

## COMPLETION OF NEW PRODUCTION BUILDING FOR BARIUM TITANATE

Nippon Chemical Industrial Co., Ltd. has completed a new production building for barium titanate which had been under construction at Tokuyama Factory (Shunan-shi, Yamaguchi) since 2019. The building completion ceremony was held on April 28, 2021.

### ◆ Background of new barium titanate production building

Toward earning sustained and steady profits, which was the policy of the previous Medium-Term Business Plan, we have been working on concentrated investment in priority areas, aggressive development of overseas strategies, and reinforcement of business foundation. Along with them, as demand for barium titanate is expected to increase in the Multilayer Ceramic Capacitors (MLCC) market, where demand is expected to continue growing, we decided to invest in 2019 and had been constructing a new production building at Tokuyama Factory.

Barium titanate is used as a dielectric material for MLCCs. The demand is rapidly increasing due to the advancement of autonomous driving and the electrification of vehicles. Demand is also expected to grow further in the future with the expansion of 5G base stations, networking equipment, and IoT devices.

Our barium titanate production method is called the oxalate method. Compared to the hydrothermal method and the solid state method, the composition of barium and titanium is uniform at the molecular level and excellent in crystallinity. This feature has led to a high demand for highly reliable MLCCs, and existing factory continues to have a high operating rate.

Going forward, we plan to gradually increase the production of barium titanate at Tokuyama Factory in line with market expansion. In addition, we plan to rebuild facilities at existing Fukushima No.1 Factory to improve its production efficiency.

MLCCs are indispensable components for electronic equipment, and are required to be compact and high-performance. Based on our company philosophy of 'Treating Humanity, Treasuring Technology with Good Care,' we aim to continue contributing to the development of MLCC industry and realizing a sustainable society by stably meeting growing demand through the adoption of IoT and the further acceleration of automotive electronics.

◆ Overview of the new production building

(1) Factory location: Shunan-shi, Yamaguchi

(Tokuyama Factory, Nippon Chemical Industrial Co., Ltd.)

(2) Start of operation: Scheduled at the first half of 2021

(3) Investment amount: Approximately 3.7 billion yen

◆ Factory appearance

