



KANEKA

The Dreamology Company
—Make your dreams come true—

Financial Summary

Fiscal Year Ended March 31, 2026

May 14, 2026

KANEKA CORPORATION



INDEX

FY2025 Summary	01
Highlights	02
Business Performance by Segment	04
Progress of Portfolio Transformation	09
Consolidated Balance Sheets	10
Consolidated Statements of Cash Flows	11
Investment, Depreciation, R&D Expenses	12
Earning Forecasts and Other Forward-looking Statements	13
Shareholder Returns	16

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.

Forecasts of the operating results and other statements contained in this document are forward-looking statements, which are rationally determined based on information currently available to the Company. For a variety of reasons, actual performance may differ substantially from these projections. They do not constitute a guarantee that the Company will achieve these forecasts or any other forward-looking statements.

FY2025 Summary

FY2025 Results

Net sales

¥811.6 billion (YoY+0.5%)

Operating income

¥32.9 billion (YoY▲17.9%)

Net income

¥31.0 billion (YoY+22.4%)

- Net sales: Record high
- Net income: Record high
- ⇒ Further reduction of cross-shareholdings
- Operating income: Recovered to exceed **¥10.0 billion/Q** in 4Q*

Operating income change factors (Year-on-year) (Factors for increase)

Medical: Sales expansion of new products and market expansion

Supplement: Expanded sales on a global scale

(Factors for decrease)

Vinyls: Sluggish Asian market

MOD/MS: Prolonged slow housing and construction demand in the U.S.

E&I/ Fiber: Impacts of soaring cost of raw materials

4Q: January 1 to March 31, 2026

Highlights

- Net sales, net income attributable to owners of parent : **Record high**
- Operating income, ordinary income: Decreased (year-on-year)

	FY2024	FY2025	(Billions of yen)		(Billions of yen)	
			Difference (YoY)		Previous forecast (Feb. 10, 2026)	Rate of achievement
			Amount	%		
Net sales	807.2	811.6	4.4	0.5%	800.0	101.5%
Operating income	40.1	32.9	(7.2)	(17.9%)	34.0	96.7%
Ordinary income	32.9	28.9	(4.0)	(12.1%)	28.3	102.0%
Net income attributable to owners of the parent	25.3	31.0	5.7	22.4%	31.5	98.3%
Operating income margin	5.0%	4.1%				
Net income per share	¥400.91	¥501.26				
Dividend per share	¥130.00	¥160.00				
ROE	5.5%	6.4%				
Exchange rate (to USD)	¥152.6	¥150.7				
Exchange rate (to EUR)	¥163.9	¥174.6				
Domestic Naptha Price (per kl)	¥75,475	¥65,025				

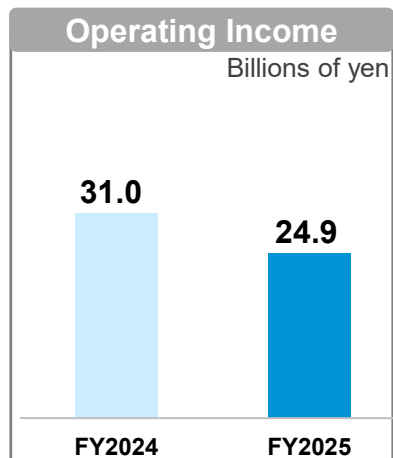
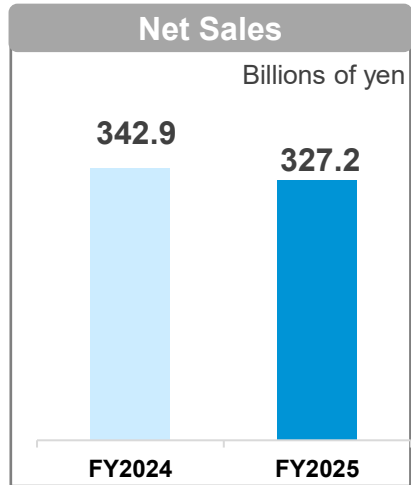
Business Performance by Segment

(Billions of yen)

	Net sales				Operating income			
	FY2024	FY2025	Difference		FY2024	FY2025	Difference	
			Amount	%			Amount	%
Material SU	342.9	327.2	(15.7)	(4.6%)	31.0	24.9	(6.0)	(19.5%)
Quality of Life SU	191.0	194.3	3.4	1.8%	20.0	18.0	(2.1)	(10.4%)
Health Care SU	77.3	83.0	5.7	7.4%	13.4	14.8	1.4	10.7%
Nutrition SU	195.0	206.0	11.0	5.6%	13.1	13.7	0.6	4.9%
Others	1.1	1.1	0.1	5.4%	0.5	0.6	0.0	6.6%
Adjustment	-	-	-	-	(37.9)	(39.1)	(1.2)	-
Total	807.2	811.6	4.4	0.5%	40.1	32.9	(7.2)	(17.9%)

※SU : Solutions Unit

Performance



(Material Solutions Unit)

**Sluggishness in Asian market for Vinyls,
Prolonged slow housing and construction demand in the U.S. for MOD and MS
⇒ Decreased sales and profits**

Vinyls and Chlor-Alkali

- Sluggish demand in the Asian and domestic markets continued.

Performance Polymers (MOD)

- Demand adjustments prolonged in the U.S. housing and construction markets.
- Sales of high-value-added products such as epoxy masterbatch (MX) expanded.

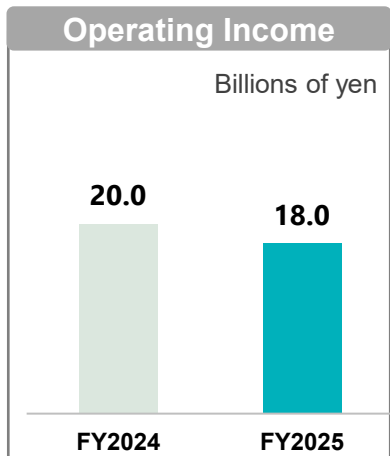
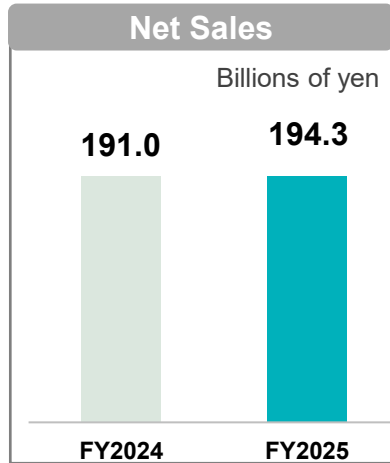
Performance Polymers (MS)

- Progress had been made in replacing other materials and broadening sales areas despite demand adjustment in the U.S and Europe.
- Capacity expansion in Belgium maximized the benefits of local production for local consumption.

Green Planet

- Production adoption increased across a wide range of application, both domestically and internationally. Superior capabilities gained further recognition.
- Customer evaluation and adoption of large-scale projects made steady progress.

Performance



(Quality of Life Solutions Unit)

Solid performance in Foam and PV while E&I and Fiber experienced soaring costs of raw materials
⇒ Increased sales and decreased profits

Foam & Residential

- Improvement of profit margins progressed through price revision and cost reduction.

E & I Technology

- While sales of polyimide films and optical acrylic resins were strong, profits declined due to soaring costs of raw materials.
- Sales expansion of high-value-added grade of polyimide films.

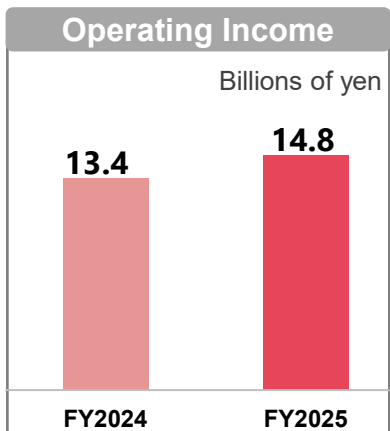
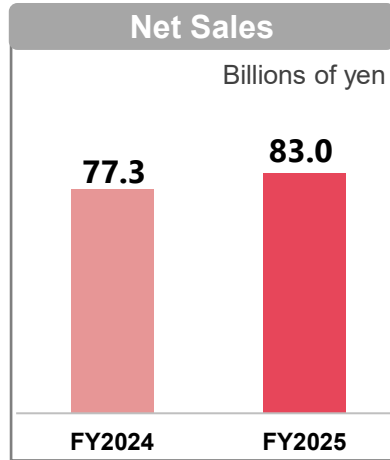
PV & Energy

- Selected for NEDO Green Innovation Fund Project on Next-Generation Tandem Solar Cell Mass Production Technology Demonstration

Performance Fibers

- Global demand for hair attachment products steadily increased.
- Profit margin for flame-retardant fabric remained sluggish due to the impact of soaring raw material costs.

Performance



(Health Care Solutions Unit)

Dramatic growth of Medical ⇒ Increased sales and profits

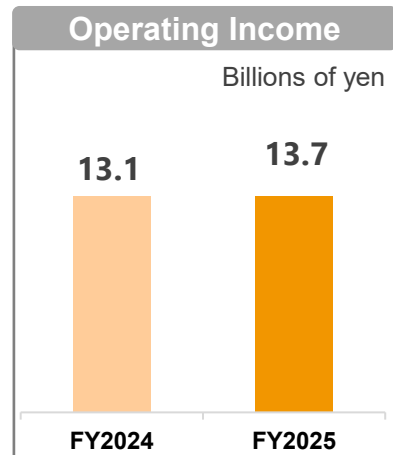
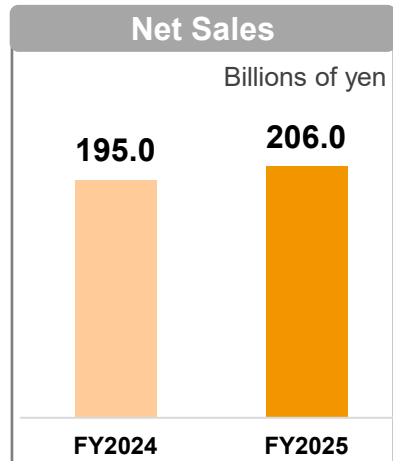
Medical

- Substantial sales expansion of both blood purification devices and catheters, resulting in the largest earning-generating business.
- Aim to further expand the business amid the ongoing broadening of sales areas.
- Continue to introduce highly competitive new products in the field of cerebrovascular treatment.
- EndoStream Medical begun launching treatment devices of cerebral aneurysms.

Pharma

- Demand adjustment for small molecule pharmaceuticals and biopharmaceuticals took longer than expected. Order intake that had been delayed was concentrated in 4Q.
- Acquisitions of new projects in small molecule pharmaceuticals and biopharmaceuticals are expected to progress.

Performance



(Nutrition Solutions Unit)

**Strong performance for Supplemental Nutrition and improved profitability of Foods
⇒ Higher sales and profits**

Supplemental Nutrition

- Sales of the active form of coenzyme Q10 expanded in the global market, particularly in the U.S.
- The probiotics business steadily increased sales.
- Will proceed with the launch of new products and reinforce our marketing to further expand sales.

Foods & Agris

- Further progress was made in price revision in response to rising raw material costs and the shift toward high value-added products.
- Will accelerate portfolio transformation with promotion of sales expansion of high value-added “Business to Consumer” products.

Business Performance by Segment (Quarter-on-Quarter)

(Billions of yen)

	Net Sales				Operating Income			
	FY2025		Difference(QoQ)		FY2025		Difference (QoQ)	
	3Q	4Q	Amount	%	3Q	4Q	Amount	%
Material SU	79.0	85.7	6.7	8.4%	5.2	7.2	2.0	38.3%
Quality of Life SU	48.4	49.0	0.6	1.3%	4.8	3.7	(1.1)	(23.2%)
Health Care SU	20.0	25.7	5.7	28.4%	3.6	5.3	1.7	48.0%
Nutrition SU	53.2	52.7	(0.5)	(1.0%)	3.5	4.2	0.7	20.0%
Others	0.3	0.3	0.1	20.8%	0.1	0.2	0.1	38.8%
Adjustment	-	-	-	-	(10.0)	(9.9)	0.1	-
Total	200.8	213.4	12.5	6.2%	7.2	10.7	3.5	47.9%

※SU : Solutions Unit

Factors for difference in operating income

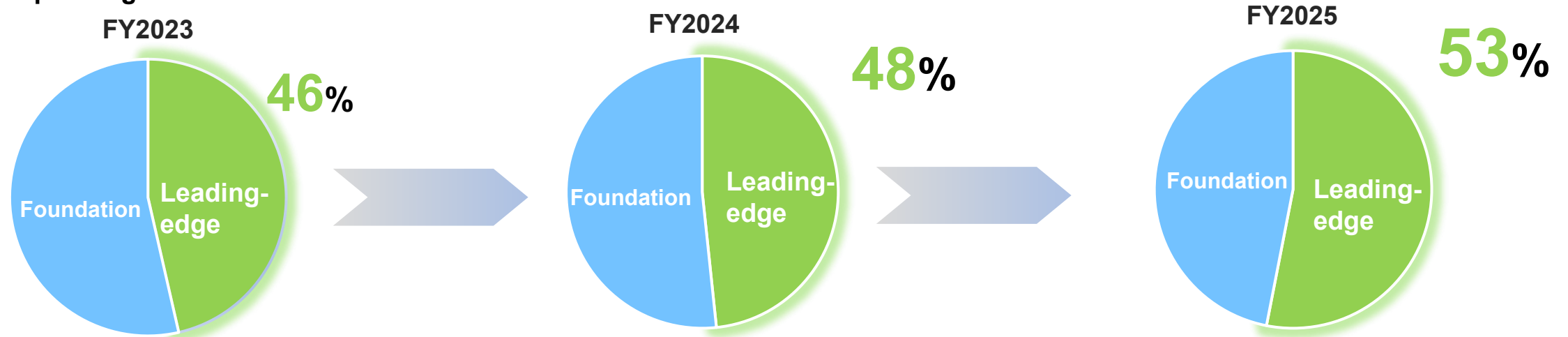
Profitability improved in all SUs except for QoL SU

- **Material:** Recovery in export sales of PVC and caustic soda for Vinyls. Moderate recovery in demand in each regions for MOD and MS.
- **QOL:** Decrease in sales due to seasonality for Foam, and sales decline due to periodic maintenance for Fiber.
- **Health Care:** Further sales expansion on a global scale for Medical. Acquisition of new projects in small molecule pharmaceuticals and biopharmaceuticals for Pharma.
- **Nutrition:** Increase in sales for the U.S. for Supplement.

Progress of Portfolio Transformation

Operating income composition ratio increased to 53% in FY2025

■ Operating income contribution ratio



Key businesses driving the increase in the ratio of the Leading-edge Businesses

- Medical: Expanded sales of new products and broadened sales areas (Asia and the U.S.)
- Supplement: Global sales expansion, primarily in the U.S.
- E&I: Sales expansion of high-value-added grades (polyimide films and optical acrylic resins)

※Leading-edge businesses: MS・E&I・PV・Medical・Pharma・Supplement

※Foundation businesses: Vinyls・MOD・Foam・Fiber・Foods

Consolidated Balance Sheets

(Billions of yen)

		March 31, 2025	March 31, 2026	Difference
Assets	Current assets	444.5	465.7	21.2
	Noncurrent assets	475.6	493.4	17.8
Total assets		920.1	959.2	39.0
Liabilities	Interest bearing debt	203.3	211.4	8.0
	Others	224.4	226.1	1.7
	Total liabilities	427.7	437.5	9.8
Net assets	Equity	471.3	498.7	27.4
	Others	21.1	23.0	1.9
	Total net assets	492.4	521.7	29.2
Total liabilities and net assets		920.1	959.2	39.0
Equity ratio		51.2%	52.0%	
Debt equity ratio		0.43	0.42	
Net assets per share		¥7,488.51	¥8,279.85	

- Total assets : Increase in inventories and the amount of assets for overseas group companies as a result of depreciation of the yen.
- Liabilities : Up primarily due to an increase in loans payable.
- Net assets : Up owing chiefly to an increase in retained earnings and foreign currency translation adjustment as a result of depreciation of the yen
- Equity ratio : 52.0%

Consolidated Statements of Cash Flows

	(Billions of yen)	
	FY2024	FY2025
Cash flows from operating activities	41.3	50.1
Cash flows from investing activities	(55.0)	(26.1)
Free cash flow	(13.8)	24.0
Cash flows from financing activities	14.5	(20.0)
Net increase (decrease) in cash and cash equivalents *	1.4	4.3
Cash and cash equivalents at end of period	44.6	48.9

- Net cash provided by operating activities was ¥50.1 billion, mainly due to the recording of income before income taxes and depreciation and amortization.
- Net cash used in investing activities amounted to ¥26.1 billion, mainly due to purchase of property, plant and equipment.
- Net cash used in financing activities was ¥20.0 billion due to cash dividends paid and purchase of treasury shares.
- Cash and cash equivalents as of March 31, 2026 totaled ¥48.9 billion.

Investment, Depreciation, R&D Expenses

(Billions of yen)

	FY2024	FY2025	Difference
Capital investment	53.1	54.0	0.9
Depreciation and amortization	43.6	47.1	3.5
R&D expenses	39.3	39.9	0.5
R&D expenses to net sales	4.9%	4.9%	

● Main capital investment

FY2025 Results

- Introduction of co-generation system at Takasago
- Construction of new plant for catheter in Hokkaido (Tomatoh Manufacturing Site)

FY2026 Forecast Summary

Forecast for FY2026

- Net sales and operating income expected to **increase**
- Net income expected to remain at high level

Net sales
¥820.0 billion (YoY+1.0%)

Operating income
¥36.0 billion (YoY+9.4%)

Net income
¥31.5 billion (YoY+1.7%)

Shareholder Returns

- Annual dividend
¥210 per share (YoY +¥50 per share)
- Implement **progressive dividend policy**
(Period: FY2025~2027)
- Dividend payout ratio: **40%** as target
- Repurchase of treasury shares
Upper limit **1,400,000 shares**
(upper limit: ¥7.0 billion)

Earning Forecasts and Other Forward-looking Statements

(Billions of yen)

	FY2025 Result	FY2026 Forecast	Difference	
			Amount	%
Net sales	811.6	820.0	8.4	1.0%
Operating income	32.9	36.0	3.1	9.4%
Ordinary income	28.9	32.0	3.1	10.8%
Net income attributable to owners of parent	31.0	31.5	0.5	1.7%
Operating income margin	4.1%	4.4%		
Net income per share	¥501.26	¥523.04		
Dividend per share	¥160.00	¥210.00		
ROE	6.4%	6.2%		
Exchange rate (to USD)	¥150.7	¥150.0		
Exchange rate (to EUR)	¥174.6	¥170.0		
Domestic Naptha Price (per kl)	¥65,025	¥120,000		

- **Increase in net sales and operating income** for FY2026 forecast (year-on-year).
- Will actively invest management resources for Life Science and Leading-edge businesses
 - Accelerate business expansion and improvement in profitability.
- Impacts of the situation in the Middle East: Anticipate temporary adjustments in demand and fluctuation in profit margins, primarily for certain Solutions Vehicles of Material and QoL SU.
- Unpredictable turmoil: While it is difficult to provide a highly accurate forecast for the next fiscal year at this point, we will closely monitor future developments and promptly revise the plan as necessary.

Earning Forecasts and Other Forward-looking Statements

(Billions of yen)

	Net Sales				Operating Income			
	FY2025 Result	FY2026 Forecast	Difference		FY2025 Result	FY2026 Forecast	Difference	
			Amount	%			Amount	%
Material SU	327.2	326.0	(1.2)	(0.4%)	24.9	24.2	(0.7)	(2.9%)
Quality of Life SU	194.3	197.0	2.7	1.4%	18.0	19.2	1.2	6.9%
Health Care SU	83.0	89.0	6.0	7.3%	14.8	18.1	3.3	22.0%
Nutrition SU	206.0	207.0	1.0	0.5%	13.7	14.0	0.3	2.1%
Others	1.1	1.0	(0.1)	(9.8%)	0.6	0.5	(0.1)	(9.4%)
Adjustment	-	-	-	-	(39.1)	(40.0)	(0.9)	-
Total	811.6	820.0	8.4	1.0%	32.9	36.0	3.1	9.4%

※SU : Solutions Unit

- Material: Temporary demand adjustment and fluctuations in profit margins for Vinyls, MOD, MS.
- QOL: Advances in AI utilization in the society expected to drive market expansion for high-value-added grades products for E&I.
- Health Care: Further sales expansion of blood purification devices and catheters both domestically and internationally for Medical.
⇒ Ongoing introduction of new products to the market.
Acquisition of new projects in small molecule pharmaceuticals and biopharmaceuticals expected to progress for Pharma.
- Nutrition: Increase in sales of the active form of coenzyme Q10, particularly in the U.S., and probiotics business expected to expand for Supplement.
Shift toward high-value-added products expected to accelerate further with expanded sales of dairy products and yogurt for Foods.

Shareholder Returns

Result
(FY2025)

Annual dividend **¥160 per share** (YoY+¥30 per share)
 Repurchase of treasury shares **¥12.0 billion**
 Dividend payout ratio **31.9 %**

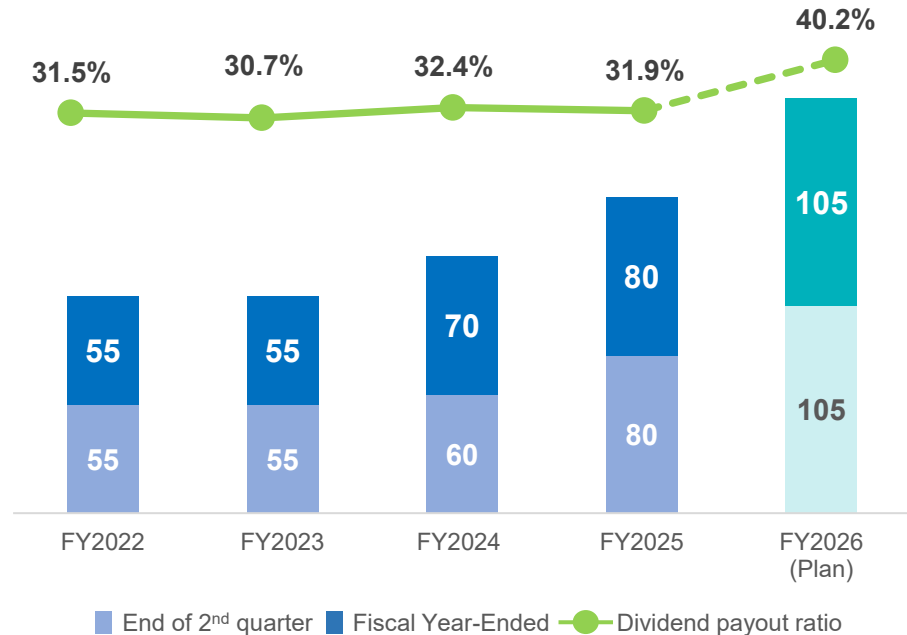
Plan
(FY2026)

Target of dividend payout ratio: 40%

Annual dividend **¥210 per share** (YoY+50yen per share)
 Repurchase of treasury shares **¥7.0 billion**
 Dividend payout ratio **40.2%**

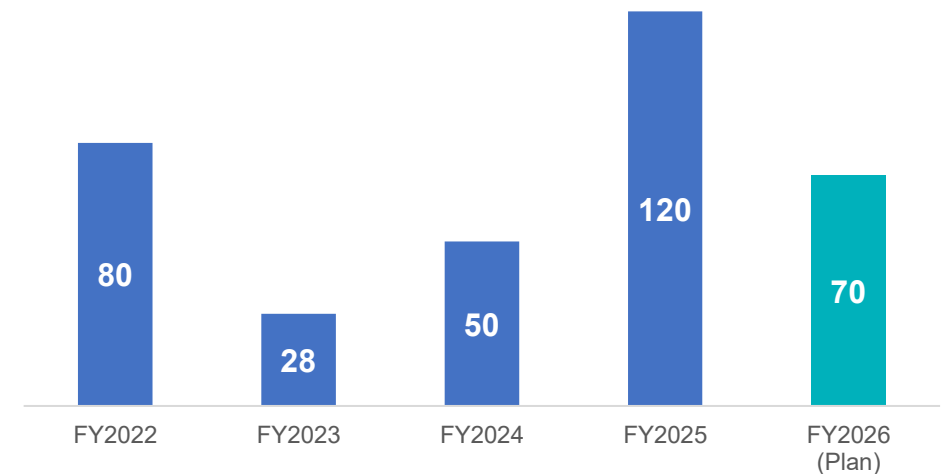
Dividend and dividend payout ratio

(yen/share)



Repurchase of treasury shares

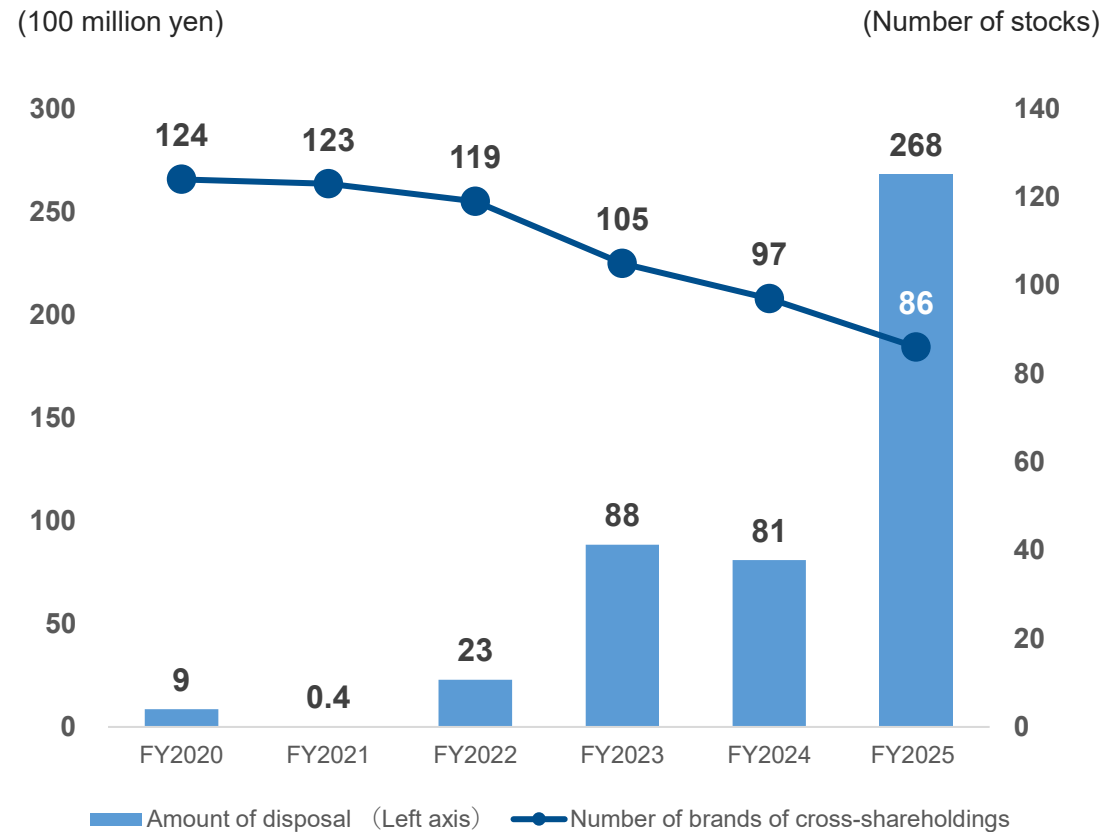
(100 million yen)



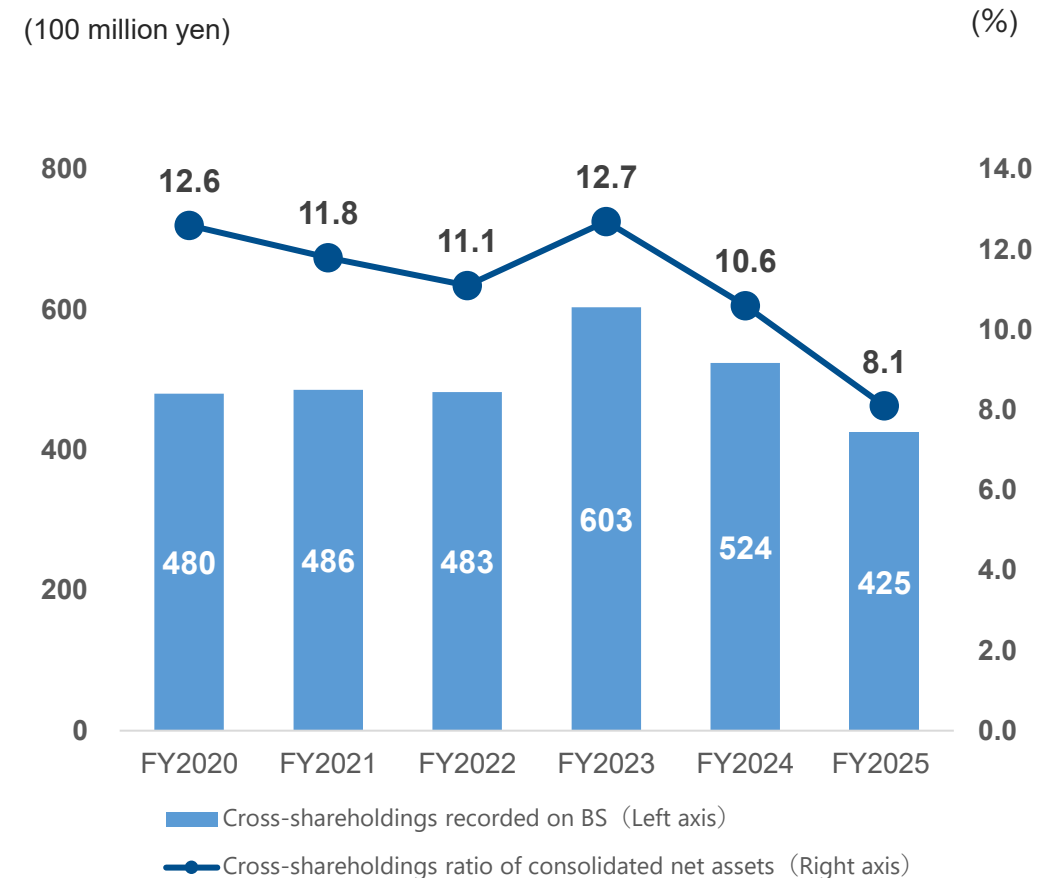
Reduction of Cross-Shareholdings

- Ratio to net asset: Reduced **less than 10%**
- Total amount of cross-shareholdings disposed: FY2025 ¥22.7 billion

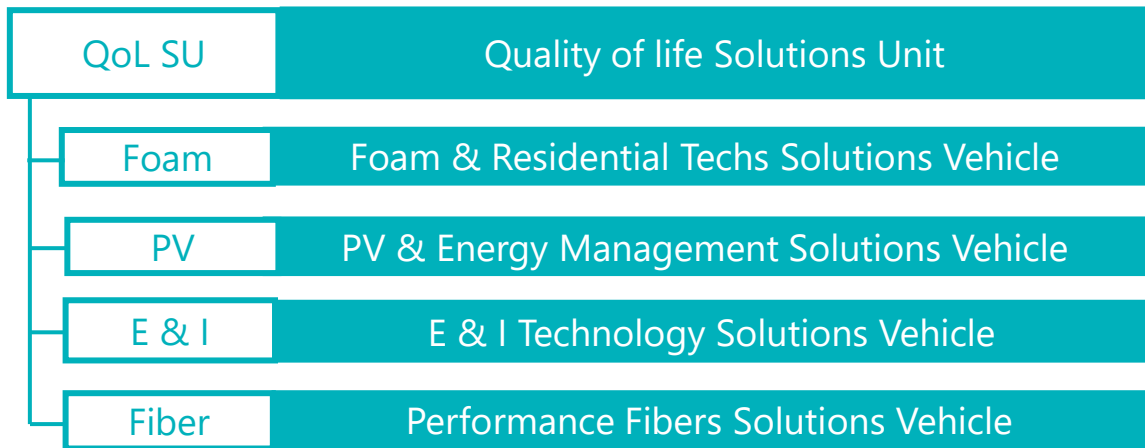
Total amount of cross-shareholdings disposed and number of cross-shareholding stocks held



Book value of cross-shareholdings recorded on the balance sheet and ratio to net asset



Appendix: The List of Kaneka Business Unit Abbreviations



KANEKA CORPORATION
<https://www.kaneka.co.jp/en/>