



NEWS RELEASE

June 18, 2013

Tosoh to Shut Down Ethyleneamine Line – Focus on High Amines and Improved Profitability

Tokyo, Japan—Tosoh Corporation has chosen to shut down one of its Nanyo Complex's three ethyleneamine production lines in Yamaguchi, Japan. The recent construction of ethyleneamine plants has disrupted the ethyleneamine supply-demand balance, softened amine markets, and decreased profitability. Global demand for amines is expected to grow annually, but conditions are such that the largest amines market, for ethylenediamine (EDA), will remain oversupplied for some time to come. Reduced profitability for EDA and poor market conditions generally are behind the shutdown.

Tosoh is shutting down its oldest ethyleneamine production line. That line began operations in 1967 and has an annual capacity of 18,000 metric tons, the largest percentage of which is the low-profitability low amine EDA. The old line will permanently cease operating in August 2013.

Tosoh's two remaining lines together provide the company with an annual ethyleneamine production capacity of 71,000 metric tons. Specifically, the two lines yield a higher percentage of high amines than the old line slated for termination. They are thus better aligned with Tosoh as an EDC process-based supplier to focus strategically on the production and sale of high amines while also making efforts to cut costs and improve the profitability of ethyleneamines overall.

Ethyleneamines are commonly used as building blocks in the chemical synthesis of products with value-added features. They and their derivatives are widely used in epoxy hardeners, wet-strength resins for paper, chelates, pharmaceutical and agrochemical intermediates, and other industrial chemicals.

EDA and similar grades have low molecular weights and are called low amines, while high molecular weight amines, such as diethylenetriamine (DETA) and triethylenetetramine (TETA) are called high amines. Among those of Tosoh's high amine products popular in Japan and overseas are triethylenediamine (TEDA) and Toyocat catalysts for polyurethane production. To stay ahead of the competition, Tosoh seeks to maintain strong or dominant positions in selective markets by continually shifting toward more competitive and profitable high-grade products.



TOSOH CORPORATION

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WHO WE ARE

Tosoh Corporation is a Japanese chemical company established in 1935 and listed on the First Section of the Tokyo Stock Exchange. It is the parent of the Tosoh Group, which comprises 140 companies worldwide and a multiethnic workforce of over 11,000 people and generated net sales of ¥668.5 billion (US\$7.1 billion at the year-end rate of ¥94.05 to the US dollar) in fiscal 2013, ended March 31, 2013.

WHAT WE DO

Tosoh is one of the largest chlor-alkali manufacturers in Asia. The company supplies the plastic resins and an array of the basic chemicals that support modern life. Tosoh's petrochemical operations supply ethylene, polymers, and polyethylene, while its electronic materials business serves the global semiconductor and flat-panel display industries. Tosoh has also pioneered sophisticated bioscience systems that are used for the monitoring of life-threatening diseases, such as diabetes and certain cancers, and to prevent epidemics by identifying pathogenic microbes. In addition, Tosoh develops products and provides services to purify water and to monitor the environment as part of a commitment to a sustainable future.

Stock Exchange Ticker Symbol: 4042

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