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Press Release

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Announcement on An Agreement between Idemitsu Kosan Co.,Ltd. and Toray Industries, Inc. for Technical Cooperation Regarding OLED Materials

Idemitsu Kosan Co.,Ltd. (Head Office: Chiyoda-ku, Tokyo; Representative Director and CEO: Takashi Tsukioka, hereinafter “Idemitsu”) and Toray Industries, Inc. (Head Office: Chuo-ku, Tokyo; President: Akihiro Nikkaku, hereinafter “Toray”) have entered into an agreement for technical cooperation relating to OLED materials, which both parties expect to be an area of future growth.

From here on, Idemitsu and Toray will mutually utilize the OLED materials, technology and expertise that they possess, and cooperate in the development of new materials and material evaluation. Furthermore, both parties will aim to cooperate and effectively use the assets they possess, including evaluation facilities and production facilities, to improve the performance and durability of OLED displays, as well as to reduce the costs of materials that they provide.

In the OLED materials business, Idemitsu is engaged in the development, manufacturing and sales of cutting-edge luminescent materials and carrier transporting materials, such as its hole transport materials. These materials have been used in a large number of OLED displays, such as those for smartphones and TVs. Moreover, Idemitsu has not only developed OLED materials, but it also has actively developed technologies for combinations of these materials in order to demonstrate their optimal performance in OLED displays.

Toray’s OLED materials business involves the research, technological development, manufacturing and sales of materials, such as its electron transport materials that are based on its proprietary molecular design technology. It is also engaged in the business of developing, making and selling insulating materials that help ensure the quality and increase the durability of OLED displays, as well as new materials to enable the commercialization of flexible displays.

There has been a dramatic expansion of the OLED display market, due to the use of OLED displays in smartphones and TVs. With the current proactive investment of South Korean and Chinese display manufacturers, it is estimated that by approximately the year 2020 the scale of the market will be three times its present size. This expansion of the OLED display market has led to an accompanying increase in demand for OLED materials such as those provided by Idemitsu and Toray.

With this agreement for technical cooperation, both companies hope to contribute to the development and evolution of the OLED display industry through the development and commercialization of even more outstanding OLED materials.

Note that there is no impact on the Company's consolidated performance in fiscal year 2017.

[Reference materials] Outline of each company

Name	Idemitsu Kosan Co.,Ltd.
Location	1-1 Marunouchi 3-chome, Chiyoda-ku, Tokyo
Representative	Representative Director and CEO Takashi Tsukioka
Established	1940 (Founded 1911)
Capital	108.6 billion yen
Sales	3,190.3 billion yen
Main Business Activities	Petroleum refining, manufacture and sale of petroleum products, and manufacture and sale of petrochemical products

Name	Toray Industries, Inc.
Location	1-1 Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo
Representative	Representative Director and CEO Akihiro Nikkaku
Established	1926
Capital	147.9 billion yen
Sales	2,026.5 billion yen
Main Business Activities	Fibers and textiles, manufacture and sale of performance chemicals

* The capital and sales numbers are from March 2017