

Developing a Production Base That Supports Sustainable Growth: A New Building of Kanuma Plant No. 2 Completed

-- Driving Enhancement of Capacity of Products with the Largest Shares in the Global Markets and Transition to a Smart Factory --

Dexerials Corporation (Headquarters: Shimotsuke-shi, Tochigi and Chuo-ku, Tokyo, Japan; Representative Director and President: Yoshihisa Shinya; hereinafter, “Dexerials”) announces that the new building (Building 101) in the new area of the Kanuma Plant No. 2 (hereinafter referred to as “Plant No. 2”), which has been under construction for some time, has now been completed, and production of Anisotropic Conductive Film (ACF) has been commenced in the new building.

This investment is one of the key initiatives aimed at enhancing the manufacturing functions under the “evolution of the management base,” a basic policy set under the Mid-Term Management Plan 2028: “Achieving Evolution.” Dexerials will continue to build the foundation necessary to expand its production capacity and improve productivity for continuing to fulfill its responsibility to ensure stable supply to its customers while strengthening its structure for responding flexibly to future growth in demand and changes in the business environment, with the goal of achieving sustainable growth.



The new building of the Kanuma Plant No. 2 that has been completed

Dexerials' Anisotropic Conductive Film (ACF) holds the largest share*¹ of the global ACF for use in the displays of smartphones, automobiles and other products, and has supported the evolution of numerous displays. As display resolution continues to increase and component density continues to rise, the technical demands placed on ACF are growing even greater. In addition, the market is expected to grow with the expansion into automotive displays and new connectivity areas. As technologies are growing increasingly sophisticated, balancing quality with stable supply is a key competitive advantage of Dexerials and its vital responsibility in the global market.

Against this backdrop, with the aim of strengthening its production infrastructure to ensure stable supply to its customers, Dexerials acquired a site for the expansion of Plant No. 2*² in February 2023 and has been proceeding with the construction*³ since September 2024.

With the completion of this new facility, Dexerials will not only expand its production capacity but also work to enhance business continuity and production efficiency, thereby further strengthening its ability to respond to future market growth and technological advancements.

The new building is based on three core concepts: Sustainability, Smart factory, and Health & Well-being. In addition to countermeasures against natural disasters such as earthquakes, flooding, and lightning, Dexerials has introduced a cogeneration system, so as to ensure continuous power supply even during power outages. This has resulted in a plant with a balance of business continuity and sustainability. In addition, for the transition to a smart factory, Dexerials will achieve greater flexibility in responding to fluctuations in demand and further stabilization of quality. At the same time, it will build a next-generation production system in which people and machines work collaboratively, thereby addressing labor shortages that have become a challenge for society. Moreover, as part of its efforts to strengthen its workforce, Dexerials has created an environment where diverse human resources can work comfortably

with good health. Dexerials believes that these initiatives will not only improve employee engagement and retention rates, but will also strengthen its competitive edge in recruitment in this era of labor shortages.

Dexerials will continue to promote productivity improvements and the more effective use of human resources through the transition to smart factories. It will enhance its manufacturing competitiveness, aiming to contribute to the realization of a sustainable society, achieve sustainable growth, and enhance its corporate value.

*1 The 2025 share for value amount of ACF for large-sized and small-to-medium-sized displays according to the “Reality and Future Prospect of Display Related Market 2026” issued by Fuji Chimera Research Institute, Inc.

*2 [Notice Regarding Site Acquisition for the Extension of Kanuma Plant | Dexerials](#)

*3 [Construction of a New Plant Started at Kanuma Plant | Dexerials](#)

1. Overview of the New Area and New Building (Building 101) at Kanuma Plant No. 2

Location: 12-3 Satsuki-cho, Kanuma-shi, Tochigi

Site area of the new area: 71,000 m²

Total floor area of the new building (3 stories): 24,145 m²

Construction start date of the new building: September 17, 2024

Products manufactured in the new building: Anisotropic Conductive Film (ACF)

2. Concepts for the new area and new building (Building 101)

In the new building, guided by the concepts of Sustainability, Smart Factory, and Health & Well-being, Dexerials is promoting the creation of a next-generation production infrastructure that will not only expand production capacity but also ensure stable supply, improve productivity, and strengthen its workforce.

(1) Sustainability

In addition to introducing energy-saving and energy-generation equipment, Dexerials is driving business continuity planning (BCP) measures aimed at enhancing business continuity. In addition to installing a cogeneration system, Dexerials has reduced the risk of natural disasters and built a resilient production infrastructure that supports stable supply to its customers by enhancing seismic resistance, adopting a raised-floor design, and installing side-flash protection equipment.



(2) Smart factory

Dexerials has introduced advanced equipment, such as automated guided vehicles and automated warehouses, to establish a production system in which people and machines each handle the tasks they are best suited for. With this system, Dexerials will respond flexibly to fluctuations in demand, improve production efficiency, and further stabilize product quality. Dexerials aims to expand ACF production capacity to approximately 1.5 times the current level, while promoting process efficiency and quality improvements, with the goal of more than doubling productivity per employee.



(3) Health & Well-Being

Dexerials has established a relaxation room, a walking trail approximately 700 meters long, and green spaces, thus supporting its employees in maintaining and improving their health. By creating an environment where diverse human resources can work comfortably with good health, Dexerials will improve employee engagement and retention



rates while also strengthening its competitive edge in recruitment in this era of labor shortages. In addition, Dexerials will also strive to reduce its environmental impact through measures such as installing solar power generation systems and adopting an EV bus*⁴. Dexerials is taking steps to build a foundation that supports sustainable corporate growth, by creating an environment where its employees can fully realize their potential.

*⁴ [Dexerials to Begin EV Bus Service to Mark the Completion of a New Building at Kanuma Plant No. 2 - Featuring an Original Wrapping Design Created in Collaboration with Bunsei University of Art -](#)

3. About Anisotropic Conductive Film (ACF)

ACF is a film-type bonding material used in notebook PCs, automotive displays, and other electronic devices. Combining the functions of connection, electrical conductivity, and electrical insulation, ACF is indispensable for displaying images on screens and is widely used as a key component that supports higher resolution and better performance. In particular, Dexerials' proprietary Particle-arrayed Anisotropic Conductive Film (ACF), which precisely arranges conductive particles in predetermined positions, supports increasingly fine-pitch and high-density display connections and has become the de facto standard for flexible OLED displays used in smartphones.



4. About the Mid-Term Management Plan

Under the Mid-Term Management Plan 2028 “Achieving Evolution,” which was announced in May 2024, Dexerials is currently building an organizational foundation that makes it possible to adapt to environmental changes under a basic policy: evolution of the management base. Another basic policy under the plan is “Strengthening manufacturing capabilities.” The construction of the new building and facility improvement of Kanuma Plant No. 2 has been at the core of the project. In May 2026, Dexerials partially updated the plan in response to changes in the business environment and other factors.

References: [Mid-Term Management Plan 2028: “Achieving Evolution” \(p. 21: “Reinforcing the Organizational Footing for Sustainable Growth”\)](#)

[FY2024 to FY2028 Mid-Term Management Plan “Achieving Evolution” Updates \(p.17: Strengthening manufacturing capabilities to achieve the Plan\)](#)

<Corporate Profile>

Dexerials Corporation is a functional materials manufacturer specializing in the development, manufacture and sale of electronic components, bonding materials and optical materials. The Group includes subsidiaries engaged in the development and manufacture of photonics products, such as optical semiconductors, and it is committed to achieving sustainable growth and enhancing corporate value.

Also, as a starting point in contributing toward the realization of further growth and a sustainable society, the Company has defined its Purpose: “Empower Evolution. Connect People and Technology.” as explained in the website section [“About Dexerials” under “Corporate Philosophy, Vision and Purpose.”](#)

Company name: Dexerials Corporation

Headquarters and Tochigi Technology Center: 1724 Shimotsuboyama, Shimotsuke-shi, Tochigi

Headquarters and Tokyo Office: 9F, Mitsui Sumitomo Kaijo Tepco Building, 1-6-1 Kyobashi, Chuo-ku, Tokyo

Representative: Yoshihisa Shinya, Representative Director and President

Established: June 20, 2012

Official website: <https://www.dexerials.jp/en/>

LinkedIn: <https://www.linkedin.com/company/dexerials-corporation/>