

November 1, 2021
Dexerials Corporation

Capital Investment to Increase Production of Anti-reflection Film
— Efficiently Manufacturing Anti-reflection Film for Automotive Displays and Next-generation Mobile IT Products —

Dexerials Corporation (Headquarters: Shimotsuke-shi, Tochigi; Representative Director and President: Yoshihisa Shinya; hereinafter "the Company") will introduce the latest equipment for manufacturing anti-reflection film in its Headquarters and its Tochigi Technology Center and reinforce its production system. The equipment is optimal for the manufacturing of anti-reflection film for automotive displays and next-generation mobile IT products. The total investment amount is approx. 8 billion yen. After the start of mass production, the Company's overall capacity for producing anti-reflection film will be about 1.5 times greater than it is currently.

The Company's anti-reflection film achieves excellent low-reflectance performance using sputtering technology* to form a metallic oxide film with nano unit accuracy. The product is increasingly used in automotive displays and mobile IT products. To meet demand, the Company had planned to invest to increase production of anti-reflection film during FY2023 and start mass production in FY2024 as part of the FY2019 to FY2023 Mid-Term Management Plan "Challengers for Evolution" (Update). But the Company has continued to receive many orders for automotive displays and mobile IT products and expects demand greater than assumed in the initial plan. In response, the Company accelerated its plan by one year and decided upon an equipment investment which would also cover repairs and the new construction of buildings to begin the operation of equipment in April 2023 and gradually move to mass production.

The new highly efficient manufacturing equipment will be able to manufacture the cutting-edge high quality anti-reflection film. We will also introduce a piece of equipment for forming an anti-smudge layer on the top surface using the vacuum deposition method, designing the manufacturing line to consistently form the anti-reflection layer and the anti-smudge layer. This streamlines the manufacturing of the HD Series of highly resistant anti-reflection films. We are pursuing the expansion of our customer base for the cutting-edge anti-reflection film, mainly for automotive displays which require high durability and next-generation mobile IT products for which guidelines are currently established.

The total amount of equipment investment is approx. 8 billion yen, including approx. 5 billion yen for the

manufacturing equipment and approx. 3 billion yen for renovations and new construction at the Headquarters and the Tochigi Technology Center, where the new equipment will be located.

*Sputtering technology: This technology, also used in the manufacturing of semiconductors, involves the formation of a thin film by making a target material collide with ionized argon gas in a vacuum to attach the sputtered atoms to the object.

<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-coated tapes and other electronic components, bonding materials, optical materials, and many other materials.