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Mitsubishi Rayon Co., Ltd

Mitsubishi Rayon to double production capacity at US carbon fiber plant

Mitsubishi Rayon Co., Ltd. (Headquarters: Tokyo, Japan; President and CEO: Hitoshi Ochi; 'MRC' hereafter) announced that it has decided to expand production capacity of the carbon fiber plant at Mitsubishi Rayon Carbon Fiber and Composites, Inc. (Headquarters: Irvine, California, US; President: Susumu Sasaki; 'MRCFAC' hereafter). MRCFAC plans to install new facilities capable of 2,000 tons of annual carbon fiber production at its existing site in Sacramento, California. The site expansion, scheduled to be completed by mid-2016, will double the annual production capacity of currently 2,000 tons up to 4,000 tons.

Through development and adoption of renewable energy technology including wind-generated electricity and lightweight solution technology that improve fuel efficiency to extend driving distance of electric vehicles, worldwide demand for carbon fiber is increasing for industrial applications at an annual rate of more than 20%. Among industrial applications, carbon fiber reinforced pressure vessels are becoming widely used for CNG fuel tanks as well as large-scale CNG transporting vessels. In particular, large buses and trucks proceed with fuel conversion toward CNG; all due to the increased cost efficiency of using natural gas partly attributed to shale gas development and the tightening of automobile exhaust gas regulations.

In addition, fuel tanks to carry high-pressure hydrogen gas for Fuel Cell Vehicles, which are expected as ultimate eco-car, and storage tanks installed at hydrogen stations will utilize carbon fiber, too. In this way, carbon fiber, a material that is directly associated with production and consumption of clean energy is expected further growth of demand toward 2020.

MRC will utilize MRCFAC as production center of high- performance regular tow carbon fiber to serve the growing demand in North American market. MRC will continue the further expansion of value chains related to industrial applications including pressure vessels, windmills, and automobiles.