

June 11, 2024

### Zeon to construct new production plant for cyclo olefin polymers

Zeon Corporation

**Zeon Corporation (Zeon; head office: Chiyoda-ku, Tokyo; President and CEO: Tetsuya Toyoshima) decided at a meeting of the Board of Directors today to construct a new production plant for cyclo olefin polymers (COP), specialty plastics that constitute Zeon's key product. The decision was made in line with Zeon's Group-wide strategy of "Polishing up existing businesses" and "Exploring new businesses," as laid out in the Medium-Term Business Plan.**

Zeon had been studying ways to enhance resilience by diversifying the location of its COP production sites. The company selected Shunan City, Yamaguchi Prefecture, from a list of candidate sites in Japan and overseas, and it has acquired a business site for constructing a new plant. Currently produced at the Mizushima Plant (Kurashiki City, Okayama Prefecture), COP business has been positioned under the Medium-Term Business Plan as a growth area that requires a focused effort to polish up and explore new business opportunities. Demand for COP is expected to remain strong due to such properties as excellent optical stability, low water absorbency, and extremely low impurity. In addition to its use in optical films and optical lenses, COP is increasingly being adopted for medical and semiconductor applications, and this latest decision to expand production capacity was made in anticipation of further growth in demand in the years to come.

The new plant will boost combined annual production capacity for COP to approximately 54,000 tonnes, including the existing COP annual capacity of approximately 42,000 tonnes at the Mizushima Plant.

In selecting the site for the new plant, Zeon looked outside Okayama Prefecture from the perspective of its business continuity plan, ultimately settling on the Shunan Industrial Complex in Yamaguchi Prefecture for its convenient proximity to the Mizushima Plant and being close to the Tokuyama Plant, also located in Shunan City, Yamaguchi Prefecture. Zeon is considering the construction of additional plants for highly profitable products on the newly acquired business site, and plans to significantly update the product portfolio of the Tokuyama Plant, which currently consists mainly of general-purpose products, and also shift resources, including operating personnel, to the production of highly profitable products.

Zeon will continue to actively promote business restructuring to enhance its corporate value over the medium to long term.

#### Outline of the new plant

1. Location: Yuka-cho, Shunan City, Yamaguchi Prefecture, Japan
2. Site area: Approximately 186,500 m<sup>2</sup>
3. Annual production capacity: Approximately 12,000 tonnes
4. Start of construction: Second half of FY2025
5. Completion of construction: First half of FY2028
6. Total investment amount: Approximately 70 billion yen

#### Outlook

This project will have a negligible impact on consolidated earnings for the fiscal year ending March 31, 2025.

For more information, contact:

Department of Corporate Communications, Corporate Sustainability Division, Zeon Corporation

Phone: +81-3-3216-2747

[Contact form](#)