

July 25, 2012
Kuraray Co., Ltd.

Kuraray Completes Transaction to Acquire MonoSol

Kuraray Co., Ltd. announced on May 22, 2012 its decision to acquire U.S.-based MonoSol, LLC. (“MonoSol”), which manufactures and sells polyvinyl alcohol (“poval”) film. This acquisition forms part of Kuraray’s strategy to expand its “Vinyl Acetate Chemical Chains Business,” which is one of its core businesses. Kuraray today announces the completion of the transaction necessary to acquire MonoSol, having received formal approval by the regulatory authorities.

Objective of the Acquisition:

- To become a total global leader in the poval film business, not only for optical uses but also for industrial applications

Note: Optical uses: liquid crystal displays

Industrial applications: including various types of packaging materials and mold-release films for synthetic marble

Regarding the inclusion of MonoSol in Kuraray’s consolidated account settlement, Kuraray is scheduled to include MonoSol in its consolidated balance sheets from the first quarter of the fiscal year ending March 31, 2013 and in its consolidated statements of income from the third quarter of the same fiscal year onward.

Reference:

Overview of Business Operations

MonoSol will operate as a company that produces and sells industrial-use poval film under the control of Kuraray Holdings U.S.A., Inc., Kuraray’s U.S.-based subsidiary.

MonoSol’s company name and basic management system will remain unchanged following the acquisition.

Outline of MonoSol

Location	Merrillville, Indiana, USA
Business offices	U.S. and U.K. (production facilities)
Representative	P. Scott Bening
Number of employees	Approximately 300
Principal businesses	Manufacture and sale of industrial-use poval film (including individual packaging for detergents, agrochemicals and dyes as well as mold-release films for synthetic marble)