## Tokuyama Corporation Withdraws from TOKUSIL and FINESIL Business

Tokuyama Corporation (hereinafter referred to as "Tokuyama" or "the Company", Head Office: Chiyoda-ku, Tokyo, President: Kazuhisa Kogo) has decided to withdraw from its TOKUSIL and FINESIL (precipitated silica) business as of February 29, 2012.

In March 2010, Tokuyama discontinued production of its TOKUSIL and FINESIL brands of precipitated silica at the Tokuyama Factory. To date, the Company has been selling TOKUSIL and FINESIL by receiving OEM supplies of these products from its subsidiary, Tokuyama Siam Silica Co., Ltd. (hereinafter referred to as "TSSC"), and its affiliated company, Oriental Silicas Corporation (hereinafter referred to as "OSC").

The operating environment surrounding the TOKUSIL and FINESIL business remains severe due to soaring raw material and fuel prices and intensified competition caused by the entry of new competitors into this market.

Under such circumstances, lack of prospects for improving the profitability of TOKUSIL and FINESIL in order to continue this business led the Company to decide to withdraw from the business.

From March 1, 2012, TSSC and OSC are to manufacture and sell TOKUSIL and FINESIL.

**Contact concerning this issue:** Corporate Communications & Investor Relations Dept., Tokuyama Corporation Phone: +81-3-6205-4832