

## **COMPLETION OF NEW PRODUCTION BUILDING FOR HIGH-PURITY RED PHOSPHORUS**

Nippon Chemical Industrial Co., Ltd. has completed a new production building for high-purity red phosphorus at Fukushima No. 2 Factory (Tamura-gun, Fukushima). The building completion ceremony was held on April 20, 2021.

### ◆ Background of new high-purity red phosphorus 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. As one measure to realize this policy, we have striven to strengthen the stable supply system of high-purity red phosphorus to the semiconductor market, which continues to grow steadily, and since last year, we had been constructing a new production building at Fukushima No. 2 Factory.

Our high-purity red phosphorus is used as a semiconductor doping material and an Indium Phosphide (InP) -based compound semiconductor material for optical communication. The semiconductor market is expected to grow continuously. In addition, demand for light emitting/receiving device materials for optical communication is expected to increase worldwide as they contribute to speeding up and increasing capacity of internet communication.

Our high-purity red phosphorus has been highly regarded both domestically and overseas as a semiconductor material that requires extremely high quality. As demand is expected to continue to grow in the future, we started investing in April 2020 and recently completed the new production building. With the completion of the new production building, we have been able to further strengthen our supply system to respond stably to customer requests and expectations.

High-purity red phosphorus is a necessary raw material for the production of semiconductor devices to enrich our lives. Based on our company philosophy of 'Treating Humanity, Treasuring Technology with Good Care', we aim to continue contributing to the development of the semiconductor industry and realizing a sustainable society.

◆ Overview of the new production building

(1) Factory location: Tamura-gun, Fukushima

(Fukushima No.2 Factory, Nippon Chemical Industrial Co., Ltd.)

(2) Start of operation: April 2021

(3) Investment amount: Approximately 300 million yen

◆ Factory appearance

