Quarterly Financial Summary

Note: This is an English translation of selected parts of the Quarterly Financial Summary in Japanese and is for reference purposes only. In the event of any discrepancy between the translation and the original Japanese text, the latter will prevail.

Consolidated Financial Results for the First Quarter of the Fiscal Year Ended March 31, 2027 (IFRS)

August 7, 2026

Company name: **Kureha Corporation**
Stock listing: **Tokyo Stock Exchange**
TSE code: **4023**
URL: **https://www.kureha.co.jp/en/**
Representative: **Katsuhiro Natake, Representative Director, President and Chief Executive Officer**
Contact/Inquiries: **Daijiro Furuya, General Manager, Corporate Communications Department; Phone +81-3-3249-4651**
Scheduled date of dividend payment: —
Supplementary materials for quarterly financial results: Available
Financial results briefing: Yes

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ended March 31, 2027 (From April 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results (% figures indicate year-on-year changes)

	Revenue		Core Operating Profit		Operating Profit		Profit		Profit attributable to owners of parent		Total comprehensive income	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	42,098	15.2	5,905	209.0	5,810	149.4	4,339	106.7	4,289	108.1	8,109	176.2
June 30, 2025	36,540	(12.9)	1,911	(43.0)	2,329	(27.2)	2,099	(28.1)	2,061	(28.2)	2,936	(58.8)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	112.24	112.06
June 30, 2025	45.35	45.29

(Reference) Profit before tax: As of June 30, 2026: 5,870 million yen
As of June 30, 2025: 2,832 million yen

(Note) Beginning with the current consolidated fiscal year, to enhance the clarity of the Kureha Group's recurring operating performance, the Group has adopted core operating profit, calculated by excluding gains and losses arising from non-recurring factors (non-recurring items) from operating profit, as a new profit-related management indicator.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2026	343,407	171,224	169,211	49.3
March 31, 2026	338,444	167,179	165,233	48.8

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	109.50	—	104.50	214.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		108.00	—	108.00	216.00

Note 1: Changes in the dividend forecast from the most recent announcement: None
Note 2: For the fiscal year ending March 31, 2027, the Company plans to pay dividends based on a consolidated dividend on equity (DOE) target of 5%. The forecast dividend per share has been calculated on the basis of the forecast shareholders' equity.

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2027
(From April 1, 2026 to March 31, 2027)

(% figures indicate year-on-year changes)

	Revenue		Core Operating Profit		Operating Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	85,500	10.5	7,500	(0.7)	7,500	(7.5)	5,000	(20.9)	130.82
Fiscal year ending March 31, 2027	173,000	7.0	12,000	(17.1)	11,000	—	7,500	—	196.23

(Note) Changes in earnings forecast from the most recent announcement: Yes
(Reference) Profit before tax: Six months ending September 30, 2026 7,500 million yen; Full year 10,500 million yen

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries affecting the scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates
  1) Changes in accounting policies required under IFRS: None
  2) Changes in accounting policies other than those in item 1) above: None
  3) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)	As of June 30, 2026	40,242,221 shares	As of March 31, 2026	49,942,221 shares
2) Number of treasury shares at the end of the period	As of June 30, 2026	2,021,167 shares	As of March 31, 2026	11,723,323 shares
3) Average number of shares outstanding during the period	Three months ended June 30, 2026	38,220,565 shares	Three months ended June 30, 2025	45,456,535 shares

* This quarterly financial summary is outside the scope of review by certified public accountants or audit corporations.

* Note to ensure proper use of financial forecasts, and other noteworthy matters
All forecasts and forward-looking statements in this report are based on information currently available to the Company and assumptions that are deemed to be reasonable, but Kureha Corporation does not guarantee the achievement of these forecasts. Actual results may differ significantly as a consequence of numerous factors. For more information regarding the assumptions and terms the Company applied when formulating earnings forecasts and precautions that should be taken when utilizing these earnings forecasts, please refer to "(4) Future Outlook included under the section "1. Overview of Operating Results and Outlook" on page 3 of the attached document.

(Attachment)

1. Overview of Operating Results and Outlook

(1) Overview of Operating Results for the Period

During the first three months of the fiscal year ending March 31, 2027, while a gradual recovery in the global economy, including Japan, was anticipated, the outlook remained uncertain due to concerns over the impact of the situation in the Middle East and other factors.

Under these circumstances, the Kureha Group is advancing sustainability-focused management aimed at balancing the enhancement of medium- to long-term corporate value with contributions to a sustainable society in order to further develop the Group. In line with the Kureha Group Corporate Philosophy and the Kureha Vision, the Group has formulated and is implementing the Kureha Group Long-term Management Plan for FY2035 – Technology to Value– and the Mid-Term Management Plan (FY2026–FY2028) – Technology to Value 2028–.

Beginning with the first three months of the fiscal year ending March 31, 2027, to enhance the clarity of recurring operating performance, the Group has adopted core operating profit, calculated by excluding gains and losses arising from non-recurring factors (impairment losses, restructuring expenses, subsidy income, etc.) from operating profit, as a new profit-related management indicator.

During the first three months of the fiscal year ending March 31, 2027, the Group's revenue and profits increased year on year due to increased sales of PGA (polyglycolic acid) resin processed products and New Krewrap plastic wrap for household use, as well as an increase in share of profit of investments accounted for using the equity method.

Revenue increased 15.2% year on year to 42,098 million yen, core operating profit increased 209.0% to 5,905 million yen, operating profit increased 149.4% to 5,810 million yen, profit before tax increased 107.2% to 5,870 million yen, profit increased 106.7% to 4,339 million yen, and profit attributable to owners of parent increased 108.1% to 4,289 million yen.

Results by segment were as follows. Beginning with the first three months of the fiscal year ending March 31, 2027, segment results are presented in terms of core operating profit, calculated by excluding gains and losses arising from non-recurring factors (impairment losses, restructuring expenses, subsidy income, etc.) from operating profit.

(Millions of yen)

	Revenue			Core operating profit (parentheses indicate a loss)		
	First quarter of the previous fiscal year	First quarter of the current fiscal year	Change	First quarter of the previous fiscal year	First quarter of the current fiscal year	Change
Advanced Materials	15,529	16,637	1,107	103	3,003	2,900
Specialty Chemicals	5,816	7,394	1,577	(401)	(129)	272
Specialty Plastics	8,719	11,129	2,410	1,598	2,427	829
Construction	2,389	2,653	263	126	67	(58)
Other Operations	4,085	4,282	197	373	455	82
Segment Total	36,540	42,098	5,557	1,800	5,825	4,025
Adjustments	—	—	—	110	79	(30)
Consolidated Total	36,540	42,098	5,557	1,911	5,905	3,994

1) Advanced Materials

In the advanced materials category, sales of PGA (polyglycolic acid) resin processed products for use in shale oil and gas drilling and polyvinylidene fluoride resin for lithium-ion secondary battery binders increased. In addition, share of profit from the U.S. joint venture in the PPS resin business, which is accounted for using the equity method, increased, resulting in increases in both revenue and core operating profit in this segment.

In the carbon products category, revenue and core operating profit were both in line with those in the same period of the previous fiscal year.

As a result, revenue in this segment increased 7.1% year on year to 16,637 million yen, and core operating profit increased from 103 million yen in the same period of the previous fiscal year to 3,003 million yen.

2) Specialty Chemicals

In the crop protection products and pharmaceuticals category, sales of agricultural and horticultural fungicides as well as Kremezin, a treatment for chronic kidney disease, increased, resulting in increases in both revenue and core operating profit in this category.

In the industrial chemicals category, revenue increased due to higher sales of organic chemicals, while core operating profit declined due to higher raw material prices.

As a result, revenue in this segment increased 27.1% year on year to 7,394 million yen, and core operating loss narrowed from 401 million yen in the same period of the previous fiscal year to 129 million yen.

3) Specialty Plastics

In the consumer goods category, due to higher sales of New Krewrap plastic wrap for household use, both revenue and core operating profit increased.

In the commercial food packaging materials category, both revenue and core operating profit were in line with those in the same period of the previous fiscal year.

As a result, revenue in this segment increased 27.6% year on year to 11,129 million yen, and core operating profit increased 51.9% to 2,427 million yen.

4) Construction

Revenue increased as construction projects carried over from the previous fiscal year progressed steadily; however, core operating profit declined as a result of changes in the sales mix.

As a result, revenue in this segment increased 11.0% year on year to 2,653 million yen, and core operating profit decreased 46.5% to 67 million yen.

5) Other Operations

In the environmental engineering category, sales of waste processing services increased, resulting in increases in both revenue and core operating profit in this category.

In other businesses, both revenue and core operating profit were in line with those in the same period of the previous fiscal year.

As a result, revenue in this segment increased 4.8% year on year to 4,282 million yen, and core operating profit increased 22.0% to 455 million yen.

(2) Overview of Financial Position for the Period

Total assets as of the end of the first quarter increased by 4,963 million yen from the end of the previous fiscal year to 343,407 million yen. Current assets decreased by 2,228 million yen from the end of the previous fiscal year to 108,629 million yen, as trade and other receivables decreased despite an increase in inventories. Non-current assets increased by 7,191 million yen from the end of the previous fiscal year to 234,777 million yen, primarily reflecting an increase in property, plant and equipment associated with the expansion of polyvinylidene fluoride (PVDF) resin production facilities, as well as an increase in the fair value of investment securities.

Total liabilities increased by 917 million yen from the end of the previous fiscal year to 172,183 million yen. This was mainly due to an increase in interest-bearing debt, which rose by 3,624 million yen from the end of the previous fiscal year to 127,850 million yen, primarily reflecting the issuance of commercial paper, despite decreases in provisions and other current liabilities.

Total equity increased by 4,045 million yen from the end of the previous fiscal year to 171,224 million yen. This was due to the recording of 4,289 million yen in profit attributable to owners of parent and an increase in other components of equity resulting from an increase in the fair value of investment securities and the impact of the yen's depreciation in the foreign exchange market, despite dividends from retained earnings of 3,993 million yen.

(3) Overview of Cash Flows for the Period

Net cash provided by operating activities was 7,502 million yen, an increase of 1,413 million yen from the same period of the previous fiscal year. This was mainly due to an increase in quarterly profit before tax.

Net cash used in investing activities totaled 6,932 million yen, an increase of 2,775 million yen from the same period of the previous fiscal year. This was mainly due to higher expenditures for the acquisition of property, plant and equipment and intangible assets, as well as a decrease in proceeds from the sale of property, plant and equipment and intangible assets.

Net cash used in financing activities amounted to 675 million yen, a decrease of 597 million yen from the same period of the previous fiscal year. This was due to a decrease in cash inflows from changes in short-term borrowings and commercial paper and an increase in dividends paid, offset in part by a decrease in cash outflows related to the acquisition of treasury stock.

As a result, cash and cash equivalents at the end of the first quarter were 30,093 million yen, up 366 million yen from the end of the previous fiscal year.

(4) Future Outlook

Considering recent performance trends, the Company has revised its consolidated earnings forecast for the six months and full fiscal year ending March 31, 2027, from the figures announced on May 12, 2026. For details, please refer to the " Notice Regarding Revised FY2026 Financial Forecast" released today (August 7, 2026).