

**Business Results for the Fiscal Year Ended  
December 31, 2024 (Unaudited)**

**February 12, 2025  
KURARAY CO., LTD.**

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

February 12, 2025

## Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (Under Japanese GAAP)

Company name: KURARAY CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Stock code: 3405  
 URL: <https://www.kuraray.com/>  
 Representative: Hitoshi Kawahara, Representative Director and President  
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 Scheduled date of annual general meeting of shareholders: March 27, 2025  
 Scheduled date to commence dividend payments: March 28, 2025  
 Scheduled date to file annual securities report: March 27, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for securities analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

#### (1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

Fiscal year ended	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	826,895	5.9	85,081	12.7	81,480	18.0	31,724	(25.3)
December 31, 2023	780,938	3.2	75,475	(13.4)	69,025	(17.9)	42,446	(21.8)

Note: Comprehensive income: For the fiscal year ended December 31, 2024: ¥ 87,028 million (3.4%)  
 For the fiscal year ended December 31, 2023: ¥ 84,134 million (-25.8%)

Fiscal year ended	Net Income per Share	Fully Diluted Net Income per Share	Return on Equity	Return on Total Assets	Operating Income/Net Sales
	Yen	Yen	%	%	%
December 31, 2024	96.33	96.27	4.3	6.4	10.3
December 31, 2023	126.80	126.71	6.2	5.6	9.7

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended December 31, 2024: ¥331 million  
 For the fiscal year ended December 31, 2023: ¥200 million

## (2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	1,291,238	781,790	59.2	2,359.03
December 31, 2023	1,254,485	736,156	56.9	2,133.75

Reference: Equity attributable to owners of the parent

As of December 31, 2024: ¥764,012 million

As of December 31, 2023: ¥714,285 million

## (3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	138,294	(76,008)	(82,504)	121,692
December 31, 2023	129,298	(63,151)	(64,959)	133,663

## 2. Dividends

	Annual Dividends per Share					Total Dividends Paid (full year)	Payout Ratio (consolidated)	Dividends/ Net Assets (consolidated)
	First quarter -end	Second quarter -end	Third quarter -end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen			
Fiscal year ended December 31, 2023	—	25.00	—	25.00	50.00	16,737	39.4	2.5
Fiscal year ended December 31, 2024	—	27.00	—	27.00	54.00	17,667	56.1	2.4
Fiscal year ended December 31, 2025 (Forecast)	—	27.00	—	27.00	54.00		38.9	

## 3. Forecasts of Consolidated Financial Results for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(Percentage changes displayed for net sales, operating income, ordinary income and net income attributable to owners of the parent are comparisons with the previous fiscal year.)

(Millions of yen)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income per Share (Yen)
		(%)		(%)		(%)		(%)	
Interim Period	420,000	2.1	38,000	(16.4)	36,000	(18.2)	22,000	(27.7)	67.93
Full Fiscal Year	860,000	4.0	90,000	5.8	85,000	4.3	45,000	41.8	138.95

**[Notes]**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 2 companies (Chemviron Parentis SAS and Foggia Perlite S.r.l.)

Excluded: 5 companies (Okayama Rinkoh Co., Ltd.; Okayama Rinkoh Warehouse and Transport Co., Ltd.; Chemviron France SAS; Foggia Perlite S.r.l.; and Calgon Carbon Payco, S. de R.L. de C.V.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2024	324,863,603 shares
As of December 31, 2023	354,863,603 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2024	996,185 shares
As of December 31, 2023	20,107,257 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2024	329,327,167 shares
Fiscal year ended December 31, 2023	334,741,276 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended December 31, 2024**  
(from January 1, 2024 to December 31, 2024)

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	267,943	5.6	14,352	86.2	82,653	587.5	67,121	693.3
December 31, 2023	253,693	(0.1)	7,708	(78.2)	12,022	(69.3)	8,461	(69.8)

Fiscal year ended	Net Income per Share	Fully Diluted Net Income per Share
	Yen	Yen
December 31, 2024	203.81	203.68
December 31, 2023	25.28	25.26

**(2) Non-consolidated financial position**

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
As of	Millions of yen	Millions of yen	(%)	Yen
December 31, 2024	954,627	430,430	45.1	1,328.20
December 31, 2023	1,033,558	398,812	38.6	1,190.33

Reference: Shareholders' equity

As of December 31, 2024: ¥430,160 million

As of December 31, 2023: ¥398,471 million

Note: It is not required that this type of earnings report be audited.

*Cautionary Statement with Respect to Forecasts of Consolidated Business Results  
(Cautionary note regarding forward-looking statements)*

The results forecasts presented in this document are based upon currently available information and assumptions deemed rational. A variety of factors could cause actual results to differ materially from forecasts. Please refer to "1. Qualitative Information regarding Business Results (4) Outlook for Fiscal 2025" on page 9 of the Attachment for the assumptions used.

*Access to Documents and Other Materials Relating to the Year-End Results Briefing to Be Held on February 12, 2025*

Supplementary results presentation materials will be disclosed on TDnet and posted on the Company's website on the day results are announced.

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## 1. Qualitative Information regarding Business Results

### (1) Overview of Consolidated Business Results

In the fiscal year ended December 31, 2024 (“fiscal 2024”), the overall world economy showed gradual growth despite some regions lacking resilience. The U.S. economy remained stable due to robust personal consumption. In Europe, economic recovery remained gradual due to stagnation in some regions. In China, economic growth continued to slow due mainly to unfavorable real estate market conditions. In addition, the outlook remained unclear due in part to the impact on global economic activity of geopolitical tensions attributable to conditions in the Russia-Ukraine situation and the Middle East, which deepened the uncertainty.

Amid these circumstances, the Group worked to tackle the three challenges outlined in the medium-term management plan “PASSION 2026,” which was launched in fiscal 2022: 1) Sustainability as an opportunity, 2) Innovations starting from networking, and 3) Transformation of people and organization. We also strove to make our business portfolio more sophisticated and to further strengthen our businesses and products that have strong growth potential and competitive advantages. Regarding businesses and products that we position as growth and expansion businesses and fundamental businesses, we have started operation of facilities that were already approved and under construction and made decisions aimed at achieving future growth, including decisions on new capital investment and acquisitions. However, regarding some businesses and products that we do not expect to improve in the near future, we made difficult decisions to transfer, shrink, or withdraw from operations.

As a result, consolidated operating results for fiscal 2024 are as follows: net sales increased ¥45,956 million (5.9%) year on year to ¥826,895 million; operating income increased ¥9,605 million (12.7%) year on year to ¥85,081 million; and ordinary income increased ¥12,454 million (18.0%) year on year to ¥81,480 million. However, because we recorded extraordinary losses in some businesses, such as impairment loss and loss on liquidation of business, net income attributable to owners of the parent decreased ¥10,721 million (25.3%) year on year to ¥31,724 million.

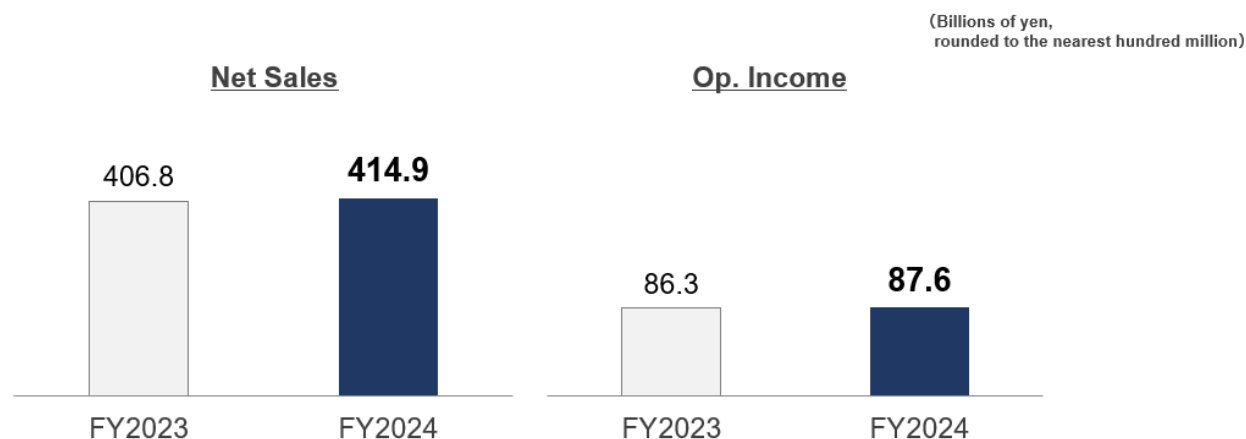
(Millions of yen)

	FY2023		FY2024		Change	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
<b>Vinyl Acetate</b>	406,771	86,344	414,907	87,630	8,136	1,285
<b>Isoprene</b>	65,683	(10,871)	76,365	(9,498)	10,681	1,373
<b>Functional Materials</b>	189,794	10,323	207,981	12,946	18,187	2,623
<b>Fibers and Textiles</b>	61,858	1,827	62,674	1,207	816	(620)
<b>Trading</b>	61,588	5,183	67,625	5,915	6,036	731
<b>Others</b>	45,672	506	50,863	2,295	5,191	1,789
<b>Elimination &amp; Corporate</b>	(50,430)	(17,839)	(53,523)	(15,416)	(3,092)	2,422
<b>Total</b>	780,938	75,475	826,895	85,081	45,956	9,605

## Results by Business Segment

### **Vinyl Acetate**

Sales in this segment were ¥414,907 million (up 2.0% year on year), and segment income was ¥87,630 million (up 1.5% year on year).



PVOH resin: Despite disruptions in logistics to Europe, sales volume increased due to our stable global supply system.

Optical-use poval film: Despite shipments remaining favorable, sales volume held steady year on year due to effects of shipment adjustments by panel manufacturers since the start of the third quarter. In addition, to meet demand for larger TV panels, we began operating new equipment at the Kurashiki Plant in the second quarter.

Advanced Interlayer Solutions: The sales volume decreased due to the effects of ongoing economic stagnation on construction applications in Europe.

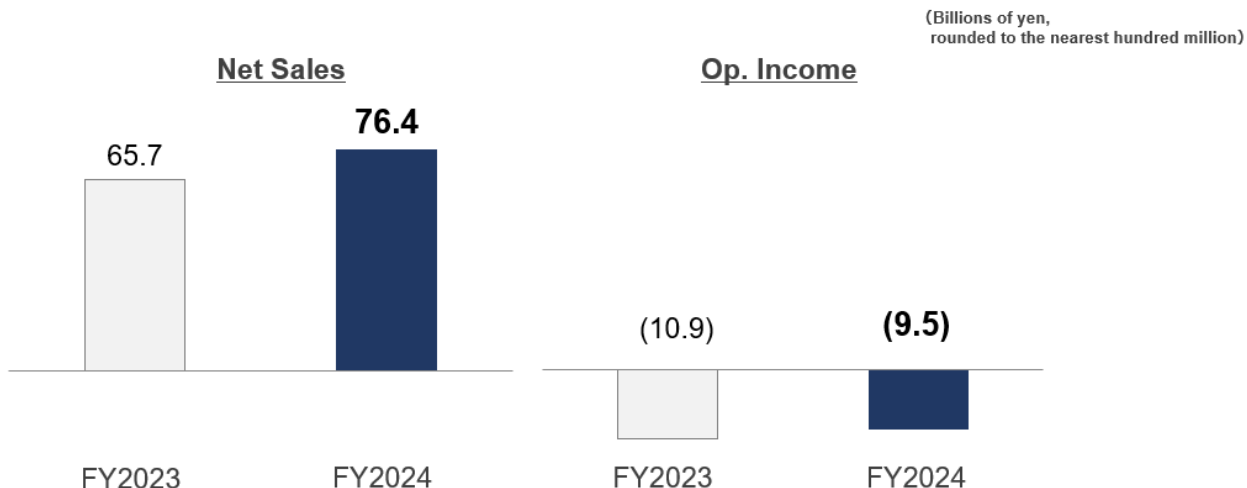
Water-soluble PVOH film: The sales volume held steady year on year due to the effects of protracted economic stagnation in Europe.

EVAL™ EVOH resin: The sales volume increased slightly as food packaging applications showed a recovery trend from the second quarter onwards, and automotive applications also remained steady. We decided to construct a new plant in Singapore (announced on March 26, 2024 and slated to begin operating by the end of 2026). This move is intended to accommodate future growth in demand, especially in circular economy-related fields.



### Isoprene

Sales in this segment were ¥76,365 million (up 16.3% year on year), and segment loss was ¥9,498 million due in part to effects from an increase in depreciation and amortization for the new Thai base, which began operations in fiscal 2023 (segment loss in the same period of previous fiscal year was ¥10,871 million).

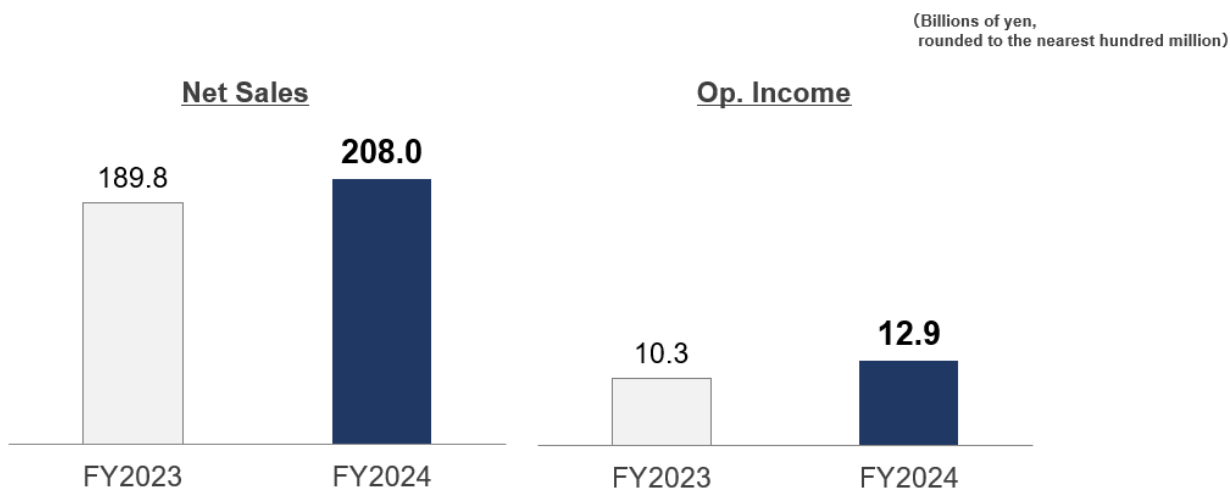


Isoprene chemicals and elastomer: The sales volume increased as demand recovered, especially for automotive applications, and due in part to higher sales utilizing the new Thai base of operations.

GENESTAR™ heat-resistant polyamide resin: The sales volume remained favorable for automotive applications. In addition, regarding electric and electronic device applications, demand recovered for devices while expanding for server connectors, driven by robust investment in generative AI data centers.

### Functional Materials

Sales in this segment were ¥207,981 million (up 9.6% year on year), and segment income was ¥12,946 million (up 25.4% year on year).



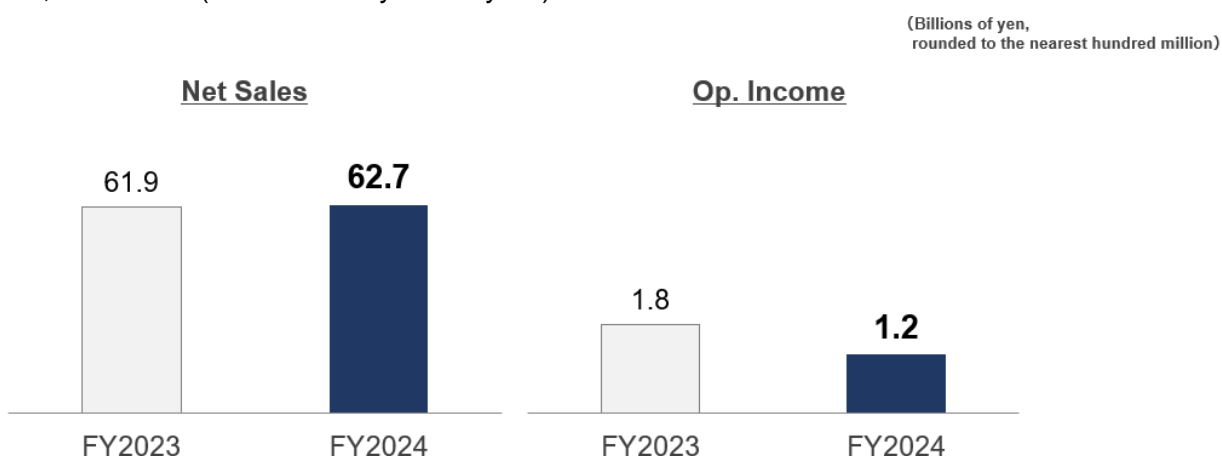
Methacrylate: The sales volume increased amid signs of a recovery in demand, especially for electric and electronic devices, but was impacted in part by intensifying competition. We decided to reduce the production capacity for methyl methacrylate (announced on June 27, 2024).

Medical: Sales of cosmetic dental materials, mainly in Europe and the United States, remained favorable.

Environmental Solutions: Sales of activated carbon remained steady, especially for drinking water applications in North America. In Europe, however, economic stagnation began to negatively affect demand related to industrial applications. A new activated carbon facility was brought on line in the United States in the first quarter.

### Fibers and Textiles

Sales in this segment were ¥62,674 million (up 1.3% year on year), and segment income was ¥1,207 million (down 33.9% year on year).



CLARINO™ man-made leather: The sales volume increased due to a recovery in demand for automotive and sports applications.

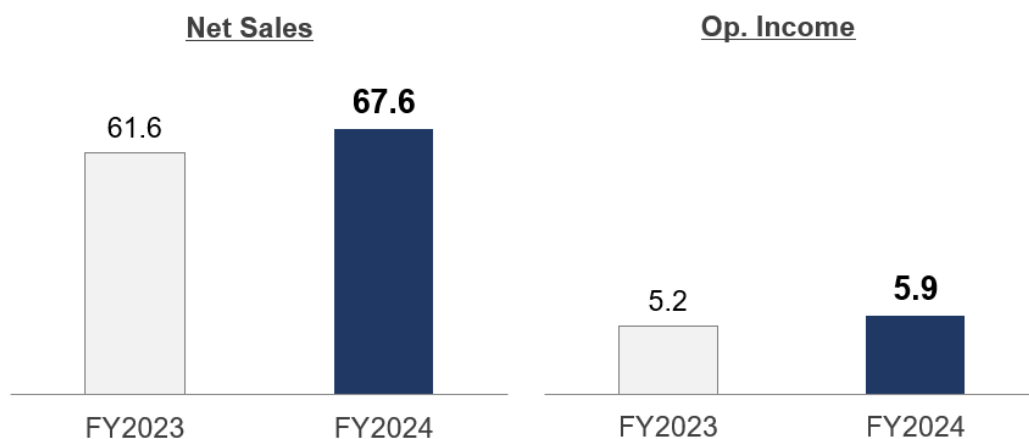
Fibers and industrial materials: Although signs of a recovery emerged in demand for automotive applications, sales in Europe for construction material applications were weak.

Consumer goods and materials: Demand for KURAFLEX™ nonwoven fabric and MAGIC TAPE™ hook and loop fasteners was weak. Moreover, in the nonwoven fabrics business, we decided to withdraw from the dry-laid nonwoven fabrics business and to reduce production capacity for meltblown nonwoven fabrics (announced on July 26, 2024).

## Trading

Sales in this segment were ¥67,625 million (up 9.8% year on year), and segment income was ¥5,915 million (up 14.1% year on year).

(Billions of yen,  
rounded to the nearest hundred million)



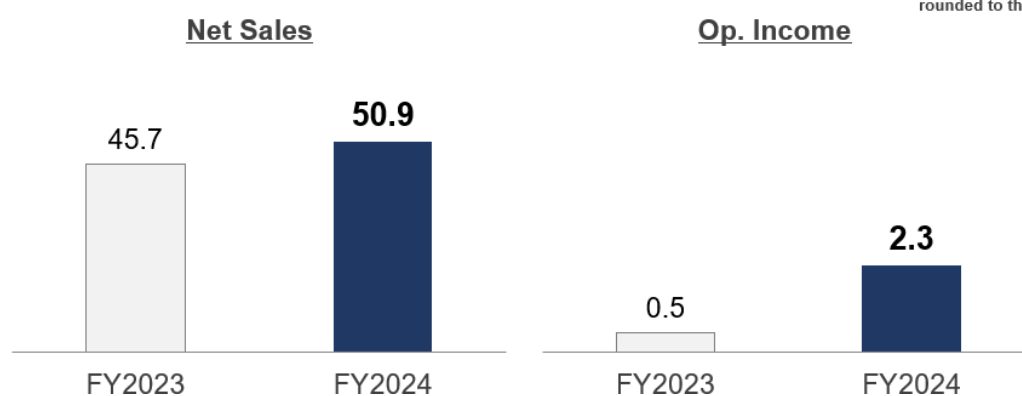
Fiber-related businesses: The materials-related business struggled, but sales of sportswear applications remained favorable.

Resins and chemicals: Sales expanded, especially in Asia.

## Others

In Others, net sales were ¥50,863 million (up 11.4% year on year), and operating income was ¥2,295 million (up 353.5% year on year).

(Billions of yen,  
rounded to the nearest hundred million)



## **(2) Overview of Financial Position**

Total assets increased ¥36,753 million from the end of the previous fiscal year to ¥1,291,238 million despite a ¥13,075 million decrease in cash and cash deposits, which were offset by a ¥28,801 million increase in inventories and a ¥13,408 million increase in tangible fixed assets. Total liabilities decreased ¥8,880 million to ¥509,448 million due to factors that included a ¥37,742 million decrease in interest-bearing debt, which outweighed a ¥10,436 million increase in accounts payable—trade.

Net assets rose ¥45,633 million to ¥781,790 million due in part to an increase in foreign currency translation adjustment. Equity attributable to owners of the parent amounted to ¥764,012 million, for an equity ratio of 59.2%.

## **(3) Overview of Cash Flows**

### *Cash Flows from Operating Activities:*

Net cash provided by operating activities totaled ¥138,294 million. Cash provided included ¥53,176 million from income before income taxes and noncontrolling interests. Cash used included ¥85,260 million in depreciation and amortization and ¥18,943 million in income taxes paid.

### *Cash Flows from Investing Activities:*

Net cash used in investing activities totaled ¥76,008 million. Contributing factors included ¥71,383 million used for the purchase of tangible fixed assets and intangible fixed assets.

### *Cash Flows from Financing Activities:*

Net cash used in financing activities was ¥82,504 million. Contributing factors included a ¥41,351 million decrease in interest-bearing debt, ¥20,004 million in share buybacks, and cash dividends paid totaling ¥17,292 million.

The above factors along with the effect of exchange rate changes on cash and cash equivalents resulted in a ¥11,970 million decrease in cash and cash equivalents at the end of the fiscal year to ¥121,692 million.

(Millions of yen)

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Net cash provided by operating activities	129,298	138,294
Net cash used in investing activities	(63,151)	(76,008)
Net cash used in financing activities	(64,959)	(82,504)
Effect of exchange rate changes on cash and cash equivalents	4,858	8,848
Net increase in cash and cash equivalents	6,046	(11,369)
Cash and cash equivalents, beginning of the period	127,616	133,663
Decrease in cash and cash equivalents from exclusion of subsidiaries from consolidation	—	(601)
Cash and cash equivalents, end of the period	133,663	121,692

[Reference] Cash Flow Indicators for the Kuraray Group

	Fiscal Year Ended December 31, 2020	Fiscal Year Ended December 31, 2021	Fiscal Year Ended December 31, 2022	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Equity ratio (%)	47.4	51.3	52.9	56.9	59.2
Equity ratio (%; market basis)	35.9	31.5	29.0	38.0	57.2
Ratio of cash flow to interest-bearing liabilities (%)	4.3	3.9	6.3	2.2	1.8
Interest coverage ratio (times)	57.0	50.9	43.6	57.3	66.2

Notes:

Equity ratio: Total net assets excluding both subscription rights to shares and noncontrolling interests/total liabilities and net assets

Equity ratio (market basis): Total market value of shares issued and outstanding/total net assets

Ratio of cash flow to interest-bearing liabilities: Interest-bearing liabilities/net cash provided by (used in) operating activities

Interest coverage ratio: Net cash provided by (used in) operating activities/interest expenses

1. All indicators are calculated using the consolidated financial statements.

2. The total market value of shares issued and outstanding was calculated by multiplying the closing price at the end of the fiscal year by the total number of shares issued and outstanding (after subtracting treasury stock) at the end of the fiscal year.

3. The calculations use net cash provided by (used in) operating activities as reported in the consolidated statements of cash flows.

4. Interest-bearing liabilities are all liabilities reported in the consolidated balance sheets that require the payment of interest.

#### (4) Outlook for Fiscal 2025

The economic environment over the next year is expected to remain unclear due in part to a shift in U.S. policies following a change in administrations; economic stagnation in China; political uncertainty in some countries and regions; and geopolitical risks in various places around the world.

Amid this situation, the Group will continue to promote measures in line with its medium-term management plan "PASSION 2026." We are continuing to proactively invest resources in businesses and products with strong growth potential and competitive advantages with the aim of building a more sophisticated business portfolio and expanding profit.

Based on these circumstances, the outlook for fiscal 2025 is as follows.

(Billions of yen, rounded to the nearest hundred million)

	Fiscal 2024	Forecast for Fiscal 2025	Change (Adjusted)
Net sales	826.9	860.0	4.0 %
Operating income	85.1	90.0	5.8 %
Ordinary income	81.5	85.0	4.3 %
Net income attributable to owners of the parent	31.7	45.0	41.8 %

For the forecast of operating results for fiscal 2025 we assume average exchange rates of ¥155 the U.S. dollar and ¥160 the euro, as well as a domestic naphtha price of ¥75,000 per kiloliter.

#### [Reference] Forecast of Results by Segment for Fiscal 2025

(Billions of yen, rounded to the nearest hundred million)

	Net Sales		Operating Income	
	Fiscal 2024	Forecast for Fiscal 2025	Fiscal 2024	Forecast for Fiscal 2025
Vinyl Acetate	414.9	428.0	87.6	81.0
Isoprene	76.4	85.0	(9.5)	(4.5)
Functional Materials	208.0	221.0	12.9	19.0
Fibers and Textiles	62.7	65.0	1.2	2.0
Trading	67.6	70.0	5.9	6.5
Others	50.9	43.0	2.3	2.0
Elimination & Corporate	(53.5)	(52.0)	(15.4)	(16.0)
Total	826.9	860.0	85.1	90.0

Note: The above forecasts are based on the best information currently available. Actual operating results may vary significantly due to various factors.

## **(5) Basic Policies Related to Profit Distribution and Dividends in Fiscal 2024 and 2025**

The Company positions the distribution of profits to all shareholders as a priority management issue. Our basic policy is to ensure a total return ratio of at least 35% as a proportion of net income attributable to owners of the parent and an annual dividend of at least ¥40 per share as well as to flexibly conduct share buybacks. For fiscal 2024, we plan to pay out an annual dividend of ¥54 per share comprising an interim dividend of ¥27 and a year-end dividend of ¥27. In addition, in fiscal 2024, we acquired 11,020,000 shares of treasury stock totaling ¥19,999 million and eliminated 30,000,000 shares of treasury stock (common stock accounting for 8.45% of all issued shares before the cancelation). Taking these and other factors into account, the total return ratio for fiscal 2024 is expected to amount to 118.7%.

Moreover, we will revise our shareholder return policy from next year (fiscal 2025). Our new basic policy is to ensure a total return ratio of at least 50% as a proportion of net income attributable to owners of the parent, hold steady or increase dividends per share, and continually conduct share buybacks. For fiscal 2025, we plan to pay out an annual dividend of ¥54 per share comprising an interim dividend of ¥27 and a year-end dividend of ¥27.

## **2. Management Policies**

### **(1) Fundamental Management Policies**

Kuraray's mission in its corporate statement is: "For people and the planet—to achieve what no one else can." Based on this, the Company aims to be a "Specialty Chemical Company contributing to customers, society and the planet and growing sustainably by incorporating new innovation platforms into its own technologies." This is the Kuraray Vision 2026 long-term vision, which we aim to realize by 2026, the centennial of the Company's founding.

### **(2) Management Indicator Targets, Medium- to Long-Term Strategies and Issues to Be Addressed**

In the five-year medium-term management plan "PASSION 2026," which began from fiscal 2022, the Group set the three challenges to tackle listed below to realize its long-term Kuraray Vision 2026.

#### 1) Sustainability as an opportunity

Take sustainability as an opportunity and promote it with the collective strength of the whole group

#### 2) Innovations starting from networking

Create a growth driver by connecting people with people, and technologies with technologies, both within and outside the Company

#### 3) Transformation of people and organization

Transform people and organization via the digital-driven process innovation and the promotion of diversity which will, in turn, help us bring to bear a broad range of ideas

In fiscal 2025, which is the fourth year of "PASSION 2026," we will meet expanding demand by leveraging our strengths in growth and expansion businesses, including EVAL, activated carbon, and dental materials. We will also work harder to build a more sophisticated portfolio by striving to improve the profitability of the isoprene and textile businesses. The Group will continue taking on such challenges as a sustainably growing specialty chemical company looking toward the centennial in 2026.

In addition, since its founding, the Group has conducted management that contributes to sustainable

development by aiming to improve natural and living environments through business activities.

We consider sustainability a key management strategy. We select material issues to prioritize for the sustainable development of the Company and society at the management level and work to solve these issues as a unified company.

Under the medium-term management plan “PASSION 2026,” the Group has put together and is implementing a medium-term sustainability plan comprising measures related to sustainability.

In November 2020, we announced our support of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and are diligently working on the four items suggested: governance, strategy, risk management, and indicators and targets. In addition, we recently revised GHG emission reduction targets and set new ambitious targets that include Scope 3 emissions.

Regarding human capital, with the aim of ensuring diverse human resources thrive in order to sustainably enhance our long-term corporate value, we have set the target of maintaining diversity among core personnel as well as three new KPIs related to personnel development: global leader training attendance rate for general managers, rate of preparation for upper management training candidates, and total DX personnel training attendance rate.

The Group proactively promotes sustainability and will continue contributing to the natural environment and the enriched lives of people everywhere through its highly unique technologies and products. Details of the Group’s sustainability-related initiatives and disclosures based on the TCFD framework are uploaded on the Company’s official website.

Kuraray Report (Integrated report) [https://www.kuraray.com/csr/report\\_backnumber](https://www.kuraray.com/csr/report_backnumber)

Sustainability Website <https://www.kuraray.com/csr>

Sustainability Medium-term Plan <https://www.kuraray.com/csr/report2024/4p-model>

### **3. Basic Approach to Selection of Accounting Standards**

The Kuraray Group applies Japanese generally accepted accounting principles (“GAAP”). The Kuraray Group is considering the adoption of International Financial Reporting Standards (“IFRS”) and other matters while taking into account various circumstances in Japan and overseas.



## 4. Consolidated Financial Statements and Notes

### (1) Consolidated Balance Sheets

(Millions of yen)

	December 31, 2023	December 31, 2024
<b>ASSETS</b>		
Current Assets		
Cash and deposits	131,144	118,068
Notes and accounts receivable–trade, and contract assets	161,904	166,589
Securities	3,478	3,624
Merchandise and finished goods	146,924	170,489
Work in process	17,502	19,974
Raw materials and supplies	63,601	66,365
Other	28,040	21,109
Allowance for doubtful accounts	(869)	(959)
Total current assets	551,727	565,262
Non-current Assets		
Property, plant and equipment		
Buildings and structures, net	110,214	118,633
Machinery, equipment and vehicles, net	270,408	292,153
Land	22,618	19,016
Construction in progress	80,344	59,824
Other, net	43,390	50,757
Total property, plant, and equipment	526,977	540,385
Intangible assets		
Goodwill	55,386	53,591
Customer-related assets	29,149	27,720
Other	35,965	34,586
Total intangible assets	120,501	115,898
Investments and other assets		
Investment securities	23,966	29,890
Retirement benefit asset	3,227	4,020
Deferred tax assets	16,530	21,485
Other	11,649	14,388
Allowance for doubtful accounts	(95)	(93)
Total investments and other assets	55,278	69,692
Total non-current assets	702,757	725,975
Total Assets	1,254,485	1,291,238

(Millions of yen)

	December 31, 2023	December 31, 2024
<b>LIABILITIES</b>		
Current Liabilities		
Notes and accounts payable–trade	49,124	59,561
Short-term borrowings	40,014	23,850
Current portion of bonds payable	—	10,000
Current portion of long-term borrowings	24,698	18,146
Accrued expenses	16,734	20,394
Income taxes payable	11,033	10,094
Provision for bonuses	10,275	10,772
Other	48,690	45,413
Total current liabilities	200,571	198,231
Non-current Liabilities		
Bonds payable	60,000	50,000
Long-term borrowings	157,312	142,286
Deferred tax liabilities	18,754	24,385
Retirement benefit liability	29,487	31,417
Other	52,203	63,127
Total non-current liabilities	317,757	311,216
Total Liabilities	518,329	509,448
<b>NET ASSETS</b>		
Shareholders' Equity		
Share capital	88,955	88,955
Capital surplus	87,146	87,124
Retained earnings	426,290	396,752
Treasury shares	(25,654)	(1,462)
Total shareholders' equity	576,737	571,369
Accumulated Other Comprehensive Income		
Valuation difference on available-for-sale securities	6,856	8,684
Deferred gain or losses on hedges	(53)	127
Foreign currency translation adjustment	131,269	183,693
Remeasurements of defined benefit plans	(524)	136
Total accumulated other comprehensive income	137,548	192,642
Subscription rights to shares	341	270
Non-controlling Interests	21,529	17,507
Total Net Assets	736,156	781,790
Total Liabilities and Net Assets	1,254,485	1,291,238

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### Consolidated Statements of Income

(Millions of yen)

	Fiscal 2023 (January 1, 2023 – December 31, 2023)	Fiscal 2024 (January 1, 2024 – December 31, 2024)
Net sales	780,938	826,895
Cost of sales	540,956	559,374
Gross profit	239,982	267,520
Selling, general and administrative expenses		
Selling expenses	42,137	47,038
General and administrative expenses	122,369	135,401
Total selling, general and administrative expenses	164,506	182,439
Operating income	75,475	85,081
Non-operating income		
Interest income	1,841	3,418
Dividend income	779	731
Share of profit of entities accounted for using equity method	200	331
Other	930	1,752
Total non-operating income	3,751	6,234
Non-operating expenses		
Interest expenses	2,815	2,738
Foreign exchange loss	2,611	1,202
Loss on disposal of tangible non-current assets	621	1,433
Other	4,153	4,459
Total non-operating expenses	10,202	9,835
Ordinary income	69,025	81,480
Extraordinary income		
Gain on sale of investment securities	891	1,526
Insurance claim income	2,781	—
Compensation income	1,216	—
Gain on sale of shares of subsidiaries and associates	715	—
Total extraordinary income	5,604	1,526
Extraordinary losses		
Impairment loss	4,390	16,793
Loss on disposal of tangible non-current assets	1,159	5,341
Loss on liquidation of business	—	4,452
Loss on contingent liabilities	—	1,896
Costs related to the suspension of operations	—	1,346
Loss on litigation	7,806	—
Total extraordinary losses	13,356	29,830
Income before income taxes and non-controlling interests	61,273	53,176
Income taxes—current	18,079	23,932
Income taxes—deferred	908	(1,932)
Total income taxes	18,987	22,000
Net income	42,285	31,176
Net income (loss) attributable to non-controlling interests	(160)	(548)
Net income attributable to owners of the parent	42,446	31,724

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal 2023 (January 1, 2023 – December 31, 2023)	Fiscal 2024 (January 1, 2024 – December 31, 2024)
Net income	42,285	31,176
Other comprehensive income		
Valuation difference on available-for-sale securities	1,087	1,825
Deferred gains or losses on hedges	(676)	108
Foreign currency translation adjustment	41,326	52,953
Remeasurements of defined benefit plans, net of tax	(55)	661
Share of other comprehensive income of entities accounted for using equity method	166	304
Total other comprehensive income	41,848	55,852
Comprehensive income	84,134	87,028
Comprehensive income attributable to:		
Owners of the parent	83,527	86,818
Non-controlling interests	606	210

### (3) Consolidated Statements of Changes in Net Assets

Fiscal 2023 (January 1, 2023 – December 31, 2023)

(Millions of yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	
Balance at January 1, 2023	88,955	87,152	399,910	(25,735)	550,282
Changes of items during the period					
Cash dividends			(16,066)		(16,066)
Net income attributable to owners of the parent			42,446		42,446
Purchase of treasury stock				(4)	(4)
Disposal of treasury stock		(6)		85	79
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(6)	26,379	80	26,454
Balance at December 31, 2023	88,955	87,146	426,290	(25,654)	576,737

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurement of defined benefit plans	Total accumulated other comprehensive income			
Balance at January 1, 2023	5,769	611	90,555	(468)	96,467	341	21,443	668,534
Changes of items during the period								
Cash dividends								(16,066)
Net income attributable to owners of the parent								42,446
Purchase of treasury stock								(4)
Disposal of treasury stock								79
Net changes of items other than shareholders' equity	1,087	(664)	40,714	(55)	41,081	—	86	41,167
Total changes of items during the period	1,087	(664)	40,714	(55)	41,081	—	86	67,621
Balance at December 31, 2023	6,856	(53)	131,269	(524)	137,548	341	21,529	736,156

Fiscal 2024 (January 1, 2024 – December 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at January 1, 2024	88,955	87,146	426,290	(25,654)	576,737
Changes of items during the period					
Cash dividends			(17,292)		(17,292)
Net income attributable to owners of the parent			31,724		31,724
Purchase of treasury stock				(20,004)	(20,004)
Disposal of treasury stock		33		171	205
Retirement of treasury stock		(44,025)		44,025	—
Transfer to capital surplus from retained earnings		43,970	(43,970)		—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	(22)	(29,537)	24,192	(5,367)
Balance at December 31, 2024	88,955	87,124	396,752	(1,462)	571,369

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurement of defined benefit plans	Total accumulated other comprehensive income			
Balance at January 1, 2024	6,856	(53)	131,269	(524)	137,548	341	21,529	736,156
Changes of items during the period								
Cash dividends								(17,292)
Net income attributable to owners of the parent								31,724
Purchase of treasury stock								(20,004)
Disposal of treasury stock								205
Retirement of treasury stock								—
Transfer to capital surplus from retained earnings								—
Net changes of items other than shareholders' equity	1,827	180	52,423	661	55,093	(71)	(4,021)	51,000
Total changes of items during the period	1,827	180	52,423	661	55,093	(71)	(4,021)	45,633
Balance at December 31, 2024	8,684	127	183,693	136	192,642	270	17,507	781,790

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal 2023 (January 1, 2023 – December 31, 2023)	Fiscal 2024 (January 1, 2024 – December 31, 2024)
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes and noncontrolling interests	61,273	53,176
Depreciation and amortization	77,163	85,260
Loss (gain) on sale of investment securities	(891)	(1,526)
Impairment loss	4,390	16,793
Loss on disposal of tangible fixed assets	1,159	5,341
Loss on liquidation of business	—	4,452
Loss on litigation	7,806	—
Foreign exchange losses (gains)	(3,324)	(6,591)
Interest and dividend income	(2,621)	(4,150)
Interest expenses	2,815	2,738
Decrease (increase) in notes and accounts receivable – trade	2,111	2,199
Decrease (increase) in inventories	8,363	(17,259)
Increase (decrease) in notes and accounts payable – trade	(5,122)	6,238
Other, net	11,852	8,356
Subtotal	164,976	155,030
Interest and dividends received	2,602	4,297
Interest paid	(2,257)	(2,090)
Income taxes (paid) refund	(23,180)	(18,943)
Payments for loss on litigation	(12,842)	—
Net cash provided by (used in) operating activities	129,298	138,294
<b>Net cash provided by (used in) investing activities</b>		
Proceeds from sale and redemption of investment securities	1,907	2,125
Purchase of tangible fixed assets and intangible fixed assets	(59,027)	(71,383)
Payments for disposal of tangible fixed assets and intangible fixed assets	(1,524)	(4,396)
Other, net	(4,505)	(2,353)
Net cash provided by (used in) investing activities	(63,151)	(76,008)

<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	5,413	(16,392)
Net increase (decrease) in commercial paper	(10,000)	—
Repayment of long-term loans payable	(30,801)	(24,959)
Payment for redemption of corporate bonds	(10,000)	—
Purchase of treasury stock	(4)	(20,004)
Dividends paid	(16,066)	(17,292)
Other, net	(3,499)	(3,855)
Net cash provided by (used in) financing activities	(64,959)	(82,504)
Effect of exchange rate changes on cash and cash equivalents	4,858	8,848
Net increase (decrease) in cash and cash equivalents	6,046	(11,369)
Cash and cash equivalents, beginning of the period	127,616	133,663
Decrease in cash and cash equivalents from exclusion of subsidiaries from consolidation	—	(601)
Cash and cash equivalents, end of the period	133,663	121,692



## **(5) Notes regarding Consolidated Financial Statements**

### **Notes regarding Going Concern Assumptions**

None

### **Changes in Presentation Methods**

#### Consolidated Balance Sheets

In the previous fiscal year, “long-term loans receivable” was presented as an independent line item under investments and other assets but is included in “other” from fiscal 2024 to enhance the clarity of our disclosures. To reflect this change in presentation method, some items presented in the consolidated financial statements for the previous fiscal year have been restated.

As a result, under investments and other assets in the consolidated statements of income for the previous fiscal year, “long-term loans receivable” amounting to ¥140 million and “other” amounting to ¥11,509 million have been restated as “other” of ¥11,649 million.

In the previous fiscal year, “asset retirement obligations” was presented as an independent line item under noncurrent liabilities but is included in “other” from fiscal 2024 to enhance the clarity of our disclosures. To reflect this change in presentation method, some items presented in the consolidated financial statements for the previous fiscal year have been restated.

As a result, under noncurrent liabilities in the consolidated statements of income for the previous fiscal year, “asset retirement obligations” amounting to ¥6,338 million and “other” amounting to ¥45,864 million have been restated as “other” of ¥52,203 million.

#### Consolidated Statements of Income

In the previous fiscal year, “loss on disposal of tangible fixed assets” was included in “other” under non-operating expenses but will be presented as an independent line item from fiscal 2024 due to its increased financial importance. To reflect this change in presentation method, some items presented in the consolidated financial statements for the previous fiscal year have been restated.

As a result, under non-operating expenses in the consolidated statements of income for the previous fiscal year, “other” of ¥4,774 million has been restated as “loss on disposal of tangible fixed assets” amounting to ¥621 million and “other” amounting to ¥4,153 million.

#### Consolidated Statements of Cash Flows

In the previous fiscal year, “increase (decrease) in allowance for doubtful accounts,” “increase (decrease) in provision for bonuses,” “increase (decrease) in net defined benefit liabilities,” and “decrease (increase) in net defined benefit assets” were presented as independent line items under net cash provided by (used in) operating activities but will be included in “other” from fiscal 2024 to enhance the clarity of our disclosures. To reflect this change in presentation method, some items presented in the consolidated financial statements for the previous fiscal year have been restated.

As a result, under net cash provided by (used in) operating activities in the consolidated statements of cash flows for the previous fiscal year, “increase (decrease) in allowance for doubtful accounts” amounting to ¥402 million, “increase (decrease) in provision for bonuses” of ¥825 million, “increase (decrease) in net defined benefit liabilities” of ¥1,751 million, “decrease (increase) in net defined benefit assets” of ¥274 million, and “other” amounting to ¥9,146 million have been restated as “other” of ¥11,852 million.

In the previous fiscal year, “proceeds from sale of tangible fixed assets and intangible fixed assets” was presented as an independent line item under net cash provided by (used in) investing activities but will be included in “other” from fiscal 2024 to enhance the clarity of our disclosures. To reflect this change in presentation method, some items presented in the consolidated financial statements for the previous fiscal year have been restated.

As a result, under net cash provided by (used in) investing activities in the consolidated statements of cash flows for the previous fiscal year, “proceeds from sale of tangible fixed assets and intangible fixed assets” amounting to ¥214 million and “other” amounting to ¥(4,720) million have been restated as “other” of ¥(4,505) million.

## **Segment and Other Information**

### **(Segment Information)**

#### **1. Segment Overview**

The business segments reported by Kuraray are the business units for which the Company is able to obtain respective financial information separately in order for the Board of Directors to conduct periodic investigations to determine the distribution of management resources and evaluate their business results.

Kuraray adopts an in-house company system where each in-house company conducts business activities and establishes its own comprehensive strategy, both for Japan and for overseas markets, for the products it handles. In addition, among Kuraray subsidiaries, Kuraray Trading Co., Ltd. independently conducts propriety planning and sales activities, including the processing and sale of Kuraray Group products as well as other companies' products.

Consequently, Kuraray has created five business segments for reporting – “Vinyl Acetate,” “Isoprene,” “Functional Materials,” “Fibers and Textiles” and “Trading” – categorized by product group based on the respective in-house companies and the Trading segment.

The Vinyl Acetate segment manufactures and markets functional resins and film, including PVOH, PVB and EVAL™ EVOH resin. The Isoprene segment manufactures and markets SEPTON™ thermoplastic elastomer, isoprene-related products and GENESTAR™ heat-resistant polyamide resin. The Functional Materials segment manufactures and markets methacrylic resin, medical products, activated carbon and others. The Fibers and Textiles segment manufactures and sells synthetic fibers and textiles, CLARINO™ man-made leather, non-woven fabrics and others. The Trading segment mainly processes and sells synthetic fibers and man-made leather, and conducts planning and marketing for other products produced by the Kuraray Group and other companies.

#### **2. Methods for Calculating Reporting Segment Net Sales, Income and Loss, Assets and Other Items**

The accounting method applied to reporting segments is the same as that used in creating the consolidated financial statements. Profits from reporting segments are operating income, and intersegment sales and transfers are based on the prevailing market prices.

### 3. Net Sales, Income and Loss, Net Assets and Other Items by Reporting Segment Fiscal 2023 (January 1, 2023 to December 31, 2023)

(Millions of yen)

	Reporting Segment						Others 1,5	Total	Adjustment 2,4	Consolidated Statements of Income 3
	Vinyl Acetate	Isoprene	Functional Materials	Fibers and Textiles	Trading	Total				
Net sales Outside customers	391,300	52,970	185,692	57,875	60,281	748,120	32,818	780,938	—	780,938
Inter-segment sales and transfers	15,471	12,712	4,102	3,982	1,307	37,576	12,854	50,430	(50,430)	—
Total	406,771	65,683	189,794	61,858	61,588	785,697	45,672	831,369	(50,430)	780,938
Segment income (loss)	86,344	(10,871)	10,323	1,827	5,183	92,808	506	93,314	(17,839)	75,475
Segment assets	523,793	161,904	296,633	79,994	52,959	1,115,283	33,760	1,149,044	105,440	1,254,485
Other items										
Depreciation and amortization (other than goodwill)	39,469	9,076	14,191	5,073	216	68,028	1,142	69,170	3,284	72,455
Impairment loss	1,369	—	—	—	—	1,369	2,715	4,084	305	4,390
Amortization of goodwill	1,625	—	3,082	—	—	4,708	—	4,708	—	4,708
Balance of goodwill at end of current period	14,816	—	40,570	—	—	55,386	—	55,386	—	55,386
Investments in equity method affiliates	—	—	—	3,531	—	3,531	—	3,531	—	3,531
Increase in tangible fixed assets and intangible fixed assets	32,596	5,351	18,211	5,172	92	61,423	859	62,282	4,999	67,282

#### Notes:

1. The “Others” category incorporates operations not included in business segment reporting, including the engineering business.
2. Adjustment is as follows: Included within segment loss of ¥17,839 million is the elimination of intersegment transactions of ¥(250) million and corporate expenses of ¥17,588 million. Corporate expenses mainly comprise the submitting company’s basic research expenses.
3. Segment income (loss) is adjusted to agree with operating income in the consolidated statements of income.
4. Adjustment is as follows: Included with segment assets of ¥105,440 million is the elimination of intersegment transactions of ¥56,605 million and unallocated corporate assets of ¥162,046 million. Corporate assets mainly comprise the submitting company’s surplus funds, long-term investments and assets related to basic research and administrative divisions at headquarters.
5. Impairment loss in “Others” mainly relates to the VECSTAR business.

**Fiscal 2024 (January 1, 2024 to December 31, 2024)**

(Millions of yen)

	Reporting Segment						Others <sup>1</sup>	Total	Adjustment <sup>2,4</sup>	Consolidated Statements of Income <sup>3</sup>
	Vinyl Acetate	Isoprene	Functional Materials	Fibers and Textiles	Trading	Total				
Net sales										
Outside customers	397,979	58,166	202,949	58,079	66,381	783,556	43,339	826,895	—	826,895
Inter-segment sales and transfers	16,928	18,198	5,032	4,595	1,243	45,998	7,524	53,523	(53,523)	—
<b>Total</b>	<b>414,907</b>	<b>76,365</b>	<b>207,981</b>	<b>62,674</b>	<b>67,625</b>	<b>829,555</b>	<b>50,863</b>	<b>880,419</b>	<b>(53,523)</b>	<b>826,895</b>
Segment income (loss)	87,630	(9,498)	12,946	1,207	5,915	98,201	2,295	100,497	(15,416)	85,081
Segment assets	564,942	165,243	317,962	82,733	57,117	1,187,998	25,496	1,213,494	77,743	1,291,238
Other items										
Depreciation and amortization (other than goodwill)	42,342	10,638	17,534	5,354	247	76,117	575	76,692	3,697	80,390
Impairment loss	458	137	10,361	5,395	284	16,637	54	16,692	101	16,793
Amortization of goodwill	1,747	—	3,122	—	—	4,870	—	4,870	—	4,870
Balance of goodwill at end of current period	14,436	—	39,154	—	—	53,591	—	53,591	—	53,591
Investments in equity method affiliates	—	—	—	4,018	—	4,018	2,741	6,760	—	6,760
Increase in tangible fixed assets and intangible fixed assets	45,006	4,307	23,556	4,306	388	77,564	783	78,348	5,928	84,276

## Notes:

1. The “Others” category incorporates operations not included in business segment reporting, including the engineering business.
2. Adjustment is as follows: Included within segment loss of ¥15,416 million is the elimination of intersegment transactions of ¥3,111 million and corporate expenses of ¥18,528 million. Corporate expenses mainly comprise the submitting company’s basic research expenses.
3. Segment income (loss) is adjusted to agree with operating income in the consolidated statements of income.
4. Adjustment is as follows: Included with segment assets of ¥77,743 million is the elimination of intersegment transactions of ¥60,422 million and unallocated corporate assets of ¥138,166 million. Corporate assets mainly comprise the submitting company’s surplus funds, long-term investments and assets related to basic research and administrative divisions at headquarters.

## Related Information

Fiscal 2023 (January 1, 2023 – December 31, 2023)

### 1. Information by Each Product and Service

(Millions of yen)

	Vinyl Acetate	Isoprene	Functional Materials	Fibers and Textiles	Others	Total
Net sales to outside customers	400,476	65,664	188,620	88,419	37,757	780,938

Notes:

Principal products of each segment are as follows:

Vinyl Acetate: PVOH resin and film, PVB resin and film, EVAL™ EVOH resin and others

Isoprene: SEPTON™ thermoplastic elastomer, isoprene chemicals, GENESTAR™ heat-resistant polyamide resin and others

Functional Materials: Methacrylic resin, medical products, activated carbon, aqua business and others

Fibers and Textiles: KURALON™, CLARINO™ man-made leather, KURAFLEX™ non-woven fabrics, MAGICTAPE™ hook and loop fasteners, polyester and others

Others: Engineering business and others

### 2. Information by Geographical Segment

#### (1) Net Sales

(Millions of yen)

Japan	United States	China	Europe	Asia	Other Area	Total
166,801	171,333	105,235	204,876	84,232	48,459	780,938

Note: Net sales are classified by country or area based on customer location.

#### (2) Tangible Fixed Assets

(Millions of yen)

Japan	United States	Thailand	Other Area	Total
188,417	162,401	79,434	96,723	526,977

### 3. Major Customers

No information is available as there is no single outside customer accounting for 10% or more of the Company's total net sales.

Fiscal 2024 (January 1, 2024 – December 31, 2024)

### 1. Information by Each Product and Service

(Millions of yen)

	Vinyl Acetate	Isoprene	Functional Materials	Fibers and Textiles	Others	Total
Net sales to outside customers	408,212	73,838	206,564	89,292	48,987	826,895

Notes:

Principal products of each segment are as follows:

Vinyl Acetate: PVOH resin and film, PVB resin and film, EVAL™ EVOH resin and others

Isoprene: SEPTON™ thermoplastic elastomer, isoprene chemicals, GENESTAR™ heat-resistant polyamide resin and others

Functional Materials: Methacrylic resin, medical products, activated carbon, aqua business and others

Fibers and Textiles: KURALON™, CLARINO™ man-made leather, KURAFLEX™ non-woven fabrics, MAGICTAPE™ hook and loop fasteners, polyester and others

Others: Engineering business and others

## 2. Information by Geographical Segment

### (1) Net Sales

(Millions of yen)

Japan	United States	China	Europe	Asia	Other Area	Total
172,112	183,517	123,644	206,548	87,614	53,458	826,895

Note: Net sales are classified by country or area based on customer location.

### (2) Tangible Fixed Assets

(Millions of yen)

Japan	United States	Thailand	Other Area	Total
171,364	183,748	81,498	103,774	540,385

## 3. Major Customers

No information is available as there is no single outside customer accounting for 10% or more of the Company's total net sales.

### **Noncurrent assets and impairment loss by reporting segment**

Fiscal 2023 (January 1, 2023 – December 31, 2023)

Omitted because the same information is provided under segment information

Fiscal 2024 (January 1, 2024 – December 31, 2024)

Omitted because the same information is provided under segment information

### **Amortization of goodwill and unamortized balances by reporting segment**

Fiscal 2023 (January 1, 2023 – December 31, 2023)

Omitted because the same information is provided under segment information

Fiscal 2024 (January 1, 2024 – December 31, 2024)

Omitted because the same information is provided under segment information

### **Negative goodwill by reporting segment**

Fiscal 2023 (January 1, 2023 – December 31, 2023)

None

Fiscal 2024 (January 1, 2024 – December 31, 2024)

None

## Per Share Information

	Fiscal 2023 (January 1, 2023 – December 31, 2023)	Fiscal 2024 (January 1, 2024 – December 31, 2024)
Net assets per share (yen)	2,133.75	2,359.03
Basic net income per share (yen)	126.80	96.33
Diluted net income per share (yen)	126.71	96.27

Note: The basis for the computation of basic and diluted income per share is as follows:

	Fiscal 2023 (January 1, 2023 – December 31, 2023)	Fiscal 2024 (January 1, 2024 – December 31, 2024)
Basic net income per share		
Net income attributable to owners of the parent (millions of yen)	42,446	31,724
Amount unallocated to common stock (millions of yen)	—	—
Net income attributable to owners of the parent allocated to common stock (millions of yen)	42,446	31,724
Average number of common stock outstanding during the fiscal year (thousand shares)	334,741	329,327
Diluted net income per share		
Adjustment made on net income (millions of yen)	—	—
Increase of common stocks (thousand shares)	253	214
[Subscription rights to shares included in above]	(253)	(214)
Outline of the residual securities not included in the calculation of the diluted net income	—	—

## Significant Subsequent Information

None