

May 12, 2011

Company name: Tokuyama Corporation

Representative name: Kazuhisa Kogo,

President and Representative Director

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### **Notice regarding Second-phase Construction Project for Polycrystalline Silicon Plant in Malaysia**

Tokuyama Corporation (“Tokuyama” or “the Company”, Head Office: Shibuya-ku, Tokyo, President: Kazuhisa Kogo) has decided to conduct a second-phase construction project to build an additional polycrystalline silicon plant (hereinafter referred to as “second-phase plant”) at the Samalaju Industrial Park in Sarawak, Malaysia.

The second-phase plant will produce polycrystalline silicon for solar cells at an annual production capacity of 13,800 tons. The plant construction costs are estimated to be approximately ¥100 billion. The construction is scheduled to commence in April 2012, and the Company aims to start operation in January 2015.

When the construction of the second-phase project is completed, the total annual production capacity of Tokuyama Malaysia Sdn. Bhd., the Company’s wholly owned subsidiary, will be 20,000 tons in Malaysia, combined with capacity of the plant under construction.

Tokuyama Malaysia Sdn. Bhd. will acquire property, plant and equipment related to this project.

Tokuyama has designated the polycrystalline silicon business as a core strategically growing business in its Centennial Vision and is actively expanding its polycrystalline silicon operations. Tokuyama’s present goal is to raise its current global share of polycrystalline silicon for solar cells, which is estimated to be about 5%, to 10% or more while maintaining its current global share of polycrystalline silicon for semiconductors of 20% or more.

The decision mentioned above has no effect on the Company's performance for the current fiscal year (April 1, 2011 to March 31, 2012).

Outline of Second-phase Plant

Location:	Samalaju Industrial Park in Sarawak, Malaysia
Annual Production Capacity:	13,800 tons
Plant Construction Costs:	Approx. ¥100 billion
Production Method:	Siemens method
Target Usage of Polycrystalline Silicon:	Solar cells
Construction Plan:	Commence construction in April 2012 and aim to start operations in January 2015