

February 3, 2012

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### Judgment by the EU General Court on Polychloroprene

Denki Kagaku Kogyo Kabushiki Kaisha (DENKA) would like to announce that it received judgment from the EU General Court on February 2, 2012 (JST) concerning an alleged infringement of EU competition law in relation to the sales of polychloroprene in Europe.

#### 1. Development

In December 2007, DENKA was notified of the decision by the European Commission to impose a total of €47 million (about ¥7.4 billion) fine on the company and its subsidiary, Denka Chemicals GmbH (DCG: Düsseldorf, Germany). Since, however, DENKA and DCG had never intended to commit an anti-competitive behavior and since European Commission's decision was based on a factual understanding different from that of ours, we filed a suit with the EU General Court seeking for the annulment of the decision in February 2008.

Fine imposed was tentatively paid in March 2008, and the "expense allowance allocations under the European Union's Competition Law" was established at the same amount with the fine, which was posted as extraordinary loss in the fiscal year ended March 31, 2008.

#### 2. Decision

Since we have just received the judgment, we have not been able to examine it in details. It does approve the decision by the European Commission to impose fine.

#### 3. Future Response

We will consider our response including an appeal upon close examination of the judgment.

This will not affect our current operating performance since the fine has already been accounted for as noted above.