



July 1, 2011

Mitsubishi Chemical Holdings Corporation

Notice: Ruling in the Indemnification Action against Verbatim Corporation

Mitsubishi Chemical Holdings Corporation (Head office: Minato-ku, Tokyo; President: Yoshimitsu Kobayashi; “MCHC”) announces today that Verbatim Corporation (“VERBATIM”), a consolidated subsidiary of MCHC, informed us of a ruling by Superior Court of Justice in Brasilia, Brazil in the disputed case which we previously reported on June 1, 2007 about a judgment by the lower court in Manaus (Amazonas state, Brazil).

1. History and Outline

(1) Parties

Plaintiff: DPC-Empreendimentos Industriais Ltda. (DPC)

Defendant: VERBATIM

(2) Background

In 1981, VERBATIM entered into a joint venture for the manufacture of floppy disks with DPC. Due to a difference in management view, VERBATIM terminated the joint venture in 1991, and all ancillary agreements, including a Trademark License Agreement, pursuant to which VERBATIM granted the joint venture the right to use the VERBATIM trademark in connection with the manufacture and sale of floppy disks in Brazil. After the termination of the joint venture, VERBATIM began importing VERBATIM branded products into Brazil.

In 1996, DPC filed a law suit against VERBATIM claiming for damages from an alleged trademark infringement by VERBATIM. On May 29, 2007, the court in Manaus ordered VERBATIM to pay DPC damages in the amount of 377 million Reais. (Approximately 19.2 billion yen) for trademark infringement.

VERBATIM filed a Special Appeal with the Superior Court of Justice based on its firm belief that the Joint Venture Agreement and Trademark License Agreement were properly terminated, and that there was no basis for DPC’s claim that VERBATIM engaged in trademark infringement.

2. The Ruling

On June 14, 2011 (local time), in a unanimous decision of all five Justices, Superior Court of Justice in Brasilia ruled that DPC did not have a legal interest on the case and dismissed the Indemnification Action. The judgment also resolved the Calculation of Damages Action which was related to the Indemnification Action.

3. Prospects

VERBATIM believes that the ruling of Superior Court of Justice will survive DPC's argument on its weak grounds, if any, using the procedural options available to DPC. MCHC believes that the ruling of Superior Court of Justice completely sustains VERBATIM's position, on which it has been standing since the law suit was filed.

【Verbatim Corporation】

1. Name: Verbatim Corporation
2. Location of head office:
1200 W.T. Harris Boulevard, Charlotte, North Carolina 28262, USA
3. President: Shigenori Otsuka
4. Investment ratio: Mitsubishi Kagaku Media Co., Ltd. 100%

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