

Notice of Impairment Loss and Gain on Sales of Investment Securities

Nissan Chemical Industries, Ltd announces that the Company has posted impairment loss (extraordinary loss) for the year ended March 31, 2016. At the same time, the Company also has posted gain on sales of investment securities (extraordinary income).

Notice

1. Posting impairment loss (extraordinary loss)

Considering the forecast of three-dimension packaging material market in semiconductor material field and reevaluate its value, intangible asset of Thin Materials GmbH (Germany), which is our consolidated subsidiary, was estimated as 49 million yen. Therefore, the Company posted impairment loss on goodwill and patent, which amount is 3,941 million yen on extraordinary loss.

2. Posting gain on sales of investment securities (extraordinary income)

As the Company sold some securities owned by Nissan Chemical Group, gain on sales of investment securities was posted.

1) Purpose of sales

To improve asset efficiency.

2) Contents of sales

- a) Securities sold: 7 brands of listed stocks held by Nissan Chemical Group
- b) Periods of sales: From February 23, 2016 to March 31, 2016
- c) Gain on sales: 3,081 million yen