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FY2025 3Q Earnings Presentation (Overview)

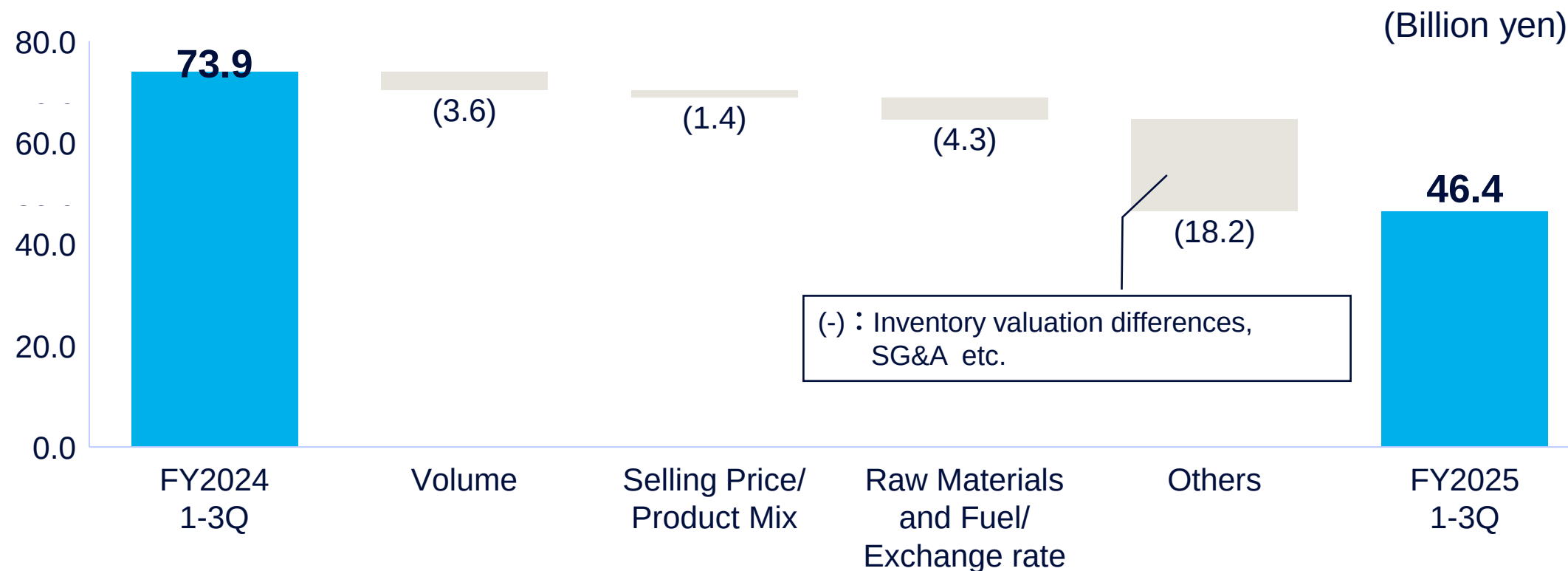
KURARAY CO., LTD.

November 12, 2025

- Income declined due to negative effects of inventory valuation differences and a decrease in sales volume, etc. (Billion yen)

	FY2025 1-3Q	FY2024 1-3Q	Difference
Net Sales	593.4	614.8	(21.4)
Operating Income	46.4	73.9	(27.6)
Ordinary Income	40.1	70.3	(30.3)
Net Income Attributable to Owners of the Parent	22.8	46.6	(23.8)
	Reference		
JPY/USD (average)	148	151	
JPY/EUR (average)	166	165	
Domestic naphtha JPY 1,000/kl	69	76	
US natural gas USD/MMBtu	3.43	2.22	
Europe natural gas EUR/MWh	39	31	

FY2025 3Q Factors Affecting the Change in Operating Income



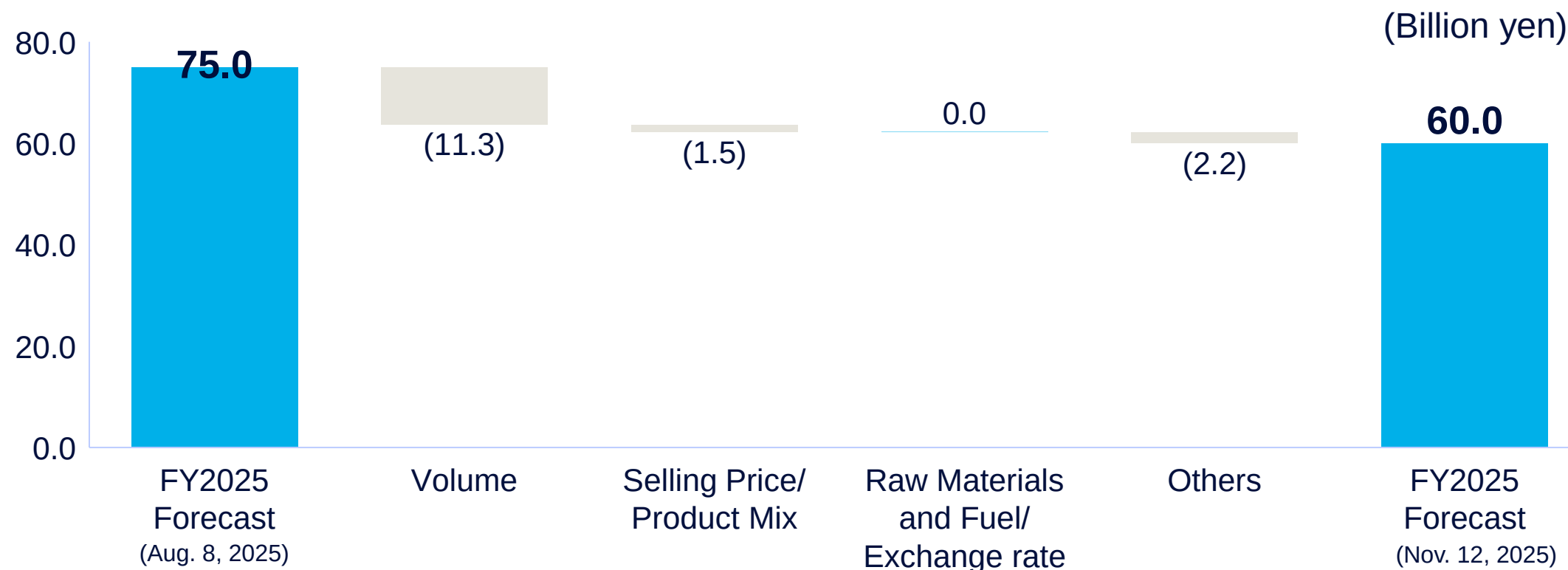
	FY2024 1-3Q	FY2025 1-3Q
JPY/USD (average)	151	148
JPY/EUR (average)	165	166

	FY2024 1-3Q	FY2025 1-3Q
Domestic naphtha JPY 1,000/kl	76	69
US natural gas USD/MMBtu	2.22	3.43
Europe natural gas EUR/MWh	31	39

- Revised full-year forecasts based on performance up to the 3Q and the current business environment (Billion yen)

	FY2025 Forecast (Nov. 12, 2025)	FY2024	Difference	FY2025 Forecast (Aug. 8, 2025)	Difference
Net Sales	810.0	826.9	(16.9)	840.0	(30.0)
Operating Income	60.0	85.1	(25.1)	75.0	(15.0)
Ordinary Income	53.0	81.5	(28.5)	69.0	(16.0)
Net Income Attributable to Owners of the Parent	23.0	31.7	(8.7)	33.0	(10.0)
<u>Reference</u>					
JPY/USD (average)	149	152		149	
JPY/EUR (average)	168	164		166	
Domestic naphtha JPY 1,000/kl	68	75		68	
US natural gas USD/MMBtu	3.49	2.41		3.55	
Europe natural gas EUR/MWh	39	34		38	

FY2025 Factors Affecting the Change in Operating Income (vs. Previous Forecast)



	FY2025 Forecast (Aug. 8, 2025)	FY2025 Forecast (Nov. 12, 2025)		FY2025 Forecast (Aug. 8, 2025)	FY2025 Forecast (Nov. 12, 2025)
JPY/USD (average)	149	149	Domestic naphtha JPY 1,000/kl	68	68
JPY/EUR (average)	166	168	US natural gas USD/MMBtu	3.55	3.49
			Europe natural gas EUR/MWh	38	39

- Completed share buyback (about 16,936 thousand shares) on Oct. 6, 2025.
Decided cancellation of treasury stocks (16,900 thousand shares) at the Board of Directors meeting on Nov. 12, 2025
- Dividend forecast remains unchanged

	Dividend Maintain and increase dividends per share	Share Buybacks Aim for continuous conduct	Total Return Ratio 50% or more
2024	Interim ¥27 Year-end ¥27 Annual ¥54	¥20.0 billion	118.7%
2025 (plan)	Interim ¥27 Year-end ¥27 Annual ¥54	¥30.0 billion (Conducted May 15, 2025 thru Oct. 6, 2025)	Approx. 204%



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FY2025 3Q Earnings Presentation (Details)

KURARAY CO., LTD.

November 12, 2025

Net Sales and Operating Income by Segment

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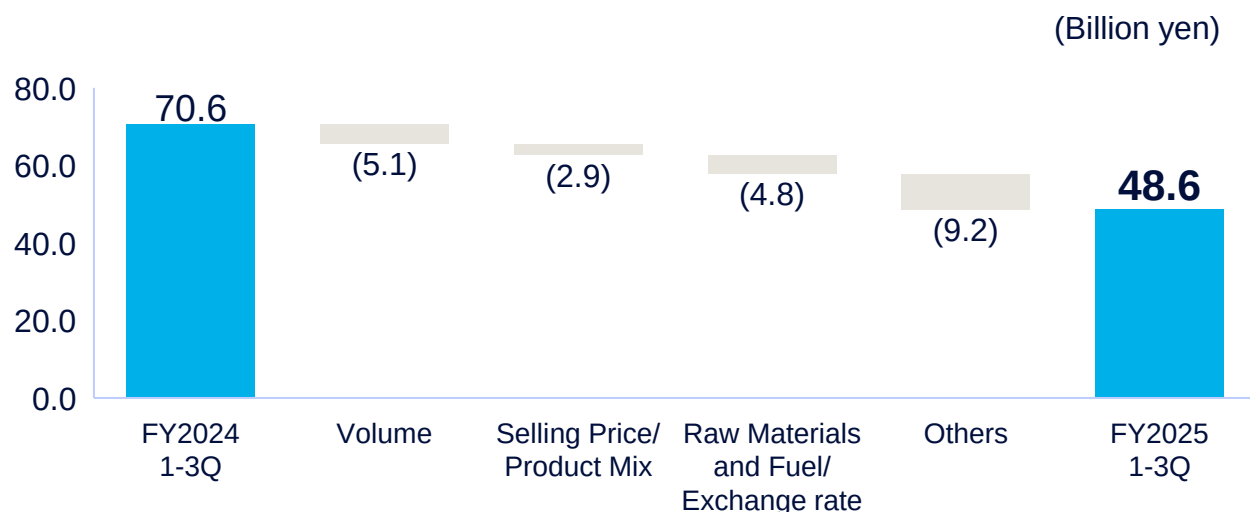
(Billion yen)

	FY2025 1-3Q		FY2024 1-3Q		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Vinyl Acetate	301.4	48.6	315.5	70.6	(14.1)	(22.0)
Isoprene	58.5	(2.2)	56.1	(5.6)	2.4	3.4
Functional Materials	148.5	6.3	152.3	9.3	(3.8)	(3.0)
Fibers & Textiles	43.7	1.3	46.2	2.2	(2.5)	(0.9)
Trading	49.1	4.2	48.2	4.1	0.8	0.1
Others	31.9	1.5	37.1	1.9	(5.2)	(0.4)
Elimination & Corporate	(39.7)	(13.3)	(40.6)	(8.6)	0.9	(4.7)
Total	593.4	46.4	614.8	73.9	(21.4)	(27.6)

(Billion yen)

	FY2024 1-3Q	FY2025 1-3Q	Difference
Net Sales	315.5	301.4	(14.1)
Operating Income	70.6	48.6	(22.0)

【Factors Affecting the Change in Operating Income】

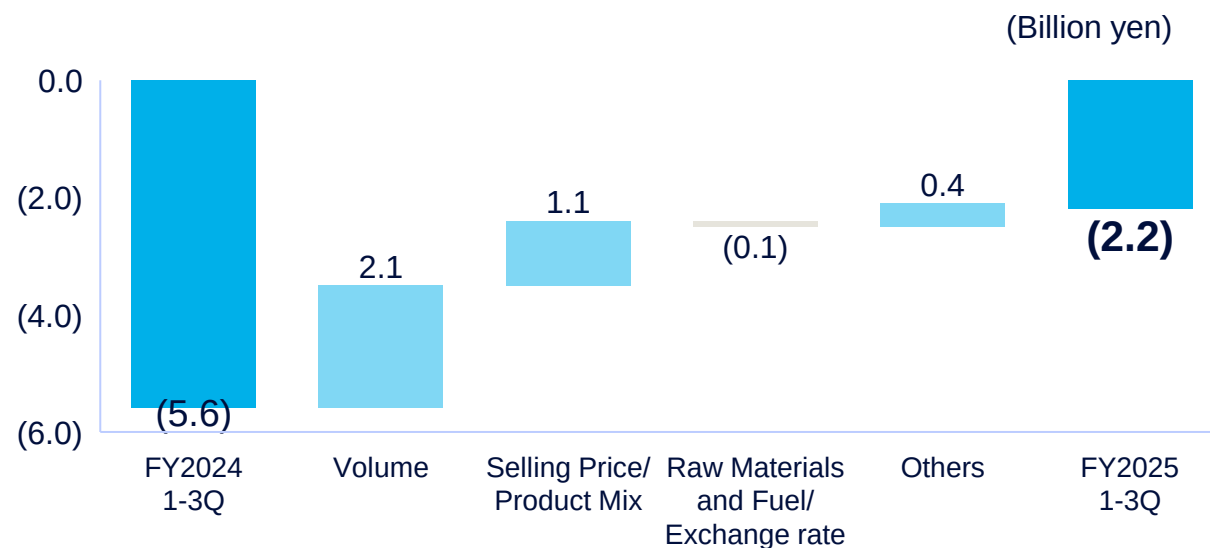


PVOH resin	Sales volume decreased due to weakened demand, especially in Europe and the United States, and due to the dissipation of the special demand that arose in the previous year to work around logistics disruptions to Europe. Profit was impacted by the negative effects of inventory valuation differences and rising raw material and fuel prices.
Optical-use poval film	Although the sales volume remained favorable on the back of Chinese government measures to support home appliance replacement, it was impacted by inventory adjustments in the supply chain entering into the third quarter. 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 Asia. As a result, sales volume has decreased for both construction and automotive applications.
Water-soluble PVOH film MonoSol	Sales volume remained flat amid weak demand for soluble-unit-dose detergent, especially in Europe.
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 as much as assumed 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 1-3Q	FY2025 1-3Q	Difference
Net Sales	56.1	58.5	2.4
Operating Income	(5.6)	(2.2)	3.4

【Factors Affecting the Change in Operating Income】



Isoprene Chemicals and Elastomers

While sales volume increased and the sales mix improved, isoprene chemicals experienced a period of adjustment in the third quarter due to a pull-forward in demand in the first half of the year caused by U.S. tariff policies. In addition, elastomer faced intensified competition with Asian competitors in the European market and other regions due to U.S. tariff policies.

GENESTAR™

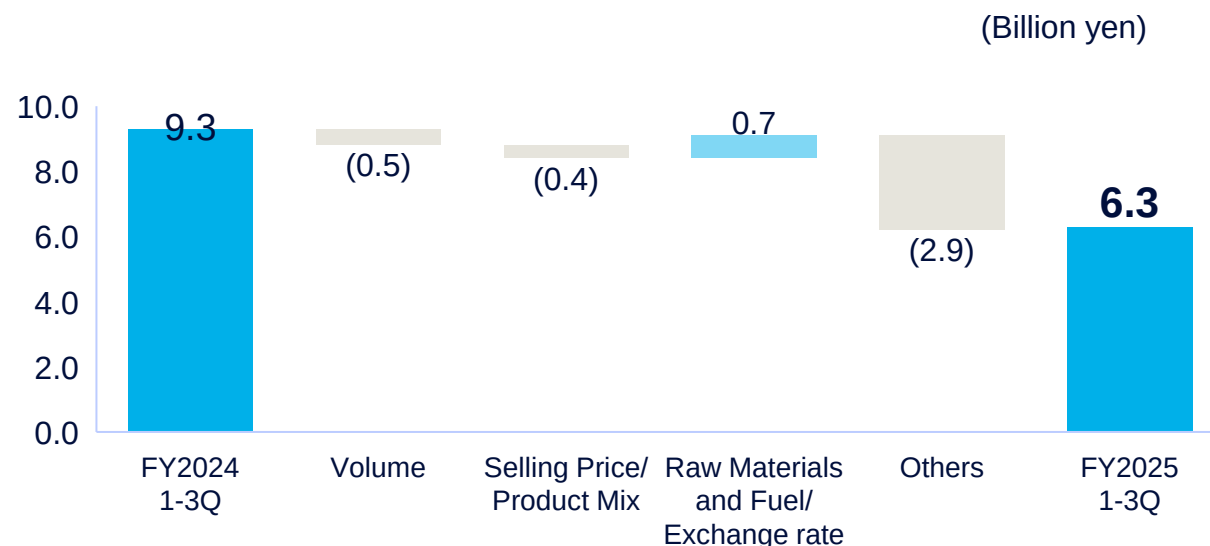
Sales volume increased due to a recovery in demand for electric and electronic applications as well as expanded sales for automotive applications.

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 1-3Q	FY2025 1-3Q	Difference
Net Sales	152.3	148.5	(3.8)
Operating Income	9.3	6.3	(3.0)

【Factors Affecting the Change in Operating Income】

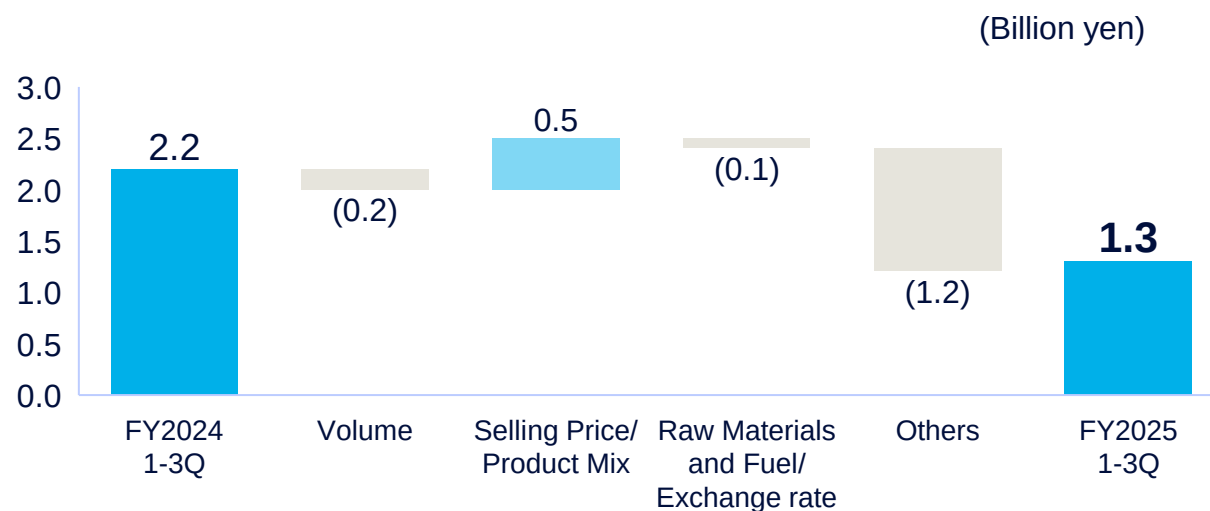


Methacrylate	Sales volume fell due to temporary production difficulties in addition to reduced production capacity for methyl methacrylate and some downstream products from July 2025.
Medical	Sales of cosmetic dental materials, mainly in Europe and the U.S., remained brisk. We continued strengthening marketing aimed at expanding sales.
Environmental Solutions	Although the sales volume of activated carbon increased, 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 1-3Q	FY2025 1-3Q	Difference
Net Sales	46.2	43.7	(2.5)
Operating Income	2.2	1.3	(0.9)

【Factors Affecting the Change in Operating Income】



CLARINO™

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. There were also negative effects from inventory valuation differences.

Main reason of increase/Decrease

Overall segment income decreased due in part to stagnation in European economies and production adjustments in EVs.

(Billion yen)

	Sep. 30, 2025	Dec. 31, 2024	Difference
Current Assets	574.7	565.3	9.4
Non-current Assets	719.3	726.0	(6.7)
Total Assets	1,294.0	1,291.2	2.7

	Sep. 30, 2025	Dec. 31, 2024
JPY/USD (end of period)	149	158
JPY/EUR (end of period)	174	165

Balance Sheet [2]: Liabilities and Net Assets

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(Billion yen)

	Sep. 30, 2025	Dec. 31, 2024	Difference
Current Liabilities	226.2	198.2	28.0
Non-current Liabilities	322.9	311.2	11.7
Total Liabilities	549.1	509.4	39.7
Net Assets	744.8	781.8	(36.9)
Total Liabilities and Net Assets	1,294.0	1,291.2	2.7

Equity Ratio

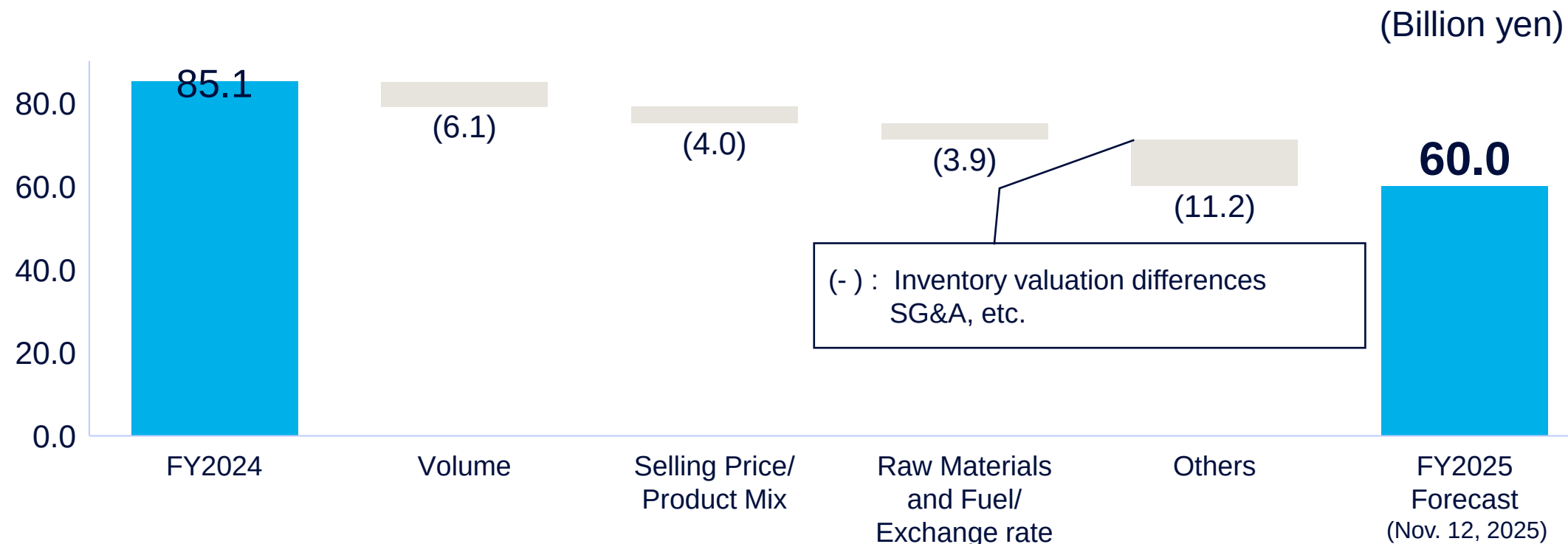
56.3%

59.2%

(2.9)%

	Sep. 30, 2025	Dec. 31, 2024
JPY/USD (end of period)	149	158
JPY/EUR (end of period)	174	165

FY2025 Factors Affecting the Change in Operating Income (vs. FY2024)



	FY2024	FY2025 assumption
JPY/USD (average)	152	149
JPY/EUR (average)	164	168

	FY2024	FY2025 assumption
Domestic naphtha JPY 1,000/kl	75	68
US natural gas USD/MMBtu	2.41	3.49
Europe natural gas EUR/MWh	34	39

【Ref.】 Net Sales and Operating Income by Segment

(Billion yen)

	FY2025 Forecast (Nov. 12, 2025)		FY2024		Difference		FY2025 Forecast (Aug. 8, 2025)		Difference	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Vinyl Acetate	408.0	64.0	414.9	87.6	(6.9)	(23.6)	420.0	72.0	(12.0)	(8.0)
Isoprene	81.0	(5.5)	76.4	(9.5)	4.6	4.0	84.0	(3.5)	(3.0)	(2.0)
Functional Materials	207.0	10.5	208.0	12.9	(1.0)	(2.4)	216.0	15.0	(9.0)	(4.5)
Fibers & Textiles	62.0	2.0	62.7	1.2	(0.7)	0.8	63.0	2.0	(1.0)	0.0
Trading	67.0	6.0	67.6	5.9	(0.6)	0.1	70.0	6.5	(3.0)	(0.5)
Others	42.0	1.0	50.9	2.3	(8.9)	(1.3)	42.5	0.0	(0.5)	1.0
Elimination & Corporate	(57.0)	(18.0)	(53.5)	(15.4)	(3.5)	(2.6)	(55.5)	(17.0)	(1.5)	(1.0)
Total	810.0	60.0	826.9	85.1	(16.9)	(25.1)	840.0	75.0	(30.0)	(15.0)

【Ref.】 Quarterly Net Sales by Segments

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(Billion yen)

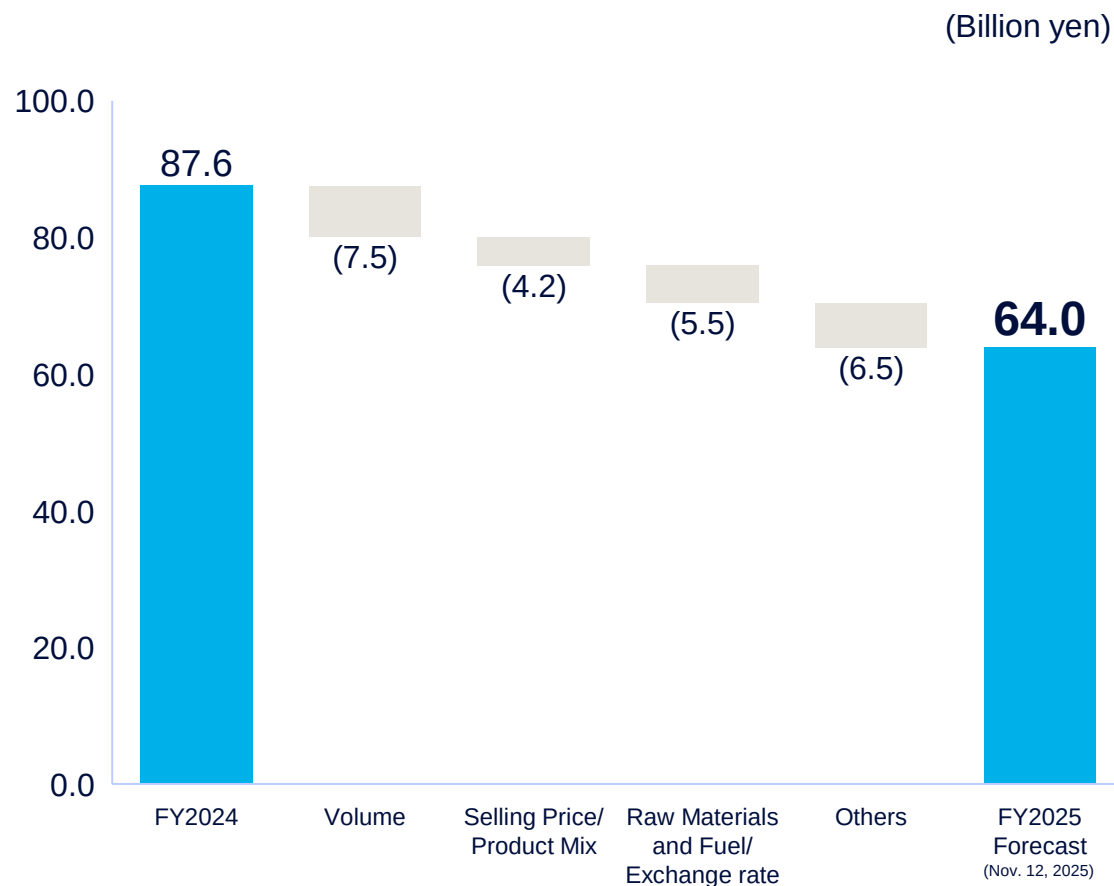
	FY2024					FY2025				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q (Forecast)	FY (Forecast)
Vinyl Acetate	99.0	109.8	106.7	99.4	414.9	100.4	102.5	98.5	106.6	408.0
Isoprene	17.2	20.4	18.5	20.3	76.4	19.7	20.3	18.6	22.5	81.0
Functional Materials	48.7	54.0	49.6	55.7	208.0	47.6	50.5	50.4	58.5	207.0
Fibers & Textiles	13.8	17.4	15.0	16.5	62.7	13.4	16.3	14.0	18.3	62.0
Trading	15.3	16.9	16.0	19.4	67.6	16.7	17.2	15.1	17.9	67.0
Others	11.7	13.3	12.1	13.8	50.9	11.1	11.0	9.8	10.1	42.0
Elimination & Corporate	(13.6)	(12.8)	(14.2)	(12.9)	(53.5)	(14.1)	(12.7)	(12.9)	(17.3)	(57.0)
Total	192.2	219.0	203.6	212.1	826.9	194.8	205.2	193.5	216.6	810.0

【Ref.】 Quarterly Operating Income by Segments

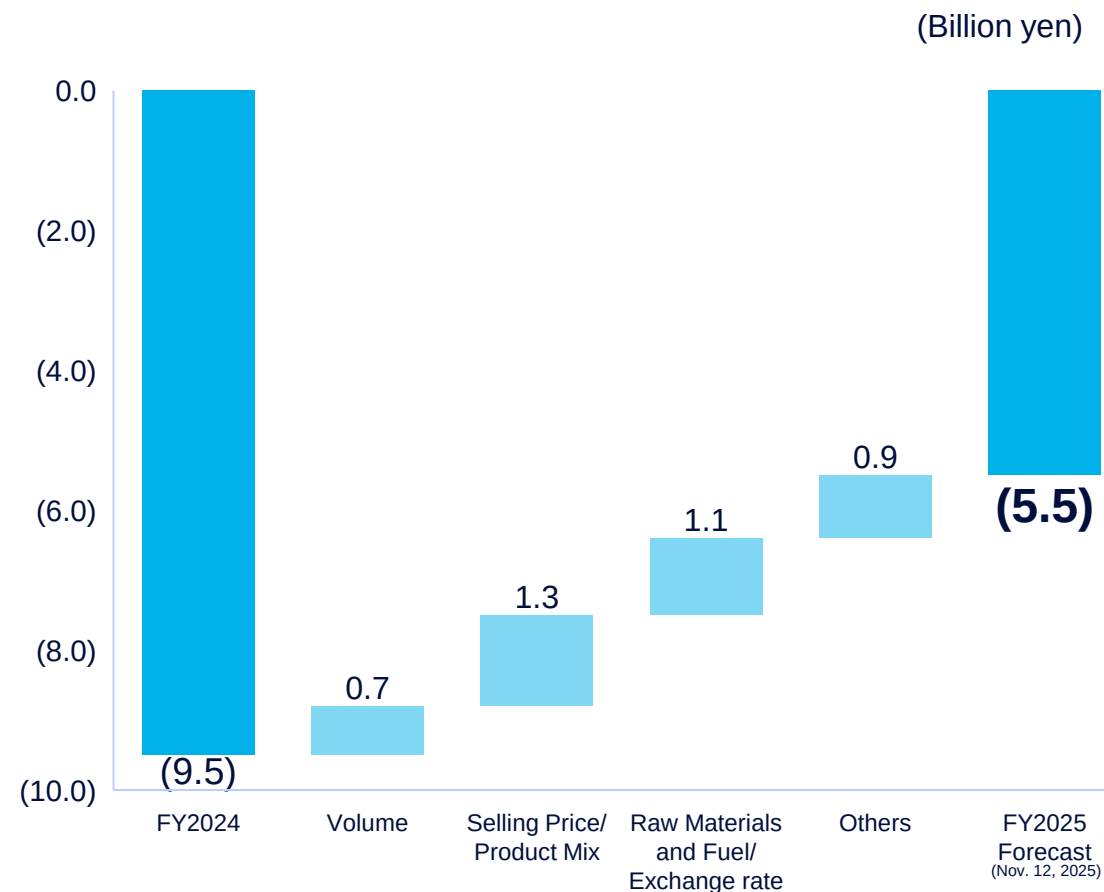
(Billion yen)

	FY2024					FY2025				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q (Forecast)	FY (Forecast)
Vinyl Acetate	24.8	19.1	26.7	17.0	87.6	15.9	14.0	18.7	15.4	64.0
Isoprene	0.0	(4.0)	(1.5)	(3.9)	(9.5)	2.8	(4.1)	(0.9)	(3.3)	(5.5)
Functional Materials	3.2	3.2	2.8	3.6	12.9	2.0	0.9	3.4	4.2	10.5
Fibers & Textiles	(0.2)	1.0	1.5	(1.0)	1.2	(0.6)	0.5	1.4	0.7	2.0
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	(0.5)	1.0
Elimination & Corporate	(0.8)	(4.5)	(3.3)	(6.8)	(15.4)	(3.0)	(5.9)	(4.4)	(4.7)	(18.0)
Total	28.8	16.7	28.5	11.2	85.1	18.7	7.6	20.1	13.6	60.0

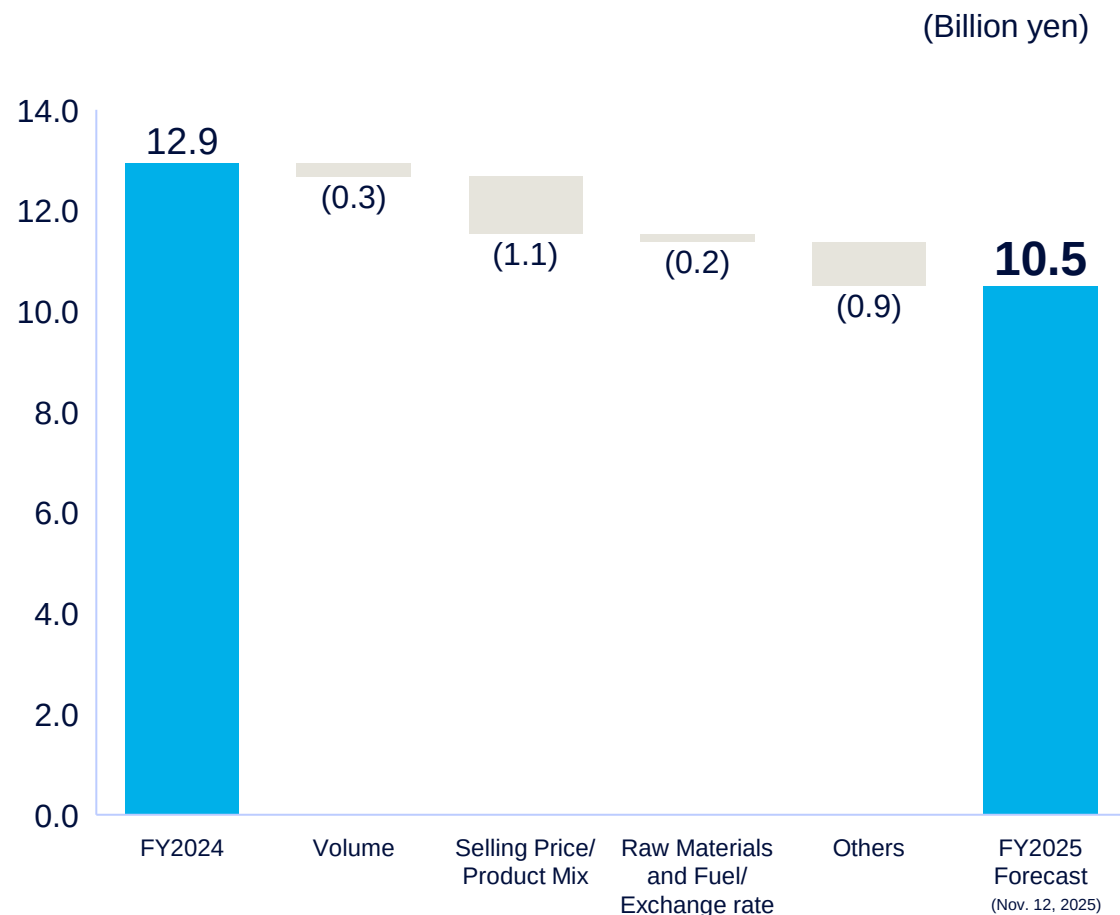
Vinyl Acetate



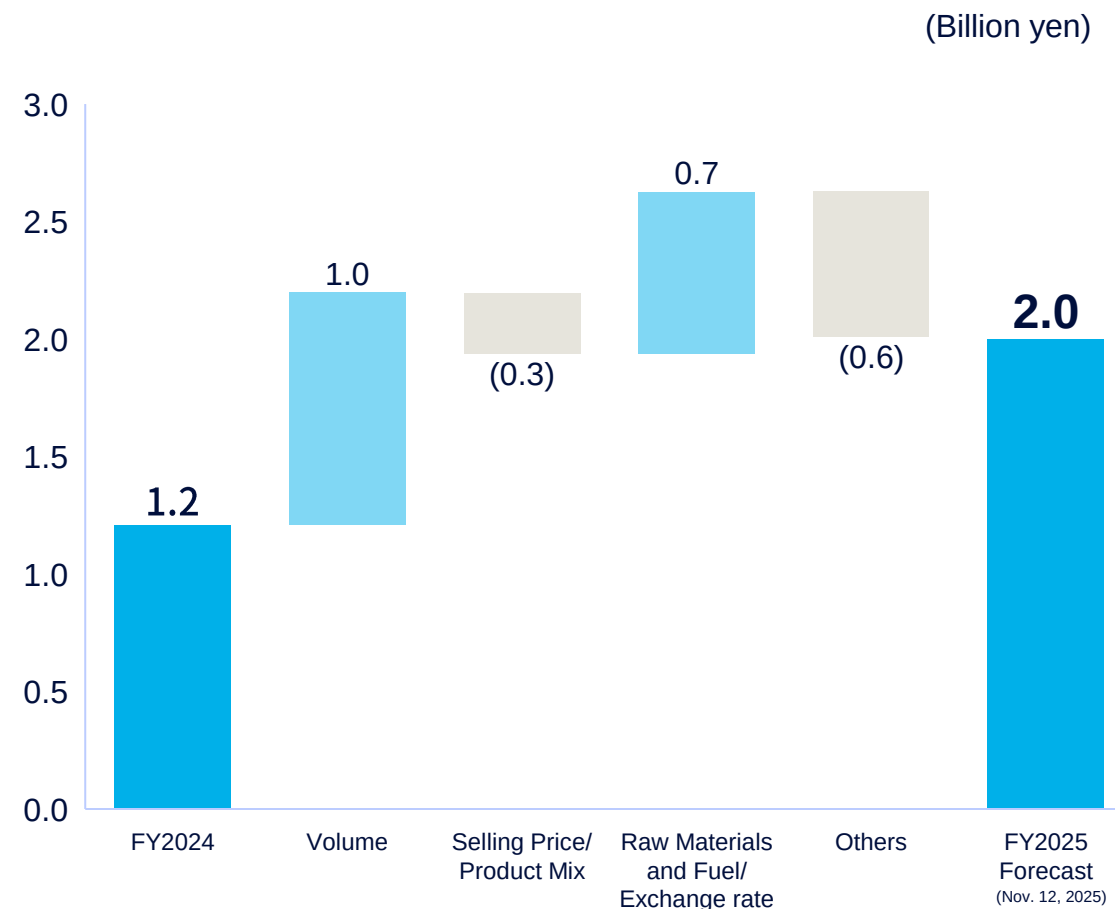
Isoprene



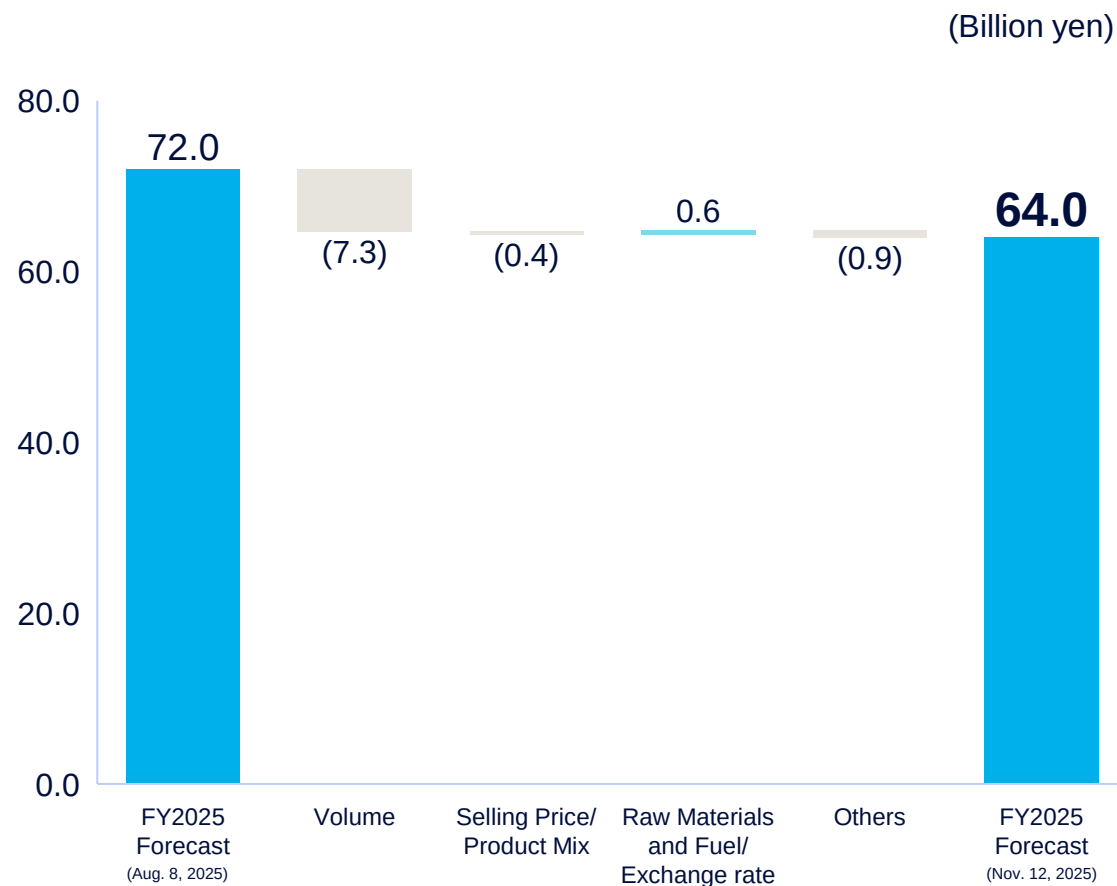
Functional Materials



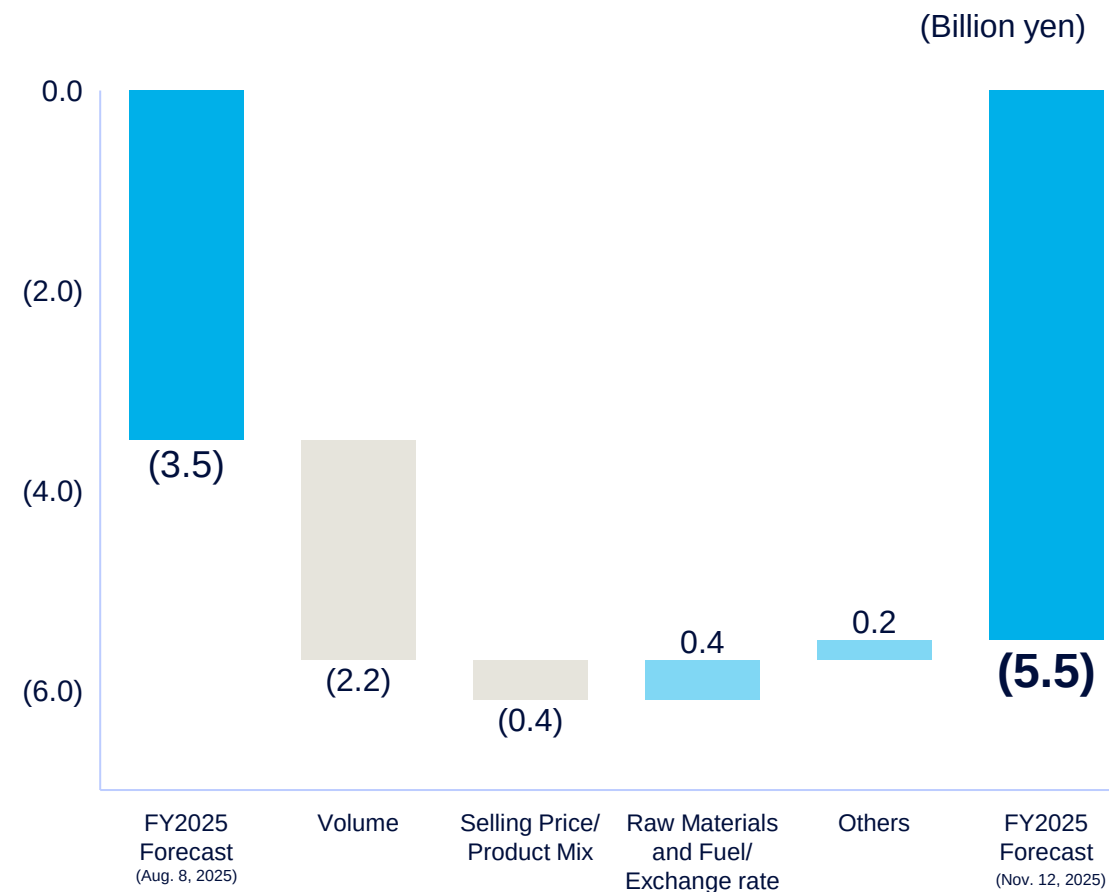
Fibers & Textiles



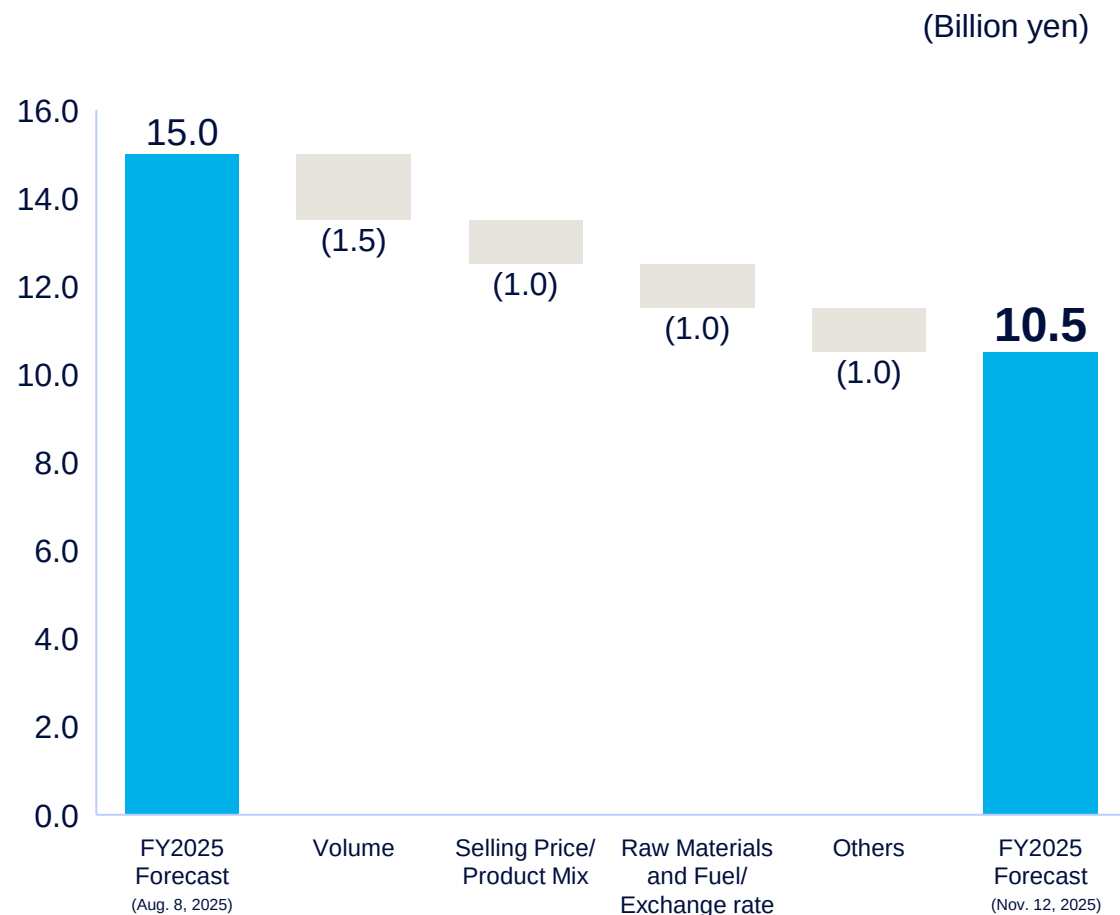
Vinyl Acetate



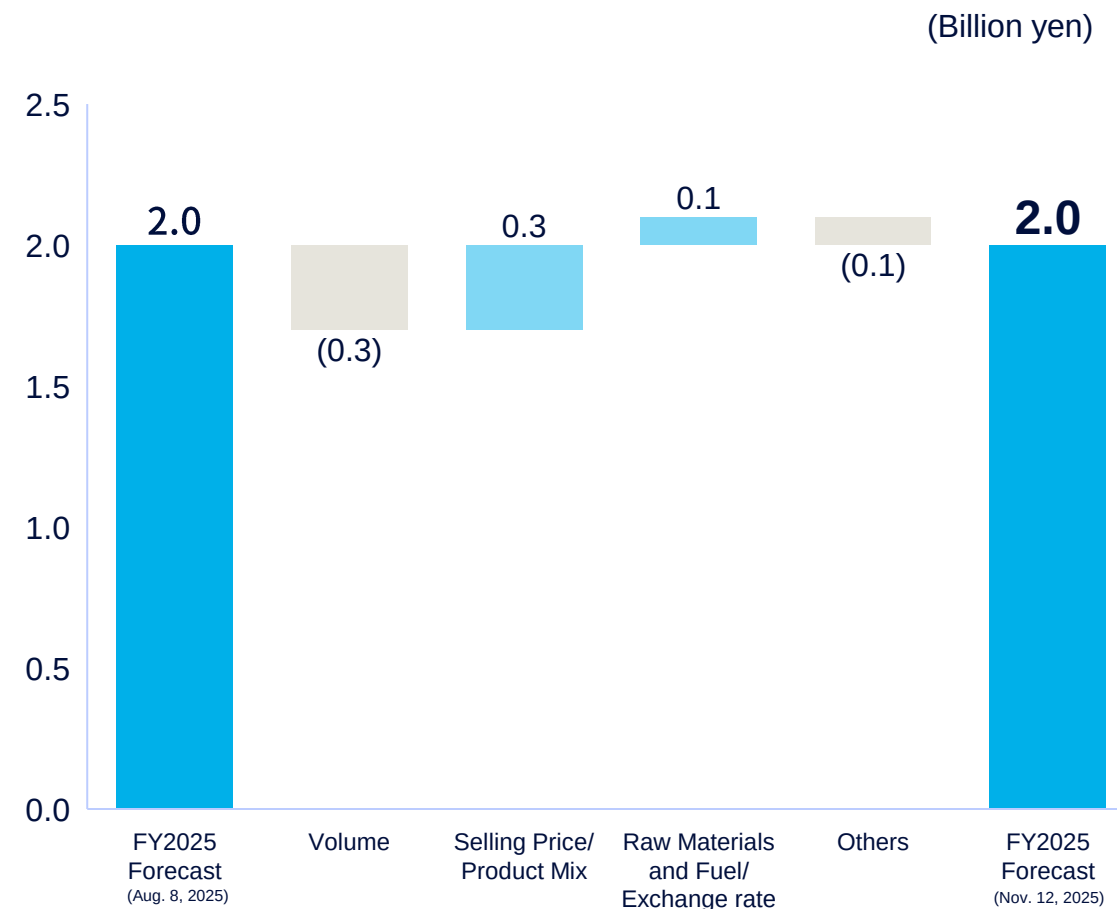
Isoprene



Functional Materials



Fibers & Textiles



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- All figures are rounded to the nearest hundred million yen.
 - This presentation contains various forward-looking statements which are based on the current expectations and assumptions of future events. All figures and statements with respect to the future performance, projections, and business plans of Kuraray and its group companies constitute forward-looking statements. Although Kuraray believes that its expectations and assumptions are reasonable, actual results and trends of Kuraray's performance could differ materially from those expressed or implied by such figures or statements due to risks and uncertainties in the future business circumstances. The factors which may cause such difference include, without limitation: (1) general market and economic conditions in Asia including Japan, the U.S., Europe and other regions; (2) fluctuations of currency exchange rates, especially between the Japanese yen and the U.S. dollar and other foreign currencies; (3) changes in raw material and fuel costs; (4) industrial competition and price fluctuations in Japan and international markets; (5) advance or delay in the construction of new plants and production lines; (6) successful development of new products and technologies; and (7) changes in laws and regulations (including tax and environmental) and legal proceedings.