

September 28<sup>th</sup>, 2016  
Nihon Nohyaku Co., Ltd.

## **Decision on Next Steps contesting the Cancelation of Flubendiamide Registration in the United States of America**

Following the disclosure “Result of Hearing on Flubendiamide registration in the United States of America” dated August 1<sup>st</sup>, 2016, we, Nihon Nohyaku Co., Ltd. (NNC), hereby provide notice that NNC has decided not to take further legal action to enter the Court of Appeals contesting the final order issued by EPA’s Environmental Appeal Board on July 29<sup>th</sup>, supporting EPA’s NOICPR (Notice of Intent to Cancel Pesticide Registrations) on Flubendiamide registration in the U.S. The deadline to apply for such an appeal was September 27<sup>th</sup>. We currently forecast that the financial impact on our result caused by this case is not significant.

We had carefully analyzed the procedure and arguments in the Hearing, and concluded that, even in the Court of Appeals, it’s quite difficult and uncertain to make the case for the scientific review of EPA’s evaluation that Flubendiamide has “unreasonable adverse effect” on environment. Considering the resources required to conduct such an appeal, including cost, time and process, NNC decided not to enter the Court of Appeals.

On the other hand, we are confident that the safety of Flubendiamide for one of sediment dwellers, for which EPA had a concern, as long as it is used properly under the safety standards established and regulated by the registration in each country. Thus, we intend to prepare a paper about the environmental safety evaluation, in collaboration with domestic and overseas scientists, to show the appropriateness of our way of thinking from a pure scientific view point. Also, we will evaluate the opportunity to resubmit Flubendiamide in the U.S.

We will keep contributing to agricultural production in the world by inventing new molecules with high safety and efficacy.

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