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Press Release

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Announcement on the Construction of an OLED materials plant in China

Idemitsu Kosan Co.,Ltd. (Head Office: Chiyoda-ku, Tokyo; Representative Director and CEO: Shunichi Kito; hereinafter, the "Company") hereby announces that in order to accommodate the growing demand for organic light-emitting diode (OLED) materials in China, the Company has decided to build a manufacturing facility for OLED materials in Chengdu, China and to enrich technical support to Chinese customers.

1.Background and purposes of Establishing the Company

In recent years, OLED displays have increasingly been used in a variety of products such as smartphones and large TVs. In China, backed by the support of the government's policy to boost growth in the display industry, investment in OLED display manufacturing facilities mainly by leading display makers has been on the rise, and production of OLED displays in the country is expected to surge from this point forward.

After the Company's OLED materials factory in Omaezaki, Shizuoka started operating in 2007, and the OLED materials plant in Paju, Gyeonggi-do, Korea started operating in 2012, the Company has so far supplied its own OLED materials mainly to Korean customers. With the aim of fulfilling its responsibility to ensure the stable supply of OLED materials to Chinese customers, the Company recently decided to construct a manufacturing facility for OLED materials in Chengdu, China. This will be the Company's third manufacturing plant for OLED materials after the ones in Japan and Korea. Commercial production at the new plant is scheduled to begin in the first quarter of 2020.

2.Plant Outline

(1) Name:	Idemitsu Electronic Materials (China)
(2) Location:	Chengdu, Sichuan province, China
(3) Representative:	Mitsushige Nakashima
(4) Site area:	14,600 m2
(5) Plant capacity:	12 t/year
(6) Construction planned to start in:	December 2018
(7) Construction planned to be completed in:	November 2019

The construction of the plant will have no impact on the Company's FY2018 consolidated earnings.

Appendix; Global offices and companies of Electronic Materials Department

