

Impact of Recent Earthquakes in Kumamoto Prefecture on NIPPON GOHSEI (2nd Report)

Our deepest sympathy goes out to those affected by the recent earthquakes with hundreds of aftershocks that have been occurring intermittently in and around Kumamoto Prefecture since April 14, 2016. We pray for the fast recovery of the affected areas as early as possible.

We would like to inform you of the impact of the recent earthquakes on us as of 9 a.m. on April 18.

Description

Earthquake Damage

(1) Human suffering

Nippon Gohsei's Kumamoto Plant and two Nippon Gohsei Group companies are located in the City of Uto, Kumamoto Prefecture.

There has been no human damage to the employees.

(2) Condition of production base

There was no heavy damage to the buildings or production facilities of the Kumamoto Plant as of the 15th. The earthquake of the 16th, however, caused heavy damage to the Plant.

We cannot confirm the precise condition of the facilities in the Plant due to a number of aftershocks that have been continuing. Therefore, the details of damage are so far unknown, and there has been no prospect of the operation resumption of the Plant.

Furthermore, a failure in transportation may occur and adversely affect the logistics of the Plant.

(3) Impact on business results

We have not been able to investigate the impact of the earthquakes on the Company's performance due to the situation explained in (2). We will inform you promptly if a serious influence is expected in the future.

We are sorry to worry all parties concerned, but we will inform you of any changes in the situation in the future.

<Damaged production base and production items affected>

Kumamoto Plant of Nippon Synthetic Chemical Industry Co., Ltd.

221 Tsuigome-machi, Uto, Kumamoto

Production item: Polyvinyl alcohol "GohsenolTM", "GohsenexTM"

"Nichigo G-PolymerTM", and

Optical film "OPL-FilmTM"