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DIC Corporation

DIC Increases Production Capacity for Polystyrene

—Annual production capacity increased to 216,000 metric tonnes to facilitate stable supplies to the growing market for use in food trays—

Tokyo, Japan—DIC Corporation announced today that it has increased the annual polystyrene production capacity of its Yokkaichi Plant, in Yokkaichi, Mie Prefecture, to 216,000 metric tonnes, from 208,000 metric tonnes, by reinforcing the plant's polystyrene production facility and optimizing processes. Investment was not disclosed. The Company has set a target for increasing annual sales of polystyrene by 10% from the fiscal year 2017 level by fiscal year 2023.



The Yokkaichi Plant's polystyrene production facility

Polystyrene is a popular choice for use in food trays for lunch boxes and prepared foods sold at convenience stores and supermarkets, among others. Demand in Japan for ready-made meals is growing, owing to a variety of factors, including an increase in dual-income and single-person households. According to the Japan Ready-made Meal Association's 2019 white paper, the overall market for ready-made meals in Japan reached JPY10 trillion in 2018, the ninth consecutive year of growth. Recent years have seen an increase in the availability of microwave ready-to-cook meals, that is, plastic-packaged fresh ingredients that require no preparation on the part of consumers other than cooking, bolstered by the emergence of microwavable options.

DIC has recently introduced a highly heat-resistant new product to its polystyrene lineup, which centers on *Hybranch*®, a high-performance hyperbranched styrene that boasts superb moldability and strength. The heat resistance of the new offering is between 5° C and 10° C higher than that of conventional polystyrene, making it a particularly appropriate choice for microwavable ready-to-cook meals. The new polystyrene is also

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environment-friendly, offering excellent recyclability and reducing overall packaging weight, thereby helping conserve resources.

In addition to responding to expanding demand from the ready-made meals market by ensuring a stable supply of products, the DIC Group works to provide products that contribute to the safety and security of trays and other packaging materials used for food and help address urgent global environmental issues.

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