



Mitsubishi Gas Chemical Company, Inc.

January 18, 2012

Overseas Subsidiary Established for the Production of Electronic Materials

Mitsubishi Gas Chemical Company, Inc. (MGC; Head Office: Chiyoda-ku, Tokyo; President: Kazuo Sakai) has established a subsidiary for the production of electronic materials in the Kingdom of Thailand. The construction of the production plant for copper clad laminates and prepregs will begin in May 2012 and is scheduled for completion in April 2013. Following prototyping and sample evaluation, the new plant will start commercial operation toward the end of 2013.

As core products of MGC's electronic materials business, BT materials have long found use in semiconductor package substrates, helping MGC achieve the highest share of the market. BT materials have been produced exclusively at the group's plant in Nishishirakawa-gun, Fukushima Pref., which is operated by the MGC subsidiary Electrotechno Co., Ltd. (ET; Head Office: Chiyoda-ku, Tokyo; President: Takayuki Watanabe).

In recent years, however, MGC has considered the establishment of another overseas production in line with the reality that 80% of the group's BT products were exported.

Furthermore, MGC received requests from customers all over the world for it to establish a second production site after the temporary suspension of BT material production due to the Great East Japan Earthquake in March 2011. Thus, MGC decided to establish the new production subsidiary also from the perspective of business continuity plans (BCP).

MGC studied many possible locations in and outside Japan from a holistic perspective before selecting the final location in Thailand.

In the short and medium term, this project represents part of the BCP. We will ensure a more stable supply of our products through the introduction of a production line in Thailand capable of producing any kind of BT material and high-performance FR-4 materials currently produced by ET. In the medium to long term, the project will build a global structure for the supply of electronic materials with two sites in Japan and Thailand, preparing for market expansion from East to Southeastern Asia in the future.

See the attachment for an overview of the new MGC subsidiary.

Overview of the New MGC Subsidiary

1. Company name: MGC Electrotechno (Thailand) Co., Ltd.
2. President: Masahito Watanabe
3. Location: Hemaraj Eastern Seaboard Industrial Estate, Thailand
(Approximately 80 meters above sea level and 110 kilometers southeast of Bangkok)
4. Capital: 710 million Thai baht
5. Established: January 2012
6. Shareholding: 100% by Electrotechno Co., Ltd.
7. Business description: Production and distribution of copper clad laminates and prepregs
8. Site area: 123,168 m²
9. Other: The industrial estate where the new subsidiary is located was not affected by the major floods that occurred in Thailand in 2011. Neither the port (Laem Chabang Port) nor the airport (Suvarnabhumi International Airport) that will be used to ship products from the new production site suspended operations during the floods.

Overview of Equipment at the New Plant

1. Facility: 1 production/shipping line for copper clad laminates and prepregs
2. Capacity: 250,000 m² copper clad laminates per month
3. Technology: Same type of facilities and technologies currently employed in Electrotechno Co., Ltd.
4. Start of construction: May 2012
5. Completion of construction: April 2013
6. Shipment of samples for approval: August 2013

Location of the Industrial Estate



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