September 12, 2017

Company name: Tokuyama Corporation

Representative name: Hiroshi Yokota,

President and Representative Director

(Code No. 4043, First Section TSE)

Contact: Taro Kobayashi, General Manager

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Notice concerning Posting of Extraordinary Income at Consolidated Subsidiary

Tokuyama Corporation (hereafter referred to as "Tokuyama" or "the Company") announces that the Company's consolidated subsidiary will post extraordinary income for the second quarter of the fiscal year ending March 31, 2018 as follows.

1. Details of extraordinary income

Tokuyama's consolidated subsidiary received the compensation for the termination of the contract. The parties and contents of the contract shall not be disclosed due to the confidentiality obligation under the contract.

As a result, the Company will post 7.7 billion yen of compensation income as an extraordinary profit. The Company will also post the extraordinary loss related to the termination of the contract and its amount is under review.

2. Outlook

The Company is currently taking steps to review its consolidated financial results forecasts for the fiscal year ending March 31, 2018. Details will be disclosed in a timely manner should any revision to financial results forecasts arise.