January 6, 2020
Kuraray Co., Ltd.

Settlement with a Part of Plaintiffs in Lawsuits in U.S.

On January 3, 2020, Kuraray America, Inc. (Headquarters: Texas, U.S.), a subsidiary of Kuraray Co., Ltd. ("Kuraray") reached an agreement for settlement with another part of plaintiffs in the lawsuits brought against Kuraray America, Inc. in Texas, U.S., following the settlement with a part of plaintiffs announced on October 24, 2019.

1. Background of the Lawsuits and Settlement

Several lawsuits have been filed in Harris County District Courts in Texas alleging that more than 160 contract workers and others suffered physical and/or psychological injuries as a result of the fire incident at the Kuraray America, Inc.'s EVAL Plant on May 19, 2018.

Following the settlement with a part of plaintiffs announced on October 24, 2019, Kuraray America, Inc. has reached an agreement for settlement with another part of plaintiffs to seek early settlement.

As announced on October 24, 2019 and November 27, 2019, we have recorded an extraordinary loss of JPY 480 billion in total, as litigation-related loss.

2. Settlement Amount

US$ 265 million (approximately JPY 28.9billion)

3. Effect on Financials

There is no change to the latest financial forecast announced on November 27, 2019. We will make an announcement promptly if any revision to the current financial forecast is considered to be required as a result of future settlement negotiation.