KURARAY CO., LTD., Summary of Q&A Session for FY2025 Earning Announcement

[Time & Date]	From 15:00pm to 16:00pm, February 10, 2026	
[Place]	Kuraray Head Office *Hybrid conference	
[Speakers]	Hitoshi Kawahara	President and Representative Director
	Junichi Fujiwara	Managing Executive Officer, Officer Responsible for Corporate Management Planning Office
	Shinichi Takizawa	Senior Manager, Corporate Communications Department

1. Volume growth rates of main products

	FY2024 actual à FY2025 actual	FY2025 actual à FY2026 forecast
PVOH resin	About -10%	Less than +10%
Optical-use poval film	Less than +5%	Flat
Advanced Interlayer Solutions	More than -5%	More than +5%
Water-soluble PVOH film	Slightly positive	Slightly positive
EVAL™	Less than +5%	Less than +10%
Elastomer	Less than +5%	Less than +15%
GENESTAR™	More than +15%	About +20%
Activated carbon	More than +5%	Less than +5%
KURALON™	Flat	Slightly positive

2. Q & As

Q. Regarding the recording of impairment losses in the Isoprene segment

A. The market environment and other factors that were assumed at the time of the decision to invest in the Thailand plant have structurally changed. For elastomers, a global oversupply continues as a result of aggressive capacity expansion by competing manufacturers in Asia. For isoprene chemicals, the downturn in the Chinese construction market, one of the target markets, is expected to be prolonged. Based on these changes, we re-estimated future cash flows, leading to the recognition of impairment losses in FY2025.
For the Isoprene segment, we will enhance profitability through measures such as expansion of GENESTAR™ where we have strength, increase sales of customized, high-value-added elastomers tailored to each customer, and processing monomers produced in Thailand plant into derivatives at Kashima plant.
Furthermore, in September 2025, we increased our shareholding ratio in the Thai joint venture. This enables faster decision-making and execution of production and sales plans as well as trial

manufactures. We expect to reduce inventory and logistics costs through operational optimization and realize benefits as early as possible.
Depreciation cost will be decreased approximately ¥3 billion due to impairment.

Q. Regarding factors affecting the increase/decrease in operating profit from Q3 to Q4 FY2025
A. Vinyl Acetate segment saw a ¥4.7 billion decrease in profit. While optical-use poval film and eval saw increased profits due to demand recovery in Q4, inventory valuation differences, and sales mix, PVOH resin and advanced interlayer solutions saw decreased profits due to profit drop because of scheduled maintenance and volume decrease.
Isoprene segment recorded a ¥1.8 billion decrease in profit. Although volumes increased across all subsegments, the segment was negatively impacted by inventory valuation differences resulting from scheduled maintenance in 2Q.
Functional Materials segment saw an increase in profit of ¥1.1 billion. While medical experienced a decrease in profit due to seasonal factors and increased marketing and regulatory compliance costs, activated carbon saw an increase in profit due to sales mix and other factors.
Profit in Fiber and Textile segment remained flat.

Q. Regarding background of the FY2026 earnings forecast for the Vinyl Acetate segment
A. For PVOH resin and advanced interlayer solutions, we forecast volume to increase in 1H, but remain be flat or slightly decrease in 2H. SentryGlas® in advanced interlayer solutions is highly regarded for its performance, and high volume growth is anticipated for FY2026. For optical-use poval film and water-soluble PVOH film, shipments in FY2025 Q4 exceeded expectations. Consequently, volumes are not expected to increase in 1H FY2026 due to adjustments, but are projected to grow in 2H. For eval, volumes are expected to increase gradually throughout the year. Demand related to the circular economy has seen some delay due to the economic downturn, but it is still mandatory to shift to recyclable packaging materials by 2030 in Europe. We believe demand will certainly increase going forward.

Q. Regarding background of the FY2026 earning forecast for activated carbon
A. Demand for drinking water application continues expanding. However, we anticipate that the impact of factors such as slowdown in consumption and delayed capital investment due to the U.S. tariff policies, etc., will remain this year, too. Therefore, we are not assuming significant volume growth in 1H. For drinking water application, we expect to see some volume increase due to PFAS regulation in the U.S. from FY2026, but the proportion is not yet significant. We anticipate annual volume growth of around 5%.

(Cautionary Statement)
Please note that this document does not transcribe everything that was said at the briefing, but is a basic summary whose content was determined by Kuraray to make it easier to understand.
In addition, forward-looking statements such as performance forecasts contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable. Please note that it may vary significantly.