

February 13, 2020

MITSUBISHI GAS CHEMICAL COMPANY, INC.

**MGC to Build Integrated Production from Raw to Super-pure Hydrogen Peroxide in Taiwan:
Accelerating Global Strategy for Super-pure Hydrogen Peroxide Business for the Electronics Industry**

Mitsubishi Gas Chemical Company, Inc. (MGC; Head Office: Chiyoda-ku, Tokyo; President: Masashi Fujii) is decided to build a production facility for industrial hydrogen peroxide (IHP) at its Taiwanese subsidiary in order to further develop the company's business for super-pure hydrogen peroxide (SPHP) used in semiconductor production processes.

SPHP is used primarily as a cleaning, etching and abrading agent in semiconductor wafer and device manufacturing processes. Demand for semiconductors is expected to grow over the long term as they find increasing use due to future advancements in 5G, IoT, cloud computing, AI, and other technologies. Along with this trend, the increasing miniaturization in semiconductor wiring processes leads to higher demand for greater volumes of SPHP featuring even higher quality.

Operating three production sites in Japan (Yokkaichi, Yamakita and Saga) and seven overseas (South Korea [two plants], the US [three plants], Singapore and Taiwan) for SPHP today, the MGC Group is a global leader featuring the highest quality standards and underlying analysis and quality assurance capabilities. As such, MGC has successfully been expanding its customer base.* In addition to SPHP, MGC also is engaged in the business of various functional chemical solutions (performance chemicals) for use in electronic manufacturers' semiconductor production processes. Both product groups get high evaluation from our customers.

In Taiwan, many semiconductor foundries (commissioned producers) are building huge semiconductor fabrication plants employing the world's most advanced technologies one after another. High investments are also planned going forward. These developments cause a sharp increase in demand for high-quality SPHP. MGC aims to meet this demand and to produce and distribute SPHP characterized by stable supply, high quality, and excellent cost-competitiveness, and thus to promote business expansion. To this end, the company will develop integrated local production—from IHP raw material (RHP) to SPHP—in which the future IHP production facility will supply RHP to the currently operating SPHP facility.

By strengthening its supply structure, the MGC Group aims to contribute to the semiconductor industry growth that will likely continue globally and over the long term. MGC will also further develop itself as a leading company

in the supply of materials indispensable for semiconductor production, such as SPHP and performance chemicals for use in the electronic industry.

*Note: In recent years, MGC has established two new SPHP production sites in the USA and increased production capacity in South Korea to prepare to meet the vigorous demand.

1. Overview of the future production facility in Taiwan

Product, Production capacity: hydrogen peroxide, 40,000 t/year (as 100%)

Total investment: NT\$ 4.7 billion

Production start: January 2023

2. Overview of the MGC subsidiary in Taiwan

Company Name: MGC Pure Chemicals Taiwan, Inc.

Office: Taichung City

Business operations: Production and distribution of chemical products such as SPHP, chemical polishing solutions, and highly performance chemicals for use in the electronic industry

Chairman: Mr. Hiromichi Ishikawa

Established: February 2000

Capital: NT\$ 80 million

Investment ratio: Mitsubishi Gas Chemical 100%

Employees: 59 (January 2020)

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INQUIRIES

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