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Daikin Industries, Ltd.

DAIKIN AND DOW CORNING ANNOUNCE FLUOROSILICONE TECHNOLOGY COLLABORATION

Osaka, Japan; and Midland, Michigan (USA) – Dow Corning Corporation and DAIKIN INDUSTRIES, LTD., have agreed to collaborate in the exploration of new areas of fluorosilicone chemistry. Through this collaboration, the companies will globally develop, manufacture and sell fluorosilicone products for a broad range of markets and applications.

Dow Corning and DAIKIN are global leaders with a history of innovation in their respective fields. Established in 1943 specifically to explore and develop the performance-enhancing potential of silicones, Dow Corning is the silicone industry pioneer. DAIKIN is a leading manufacturer of fluorochemical products and technology.

Both companies are experienced in the development of new technologies to meet the needs of a wide array of industries and markets. Additionally, they have complementary global manufacturing and research and development networks that facilitate the seamless exchange of research, materials and technology.

According to Naoki Toyoshima, Deputy General Manager of DAIKIN INDUSTRIES' Chemical Division, silicone and fluorine chemistry expand and complement each other. "Fluorine bonds with other elements to create durable compounds that are heat-resistant and not easily penetrated by chemicals and solvents," says Toyoshima. "Silicone gives fluorocarbons softness, flexibility, low-temperature resistance, better adhesion to substrates and other properties they did not have before. By combining the two in a unique way, it is possible to achieve better products with new capabilities that cannot be achieved through silicone or fluorine chemistry alone."

Douglas Wernicke, Dow Corning's Global Business Product Line Manager for resins, specialty fluids, copolymers and reactive fluids, says fluorosilicone technology is capable of delivering a wide range of benefits, including high- and low-temperature resistance; water and oil repellency; lubricity and flexibility; and easy-clean properties. "Many of these properties," Wernicke says, "can dramatically improve the performance of our customers' products."

Expected opportunities for Dow Corning and DAIKIN's combined technology include automotive, aerospace, construction, semiconductor and textiles applications.

Dow Corning serves customers in diverse industries with diverse needs. "We are committed to giving all our customers the innovative tools and solutions they need to respond to changing market demands," says Wernicke. "So we are very excited about the wide array of new solutions that could result from this collaboration. This is not a short-term project but a long-term relationship that we believe will dramatically expand the current market for fluorosilicone technology."

Toyoshima says, "Our companies share a common philosophy and a common desire to expand the potential of our technologies. DAIKIN has always been eager to explore any area that will add comfort, pleasure or usefulness to people's lifestyles. Our mission, and the essence of our existence, is to identify and realize our customers' future needs and dreams, even those of which they may not yet be aware. There is great potential here."

Dow Corning Toray Co., Ltd., a joint venture of Dow Corning and Toray Industries formed to develop and market silicon-based materials and solutions in Japan, acts as a bridge between DAIKIN and Dow Corning Corporation. On April 1, 2005, the newly consolidated company of Dow Corning Toray Co., Ltd., was launched. This consolidation reflects our strong commitment to and investment in the Japanese market. Dow Corning Toray Co., Ltd., provides expertise to help the Dow Corning-DAIKIN collaboration succeed.

DAIKIN INDUSTRIES, LTD., (www.daikin.com) is a leader in the fluorochemicals industry, offering more than 2,000 products, including gases, fluoropolymers and elastomers, to customers worldwide. DAIKIN is committed to developing new uses for fluorochemicals in the years ahead, both in everyday products and advanced applications. With operations in Japan, China, Southeast Asia, Europe and North America, DAIKIN is positioned to meet the needs of an increasingly borderless business environment.

Dow Corning (www.dowcorning.com) provides performance-enhancing solutions to serve the diverse needs of more than 25,000 customers worldwide. A global leader in silicon-based technology and innovation, offering more than 7,000 products and services, Dow Corning is equally owned by The Dow Chemical Company and Corning, Incorporated. More than half of Dow Corning's annual sales are outside the United States.