

Asahi Kasei Corp.
May 27, 2025

**Discontinuation of MMA, CHMA, PMMA resin, and SB latex businesses,
and reconfiguration of acetonitrile supply framework**

The Board of Directors of Asahi Kasei Corp. has today resolved to discontinue its businesses for methyl methacrylate (MMA) monomer, cyclohexyl methacrylate (CHMA), polymethyl methacrylate (PMMA) resin (product names: Delpet™ and Delpowder™), and SB (styrene-butadiene) latex, and to reconfigure the supply framework for acetonitrile (closure of refining plant in Kawasaki).

As a result, Asahi Kasei expects to record business structure improvement expenses of approximately ¥25 billion as extraordinary loss in its financial results for the fiscal year ending March 31, 2026.

1. Background

One of the basic policies of Asahi Kasei's current medium-term management plan (MTP) "Trailblaze Together" for fiscal 2025–2027 is improving capital efficiency through structural transformation and enhanced productivity. Today's decision was made as part of a broad review of the business portfolio and reallocation of management resources in accordance with this basic policy.

Asahi Kasei's PMMA resin, SB latex, and acetonitrile businesses began in 1963, and its MMA business began in 1974. Each of these products are manufactured at the company's Kawasaki Works, and have been supplied to customers around the world for over half a century.

In recent years, however, the economic conditions for these businesses have been persistently unfavorable due to deterioration of the supply-demand balance as a result of large-scale expansion of petrochemical production capacity in China, in addition to diminished competitiveness due to high feedstock costs, and the operating rates of the plants have remained at low levels. The decision to discontinue the manufacture of these products at the Kawasaki Works was made based on a conclusion that the severe operating climate is structural and irreversible.

2. Outline of the discontinuation and reconfiguration

(1) Affected products

Product	Schedule for cessation of manufacture	Schedule for cessation of sales
Methyl methacrylate (MMA) monomer	September 2026	September 2026
Cyclohexyl methacrylate (CHMA)	March 2026	March 2026
Polymethyl methacrylate (PMMA) resin	September 2026	September 2027
SB latex	September 2027	December 2027
Acetonitrile (manufactured at Kawasaki refining plant)	To be determined after discussion with customers	The Japanese market to be supplied with acetonitrile from Tongsuh Petrochemical Corp., Ltd., a wholly owned subsidiary in South Korea

(2) Net sales of affected operations (fiscal year ended March 31, 2025)

¥34,635 million

(3) Personnel

Employees currently assigned to the affected operations, numbering 190, will be reassigned to other positions in Asahi Kasei.

3. Future outlook for operations in Kawasaki

Part of Asahi Kasei's MTP is to improve capital efficiency through business portfolio transformation from a medium- to long-term perspective. With the structural reform decided today, the Kawasaki Works will be the most important site for concentration of management resources on businesses such as ion-exchange membrane process chlor-alkali electrolysis, hydrogen-related, etc., as part of Energy & Infrastructure, which is positioned as a Growth Potential field. This is expected to enhance the sustainable growth and competitiveness of businesses in Energy & Infrastructure.

4. Impact on earnings

Asahi Kasei expects to record business structure improvement expenses of approximately ¥25 billion as extraordinary loss in its financial results for the fiscal year ending March 31, 2026. As the loss was factored into the consolidated forecast for the fiscal year ending March 31, 2026, which was announced on May 9, 2025, there are no changes to the forecast at this time.

For reference: Consolidated forecast for current fiscal year (announced May 9, 2025) and results of previous fiscal year

(¥ million)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
Forecast for current fiscal year (ending March 31, 2026)	3,117,000	215,000	216,000	125,000
Results of previous fiscal year (ended March 31, 2025)	3,037,312	211,921	193,459	134,996