

**Notice Regarding Recognition of Impairment Losses,  
Revision of Consolidated Earnings Forecast for FY2025,  
Revision of Dividend Forecast, and Reduction of Directors' Compensation**

Kureha Corporation (the "Company") expects to recognize an impairment loss in its financial results for FY2025 (April 1, 2025 to March 31, 2026), as described below. Accordingly, the Company has revised its consolidated earnings forecast, which was announced on May 12, 2025, as well as its dividend forecast which was announced on August 8, 2025, as set forth below. In addition, the Company has decided not to pay bonuses or performance-linked share-based compensation to its internal directors, and hereby provides notice of the same.

1. Recognition of Impairment Losses

(1) Impairment Loss on Manufacturing Facilities for Polyvinylidene Fluoride (PVDF)

Regarding the PVDF business, the recovery in demand is now expected to take longer than initially anticipated, due to the recent slowdown in the EV markets in Europe and the United States. Accordingly, the Company has reviewed the future earnings plan for its PVDF business, which is used as a binder for automotive lithium-ion secondary batteries, and recalculated the projected future cash flows. As a result, the Company has determined that the recoverable amount of manufacturing facilities at its production sites in Japan and China, including those currently under expansion, is lower than their carrying amounts. Consequently, the Company expects to recognize an impairment loss of approximately ¥34.0 billion in its consolidated financial results.

(2) Impairment Loss on Manufacturing Facilities for KREMEZIN (Therapeutic agent for chronic renal failure)

In the spherical activated carbon market, demand has been shrinking due to the emergence of new therapeutic drugs, and profitability has been declining as a result of annual drug price reductions. In light of these factors, the Company assessed the recoverability of the relevant manufacturing facilities and, as a result, expects to recognize an impairment loss equal to the full carrying amount, amounting to approximately ¥2.5 billion. In addition, the Company will record an extraordinary loss in the same amount in its non-consolidated financial statements.

## 2. Revision of Consolidated Earnings Forecast for FY2025

### (1) Revision of Consolidated Earnings Forecast for FY2025 (April 1, 2025 through March 31, 2026)

(In millions of yen, unless otherwise indicated)

	Revenue	Operating profit	Profit before taxes	Profit attributable to owners of Kureha	Basic profit per share
Previous Forecast (a)	165,000	14,000	14,000	10,000	¥249.82
<b>New Forecast (b)</b>	<b>161,000</b>	<b>-17,900</b>	<b>-17,600</b>	<b>-10,100</b>	<b>-¥252.32</b>
Change (b-a): value	-4,000	-31,900	-31,600	-20,100	
Change (b-a): %	-2.4%	-	-	-	
[Reference] FY2024 results (Apr. 1, 2024 - Mar. 31, 2025)	162,015	9,428	10,218	7,800	¥149.67

### (2) Reasons for the revision:

Although improvements are expected from asset sales and expense reductions aimed at enhancing capital efficiency, as described in “1. Recognition of Impairment Losses,” impairment losses related to the PVDF business and the manufacturing facilities for KREMEZIN are expected to be recorded. As a result, operating income, profit before tax, and profit attributable to owners of the parent are now projected to fall below the previously announced forecasts, and the Company has therefore decided to revise its consolidated earnings forecast.

The Company also plans to disclose its future business plans, including those for the PVDF business, in the Mid-Term Management Plan (FY2026 to FY2028), which is scheduled to be announced on May 12, 2026.

## 3. Revision of Dividend Forecast

### (1) Revision of Fiscal Year-End Dividend Forecast for FY2025

	Annual Dividends		
	Second Quarter	Year-end	Total
Previous Forecast	-	109.50 yen	219.00 yen
New Forecast	-	104.50 yen	214.00 yen
Actual Result	109.50 yen		
FY2024 Results	43.35 yen	43.35 yen	86.70 yen

### (2) Reason for the revision

The Company adopts DOE (Dividend on Equity) as its standard for dividend distribution and plans to pay dividends for FY2025 with a target DOE of approximately 5%. Following the revision



of the full-year consolidated earnings forecast, consolidated shareholders' equity is now expected to fall below the previous estimate. Accordingly, the Company has revised its year-end dividend forecast from 109.50 yen per share to ¥104.50 per share.

#### 4. Reductio of Directors' Compensation

In order to clarify management responsibility for the recognition of impairment losses, the downward revision of the earnings forecast for FY2025, the Company has decided not to pay bonuses or performance-linked share-based compensation to internal directors for FY2025.

Note: The new earnings forecast has been prepared based on information acquired by Kureha Corporation as of the date of this announcement. Actual results may differ from those forecasts due to various factors.

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