

## News Release

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### **Arch Chemicals, Inc.**

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### **ARCH CHEMICALS REACHES AGREEMENT TO SELL MICROELECTRONIC MATERIALS BUSINESS TO FUJI PHOTO FILM**

NORWALK, CT, October 25, 2004 -- Arch Chemicals, Inc. (NYSE: ARJ) announced today that it has signed a definitive agreement to sell the majority of the operations of its Microelectronic Materials business to Fuji Photo Film Co., Ltd. for approximately \$160 million. The transaction, which is expected to close by the end of the year, is subject to regulatory approvals and other customary closing conditions.

The transaction includes the Company's microelectronics manufacturing facilities and research and development facilities located in North America, Europe and Asia, and its 49 percent ownership of FUJIFILM Arch Co., Ltd., the Company's joint venture with Fuji Photo Film Co., Ltd. in Japan. These facilities manufacture and supply a wide range of products -- including photoresists, formulated products, polyimides and thin film systems -- to semiconductor manufacturers and to flat panel display manufacturers throughout the world. Arch will retain its 50 percent interest in Planar Solutions LLC, the Company's joint venture with Wacker Chemical Corporation for the production and sale of chemical mechanical planarization (CMP) slurries, the microelectronics-dedicated manufacturing facility in Brandenburg, Kentucky and the chemical management services business ("CMS"). The Company will pursue all strategic options for its CMS business. Sales of the CMS business in 2003 were approximately \$10 million. The Company will continue to supply certain products to the Microelectronic Materials business from its Brandenburg, Kentucky facility.

Arch Chemicals' Chairman, President and CEO Michael Campbell said, "This divestiture supports our strategy to focus our business portfolio and to redeploy resources to pursue growth opportunities in our key growth platform, Treatment Products. Fuji Photo Film is a premier, innovative global provider of advanced technologies. We have enjoyed our successful 21-year strategic alliance with them, and we know the business will be in very good hands. We believe this transaction serves the best interests of all of our stakeholders -- our shareholders, customers and employees."

Mr. Campbell further commented, "Planar Solutions, a joint venture with Wacker Chemical Corporation, is a leading supplier of high-end technology products for the copper CMP slurry market. We remain excited about the profitable growth of Planar and committed to our joint venture partner. Earlier this year, Planar announced the opening of a second production facility in Mesa, Arizona. This new facility will enable Planar to expand its product offerings and to enhance our ability to meet customers' evolving needs," he added.

The Microelectronic Materials businesses to be sold had sales of approximately \$135 million in 2003, earnings before interest and taxes of \$1.9 million (including allocation of corporate charges), depreciation and amortization of \$11.6 million and capital spending of \$2.9 million. Equity in earnings and cash dividends from the Company's FUJIFILM Arch Co., Ltd. joint venture were \$6.1 million and \$2.0 million, respectively, in 2003. The transaction sales price is subject to a final post-closing working capital adjustment. The estimated proceeds from the divestiture will be principally used to pay down debt. The Boards of Directors of both companies have approved the agreement.

Headquartered in Norwalk, Connecticut, Arch Chemicals, Inc. is a global specialty chemicals company with more than \$1 billion in annual sales. Arch and its subsidiaries have leadership positions in three business segments -- Treatment Products, Microelectronic Materials and Performance Products -- and they serve leading customers in these markets with forward-looking solutions to meet their chemical needs. Together with its subsidiaries, Arch has approximately 3,300 employees and manufacturing and customer-support facilities in North and South America, Europe, Asia and Africa. For more information, visit Arch's Web site at [www.archchemicals.com](http://www.archchemicals.com).

Fuji Photo Film is a leading global provider of imaging, information, and document-related products and services. In the year ending March 31, 2004, it had global revenues of more than \$24 billion, and employs 73,164 people worldwide. As a global company with a reputation for the highest quality and reliability, Fuji Photo Film aims to make innovative use of the most advanced technologies to meet the increasingly sophisticated needs of its customers around the world. For further information, visit Fuji Photo Film's web site at <http://home.fujifilm.com>.