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For Members of the Press

Company: Nagase & Co. Ltd.  
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### **Establishment of Nagase ChemteX (Wuxi) Corporation (Provisional Name)**

Nagase & Co. Ltd. (Chuo-ku, Tokyo; Representative: Hiroshi Nagase) and its manufacturing subsidiary Nagase ChemteX Corporation (Nishi-ku, Osaka; Representative: Reiji Nagase) have agreed to establish in China Nagase ChemteX ( Wuxi ) Corporation (provisional name), a manufacturing company to produce adhesives and electronics materials based primarily on epoxy resins, and have concluded a contract with the Wuxi State Land Administration Bureau for the sale of the rights of use of government-owned land. The companies plan to complete incorporation and establishment of the new company at the end of September 2002, to begin construction of a factory in the autumn of 2002, and to launch production in August 2003.

The chief purposes for establishing the new company are to build a stable business by establishing a production base for formulated epoxy resins for electronics and electrical applications in China, the largest market in Asia., to achieve product cost reductions by means of inexpensive labor, to respond to entry into the Chinese market on the part of users, and to establish a base of operations in anticipation of expected dramatic future growth in the Chinese automotive and electronics markets.

Nagase and Nagase ChemteX regard the new company as playing a highly important role as a supply base not only for the Chinese mainland, but also for Japan, Korea, Taiwan, and Southeast Asian countries.

Outline of the new company:

Name	Nagase ChemteX ( Wuxi ) Corporation (provisional name)
Registered capital:	US\$3.5 million
Date of establishment:	End September 2002 (planned)
Representative:	Reiji Nagase (Managing Director, Nagase & Co., Ltd. and President and Representative Director, Nagase ChemteX Corporation)
Location:	Electronics & Machinery Industrial Park B-B ,Wuxi National Hightech-Industrial District, Jiangsu Province, China
Shareholders:	Nagase & Co., Ltd.: 50%, Nagase ChemteX Corporation: 50%
Items for manufacture:	Adhesives, electronics materials
Production capacity:	2,500 tons per year
Site area:	20,000 square meters
Sales target:	About ¥4.0 billion (Fiscal 2006)