Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

January 27, 2020

To whom it may concern,


Company name: JSR Corporation

Representative: Eric Johnson, Representative Director, CEO
(Code #4185, Tokyo Stock Exchange)

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# Notice Regarding Waive of Claims to Consolidated Subsidiary

JSR Corporation (JSR) will waive its claims to JM Energy Corporation (JM Energy). It was resolved at the meeting of Board of Directors on January 27th.

1. Reasons for Waiver of Claims

JM Energy is a company engaged in the development, manufacturing, and sale of lithium-ion capacitors, which are energy storage devices, and has been promoting its business with the assumption of its use in several applications, including public transportation applications. However, as it did not lead to securing profits and we have decided to waive its claims to JM Energy as a part of business restructuring measu res.

2. Outline of JM Energy

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|---|---|---|
| (1) Company Name | JM Energy Corporation | |
| (2) Address | 8565 Nishiide, Oizumi-cho, Hokuto-shi, Yamanashi | |
| (3) Representative (Title: Name) | President: Mikio Yamachika | |
| (4) Business | Development, manufacturing and sales of lithium-ion capacitors | |
| (5) Capital | 300 million yen | |
| (6) Date of Establishment | August 1, 2007 | |
| (7) Equity | (4,413) million yen (As of March 31, 2019) | |
| (8) Assets | 2,849 million yen (As of March 31, 2019) | |
| (9) Major Shareholders and their ownership percentages | JSR Corporation 100.00% | |
| (10) Relationship between JSR and JM Energy | Capital | JSR's share ratio to JM Energy is 100.00%. |
| | Personal | JSR employee serve as the president of JM Energ y. Also, another JSR employee serves as the audi tor and two employees serve as officers of JM E nergy. |

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| | Business | JSR lends money to JM Energy. |
| | Related Parties | Not applicable |

3. Contents of the Claims to Waive

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| (1) Type of Claim | Loans, etc. |
| (2) Amounts of Claims to Waive | 10,000 million yen |
| (3) Date of Waiver | March 31, 2020 (planned) |

4. Outlook for the future

As for the impact on the consolidated financial results for the full year, the impact on net income attributable to owners of the parent is expected to be minor as the amount of the claims waived to JM Energy is expected to be eliminated when consolidated.

We will disclose promptly when it becomes necessary to revise business forecast.