



December/21/2018

Notice of capacity expansion for NISSO HPC

We hereby notify that Nippon Soda has decided to increase the production capacity of the pharmaceutical excipient, NISSO HPC (Hydroxypropyl Cellulose), to meet growing global demand.

1. Purpose of the expansion

NISSO HPC is mainly used as an excipient for solid dosage tablet formulations in pharmaceuticals and nutraceuticals due to its high efficiency as a tablet binder and extended release polymer. The overall market of excipients is growing and use NISSO HPC is expanding globally. Furthermore, an innovative new grade, HPC-SSL Super Fine Powder, has grown rapidly as it solves problems in direct compression tablet manufacturing.

Therefore, to support growing demand, we have decided to increase the production capacity of NISSO HPC.

Through this capacity expansion project, we also expect that overall production efficiency will increase while we continuously improve our excellent quality control and global technical service.

Nippon Soda Group companies have developed a strong business foundation during this Mid-Term Operation Plan (FY2017 – FY2019). We are focused on improving the operational profitability of our core businesses, thus this capacity expansion will contribute to the overall increase in Nippon Soda's corporate value.

2. Capacity expansion details

- Relevant plant: Nihongi Manufacturing Plant, Niigata prefecture, JAPAN
- Increase details: 30% production capacity increase
- Investments: 5 billion yen
- Date fully operational: First half of FY2021 (expected)