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Shin-Etsu Chemical to invest Ã?Â¥10 B in pharma cellulose biz in Japan and Europe

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To improve its supply system as a pharmaceutical excipients manufacturer



Shin-Etsu Chemical will make investments at two of its bases, the subsidiary SE Tylose GmbH & Co. KG (Wiesbaden, Germany) and the Naoetsu Plant (in Joetsu, Niigata Prefecture, Japan) to strengthen its pharmaceutical cellulose business.

In Germany, a new production facility for the pharmaceutical excipient L-HPC will be built adjacent to the existing facility, creating a dual base with the Naoetsu Plant. Completion of the new production facility is targeted within the second half of 2026.

At the Naoetsu Plant, the storage capacity of the pharmaceutical cellulose warehouse in the neighboring area will be doubled to strengthen capabilities in order to ensure a stable supply and to prepare for unforeseen circumstances. Completion is scheduled for the end of 2025. The total amount of the investment is expected to be 10 billion yen.

Following the expansion of production capacity of the pharmaceutical excipient Shin-Etsu AQOAT, Shin-Etsu Chemical will also actively invest in high-performance pharmaceutical cellulose to improve its supply system as a pharmaceutical excipients manufacturer. Shin-Etsu Chemical's pharmaceutical cellulose is made from plant-derived pulp and is widely used as a tablet-coating agent and disintegrant because it is safe for the human body.

L-HPC was independently developed by Shin-Etsu Chemical as a disintegrant for tablets and is supplied to customers not only in Japan but also around the world. Demand is growing worldwide due to its ability to increase the speed at which tablets disintegrate and improve the strength of tablets during manufacturing. The decision was made to manufacture in Japan and Germany to further enhance the stability of the supply in response to customer requests for multiple production bases.