

Notice Regarding Site Acquisition for the Extension of Kanuma Plant
— Aimed at Increasing ACF Production Capacity and Transitioning Kanuma Plant No. 2 to a Smart Factory —

Dexerials Corporation (Headquarters: Shimotsuke-shi, Tochigi, Representative Director and President: Yoshihisa Shinya, hereinafter, “Dexerials”), which provides leading-edge technologies, materials, and devices for smartphones, automotives, and other products, has decided to extend the second Kanuma Plant (hereinafter “Kanuma Plant No. 2”) in Kanuma City, Tochigi. On February 13, 2023, Dexerials concluded a reservation agreement with the Tochigi Prefecture Enterprise Bureau regarding acquisition of the site for the expansion. The site will be handed over during or after February 2024 and construction will commence.

Currently, Kanuma Plant No. 2 manufactures Anisotropic Conductive Film (ACF), a film-type adhesive material that is essential for forming circuits on bonding IC chips and other electronic parts on circuit boards. Mainly characterized by its original particle-arrayed Anisotropic Conductive Film (ACF), Dexerials has had the largest share of the global ACF for use in displays of smartphones, automobiles and other products* market for four consecutive years. Furthermore, the ACF of Dexerials is commonly used for installation of cameras and sensor modules, and for many other applications. Demand for Dexerials’ ACF is expected to grow as more applications are identified. To establish a facility to enable the future increase in ACF production, we decided to acquire a site adjacent to Kanuma Plant No. 2.

After acquiring the site, the construction work to extend the plant will start, and the plant is scheduled to begin operating by the end of fiscal 2026. Utilizing IoT, big data, AI, robots and other technologies and data, the plan is for the plant to transition to being a smart factory, enabling Dexerials to optimize and digitalize its engineering chain and its supply chain network. It is planned to be a zero-emissions building with net zero annual primary energy consumption. In addition, preparations are under way to make the plant sustainable by introducing a cogeneration system intended to facilitate Dexerials’ BCP.

*The 2022 share for value amount of ACF for large-sized and small-to-medium-sized displays according to the “Current status and future outlook for display- related market 2023” issued by Fuji Chimera Research Institute,inc.

■ Overview of the site to be acquired

Location	Fukatzu, Kanuma-shi Tochigi
Site area	71,000 m ²
Start of construction	Scheduled to start in March 2024
Start of operation	Within fiscal 2026

About Dexerials Corporation <https://www.dexerials.jp/en/>

Dexerials Corporation is a manufacturer providing functional materials for use in smartphones, automobiles and other domains in accordance with its corporate vision, Value Matters - Unprecedented innovation, unprecedented value. On a global scale, Dexerials Corporation manufactures and markets Anisotropic Conductive Film (ACF), optical elastic resin (SVR), anti-reflection film, surface mounted type fuses, industrial adhesives, double- and single-sided tapes and other electronic parts, junction materials, optical materials, and many other materials.