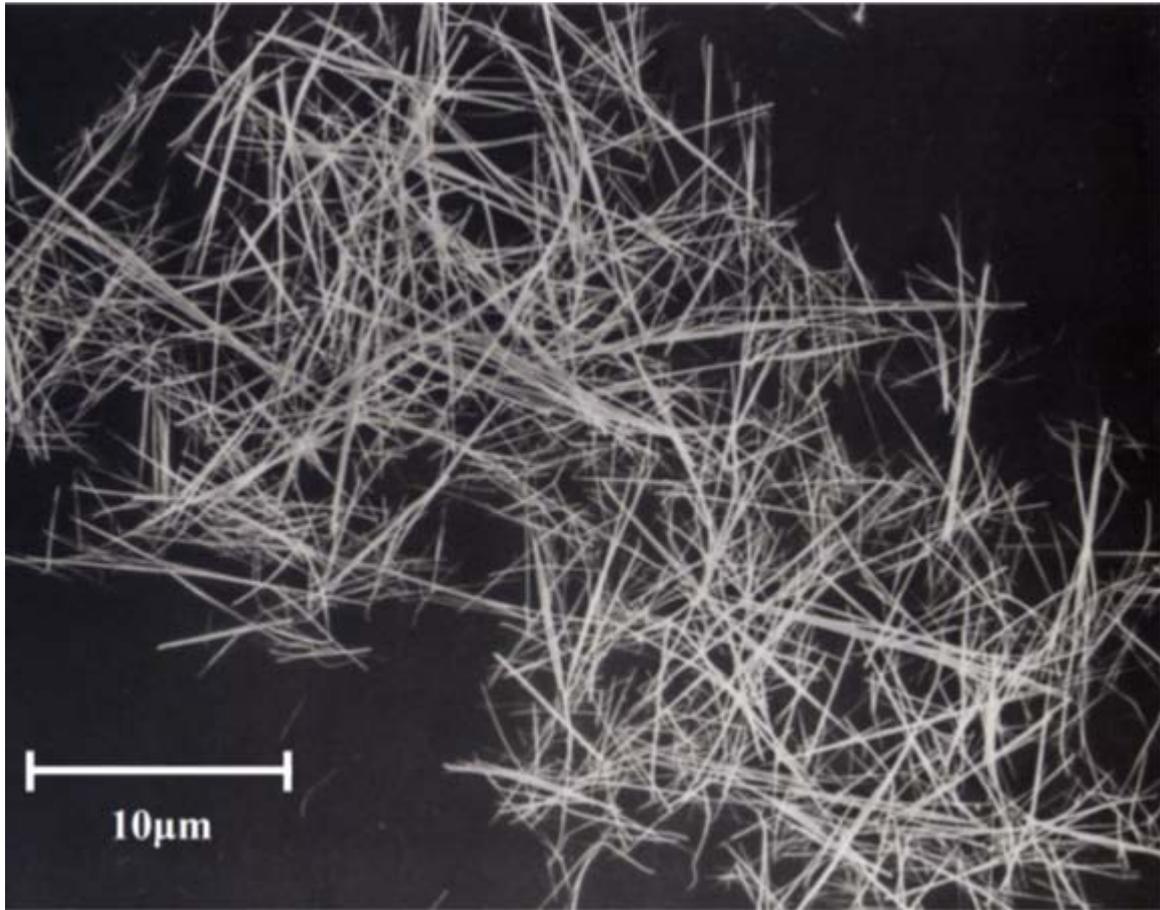
The new plant in Thailand will have 1,500 tonnes of annual production capacity. Construction will begin in April 2018, with completion scheduled in August 2019. The new plant will bring the company's annual production capacity for MOS-HIGE to 4,500 tonnes, once production in Thailand is commenced in September 2019.

*¹ MOS-HIGE is added as a filler to polypropylene used to make automotive components. MOS-HIGE leverages the magnesium hydroxide manufacturing technology of Ube Material Industries and applies hydrothermal synthesis to produce whiskers (whisker-shaped crystals). Compared with talc, which is similarly used to reinforce plastics, MOS-HIGE achieves the same rigidity with one-third the amount of additive. The reduced amount of high-specific-gravity filler makes for lighter automotive plastics. MOS-HIGE is also easily soluble and does not persist if accidentally breathed in, for enhanced bio-safety.

Data for New MOS-HIGE Plant

Location of plant	Rayong Province, Thailand (within industrial complex of UBE Chemicals (Asia) Public Co. Ltd.)
Business description	Manufacturing of chemicals (magnesium oxysulfate whisker)
Start of construction	April 2018
Scheduled completion	August 2019
Scheduled start of production	September 2019
Annual production capacity	1,500 tonnes

MOS-HIGE magnesium oxysulfate whisker



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