

July 7, 2026

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**(Update on Previous Disclosure)**

## **Notice Concerning Judgment of Lawsuit (Final Appeal) Against Consolidated Subsidiary**

EBARA CORPORATION (the “Company”) hereby announces that, with respect to the lawsuit for damages filed by Gifu City against Ebara Environmental Plant Co., Ltd. (“EEP”), a consolidated subsidiary of the Company, as previously announced in the disclosure dated June 12, 2024, titled “(Update on Previous Disclosure) Notice Concerning Filing of Final Appeal and Petition for Acceptance of Final Appeal Regarding Lawsuit Against Consolidated Subsidiary,” the Supreme Court has rendered its judgment as follows.

### **Details**

#### **1. Background to the Judgment**

On October 23, 2015, a fire accident occurred during equipment repair work performed by EEP, a consolidated subsidiary of the Company, at the Gifu City Tobu Clean Center Bulky Waste Processing Facility in Akatami, Gifu City, Gifu Prefecture. EEP has been outsourced the operation and management services of the waste incineration facility adjacent to the bulky waste processing facility by Gifu City.

Regarding the compensation for damages resulting from this accident, the Company had been discussing the matter with Gifu City. However, Gifu City filed a lawsuit for damages against EEP with the Gifu District Court on January 31, 2019, seeking payment of 4,362 million yen and interest for delay thereon. Subsequently, Gifu City filed a petition for amendment of the claim to change the amount of the claim for damages to 4,692 million yen and interest for delay thereon.

On May 31, 2023, the Gifu District Court rendered a judgment ordering EEP to pay 748,454,265 yen and interest for delay thereon at a rate of 5% per annum from October 23, 2015, until the completion of payment, and dismissing the remainder of Gifu City's claims.

On June 12, 2023, both Gifu City and EEP, dissatisfied with this judgment, filed appeals with the Nagoya High Court, and the case was examined by the court. On May 17, 2024, the Nagoya High Court rendered a judgment stating that:

- 1) The judgment of the court of first instance shall be modified, and EEP shall be ordered to pay Gifu City 605.80 million yen and interest for delay thereon at a rate of 5% per annum from October 23, 2015, until the date of payment;
- 2) Regarding the provisional bulky waste processing costs separately claimed by EEP against Gifu City, which had been consolidated and tried together with the case (1) above, the judgment of the court of first instance dismissing the claim shall be modified, and Gifu City shall be ordered to pay EEP 122.05 million yen and interest for delay thereon at a rate of 6% per annum from May 19, 2018, until the date of payment; and
- 3) Four-fifths of the litigation expenses shall be borne by Gifu City, and one-fifth shall be borne by EEP.

As a result of a close examination of the judgment of the court of second instance (appeal court), EEP accepted the judgment and decided not to file a final appeal or a petition for acceptance of a final appeal. However, Gifu City filed a final appeal and a petition for acceptance of a final appeal with the Supreme Court on May 29, 2024, and the case has been under review by the Supreme Court.

## **2. Court and Date of the Judgment**

**Court:** Supreme Court

**Date:** July 7, 2026

## **3. Party That Filed the Final Appeal and Petition for Acceptance of Final Appeal**

**Name:** Gifu City

**Location:** 40 Tsukasa-machi, Gifu-shi, Gifu

**Representative:** Masanao Shibahashi, Mayor of Gifu City

## **4. Summary of the Judgment**

The Supreme Court reversed the judgment of the court of second instance regarding the portion ordering EEP to pay damages to Gifu City and remanded the case back to the Nagoya High Court. This ruling was based on the grounds that there was an error in the calculation method for damages in the judgment of the court of second instance (specifically, the method of deducting from damages the operation and management costs of the facility that Gifu City avoided due to the occurrence of the accident), and an error in failing to include in damages the demolition costs of the bulky waste processing facility destroyed by the fire in the accident. The case was remanded in order to have the court further examine and fully deliberate on the damages proximately caused by the fire accident among such demolition costs.

## **5. Future Outlook**

EEP will continue to take appropriate measures in response to the remanded proceedings. At present, the Company judges that the impact of this lawsuit on its financial performance is minimal; however, if any matters requiring disclosure arise in the future, the Company will announce them promptly.

**End**