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FY2025 Earnings Presentation (Overview)

KURARAY CO., LTD.

February 10, 2026

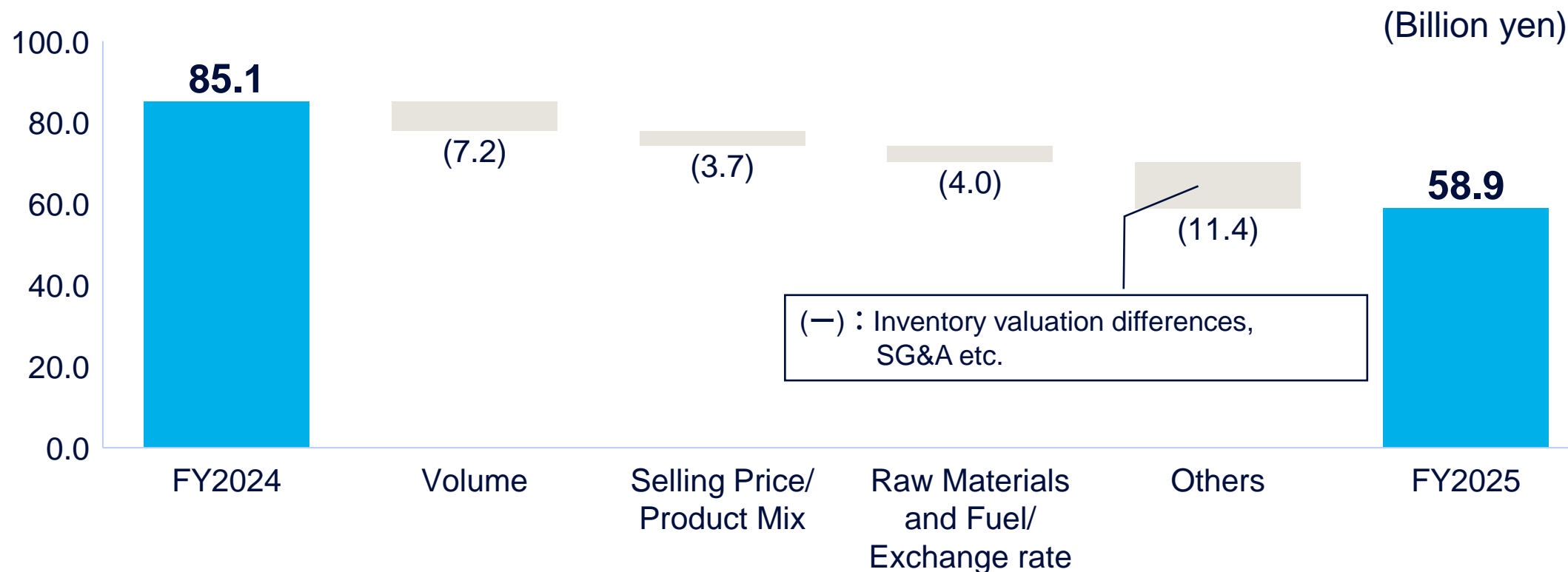
*CAPEX(acceptance basis) on pages 6 and 17 have been revised. Revisions are underlined.

- Operating income declined due to negative impacts from inventory valuation differences and a decrease in sales volume. Net income decreased, primarily reflecting the recognition of impairment losses in the Isoprene segment.

(Billion yen)

	FY2025	FY2024	Difference	FY2025 Previous Forecast (Nov. 12, 2025)	Difference
Net Sales	808.4	826.9	(18.4)	810.0	(1.6)
Operating Income	58.9	85.1	(26.2)	60.0	(1.1)
Ordinary Income	51.5	81.5	(30.0)	53.0	(1.5)
Net Income Attributable to Owners of the Parent	7.5	31.7	(24.3)	23.0	(15.5)
Reference					
JPY/USD (average)	150	152		149	
JPY/EUR (average)	169	164		168	
Domestic naphtha JPY 1,000/kl	68	75		68	
US natural gas USD/MMBtu	3.6	2.4		3.5	
Europe natural gas EUR/MWh	37	34		39	

FY2025 Factors Affecting the Change in Operating Income



	FY2024	FY2025		FY2024	FY2025
JPY/USD (average)	152	150	Domestic naphtha JPY 1,000/kl	75	68
JPY/EUR (average)	164	169	US natural gas USD/MMBtu	2.4	3.6
			Europe natural gas EUR/MWh	34	37



FY2025 【Completed】

- Optimization of production capacity in methacrylate business
- Transfer of noncore businesses (Okayama Rinkoh Co., Ltd., Takarazuka Nakayamadai Newtown)

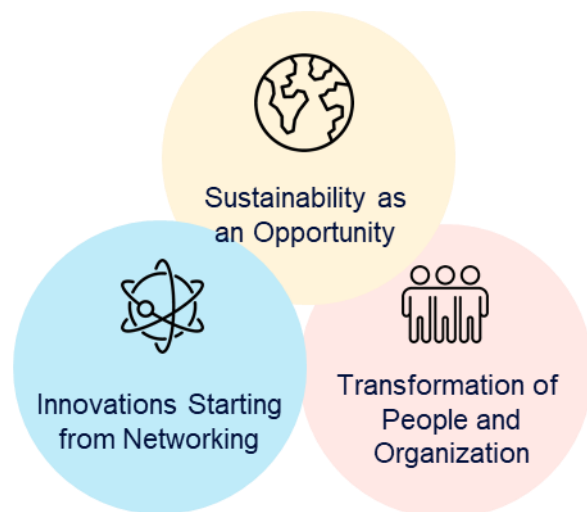
【Decided】

- Expansion of optical-use poval film production line
- Restructuring of polyester business
- End of production of KURARITY™ and VECSTAR™ FCCL
- Transfer of a methacrylic resin sheet manufacturing subsidiary in China and stamper business

FY2026

- Execution of construction work for new EVAL™ plant in Singapore
- Further growth of genestar business and dental material business
- Decision to increase reactivated carbon production capacity in Europe and the U.S.
- Focused allocation of resources to core businesses, and downsize or withdraw from noncore businesses

- Three Challenges -



- Setting new targets for reducing GHG emissions by 2035
- Virtual PPA^{*1} signed in the U.S.
- Acquisition of SBT certification. Initiatives for post-PASSION 2026
(Establishment of technology development issues that contribute to GHG emission reductions, and creation of new value indicators combining the Kuraray PSA^{*3} system and ICP^{*4})

- Acquisition of Nelumbo Inc.
- Co-creation with partner companies for industrialization and social implementation of regenerative medicine

- Drive global organizational structure and business process transformation
- Build a global HR function that contributes to business growth
- Challenge for new business models through the use of digital technology and collaboration with other companies

^{*1} Virtual PPA(Power Purchase Agreement): A contract in which environmental value, in the form of renewable energy certificates, is purchased without directly receiving electricity from a renewable energy company.

^{*2} SBT (Science Based Targets): Voluntary targets set by business corporations with regards to GHG emission reductions in a manner consistent with the levels required by the Paris Agreement.

^{*3} PSA(Portfolio Sustainability Assessment): Product-portfolio metrics established by WBCSD (World Business Council for Sustainable Development)

^{*4} ICP(Internal Carbon Pricing): A mechanism for creating economic incentives to reduce CO2 emissions and save energy, promoting low-carbon investment and encouraging climate change response by setting an internal carbon price and using it to calculate the monetary cost of emissions.

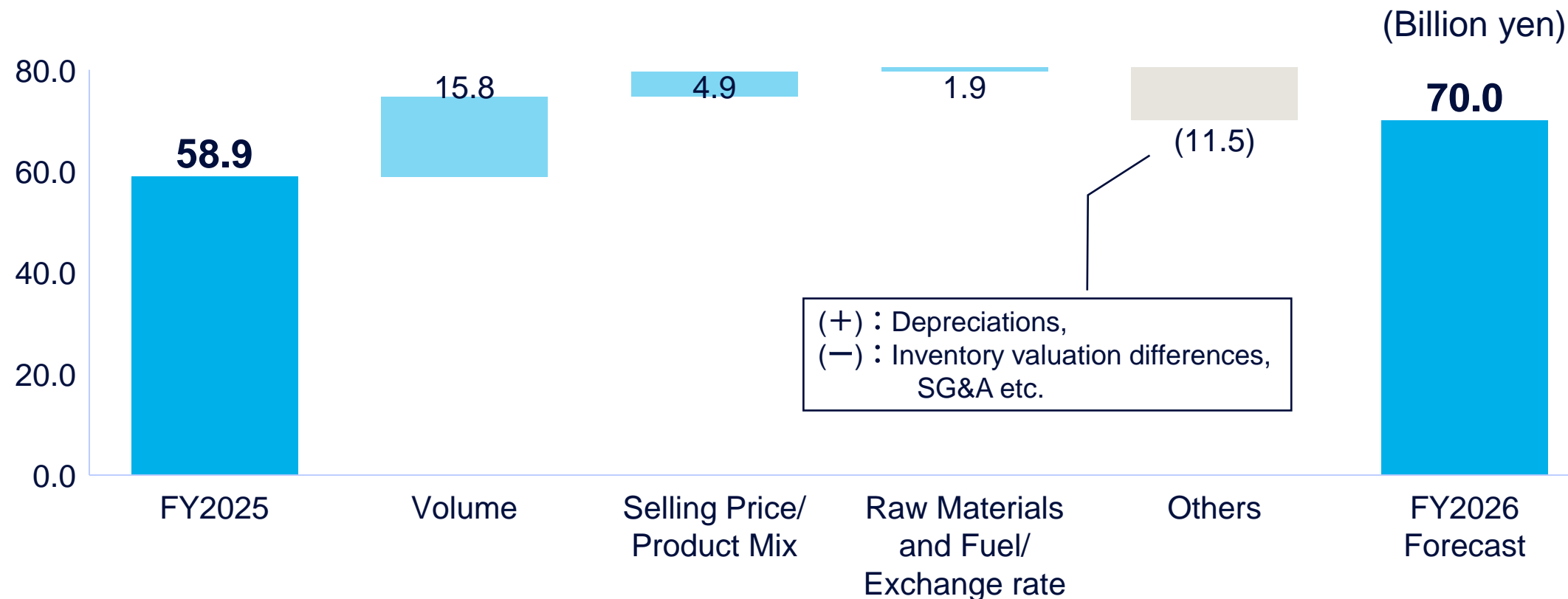
Forecasts for FY2026

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	FY2026 Forecast	FY2025	Variance	FY2026 Previous Forecast (Feb. 12, 2025)	(Billion yen) Variance
Net Sales	850.0	808.4	41.6	900.0	(50.0)
Operating Income	70.0	58.9	11.1	110.0	(40.0)
Ordinary Income	64.0	51.5	12.5		
Net Income Attributable to Owners of the Parent	40.0	7.5	32.5	66.0	(26.0)
CAPEX(decision basis)	75.0	101.0	(26.0)		
CAPEX(acceptance basis)	119.0	<u>106.8</u>	<u>12.2</u>		
Depreciation and Amortization (incl. amortization of goodwill)	85.0	84.7	0.3		
R&D Expenses	27.0	28.4	(1.4)		
		Reference			
JPY/USD (average)	150	150		155	
JPY/EUR (average)	175	169		160	
Domestic naphtha (JPY 1,000/kl)	61	68		75	
US natural gas* USD/MMBtu	3.8	3.6			
Europe natural gas* EUR/MWh	37	37			

* Assumptions for U.S. and European natural gas are announced from the 2Q FY2025 results.

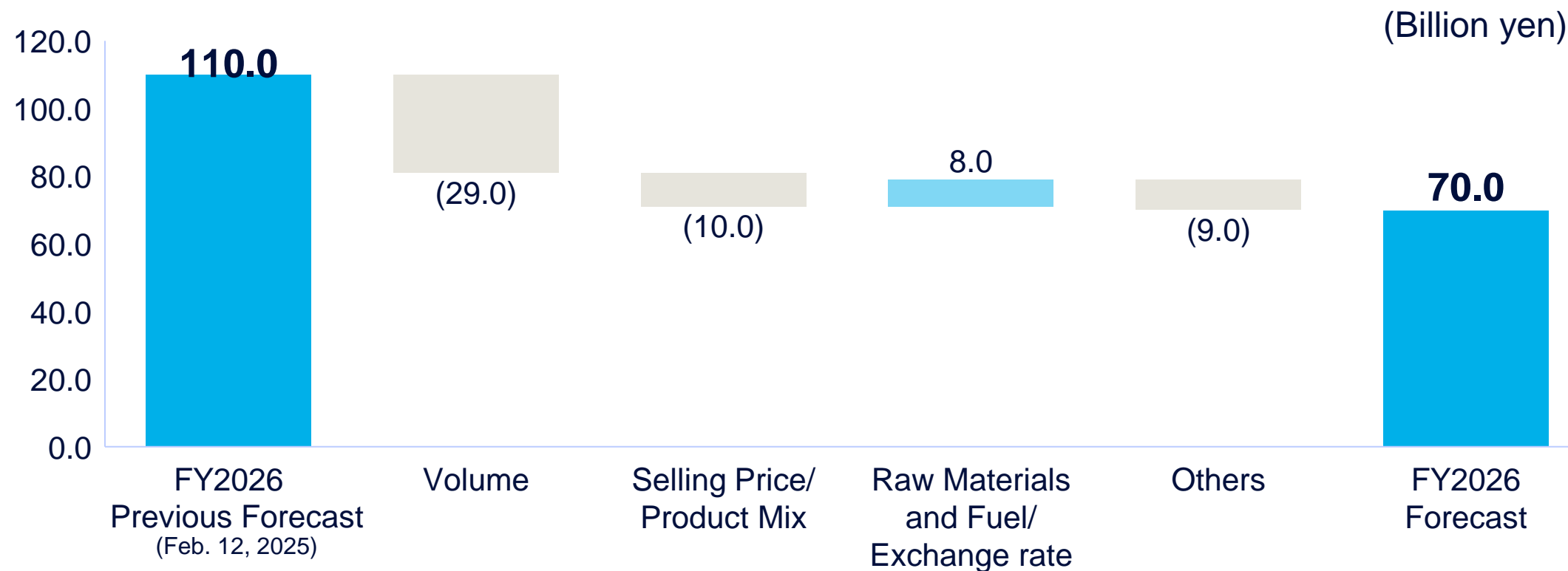
FY2026 Factors Affecting the Change in Operating Income



	FY2025	FY2026 Forecast
JPY/USD (average)	150	150
JPY/EUR (average)	169	175

	FY2025	FY2026 Forecast
Domestic naphtha JPY 1,000/kl	68	61
US natural gas USD/MMBtu	3.6	3.8
Europe natural gas EUR/MWh	37	37

FY2026 Factors Affecting the Change in Operating Income (vs. Previous Forecast)



	FY2026 Previous Forecast (Feb. 2025)	FY2026 Forecast		FY2026 Previous Forecast (Feb. 2025)	FY2026 Forecast
JPY/USD (average)	155	150	Domestic naphtha JPY 1,000/kl	75	61
JPY/EUR (average)	160	175	US natural gas*2 USD/MMBtu		3.8
			Europe natural gas*2 EUR/MWh		37

*Assumptions for U.S. and European natural gas are announced from 2Q FY25 results.

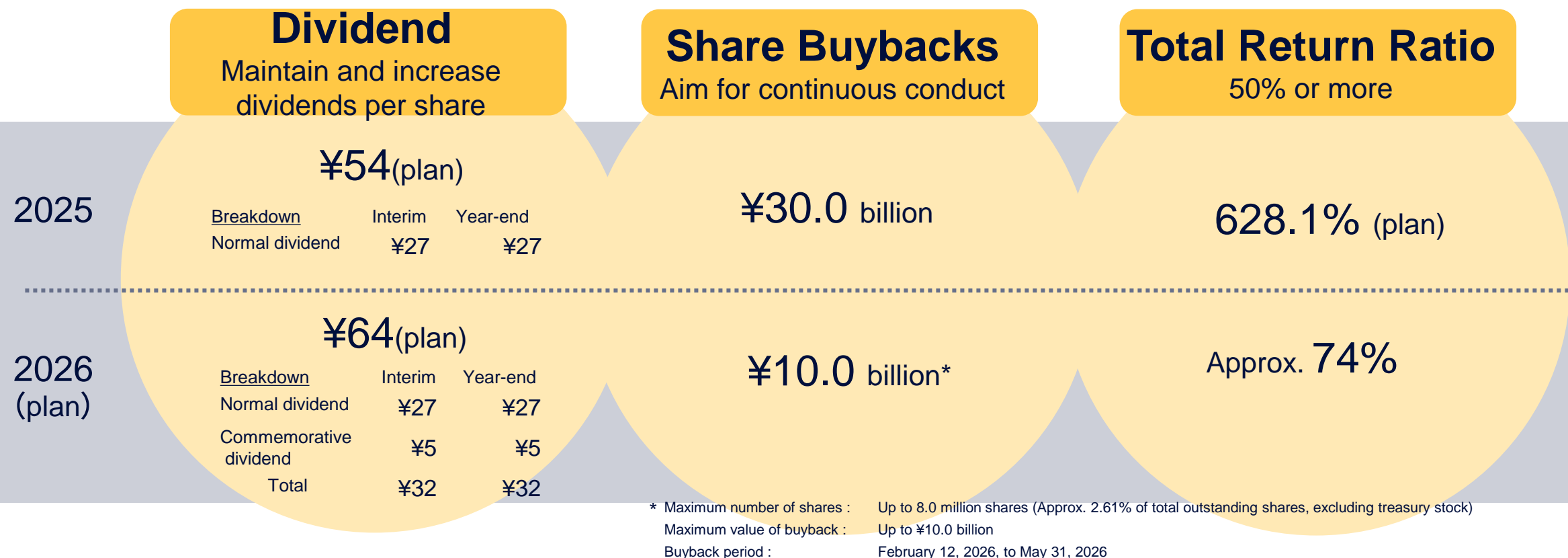
Financial
KPIs

	FY2024	FY2025	FY2026 Forecast	FY2026 Previous Forecast (Feb. 12, 2025)
ROIC	7.3%	5.1%	6%	9%
EBITDA*	¥ 170.3 billion	¥ 143.6 billion	¥ 155.0 billion	¥ 186.0 billion
ROE	4.3%	1.0%	5%	9%
EBITDA Margin (reference)	20.6%	17.8%	18%	21%

*Operating income + depreciation and amortization

Shareholder Return

- Plans to pay a commemorative dividend of ¥10 per year to celebrate the Kuraray's 100th anniversary
- Decided to conduct ¥10.0 billion buyback





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FY2025 Earnings Presentation (Details)

KURARAY CO., LTD.

February 10, 2026

Net Sales and Operating Income by Segment

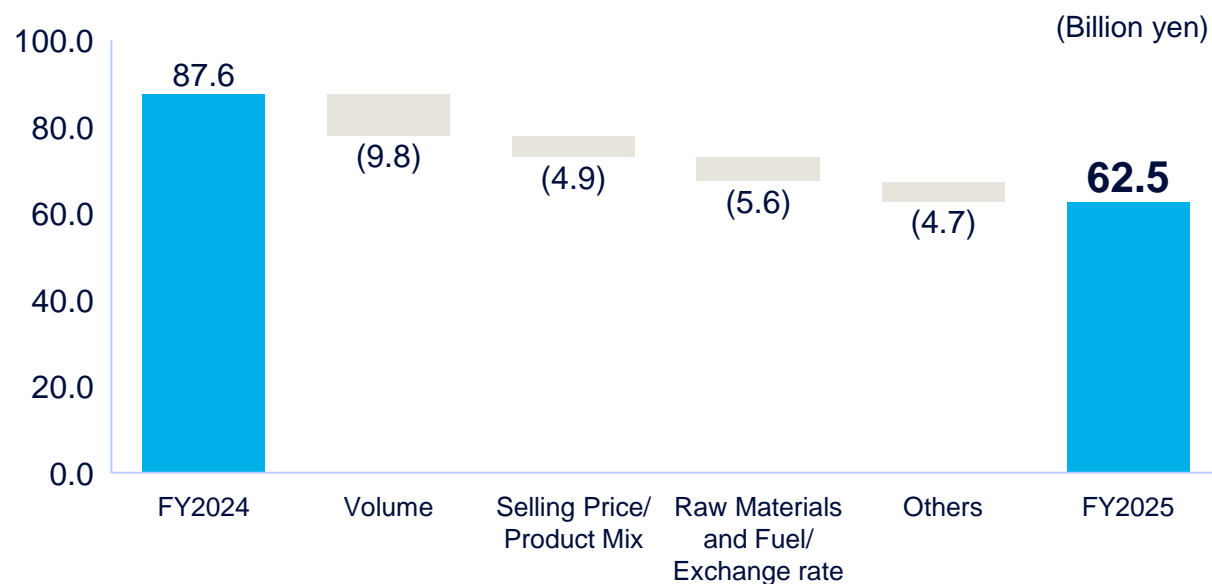
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(Billion yen)

	FY2025		FY2024		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Vinyl Acetate	404.5	62.5	414.9	87.6	(10.4)	(25.1)
Isoprene	80.4	(4.9)	76.4	(9.5)	4.0	4.6
Functional Materials	206.9	10.8	208.0	12.9	(1.0)	(2.1)
Fibers & Textiles	60.7	2.6	62.7	1.2	(1.9)	1.4
Trading	68.8	6.0	67.6	5.9	1.1	0.1
Others	40.8	1.8	50.9	2.3	(10.1)	(0.5)
Elimination & Corporate	(53.7)	(20.1)	(53.5)	(15.4)	(0.2)	(4.7)
Total	808.4	58.9	826.9	85.1	(18.4)	(26.2)

	(Billion yen)		
	FY2024	FY2025	Difference
Net Sales	414.9	404.5	(10.4)
Operating Income	87.6	62.5	(25.1)

【Factors Affecting the Change in Operating Income】

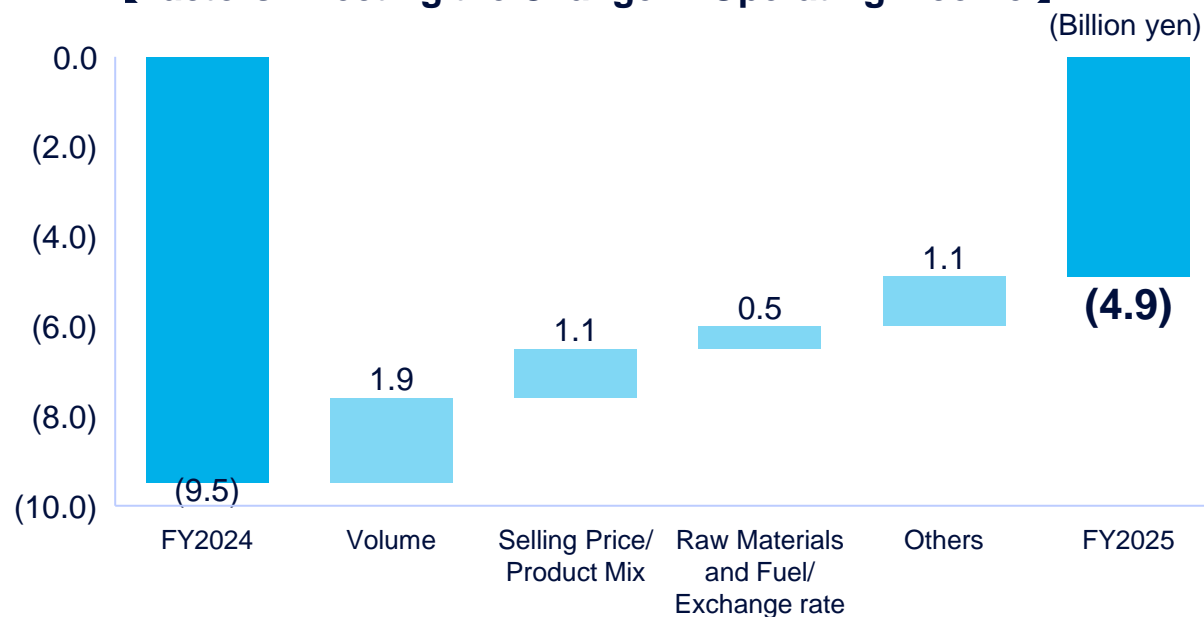


PVOH resin	Sales volume decreased due to weakened demand, especially in Europe and the United States, and due to the dissipation of the special demand that arose in the previous year to work around logistics disruptions to Europe. Profit was impacted by the rising raw material and fuel prices.
Optical-use poval film	Sales volume increased on the back of Chinese government measures to support home appliance replacement and demand for TV replacement ahead of international sports events. Inventory valuation differences had a negative impact on profit.
Advanced Interlayer Solutions	Although sales of SentryGlas™ remained favorable, especially in the Americas, the competitive environment for PVB film has intensified, particularly in Europe and Asia. As a result, sales volume has decreased for both construction and automotive applications.
Water-soluble PVOH film MonoSol	Sales volume increased due to higher demand for soluble-unit-dose detergent.
EVAL™	Although sales volume for food packaging applications did not increase as much as assumed in Europe and Asia, automotive applications held steady, resulting in an increase in the overall sales volume. Profit, however, was negatively affected by inventory valuation differences and rising raw material and fuel prices.
Main reason of increase/decrease	Sales volume did not increase due to the European economic stagnation and other factors, and overall segment income decreased due to the negative impact of inventory valuation differences and higher raw material and fuel prices.

(Billion yen)

	FY2024	FY2025	Difference
Net Sales	76.4	80.4	4.0
Operating Income	(9.5)	(4.9)	4.6

【Factors Affecting the Change in Operating Income】



Isoprene Chemicals and Elastomers

As a result of a pull-forward in demand in the first half of the year caused by U.S. tariff policies in addition to stagnant demand for construction applications in China, isoprene chemicals experienced a period of adjustment from the third quarter onward. In addition, elastomers faced intensified competition with Asian competitors in the European market and other regions due to U.S. tariff policies despite an increase in sales volume.

GENESTAR™

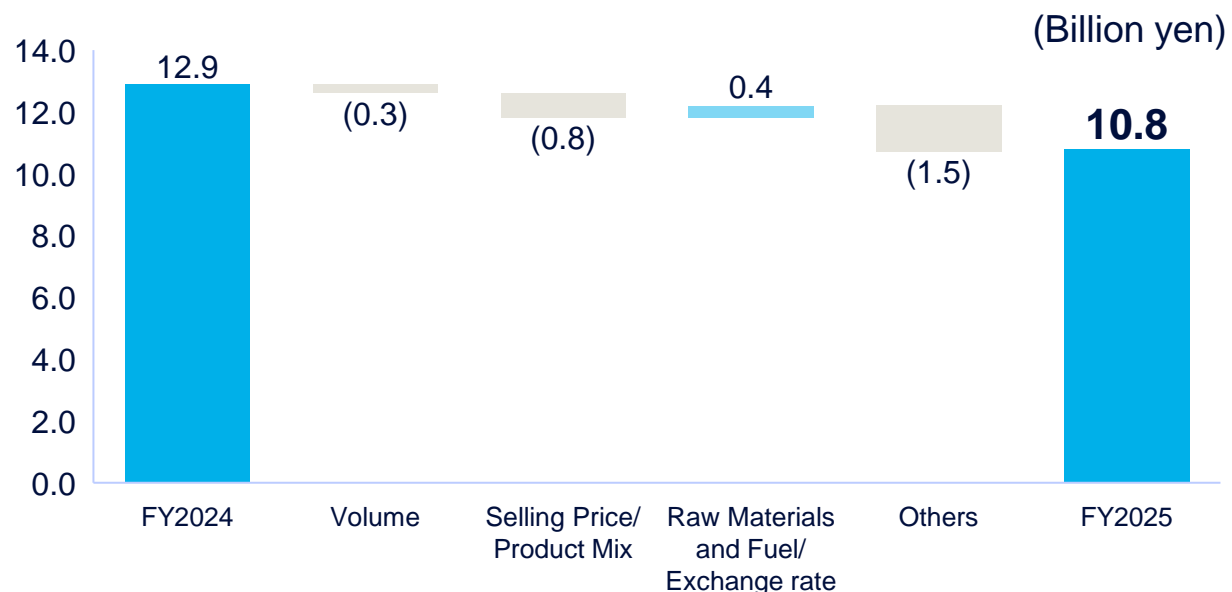
Sales volume increased due to expanded sales for both electric and electronic applications and automotive applications.

Main reason of increase/decrease

Overall segment income increased thanks to the stabilization of operations at the Thai base, which was also leveraged to contribute to sales expansion.

	(Billion yen)		
	FY2024	FY2025	Difference
Net Sales	208.0	206.9	(1.0)
Operating Income	12.9	10.8	(2.1)

【Factors Affecting the Change in Operating Income】

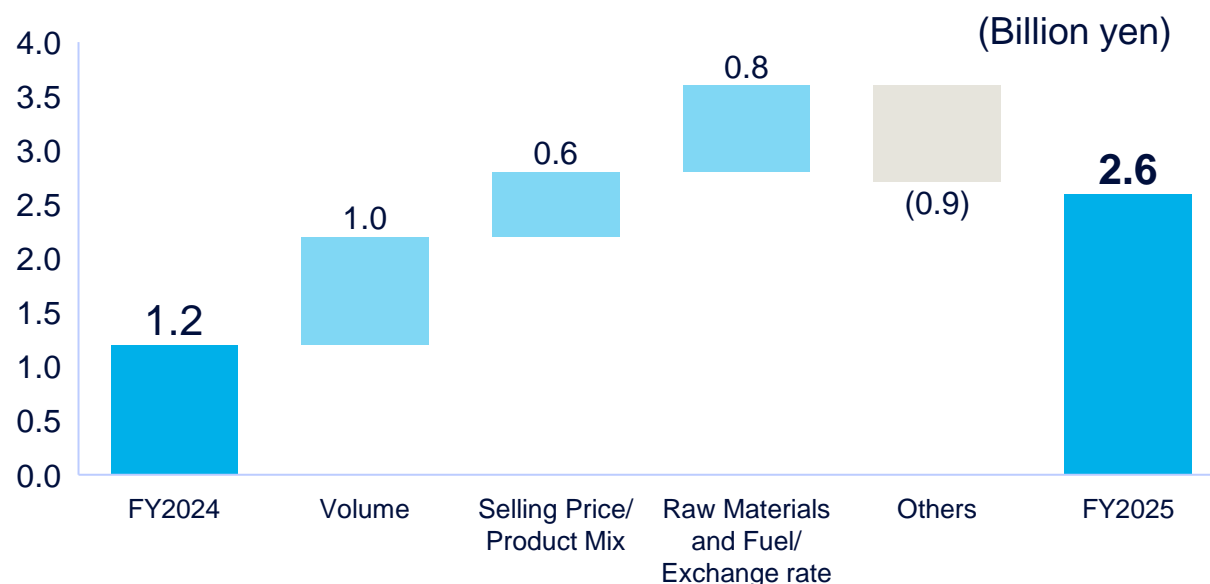


Methacrylate	Sales volume fell due to temporary production difficulties in addition to reduced production capacity for methyl methacrylate and some downstream products from July 2025.
Medical	Sales of cosmetic dental materials, mainly in Europe and the U.S., remained brisk. We continued strengthening marketing aimed at expanding sales.
Environmental Solutions	Although the sales volume of activated carbon increased, mainly for drinking water application, a trend has emerged among some customers of revising purchasing timing due to U.S. tariff policies and an uncertain economic outlook, resulting in sales volume failing expectation. In addition, the diatomite and perlite business were transferred in December 2024, resulting in a decrease in sales. Profit was negatively impacted by a cold wave and production difficulties in the United States.
Main reason of increase/decrease	Overall segment income decreased due in part to the negative effects of a cold wave in the U.S. and production difficulties.

(Billion yen)

	FY2024	FY2025	Difference
Net Sales	62.7	60.7	(1.9)
Operating Income	1.2	2.6	1.4

【Factors Affecting the Change in Operating Income】



CLARINO™

Although the performance of shoes applications remained steady due to the effects of new recruitment efforts, sales volume decreased, especially for luxury and automotive applications due in part to the effects of production adjustments in EVs, stagnant demand in the European market, and slowing growth in the Chinese economy.

Fibers and Industrial Materials

Sales in Europe for construction material applications remained weak, but the sales composition continued to improve due in part to expanded sales of the liquid crystal polymer fiber VECTRAN™.

Main reason of increase/decrease

Despite impacts from the European economic slowdown and EV production adjustments, overall segment income increased due to contributions from improvements in sales composition and other factors.

(Billion yen)

	FY2025	FY2024	Difference
Operating CF	98.6	138.3	(39.7)
Investing CF*	(98.1)	(76.0)	(22.1)
Free CF*	0.5	62.3	(61.8)
CAPEX(acceptance basis)	<u>106.8</u>	84.3	<u>22.6</u>
Depreciation and Amortization (incl. amortization of goodwill)	84.7	85.2	(0.5)
R&D Expenses	28.4	25.7	2.7

* Cash flows from investing activities and free cash flow exclude net cash used in fund management and M&A.

(Billion yen)

	Dec. 31, 2025	Dec. 31, 2024	Difference
Current Assets	578.4	565.3	13.1
Non-current Assets	725.1	726.0	(0.9)
Total Assets	1,303.5	1,291.2	12.3

	Dec. 31, 2025	Dec. 31, 2024
JPY/USD (end of period)	157	158
JPY/EUR (end of period)	184	165

Balance Sheet [2]: Liabilities and Net Assets

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(Billion yen)

	Dec. 31, 2025	Dec. 31, 2024	Difference
Current Liabilities	228.2	198.2	30.0
Non-current Liabilities	320.1	311.2	8.9
Total Liabilities	548.3	509.4	38.9
Net Assets	755.2	781.8	(26.6)
Total Liabilities and Net Assets	1,303.5	1,291.2	12.3

Equity Ratio

57.0%

59.2%

(2.2)%

	Dec. 31, 2025	Dec. 31, 2024
JPY/USD (end of period)	157	158
JPY/EUR (end of period)	184	165

Net Sales and Operating Income by Segment

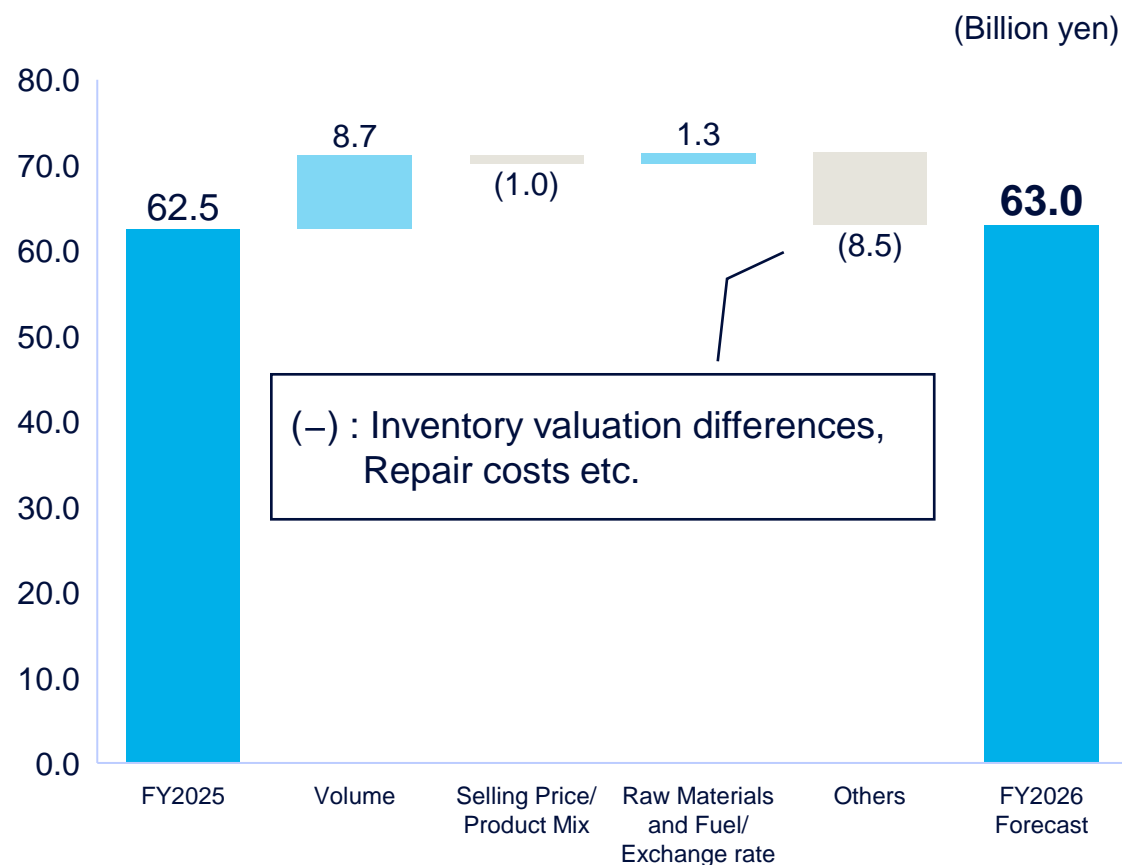
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(Billion yen)

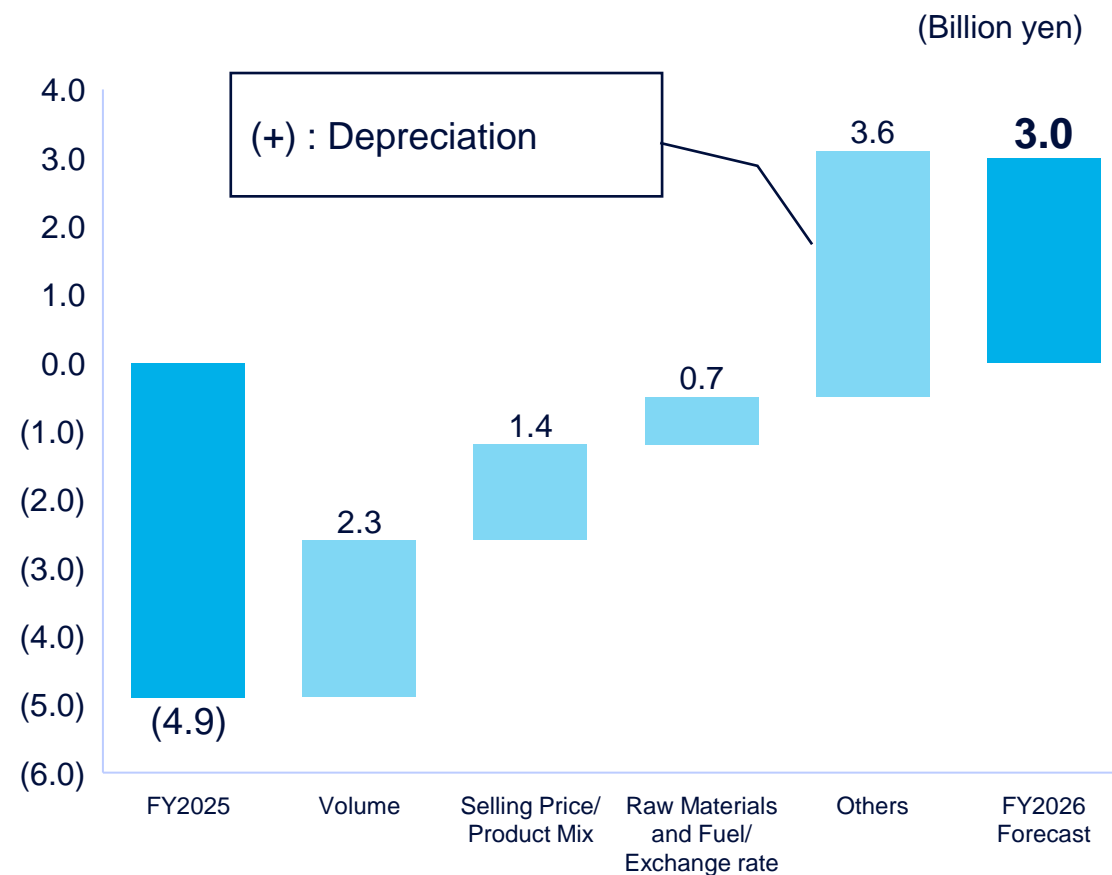
	FY2026 Forecast		FY2025		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Vinyl Acetate	420.0	63.0	404.5	62.5	15.5	0.5
Isoprene	93.0	3.0	80.4	(4.9)	12.6	7.9
Functional Materials	222.0	14.5	207.8	8.9	14.2	5.6
Fibers & Textiles	63.0	4.5	60.7	2.6	2.3	1.9
Trading	70.0	6.5	68.8	6.0	1.2	0.5
Others	41.0	1.0	39.9	3.7	1.1	(2.7)
Elimination & Corporate	(59.0)	(22.5)	(53.7)	(20.1)	(5.3)	(2.4)
Total	850.0	70.0	808.4	58.9	41.6	11.1

*From FY2026, the segment classification of the Electronics Materials Promotion Division is changed from "Others" to "Functional Materials."
Accordingly, figures presented under result for FY2025 reflect this change.

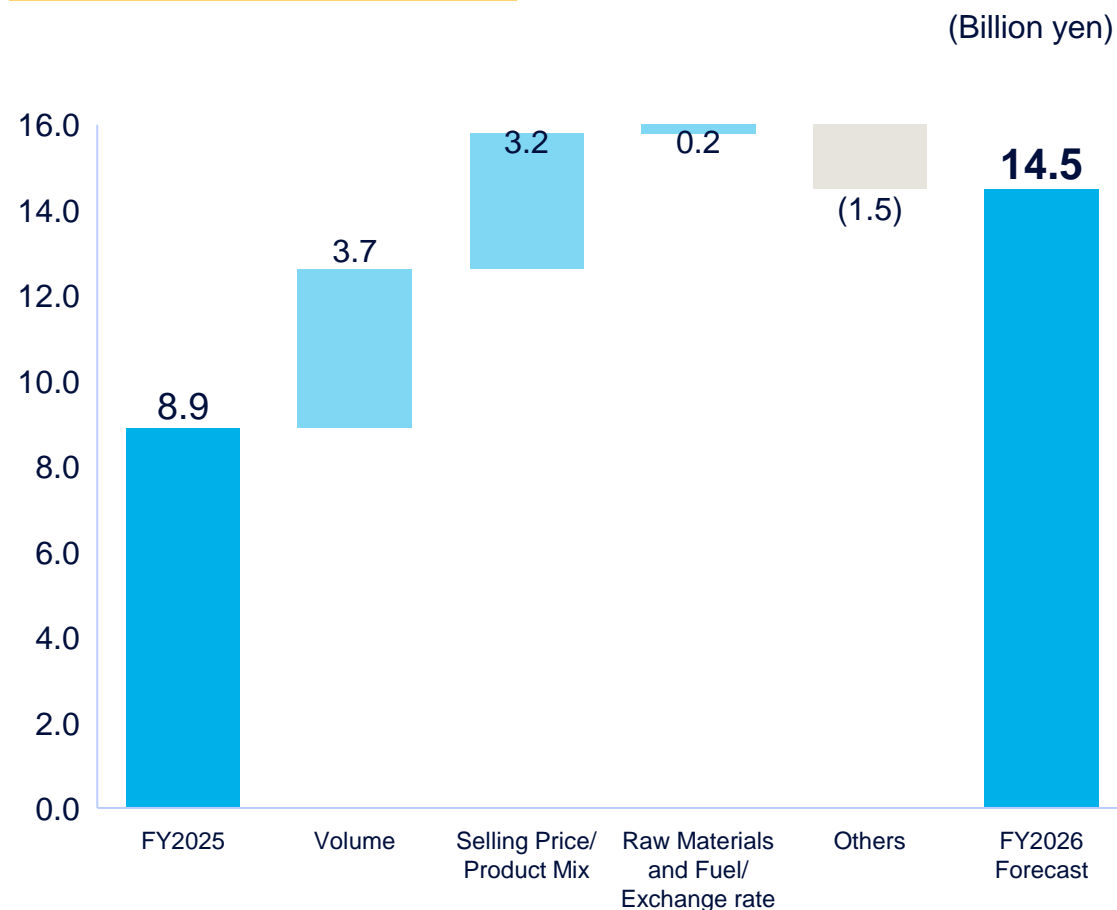
Vinyl Acetate



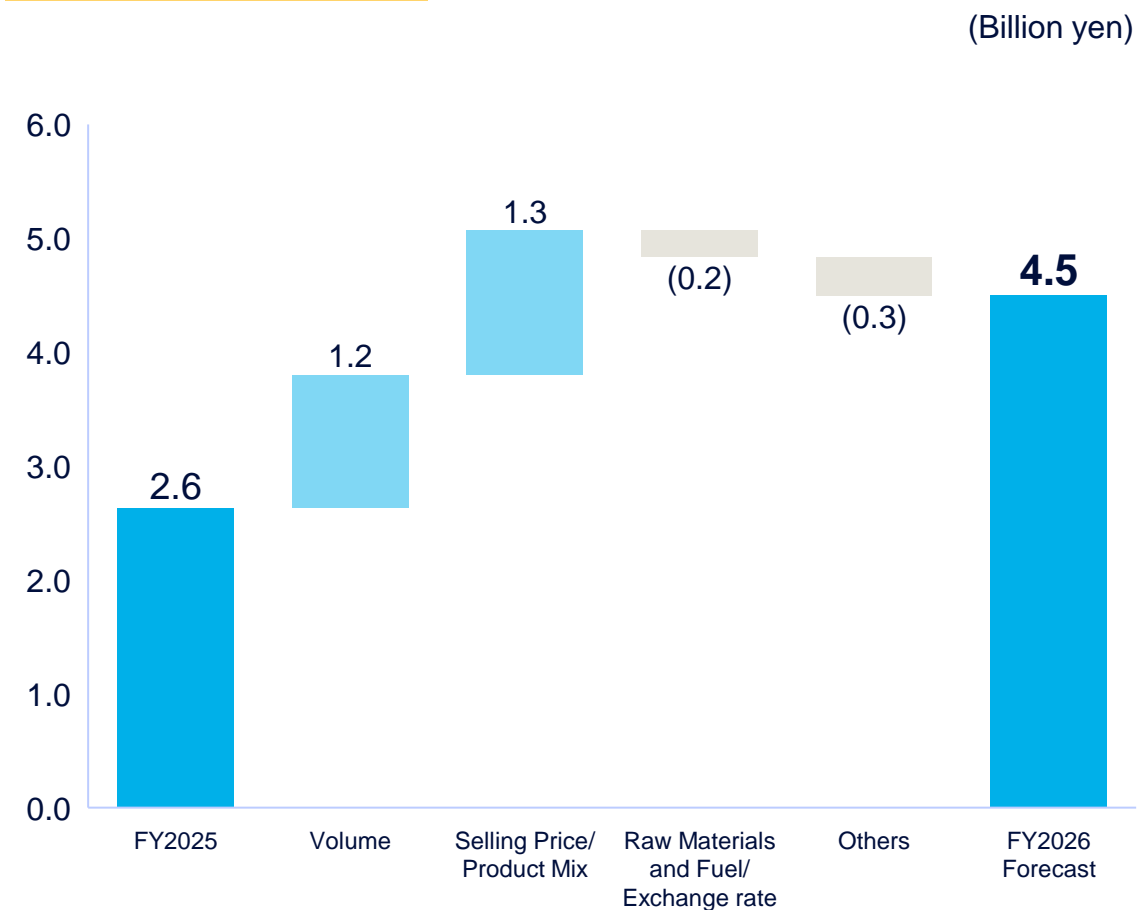
Isoprene



Functional Materials



Fibers & Textiles



【Ref.】 Net Sales and Operating Income by Segment (vs. Previous Forecast)

(Billion yen)

	FY2026 Forecast		FY2026 Previous Forecast (As of Feb. 12, 2025)		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Vinyl Acetate	420.0	63.0	438.0	89.0	(18.0)	(26.0)
Isoprene	93.0	3.0	95.0	0.0	(2.0)	3.0
Functional Materials	222.0	14.5	230.0	25.0	(8.0)	(10.5)
Fibers & Textiles	63.0	4.5	70.0	7.0	(7.0)	(2.5)
Trading	70.0	6.5	75.0	7.0	(5.0)	(0.5)
Others	41.0	1.0	39.5	2.0	1.5	(1.0)
Elimination & Corporate	(59.0)	(22.5)	(47.5)	(20.0)	(11.5)	(2.5)
Total	850.0	70.0	900.0	110.0	(50.0)	(40.0)

*From FY2026, the segment classification of the Electronics Materials Promotion Division is changed from “Others” to “Functional Materials.”
Accordingly, figures presented under previous forecast for FY2026 reflect this change.

(Billion yen)

	FY2026 Forecast			FY2025			Difference		
	1H	2H	FY	1H	2H	FY	1H	2H	FY
Net Sales	410.0	440.0	850.0	400.0	408.5	808.4	10.0	31.5	41.6
Operating Income	24.0	46.0	70.0	26.3	32.6	58.9	(2.3)	13.4	11.1
Ordinary Income	21.0	43.0	64.0	21.3	30.2	51.5	(0.3)	12.8	12.5
Net Income Attributable to Owners of the Parent	13.0	27.0	40.0	14.0	(6.6)	7.5	(1.0)	33.6	32.5

【Ref.】 Net Sales Forecast by Segment

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(Billion yen)

	FY2026 Forecast			FY2025			Difference		
	1H	2H	FY	1H	2H	FY	1H	2H	FY
Vinyl Acetate	205.0	215.0	420.0	202.9	201.6	404.5	2.1	13.4	15.5
Isoprene	44.0	49.0	93.0	39.9	40.4	80.4	4.1	8.6	12.6
Functional Materials	106.0	116.0	222.0	98.6	109.3	207.8	7.4	6.7	14.2
Fibers & Textiles	31.0	32.0	63.0	29.8	31.0	60.7	1.2	1.0	2.3
Trading	34.0	36.0	70.0	33.9	34.9	68.8	0.1	1.1	1.2
Others	17.0	24.0	41.0	21.7	18.2	39.9	(4.7)	5.8	1.1
Elimination & Corporate	(27.0)	(32.0)	(59.0)	(26.8)	(26.9)	(53.7)	(0.2)	(5.1)	(5.3)
Total	410.0	440.0	850.0	400.0	408.5	808.4	10.0	31.5	41.6

*From FY2026, the segment classification of the Electronics Materials Promotion Division is changed from “Others” to “Functional Materials.” Accordingly, figures presented under result for FY2025 reflect this change.

【Ref.】 Operating Income Forecast by Segment

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(Billion yen)

	FY2026 Forecast			FY2025			Difference		
	1H	2H	FY	1H	2H	FY	1H	2H	FY
Vinyl Acetate	22.0	41.0	63.0	29.9	32.7	62.5	(7.9)	8.3	0.5
Isoprene	1.5	1.5	3.0	(1.3)	(3.6)	(4.9)	2.8	5.1	7.9
Functional Materials	6.0	8.5	14.5	1.7	7.2	8.9	4.3	1.3	5.6
Fibers & Textiles	1.5	3.0	4.5	(0.1)	2.7	2.6	1.6	0.3	1.9
Trading	3.0	3.5	6.5	3.0	3.0	6.0	0.0	0.5	0.5
Others	0.0	1.0	1.0	1.9	1.8	3.7	(1.9)	(0.8)	(2.7)
Elimination & Corporate	(10.0)	(12.5)	(22.5)	(8.9)	(11.2)	(20.1)	(1.1)	(1.3)	(2.4)
Total	24.0	46.0	70.0	26.3	32.6	58.9	(2.3)	13.4	11.1

*From FY2026, the segment classification of the Electronics Materials Promotion Division is changed from “Others” to “Functional Materials.”
Accordingly, figures presented under result for FY2025 reflect this change.

【Ref.】 Quarterly Net Sales by Segments

kuraray

(Billion yen)

	FY2024					FY2025				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Vinyl Acetate	99.0	109.8	106.7	99.4	414.9	100.4	102.5	98.5	103.1	404.5
Isoprene	17.2	20.4	18.5	20.3	76.4	19.7	20.3	18.6	21.9	80.4
Functional Materials	48.7	54.0	49.6	55.7	208.0	47.6	50.5	50.4	58.4	206.9
Fibers & Textiles	13.8	17.4	15.0	16.5	62.7	13.4	16.3	14.0	17.0	60.7
Trading	15.3	16.9	16.0	19.4	67.6	16.7	17.2	15.1	19.7	68.8
Others	11.7	13.3	12.1	13.8	50.9	11.1	11.0	9.8	8.9	40.8
Elimination & Corporate	(13.6)	(12.8)	(14.2)	(12.9)	(53.5)	(14.1)	(12.7)	(12.9)	(14.0)	(53.7)
Total	192.2	219.0	203.6	212.1	826.9	194.8	205.2	193.5	215.0	808.4

【Ref.】 Quarterly Operating Income by Segments

kuraray

(Billion yen)

	FY2024					FY2025				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Vinyl Acetate	24.8	19.1	26.7	17.0	87.6	15.9	14.0	18.7	14.0	62.5
Isoprene	0.0	(4.0)	(1.5)	(3.9)	(9.5)	2.8	(4.1)	(0.9)	(2.7)	(4.9)
Functional Materials	3.2	3.2	2.8	3.6	12.9	2.0	0.9	3.4	4.5	10.8
Fibers & Textiles	(0.2)	1.0	1.5	(1.0)	1.2	(0.6)	0.5	1.4	1.3	2.6
Trading	1.3	1.4	1.4	1.8	5.9	1.4	1.7	1.2	1.8	6.0
Others	0.4	0.5	1.0	0.4	2.3	0.1	0.6	0.7	0.3	1.8
Elimination & Corporate	(0.8)	(4.5)	(3.3)	(6.8)	(15.4)	(3.0)	(5.9)	(4.4)	(6.8)	(20.1)
Total	28.8	16.7	28.5	11.2	85.1	18.7	7.6	20.1	12.5	58.9

(Billion yen)

	FY2025		FY2025 Previous Forecast (As of Nov. 12, 2025)		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Vinyl Acetate	404.5	62.5	408.0	64.0	(3.5)	(1.5)
Isoprene	80.4	(4.9)	81.0	(5.5)	(0.6)	0.6
Functional Materials	206.9	10.8	207.0	10.5	(0.1)	0.3
Fibers & Textiles	60.7	2.6	62.0	2.0	(1.3)	0.6
Trading	68.8	6.0	67.0	6.0	1.8	0.0
Others	40.8	1.8	42.0	1.0	(1.2)	0.8
Elimination & Corporate	(53.7)	(20.1)	(57.0)	(18.0)	3.3	(2.1)
Total	808.4	58.9	810.0	60.0	(1.5)	(1.1)

Approximate impact on operating income

(Billion yen)
+ : profit, () : loss

	FY2025 1H				FY2025 2H				FY2025
	Regular maintenance cost	Operation suspension cost	Inventory valuation differences	Total	Regular maintenance cost	Operation suspension cost	Inventory valuation differences	Total	Total
Vinyl Acetate	(2.0)	(2.0)	(3.0)	(7.0)	(0.5)	2.0	3.0	4.5	(2.5)
Isoprene	(2.0)	0.0	0.5	(1.5)	0.0	0.0	(1.0)	(1.0)	(2.5)
Functional Materials	(0.5)	(2.0)	0.0	(2.5)	0.0	0.0	0.5	0.5	(2.0)
Fibers & Textiles	0.0	0.0	(0.5)	(0.5)	0.0	0.0	0.5	0.5	0.0
Total	(4.5)	(4.0)	(3.0)	(11.5)	(0.5)	2.0	3.0	4.5	(7.0)

【Ref.】 Modeling Tool for Operating Income

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Approximate impact on operating income

(Billion yen)
+ : profit, () : loss

	FY2026 1H (Forecast)				FY2026 2H (Forecast)				FY2026 (Forecast)
	Regular maintenance cost	Operation suspension cost	Inventory valuation differences	Total	Regular maintenance cost	Operation suspension cost	Inventory valuation differences	Total	Total
Vinyl Acetate	(4.0)	0.0	(5.0)	(9.0)	(1.5)	0.0	1.0	(0.5)	(9.5)
Isoprene	(2.0)	0.0	0.5	(1.5)	0.0	0.0	(0.5)	(0.5)	(2.0)
Functional Materials	0.0	0.0	(1.5)	(1.5)	0.0	0.0	0.5	0.5	(1.0)
Fibers & Textiles	0.0	0.0	(0.5)	(0.5)	(0.5)	0.0	1.0	0.5	0.0
Total	(6.0)	0.0	(6.5)	(12.5)	(2.0)	0.0	2.0	0.0	(12.5)



Possible starts here

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- All figures are rounded to the nearest hundred million yen.
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