



July 29, 2016

For Immediate Release

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Announcement of the Decision Regarding the Details of the Acquisition Method of the Company's Shares by Trust Pertaining to the Performance-linked Stock Compensation Plan

Kurita Water Industries Ltd. ("the Company") announces that a meeting of its Board of Directors held today made a decision regarding the details of the acquisition method of the Company's shares by trust pertaining to the performance-linked stock compensation plan ("the Plan") for the Company's Directors (excluding external Directors, hereinafter the same). Details are as follows.

1. Overview of the Stock Distribution Trust for Officers ("the Trust")

(1) Name	Stock Distribution Trust for Officers
(2) Settlor	Kurita Water Industries Ltd.
(3) Trustee	Sumitomo Mitsui Trust Bank, Limited (tentative) (Re-trustee: Japan Trustee Services Bank, Ltd.) (tentative)
(4) Beneficiaries	Directors of Kurita Water Industries Ltd. meeting beneficiary requirements
(5) Trust Administrator	The Company selects a third party who does not hold a stake in the Company
(6) Type of trust	Trust of money other than money trust (third-party-benefit trust)
(7) Conclusion date for the Trust Agreement	August 4, 2016 (tentative)
(8) Date of money entrustment	August 4, 2016 (tentative)
(9) Date of termination of the Trust	August 3, 2021 (tentative)

2. Details of acquisition of the Company's shares in the Trust

(1) Type of shares to be acquired	Shares of common stock
(2) Amount to be entrusted as funds to acquire shares	780,000,000 yen (maximum)

(3) Total number of shares to be acquired	400,000 shares (maximum)
(4) Acquisition method of shares	Acquire from the market of a financial instruments exchange
(5) Acquisition period of shares	August 4, 2016 to September 27, 2016

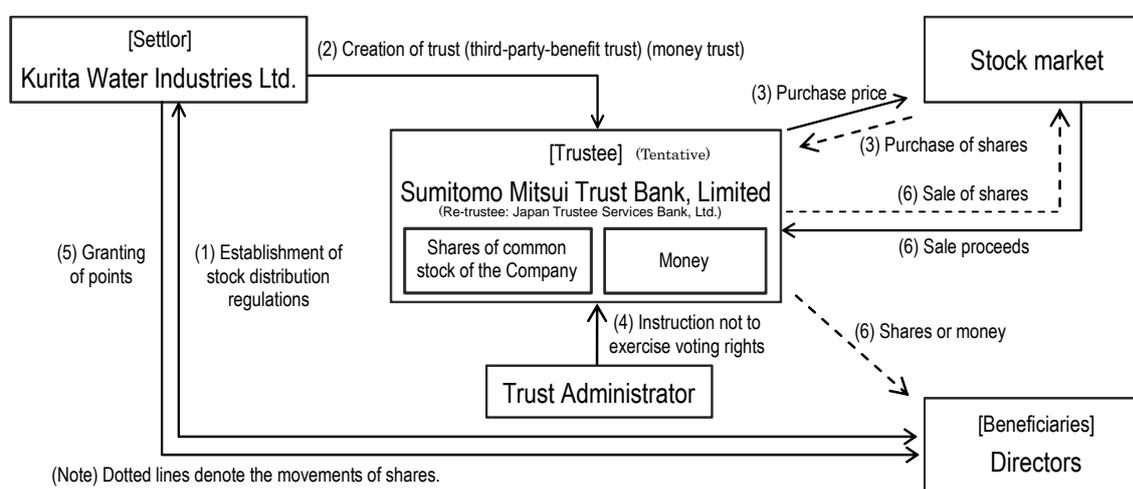
(Reference)

Date of institutional decision pertaining to the introduction of the Plan

1. Date of resolution on the introduction of the Plan at a Board of Directors meeting April 28, 2016
2. Date of resolution at the 80th Annual Meeting of Shareholders June 29, 2016

*For other matters related to the Plan, please refer to <Structure of the Scheme> on this page and the “Announcement of the Introduction of a Performance-linked Stock Compensation Plan for Directors” released on May 6, 2016.

<Structure of the Scheme>



- (1) The Board of Directors of the Company will establish Stock Distribution Regulations intended for its Directors.
- (2) The Company will create a stock distribution trust (third-party-benefit trust) for Directors as Beneficiaries (such trust will be hereinafter referred to as “the Trust”). When doing so, the Company will entrust the amount of money (limited to an amount within the purview approved by the Shareholders’ Meeting) equivalent to that for the fund for acquiring shares to the Trustee.
- (3) The Trustee will acquire, in one lump, a sufficient enough number of shares of common stock of the Company that are expected to be distributed in future.
- (4) Throughout the period of the Trust, the Company will appoint a Trust Administrator (to be limited to be a party independent of the Company and its Directors and Corporate Auditors) who is responsible for protecting the interests of the Beneficiaries who are covered by the Stock Distribution Regulations and supervising the Trustee. Throughout the period of the Trust, the Trust Administrator will give instructions not to exercise any voting rights associated with the shares of common stock of the Company kept within the Trust.
- (5) Pursuant to the Stock Distribution Regulations, the Company will grant points to Directors.

- (6) The Directors fulfilling requirements prescribed in the Stock Distribution Regulation and the Trust Agreement will receive, as Beneficiaries of the Trust, a distribution of shares of common stock of the Company equivalent to the cumulative number of points from the Trustee. In certain specific cases set forth in advance in the Stock Distribution Regulations and the Trust Agreement, the Company will sell part of the distributable shares kept within the Trust in the stock market and distribute money.
- (7) Of the residual property left within the Trust at the time of termination of the Trust, pursuant to the provisions of the Stock Distribution Regulations and the Trust Agreement, the Company plans to donate a certain amount of residual cash to specified public-service promotion corporations bearing no stake in the Company and its Directors and Corporate Auditors.
If Sumitomo Mitsui Trust Bank, Limited becomes the trustee in the Plan, the Company plans to delegate (re-trust) the management of trust assets to Japan Trustee Services Bank, Ltd.