

June 27, 2007  
Kuraray Co., Ltd.

**Report on Supplemental Information to Business Results  
(Perspective and Policy Regarding the Reduction of Minimum Trading Unit)**

**Perspective and Policy Regarding the Reduction of Minimum Trading Unit**

Kuraray aims to expand its shareholder's base, while increasing the liquidity and distribution of its shares. In light of this, the Company views the reduction of the minimum trading unit as a means to achieve these goals. Based on this perspective, Kuraray resolved to reduce the minimum number of shares per trading unit from 1,000 to 500 on April 1, 2004. The Company will carefully consider the level of its stock price, number of shareholders, and liquidity trends to comprehensively assess and continue to review the expected effect from the reduction of trading unit.