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DIC Resolves to Increase its PPS Polymer Production Capacity and Bolster its Leading Share of the Global Market for PPS Compounds

—4,000-ton increase will boost annual production capacity to 23,000 tons—

Tokyo, Japan—DIC Corporation today announced that it will invest approximately ¥4.4 billion build a new polyphenylene sulfide (PPS) polymer production line at wholly owned subsidiary DIC EP Corp.'s Kashima Plant, located in Kamisu, Ibaraki Prefecture. The new line will be installed in the plant's PPS polymer production facility, which was expanded in 2008, and will employ processes that deliver substantially increased productivity, thus boosting the DIC Group's overall annual PPS polymer production capacity by 4,000 tons, to a world-class 23,000 tons. The introduction of these groundbreaking proprietary processes will also facilitate the low-cost production of high-performance plastics.

Valued for its outstanding heat and chemical resistance, PPS polymer is an engineering plastic that boasts excellent strength and dimensional stability when compounded. PPS polymer is generally reinforced with glass fibers or organic fillers to form high-strength PPS compounds, which are used primarily in automobiles, electrical and electronics equipment, and household appliances. Demand is also increasing for high-molecular weight unreinforced PPS compounds for application such as lithium-ion battery (LiB) gaskets.

In the automotive industry, a key market for PPS compounds, the need to reduce vehicle weight, particularly for hybrid and electric vehicles, has accelerated a shift toward materials other than metal and encouraged engine downsizing, underpinning a dramatic increase in demand for materials that deliver specific performance features. As a consequence, the volume of PPS compounds used per vehicle has risen dramatically. In the household appliances industry, the superb heat and water resistance of PPS compounds has made them a popular alternative to metal materials for hot water heaters. The ability of PPS compounds to enhance fuel efficiency by lowering weight and to improve recyclability is expected to attract demand from an increasing wide range of users seeking environment-friendly materials.

Since increasing its production capacity for PPS polymer in 2013, the DIC Group has stepped up efforts to expand its PPS compounds business worldwide. In 2015, the Group will complete construction of a new dedicated PPS compound production facility in the People's Republic of China (PRC), which will join existing facilities in Japan, Malaysia and Austria. With global demand for PPS compounds worldwide forecast to swell from 84,000 tons in 2014 to more than 150,000 tons in 2024, DIC resolved to expand its production capacity for PPS polymers, the principal raw material therein, recognizing that doing so will determine its ability to lock in new demand in the years ahead.

Press Release



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The Kashima Plant's new PPS polymer production line is scheduled for completion in December 2016, with commercial production slated to begin after the commissioning. By capitalizing on its integrated production capabilities, which encompass all steps from polymer production through to compounding, the DIC Group has put together an extensive lineup of PPS compounds, enabling it to accommodate diverse user needs, establishing itself as the world's leading producer in terms of market share. The expansion of its PPS polymer production capacity will enable the Group to further solidify its dominance.

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