

Ube to Expand Polycarbonate Diol Production in Thailand

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TOKYO, September 11, 2014_Ube Industries, Ltd. today announced that its Thai subsidiary, UBE Fine Chemicals (Asia) Co., Ltd., will open a production facility for polycarbonate diol (PCD) to meet rising global demand. The new facility is designed to manufacture 3,000 tonnes of PCD annually and is scheduled to start production in October 2015.

The completion of the new production facility in Thailand will bring the UBE Group's annual production capacity up to 11,000 tonnes, including 2,000 tonnes in Japan, 6,000 tonnes in Spain, and the 3,000 tonnes in Thailand. With the addition of the new facility, the UBE Group will strengthen its global supply network as the largest manufacturer of PCD in the world.

PCD is one of Ube Industries' core products in the fine chemicals segment. It is mainly used as a polyol component in the principal raw material in high-grade polyurethane. In comparison with conventional polyurethane products that are based on polyester and polyether, PCD-based polyurethane offers superior performance in resistance to heat, hydrolysis, oil, and weather (UV). It also excels in many other ways, including when used as a high-grade material with a smooth texture. For these reasons, demand for PCD-based polyurethane has been growing rapidly in recent years.

Applications for PCD-based polyurethane are expanding as more and more users recognize it as a highly functional new material suitable in a wide range of fields, including automotive, furniture, building materials, coatings for electronic devices, artificial leather, adhesives, and other products.

In addition to its high durability, which helps to save resources, there is also growing demand for PCD as a raw material for environmentally responsible water-based paints that use polyurethane dispersion (PUD) technology. These paints contain no solvents and fill a need in an environment of increasingly strict regulation of volatile organic compounds (VOCs).

Since the UBE Group itself manufactures the principal components used to make PCD-1,6-hexanediol and dimethyl carboxylate (DMC)- its PCD is highly cost competitive. The Group will also focus on developing new grades of PCD that meet the needs of users and on providing customer support, by pursuing enhanced global technical cooperation among its operations in Japan, Spain, and Thailand. The Group intends to make the most of these strengths to take advantage of market growth and reinforce its position as the world's top PCD manufacturer.

Source: UBE website