

**Ammonia and benzene production to be discontinued
for reinforcement of petrochemical operations**

Asahi Kasei Chemicals Corp. will cease the production of ammonia and benzene, located in its Mizushima Works, transitioning to procurement of these feedstocks entirely from outside suppliers as part of an ongoing reinforcement of its petrochemical operations.

The operating climate for the Japanese petrochemical industry is forecasted to become increasingly severe due to expansions of large-scale production facilities in the Middle East and China.

With the termination of in-house production of ammonia and benzene, which has resulted in high production costs due to persistently high petroleum prices, Asahi Kasei Chemicals will achieve significant savings by transitioning to more economic procurement from outside suppliers. This development will form a key element in the company's ongoing program to further strengthen the competitiveness of its petrochemical operations, serving to reinforce the operational configuration of its business in acrylonitrile, styrene, nylon 66, and other related products and derivatives.

Plants to be closed

Ammonia

Production capacity:	320,000 tons/year
Scheduled closure:	At the maintenance turnaround in March–April 2012
Start of operation:	1971

Benzene

Production capacity:	300,000 tons/year
Scheduled closure:	At the maintenance turnaround in March–April 2012
Start of operation:	1970