

6 March, 2007

Press Release

Sekisui Plastics Co., Ltd.

“PIOCELAN” establish the 5th Global Base in the Netherlands

Sekisui Plastics Co., Ltd. (Japan) decided the fifth global base for the production and sales of PIOCELAN, which is polyethylene + polystyrene compounded foam resin, to be established in the Netherlands.

In the global strategy of PIOCELAN that is an important measure of mid-term management plan "DASH50-Stagell" of Sekisui Plastics group, we recognize it as European key location for the business of both car components and the IT packing.

1.Expansion of domestic market of PIOCELAN

The improvement of the collision safety performance has become more important matter in automotive makers in Japan, and the movement for adding various parts with safety feature has become active. Moreover, they are promoting the lightening body weight in order to meet the needs of fuel consumption improvement on the background of the sudden rise of gas price and the global mood of environment protection.

Starting by EA material (energy-absorption material for the protection of crews' lower limbs) business with Toyota Motor in 2002, our company has been accelerating the business development of car component materials to domestic automotive makers in Japan. Such as EA material, Floor spacer, the Bumper core material, and so on that used PIOCELAN, which is polyethylene + polystyrene compound foam resin. Especially in the fiscal year 2006, the business has expanded further by wining both the bumper core application for prestige car "Lexus LS460" and the EA application for the best-selling car "Carolla" of Toyota Motor.

2.Expansion of overseas demand of PIOCELAN

Sekisui Plastics Japan has been actively establishing the supply system of PIOCELAN globally, satisfying the increasing demand of Japanese automotive transplant. Following the production base in Japan, Taiwan, and China (Tinjian), another production plant has entered into production in Tennessee U.S.A. since November, 2006.

Because the energy-absorbing performance of PIOCELAN is highly evaluated, the supply of PIOCELAN is requested for not only as car component material but also the packaging material for such IT devices as PC or large-scale LCD/ Plasma television set especially in Europe and USA.

3.Details of establishment in the Netherlands

As for the Netherlands, locating at the center of Europe including eastern part, there are population about 100 million people within 500km and about 300 million people within 1,000km, there are well-developed infrastructure of the transportation by land, sea and air. Moreover, there is a geographic advantage that locates near the production factory related to automotive makers and IT major companies, too.

The Almelo City, where we plan to establish the company, is located in the northeast of the Netherlands and next to the German border. In addition to the geographic advantage that locates near the Autobahn which connect from (west) Rotterdam port / Schiphol Airport to (east) the Eastern Europe. There is another advantage of structurally support from Almelo City and the East Netherlands Development Agency, as this is the first establishment of Japanese manufacturing base.



4. Local Company's outline (planning)

- Company's name: SEKISUI PLASTICS EUROPE B.V.
- Activities: Production and Sales of raw material and molded articles of PIOCELAN
- Location of headquarters: Almelo city, The Netherlands
- Form of Company: 100% owned by Sekisui Plastics Co. Ltd.(Japan)
- Company establishment : April, 2007
- The capital: Approx. 1.3 million Euro (approx. 200 million JP Yen)
- Business opening: May, 2007
- Start of Production: January, 2008
- Production capacity: 1,800 ton/year
- Marketing planning: 1.1 billion yen in the fiscal year 2010

< Reference > Feature of "Piocelan"

- * PIOCELAN satisfies the demand of high energy-absorption characteristics for the car component material and the IT devices packing material, thanks to our own the best technology that arbitrarily combines the rigidity of the polystyrene and elasticity of polyethylene.
- * PIOCELAN is far light-weighted compared with iron or injection parts, and contributes to lightening of the body-weight of the car. Moreover, compared with other foam resins (foamed polypropylene), PIOCELAN is designed to be 10~15% lighter.
- * PIOCELAN becomes the cost reduction about 15~20% from other foam resins (foamed polypropylene), as it can be molded by general EPS molding machines.

[Please Inquiry to]

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