

July 29, 2021

Dear Sirs/Madams,

ENEOS NUC Corporation

Increase in Production Capacity of
Extra High Voltage and High Voltage Power Cable Insulation

ENEOS NUC Corporation (Representative Director and President: Eiichiro Kitahara) is pleased to announce that we are investing in a compound production facility that will increase our annual production capacity of XLPE Power Cable Insulation and Semiconductive Power Cable Shields for use in insulating extra high voltage and high voltage power cables to roughly 30,000 tons starting from December 2023.

Solar power generation, offshore wind power generation, and other renewable energy sources are being introduced through plans to decarbonize and initiatives aimed at achieving SDGs in nations around the world, especially in Europe, and development of these energy sources has accelerated in recent years. Against this backdrop, there is expected to be a worldwide increase in demand for extra high voltage and high voltage power cables for use as transmission lines, and accompanying this, there is also a rapid increase in demand for XLPE Power Cable Insulation for use on underground power transmission lines. In addition, inter-regional power transmission networks are already under construction in Europe, and future networks are being considered in Japan and other parts of Asia, so demand for power transmission lines is also expected to further increase.

For society as well, these power lines are an important element of infrastructure. They require an extremely high level of reliability, and Japanese technology is highly regarded as among the best in the world.

For more than 30 years, we have been developing, producing and selling XLPE Power Cable Insulation for use on extra high voltage and high voltage underground power lines, an important element of infrastructure, and we were the first in the world to begin selling XLPE Power Cable Insulation for 500kV underground power transmission lines, the highest AC voltage. We are highly regarded as a top-class manufacturer by power line companies around the world due to the excellent quality and performance of our products as well as our track record in long-term use.

Due to year after year of R&D and quality improvement in addition to our track record of achievements, our XLPE Power Cable Insulation is held in high regard globally as one of the highest-class materials in the world for its excellent insulating properties, extremely high level of cleanliness, and excellent power cable possibility, and it is used on extra high voltage and high voltage power cables in many countries, primarily in Asia. In recent years, we have also received requests from European power cable manufacturers for deliveries of this material.

In order to meet this growing demand for our XLPE Power Cable Insulation, which is backed by

requests for increased supply from major power cable companies around the world, we have decided to open the most up-to-date facility to increase our production capacity of XLPE Power Cable Insulation for use on extra high voltage and high voltage power cables to roughly 30,000 tons annually. The new facility is an investment of roughly 12 billion yen, and we plan to construct it within the grounds of our Kawasaki Plant. The new facility will be completed in July 2023, and product sales are scheduled to commence from December 2023.

Centered on this expansion of facilities and our XLPE Power Cable Insulation for use on DC extra high voltage and DC high voltage power cables, which we released commercially in 2020, we will play an important role in the XLPE Power Cable Insulation market in Japan, in Asia, and in the world. We aim to contribute to the construction of future social infrastructure by continuing to deeply examine supply systems in line with advancing technical developments and market growth.

In addition, as a member of the ENEOS Group, we are promoting business activities based on special technological products. We expect that this expansion of facilities will greatly contribute to the spread of renewable energy sources, which are on the rise worldwide.

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Company Overview

Company Name	ENEOS NUC Corporation
Representative	Representative Director, President Eiichiro Kitahara
Established	January 1961
Capital	2 billion yen
Location	Head Office: 10F Tower RiverK Building, 12-1 Ekimae-honcho, Kawasaki-ku, Kawasaki-shi, Kanagawa-ken
	Kawasaki Plant: 8-1 Ukishima-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa-ken
Description of Business	Production and sales of High-pressure Low-density Polyethylene (HP-LDPE) and Linear Low-density Polyethylene (L-LDPE)

For inquiries relating to this matter, please contact us at the following.

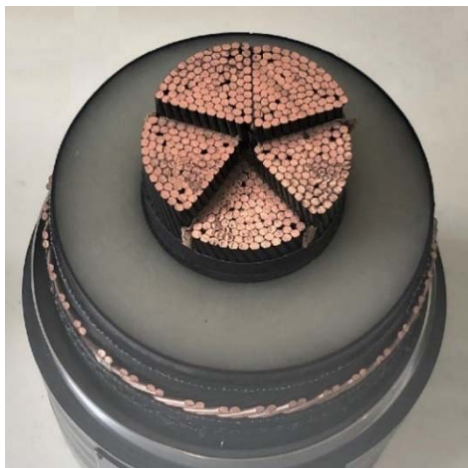
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Photograph of an extra high voltage and high voltage power cable



Our facility for manufacturing insulation for extra high voltage and high voltage direct current power cables, which commenced commercial operation in 2020