

## Production Capacity Expansion Plan for Polyethylene (Insulation Material for Extra High Voltage and High Voltage Power Cable)

NUC Corporation (President: Keiki Satoh; capital 2,000 million yen; location: W Building, 1-8-15 Kohnan, Minato-ku, Tokyo) plans to expand production capacity for cross linked polyethylene (XLPE) and semi conducting polyethylene, used for extra high voltage (EHV) and high voltage (HV) power cable, by 2018.

Three years have passed since NUC Corporation became a 100% subsidiary of the TonenGeneral Group. In accordance with the group's strategy of enhancing high value added products, NUC Corporation has expanded sales in the Asia region for its EHV and HV wire cable material (cross linked polyethylene), products for which NUC is recognized as a world-leading manufacturer.

NUC established an independent exporting structure for its sales organization in the Asia region after the TonenGeneral Group completed acquisition of Dow's share of the former NUC in July 2013. In addition, in September 2014, NUC established a Shanghai representative office in China as its first branch office. NUC continues to expand sales for customers in the power cable market through these activities.

In 2015, NUC succeeded in developing several new materials for EHV and HV power cable (cross linked polyethylene) with superior properties that meet market requirements. The new products have already achieved excellent commercial sales track records, which, along with NUC's independent research and development capability, has quickly restored the company's market position.

NUC has begun sales in India and Middle East markets as well, while new product sales as a major part of revenue in Asia has shown rapid growth.

We concluded that plant expansion was needed to meet customer demand as our total sales volume has already reached the level of our full production capacity.

NUC Corporation continues to develop, produce, and sell competitive, high value added products, and is on the way to becoming a major high-performance polyethylene manufacturer in Asia.