

Notice Regarding Litigation Against US Subsidiary

Denka Company Limited (Denka) announced that several lawsuits have been brought against its U.S. subsidiary, Denka Performance Elastomer LLC (DPE; Denka's stake in DPE is 70%), and DuPont de Nemours, Inc. and its affiliates (DuPont), as described below:

1. Court and date of litigation

- (1) Court: The 40th Judicial District Court, State of the Louisiana, United States
- (2) Date of Filing: January 27, 2020

2. Overview of parties who filed lawsuits

- (1) Plaintiffs: A sum total of 908 individuals who reside in the area around the DPE factory; There are 10 separate written complaints, each of which has similar claims.
- (2) Location: State of Louisiana, the United States

3. Cause and background of litigation

The plaintiffs are alleging in the lawsuits that they are suffering physical, property and mental damage from chloroprene monomer emitted from the factory that manufactures Neoprene. The factory is located in the State of Louisiana in the US and was acquired by DPE from DuPont in November 2015 after DuPont started the operation in 1969.

4. Details of litigation

The plaintiffs are seeking damages with an upper limit of \$50,000 USD per plaintiff from DPE and DuPont.

In relation to these legal cases, 8 lawsuits — each of which has similar claims from other plaintiffs — have previously been brought against DPE and DuPont and remain pending. The total sum of the number of plaintiffs in the 8 cases is 6,308.

5. Outline of DPE

- (1) Company name: Denka Performance Elastomer LLC
- (2) Location: State of Louisiana, USA
- (3) Representative: Kazuo Takahashi, President & CEO
- (4) Content of business: Manufacture and sale of synthetic rubber (neoprene)
- (5) Capital: \$62 million USD

6. Future outlook

DPE, upon a careful examination of the content of the written complaints, will consider an appropriate response to the litigation.

DPE adheres to regulatory emission standards for chloroprene monomer in its operations and has succeeded in drastically curbing emissions. DPE has also asked EPA to reconsider the current toxicity assessments, and the EPA has accepted and will review the new evaluation method which DPE submitted to EPA.

At the present time, DPE's business operations have not been notably affected by these legal cases and other related litigations. The litigation's impact on Denka's consolidated performance is unknown at the present time. Further disclosures will be released promptly if any matters requiring disclosure should occur as a result of careful examination in the future.

About Denka: Denka is a chemical manufacturer headquartered in Chuo-ku, Tokyo. The company specializes in developing business activities on a global scale across a wide range of fields, from inorganic and organic chemicals, to electronic materials and pharmaceuticals. Founded in 1915, Denka has steadily continued to develop and manufacture products that contribute to the development of society by fully utilizing its unique concepts and technological capabilities. Upholding its corporate slogan, "Possibility of Chemistry," the company and its president, Manabu Yamamoto, are committed to contributing to the sound development of society while sincerely tackling the challenges that society is now confronting.