



February 8, 2024

To whom it may concern

Company: Teijin Limited  
Representative: Akimoto Uchikawa, President and CEO  
Stock code: 3401 (Prime Market, Tokyo Stock Exchange)  
Contact: Naoki Hamashima, General Manager,  
Investor and Public Relations Department  
TEL: +81-3-3506-4395

## Notice Regarding Recording of Non-operating Income (Equity in Earnings of Affiliates) due to Partial Resolution of Litigation Involving an Unconsolidated Subsidiary

Teijin Limited (hereinafter, the "Company") hereby announces the recording of a non-operating income for the third quarter of the consolidated fiscal year ending March 31, 2024 (Apr. 1, 2023 through Dec. 31, 2023) since it is almost certain that we will receive compensation from the partial resolution of litigation related to land confiscation filed by Teijin Desenvolvimento Agro Pecuário LTDA (Head office: Sao Paulo, Brazil; President: Jan Foellings; hereinafter "TEDAP"), an unconsolidated subsidiary of the Company.

### 1. History of the lawsuit

In 1972, the Company purchased land in Nova Andradina County, Mato Grosso, Brazil, established TEDAP and opened a ranch. Subsequently, in 2007, Instituto Nacional de Colonização e Reforma Agrária (hereinafter "INCRA") confiscated its land under the country's presidential decree, and TEDAP was forced to withdraw from ranch business. TEDAP filed a lawsuit against INCRA, claiming that the confiscation was unfair, and in 2018, a judgment was rendered that the confiscation was invalid and that compensation should be paid back to TEDAP. Although no compensation has been paid even after the judgement, it is expected to be paid due to the announcement of the policy for debt repayment in December 2023 in response to reviewing request regarding the debt payment regulations by country's federal government in the same year. As a side note, some of the compensation details are still under dispute.

### 2. Outline of the other party

Name: Instituto Nacional de Colonização e Reforma Agrária

Location: Rua Jornalista Belizário Lima, nº 263, bairro Vila Glória, Campo Grande, Mato Grosso do Sul

Representative: Paulo Roberto da Silva, Superintendente Regional do INCRA no Mato Grosso do Sul

### 3. Financial Outlook

Due to the above, we recorded an equity in earnings of affiliates of approx. 7.2 billion yen as a non-operating income in "Consolidated Financial Statements Summary (For the nine months ended December 31, 2023) " announced today. We will disclose information promptly if the actual amount changes significantly in the future.

For our consolidated earnings forecast for the fiscal year ending March 2024, please refer to "Notice Regarding the Revision of Financial Forecasts" announced today.

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