

Fiscal Year ended March 2025 Consolidated Financial Results

May 13, 2025

DAICEL CORPORATION

Program

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Results of FY 2025/3

Net sales 586.5 billion yen(+5.1%)
Operating income 61.0 billion yen(-2.2%)
EBITDA 102.4 billion yen(+6.5%)
ROIC 6.1%(-0.2pp.)
Exchange Rate USD/JPY:153 yen

- Net sales increased due to the recovery in demand in the automobile-related and electronic materials-related markets, as well as the effect of exchange rates, despite the impact of the certification misconduct issue at Japanese automobile manufacturers.
- Although there was an increase in sales volume, mainly of Engineering Plastics, and the impact of exchange rates, operating income decreased due to the impact of troubles at the carbon monoxide plant (hereinafter, CO plant), and an increase in depreciation expenses, but EBITDA increased.

Forecasts of FY 2026/3

Net sales 600.0 billion yen(+2.3%)
Operating income 54.0 billion yen(-11.5%)
EBITDA 97.0 billion yen(-5.3%)
ROIC 5.4%(-0.7pp.)
Exchange Rate USD/JPY:140 yen

- Net sales is expected to increase due to the increase in sales volume of Engineering Plastics and inflators for automotive airbags.
- Despite resolving the CO plant troubles and productivity improving in the production site in U.S. in Safety business, operating income is expected to decrease due to factors such as the stronger yen in the forecast exchange rate, the increase in depreciation costs for the new Engineering Plastics plants, and impacts from regular inspection; EBITDA is also planned to decline.
- For Engineering Plastics, while the burden of regular inspections costs will temporarily increase in the fiscal year ending March 2026, performance improvement is anticipated in the fiscal year ending March 2027.

Shareholders Return

Aiming for DOE (Dividend on Equity) of 4% or more and a total return ratio of 40% or more, we will ensure stable and continuous returns to shareholders.

- Annual dividend for the fiscal year ending March 2026: Planning an annual dividend of 60 yen per share.
- Decided to cancel 10 million treasury shares (3.61% of total shares issued before cancellation)

Response and Effects of Top Priority Issues

We will strengthen our current base of profit, continue to place importance on capital efficiency, and move ahead with strategies with a feeling of speediness.

1. Amelioration of carbon monoxide (CO) plant malfunctions: Fundamental stabilization of plant operations
2. Safety business U.S. production site: From earnings improvement stage to growth stage
3. Engineering Plastics business: Expand sales by investing in increased production of POM, LCP, and COC

1. Amelioration of carbon monoxide (CO) plant malfunctions*

FY 2025/3 Status	FY 2026/3 Plan	FY 2027/3 Plan
<ul style="list-style-type: none">Financial impact: About 12 billion yen mainly due to loss of capacity utilization (The impact amount increased by about 3 billion yen compared to the forecast announced in November 2024 due to the occurrence of unplanned problems.)Material change and maintenance reinforcement were carried out in response to equipment corrosion caused by change of coal type and plant and total stoppage caused by unexpected suspension of raw material supply pump.The impact on manufacturing cost is 12 billion yen, but the impact on profit and loss in the current fiscal year is 10 billion yen, because 2 billion yen are carried forward to the next fiscal year as inventory.	<ul style="list-style-type: none">Schedule fundamental measures to prevent corrosion of piping and blockage of coal at the regular inspection in the 1Q of FY2026/3Although the impact on manufacturing cost in the previous fiscal year of 12 billion yen was eliminated, the impact of inventory carried over from the previous fiscal year of 2 billion yen resulted in a decrease in profit and loss of 2 billion yen (8 billion yen increase from the previous FY).	<ul style="list-style-type: none">Schedule replacement of equipment, including in receipt of long-delivery products at the regular inspection in the 1Q of FY2027/3Realize stable and efficient plant operation

Stabilization of raw material procurement through expansion of coal types

Cost-benefit effect of price disparity between oil and coal

* The CO plant, which produces carbon monoxide, the main raw material of acetic acid, is made from coal. The plant formerly used asphalt as the raw material, but the plant was replaced in February 2024 due to deterioration, and switched raw material from asphalt to coal. At first, the specifications of the plant were based on the use of Russia's coal, but the plant was switched to Canada's coal in view of the world affair. Problems occurred at the plant due to the use of different types of coal.

2. Safety business U.S. production site: From earnings improvement stage to growth stage

FY 2025/3 Status	FY 2026/3 Plan	FY 2027/3 Plan
<ul style="list-style-type: none"> Achieved surplus in the 4Q of FY2025/3 Achieved 80% operational availability in the 4Q of FY2025/3 Strengthened cooperation among customers, headquarters, and each production site to improve productivity (automation and work efficiency) and promoted reduction in parts and raw material costs Reduced emergency response such as air transportation by optimizing production planning and parts procurement Revised human resource system, incentive system, etc., to improve an environment in which efforts as well as results will be rewarded 	<ul style="list-style-type: none"> Stable profit for the full year, operational availability: 80% or more Plan to achieve a full-year profit through improved productivity. The overall operating income margin of Safety business is expected to improve by more than 2 percentage points Consolidate procurement department and improve efficiency of logistics operation Replace exports to the U.S. from production sites in other countries with production at the U.S. site. Promote local procurement of parts and raw materials and establish a system that can flexibly deal with additional tariffs imposed by the U.S. government. 	<ul style="list-style-type: none"> Add inflator production lines in order to respond acquisition of new programs Expand new device business as well as existing business to improve profitability

Response and Effects of Top Priority Issues

3. Engineering Plastics business: Expand sales by investing in increased production of POM, LCP, and COC

In FY 2026/3, net sales of Engineering Plastics, one of the “growth” businesses, are expected to increase from the previous fiscal year, but operating income is expected to decrease due to an increase in depreciation and amortization and regular inspection costs due to the start of operation of new POM and LCP plants. In FY 2027/3, we plan a second phase of POM plant expansion and operation of a new COC plant. Although it is expected to increase depreciation and amortization, we intend to improve business performance by an increase in production including LCP.

Resins	FY 2025/3 Status	FY 2026/3 Plan	FY 2027/3 Plan
POM	<ul style="list-style-type: none"> The first phase of the new plant in China started operation in November 2024, and the plant with annual production of 90,000 tons (allocated 63,000-ton to Polyplastics Co., Ltd.) is running in full capacity. Shut down an existing 60,000 ton plant in China (allocated 43,000-ton to Polyplastics Co., Ltd.) . The amount of an increase in production capacity is 20,000 tons in real terms. 	<ul style="list-style-type: none"> In response to domestic demand in China (market growth of 3~4% per year), we plan to operate its 90,000 ton plant in China in full capacity and continue supporting shipments from Malaysia and Fuji Plant to cover the shortfall. We promote the project of second phase expansion of production capacity in order to increase the ratio of local production for the Chinese market. Global sales volume is planned to increase by about 6%. 	<ul style="list-style-type: none"> The second phase of the 60,000 ton plant in China (allocated 43,000-ton to polyplastics Co., Ltd.) starts operation in the 3Q, establishing an annual production capacity of 150,000 tons (106,000 ton to polyplastics Co., Ltd.n) in China. For products made in Malaysia, which had been shipped to China, we switch to focus on sales expansion to India, ASEAN, Europe and the United States. Global sales volume is planned to increase by about 5%.
LCP	<ul style="list-style-type: none"> Due to the recovery in demand for related to electronic devices, sales volume was almost as planned. Production expansion plant (5,000 ton) in Taiwan started operation in February 2025. 	<ul style="list-style-type: none"> Sales volume is planned to increase by about 15% to take advantage of the recovery in demand. Schedule operation in full capacity in the 1Q of FY2026/3. We will realize delivery time and inventory reduction by integrated compounds process with existing production facilities in Taiwan. 	<ul style="list-style-type: none"> Expand sales by introducing new polymers applicable to high-performance electronic devices that support further high-speed data communications. Sales volume is planned to increase by about 7%.
COC	<ul style="list-style-type: none"> Sales were adjusted due to production problems in 1Q. After 2Q, the plant is in stable operation continuously. 	<ul style="list-style-type: none"> We plan to operate the existing plants in full capacity in response to increased adoption of COC for shrink film and medical devices. Sales volume is planned to increase by approximately 45%. 	<ul style="list-style-type: none"> Expand sales mainly in circular economy applications and the medical market due to the effect of increased production volume from a new plant (20,000 ton) that will start operation in FY2027/3. Plan to increase sales volume by about 50%.

The Course of Progress and Vision toward the Future

- Amid the rapid and drastic changes in the environment surrounding the company, the company has been actively transforming its business structure and reorganizing operations in line with its Long-Term Vision "Daicel Vision 4.0" and Mid-Term Management Strategy "Accelerate 2025."
- Fully implement a market-in strategy based on the SBU structure
- Promote and expand management and business synergies with Polyplastics Co., Ltd.
- Creation of new businesses and transformation in asset-light are ongoing agendas

The company making lives better by co-creating value

Priorities working in progress

- Horizontal expansion and acceleration of Autonomous Production System
- Microfluidic device: Introduction of Microfluidic device into the manufacturing process of resist polymer for starters
- Promotion of "Beyond Coating"
- Biomass Value Chain
- Functional modification of nanodiamonds
- Inorganic/organic composite materials

OP-III Cross-Value Chain

Empathy and resonance with diverse partners to create new value together

Major initiatives to date

Made Toyama Filter Tow Co., Ltd. a wholly owned subsidiary (April 2025)
Transfer of low-density plastic foam business (March 2025)
Withdrawal from the organic semiconductor business (December 2024)

Established Joint Venture in resin compound business (March 2024)
Established Daicel Medical Ltd. (October 2023)
Completed consolidation of safety business production sites (October 2023)
Transfer of pharmaceutical development and manufacturing contract business (April 2023)

Withdrawal from defense-related businesses (March 2023)
Start of operations at Daicel Beyond Ltd. (October 2022)
Made Polyplastics Co., Ltd. a wholly owned subsidiary (October 2020)
Business organization reform (SBU system) (April 2020)

OP-II

Business Restructuring :
Transformation to asset super-light

OP-I Transformation of business structure : Transformation to asset-light

Formulate the next Mid-Term Management Strategy and move on to the final five years of the strategy

The Course of Progress and Vision toward the Future

Based on the business portfolio, continue business structure reform including “selection and concentration” and implement well-organized management

- Foundation Business: Improve productivity through persistent cost reductions and pursue capital efficiency to strengthen cash-generation capability and improve ROIC
- Growth Business: Aggressive capital investment to further enhance global presence and competitiveness and contribute to further EBITDA growth
- Next Generation Business: Profitize with a speediness and launch new items (new businesses, new products, new applications)

Foundation: Improve ROIC

Materials

- Improve ROIC by developing new customers and continuing full capacity production and full amount of sales of acetate tow
- By promoting production process conversion in the whole acetic acid products, the Company improves capital efficiency by a decrease in inventory, expands sales by improving product quality and develops new applications to strengthen competitiveness.

Growth: EBITDA Growth

Engineering Plastics

- Promote starting operation of plants for increasing in production as schedule and enhancement of global marketing
- Secure investment result by expanding production plants in POM, LCP, and COC (compared to FY2025/3)
 - ✓ POM: Continue full operation of the first phase of the new plant, and start operation of the second phase expansion in FY2027/3
Global sales volume is planned to increase by about 11% in FY2027/3 (vs FY2025/3).
 - ✓ LCP: Plan to fully operate of the new plant by the end of June 2025 and increase sales volume by 24% in FY2027/3 (vs FY2025/3)
 - ✓ COC: Plan to steadily start operation of the new plant in FT2027/3 and increase sales volume by 113% in FY2027/3 (vs FY2025/3)

Safety

- Market in India: Promote sales expansion activities by reinforcing facilities of production site in India to meet the growth of attach rate of airbag in India
- Market in China: Increase market share by further improving crashworthiness required by local manufacturers

Next Generation: Business Profitization

Medical/ Healthcare

- Expand the novel drug delivery devices business centered on early acquisition of pharmaceutical approval of medical device and establishment of a sales structure
- Full-scale profitization of the healthcare business by increasing equol production volume to meet increased demand and introducing new products as the second and third pillars

Smart

- Increase sales volume and expand sales for new applications by capturing growing demand of cutting-edge semiconductor (logic/memory) market, proposing products (polymers for photoresists and adhesive) in the back-end semiconductor production process, and aggressively expanding sales of high-performance film by utilizing equipment at Kameoka production site of Daicel Beyond Ltd.

Financial Results

YoY :

- Net sales increased due to a significant decline in sales of Engineering Plastics in the first quarter of the previous fiscal year because of customer inventory adjustments, a recovery in demand in the electronic materials market, and the impact of exchange rates, despite the impact of the certification misconduct issue at Japanese automobile manufacturers.
- Although there was an increase in sales volume, mainly of Engineering Plastics, and the impact of exchange rates, operating income decreased due to the impact of troubles at the CO plant, and an increase in depreciation expenses, but EBITDA increased.
- Extraordinary income was recorded as gains from the sale of cross-shareholdings, while extraordinary losses was recorded as losses associated with business restructuring.

Vs. forecasts :

- Sales decreased due to the impact of certification misconduct issue at Japanese automobile manufacturers and the decrease in sales volume of acetic acid-related products due to problems at the CO plant. Operating income increased slightly due to the yen being weaker than expected despite additional construction work at the CO plant.

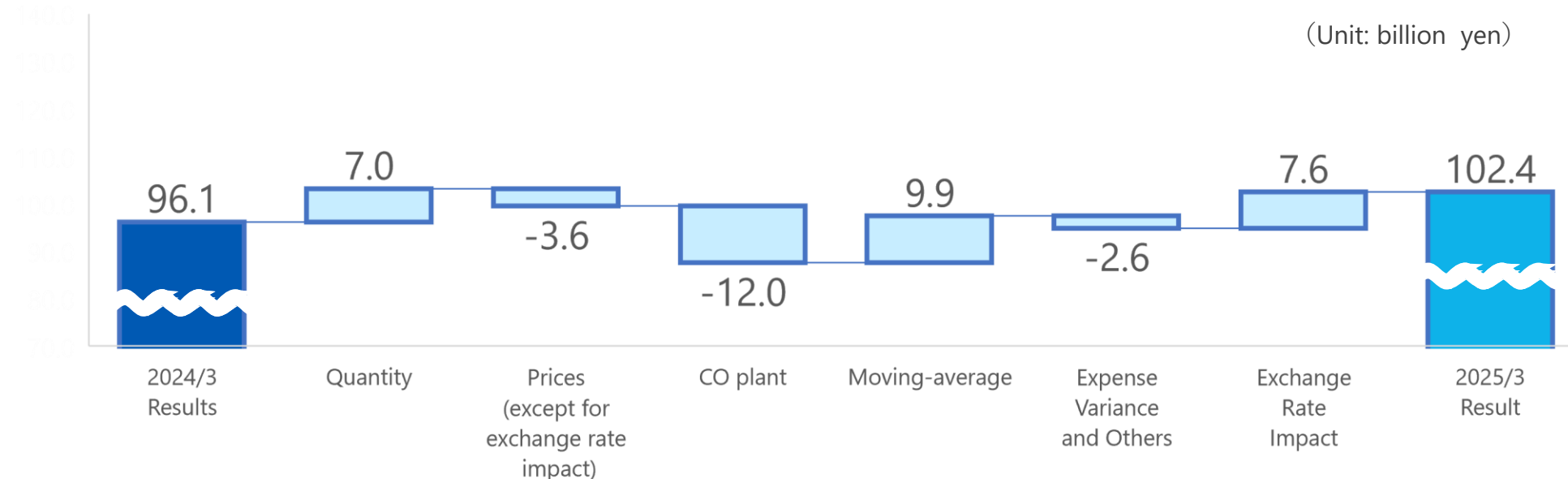
Unit : Billion Yen	2024/3 Results	2025/3 Forecasts*	2025/3 Results	Y on Y		vs Forecasts	
				Change	%	Change	%
Net Sales	558.1	600.0	586.5	+28.5	+5.1%	-13.5	-2.2%
Operating Income	62.4	60.0	61.0	-1.4	-2.2%	+1.0	+1.7%
Ordinary Income	68.4	60.0	62.3	-6.1	-8.9%	+2.3	+3.9%
Net income attributable to owners of the parent	55.8	51.0	49.5	-6.4	-11.4%	-1.5	-3.0%
Exchange Rate USD/JPY	145	149	153	*2025/3 Forecasts was announced on Nov. 2024			

	2024/3 Results	2025/3 Forecasts*	2025/3 Results
EBITDA	96.1	102.5	102.4
ROE	17.1%	14.3%	13.8%
ROIC	6.3%	5.9%	6.1%
ROA	7.0%	6.1%	6.0%
EPS (Yen)	197.56	184.70	181.44

Result (Y on Y)

- Although sales of acetic acid-related products were affected by the impact of CO plant trouble, the quantity impact was positive due to sales expansion in each business and the start of operation of additional Engineering Plastic plants.
- Price impact (except for exchange rate impact) was negative due to a decline in sales prices caused by differences in product sales mix and market conditions.
- Price impact (including exchange rate impact) was positive due to a positive exchange rate impact (+7.6 billion yen).
- CO plant impact was negative (-12 billion yen) due to the impact of CO plant trouble and the effect of the planned shutdown.
- Exchange rate(USD/JPY)
FY2024/3 result:145 yen → FY2025/3 result:153 yen

Analysis of EBITDA



*As the CO plant impact and Moving average impact are presented separately, they do not match the analysis values in the segment analysis on page 12.

Net Sales and Operating Income by Segment

Unit : Billion Yen	Net Sales						
	2024/3 Results	2025/3 Forecasts*	2025/3 Results	Y on Y		vs Forecasts	
				Change	%	Change	%
Medical / Healthcare	13.9	15.0	14.4	+0.5	+3.7%	-0.6	-3.7%
Smart	33.8	38.0	37.3	+3.5	+10.4%	-0.7	-1.8%
Safety	95.6	100.0	97.6	+2.0	+2.1%	-2.4	-2.4%
Materials	182.2	191.0	183.4	+1.2	+0.6%	-7.6	-4.0%
Engineering Plastics	226.8	250.0	248.0	+21.2	+9.3%	-2.0	-0.8%
Others	5.7	6.0	5.8	+0.1	+1.6%	-0.2	-3.9%
Total	558.1	600.0	586.5	+28.5	+5.1%	-13.5	-2.2%

Unit : Billion Yen	Operating Income						
	2024/3 Results	2025/3 Forecasts*	2025/3 Results	Y on Y		vs Forecasts	
				Change	%	Change	%
Medical / Healthcare	0.8	0.7	0.3	-0.5	-67.0%	-0.4	-62.7%
Smart	-0.9	-0.3	-0.8	+0.1	-	-0.5	-
Safety	3.0	5.2	3.9	+0.9	+31.4%	-1.3	-24.4%
Materials	40.8	29.5	29.6	-11.2	-27.4%	+0.1	+0.4%
Engineering Plastics	18.3	24.0	27.0	+8.7	+47.6%	+3.0	+12.5%
Others	0.4	0.9	1.0	+0.5	+128.7%	+0.1	+7.2%
Total	62.4	60.0	61.0	-1.4	-2.2%	+1.0	+1.7%

EBITDA	
2024/3 Results	2025/3 Results
2.0	1.3
2.3	2.0
10.3	11.1
53.9	49.6
26.7	36.8
1.0	1.6
96.1	102.4

*This forecasts were announced on Nov. 7, 2024.

(Note) Net sales and operating income by segment for FY2024/3 is the figure after segment changing in the TAC, Cycloaliphatic epoxies and Caprolactone Derivatives.

Net Sales and Operating Income by Segment (Y on Y Analysis)

Unit : Billion Yen	Net Sales							
	2024/3 Results	2025/3 Results	Change	%	Analysis			
					Quantity	Prices	Exchange Rate Impact*	
Medical / Healthcare	13.9	14.4	+0.5	+3.7%	+0.1	+0.5	+0.6	
Smart	33.8	37.3	+3.5	+10.4%	+4.0	-0.5	+1.1	
Safety	95.6	97.6	+2.0	+2.1%	+1.4	+0.6	+3.5	
Materials	182.2	183.4	+1.2	+0.6%	-4.7	+5.8	+7.9	
Engineering Plastics	226.8	248.0	+21.2	+9.3%	+13.4	+7.8	+7.9	
Others	5.7	5.8	+0.1	+1.6%	+0.1	-	-	
Total	558.1	586.5	+28.5	+5.1%	+14.3	+14.2	+21.0	
Unit : Billion Yen	Operating Income							
	2024/3 Results	2025/3 Results	Change	%	Analysis			
					Quantity	Prices	Others	Exchange Rate Impact*
Medical / Healthcare	0.8	0.3	-0.5	-67.0%	+0.0	+0.2	-0.7	+0.2
Smart	-0.9	-0.8	+0.1	-	+3.4	-2.0	-1.3	+0.8
Safety	3.0	3.9	+0.9	+31.4%	+0.1	-0.8	+1.7	+0.7
Materials	40.8	29.6	-11.2	-27.4%	-4.9	+3.0	-9.3	+4.3
Engineering Plastics	18.3	27.0	+8.7	+47.6%	+4.5	+3.7	+0.5	+1.6
Others	0.4	1.0	+0.5	+128.7%	+0.5	-	-	-
Total	62.4	61.0	-1.4	-2.2%	+3.7	+4.0	-9.1	+7.6

*Exchange rate impact is included in prices and others.

(Note) Net sales and operating income by segment for FY2024/3 is the figure after segment changing in the TAC, cycloaliphatic epoxies and Caprolactone Derivatives.

Segment Information – Results (Y on Y)

Segment	Main Products	Market Environment / Our Business Situation(Y on Y)
Medical / Healthcare	Chiral Related Products	<ul style="list-style-type: none"> Although demand for chiral-related products remained strong mainly overseas, sales volume of chiral columns increased slightly due to sluggish demand in China. Sales volume of stationary phases decreased due to large-scale spot projects in the same period of the previous fiscal year. Sales of separation and purification services are increasing in India.
	Cosmetic Ingredients / Functional Food Materials	<ul style="list-style-type: none"> Sales of both cosmetic ingredients and functional food materials remained strong as we captured strong demand for inbound tourists.
Smart	Caprolactone Derivatives, Cycloaliphatic epoxies	<ul style="list-style-type: none"> Sales volume of caprolactone derivatives increased as demand for automotive paints remained strong and demand for urethane in China, a major market, also showed a recovery trend. Sales volume of cycloaliphatic epoxies increased due to sales expansion accompanying the gradual recovery of demand for electronic materials such as for liquid crystal panels and electronic substrates.
	Polymers for photoresists, Solvents for Electronic Materials, High-Performance Films	<ul style="list-style-type: none"> Sales volume of polymers for photoresists and solvents for electronic materials increased due to the sales expansion as the semiconductor market and the liquid crystal panel market were on a gradual recovery trend. Sales volume of high-performance films decreased due to sluggish demand for release films for battery applications.
Safety	Automobile Airbag Inflators	<ul style="list-style-type: none"> Despite the impact of certification misconduct issue, sales volume of inflators increased due to Japanese automakers' production recovery and the Chinese government's economic stimulus policies.

Segment Information – Results (Y on Y)

Segment	Main Products	Market Environment /Our Business Situation(Y on Y)
Materials	Acetic Acid	<ul style="list-style-type: none"> Sales volume of acetic acid decreased due to the decrease in the demand for major derivatives such as VAM and PTA and initial trouble at the carbon monoxide plant used for providing raw material.
	Acetate Tow	<ul style="list-style-type: none"> Demand for acetate tow remained strong. Sales volume increased mainly due to sales expansion in Asia.
	TAC*	<ul style="list-style-type: none"> TAC's sales volume decreased in the LCD panel market due to customers' inventory adjustments and weak demand.
	1,3-BG	<ul style="list-style-type: none"> Sales volume of 1,3-BG increased both in Japan and overseas, as the domestic cosmetics market is on a recovery trend and sales expansion effects are seen overseas.
Engineering Plastics	POM PBT PPS	<ul style="list-style-type: none"> Sales volume for automotive parts increased compared to the previous fiscal year with the decline in demand in 1st quarter due to the impact of customer inventory adjustments, despite the impact of the certification misconduct issue at some Japanese automobile manufacturers and a decrease in automotive production volume in China and ASEAN due to the sales slump. Sales volumes of POM, PBT, and PPS increased due to increased demand from non-Japanese automobile manufacturers, etc. Furthermore, sales volume of POM increased due to increased demand for industrial equipment and office automation equipment because of active sales expansion in China. The new POM plant in China has started operations as planned in November 2024.
	LCP	<ul style="list-style-type: none"> The sales volume of LCP also increased by sales expansion as the demand for smartphones and PCs, mainly in China, was strong, and demand for electronic device applications products also increased. The LCP expansion plant has started operations as scheduled in February 2025.
	COC	<ul style="list-style-type: none"> Sales volume increased due to strong demand for environmentally friendly packaging materials and medical applications.

*TAC (Tri-acetyl cellulose) : Cellulose acetate for LCD film use

Balance Sheet

Unit : Billion Yen		Mar. 31, 2024	Mar. 31, 2025	Change
Total Current Assets		409.5	395.6	-13.9
	Cash and Deposits	73.2	65.1	-8.0
	Notes and Accounts Receivable-trade	114.4	113.9	-0.5
	Inventories	182.5	177.9	-4.6
	Other	39.4	38.7	-0.7
Total Non-Current Assets		429.7	418.2	-11.5
	Property, Plant and Equipment	308.9	319.4	+10.5
	Intangible Fixed Assets	10.8	10.6	-0.1
	Investments and Other Assets	110.0	88.1	-21.8
Total Assets		839.2	813.8	-25.3
Liabilities		463.8	438.8	-25.0
	Interest-bearing Liabilities	304.1	286.1	-18.0
	Other	159.6	152.7	-7.0
Total Net Assets		375.4	375.0	-0.4
Total Liabilities and Net Assets		839.2	813.8	-25.3

- Total assets decreased by 25.3 billion yen; 5.3 billion yen of total assets decreased because of exchange rate fluctuation.
- Property, Plant and Equipment increased due mainly to newly investment for increase in production capacity of POM, LCP and COC in Polyplastics.
- Investments and Other Assets decreased due mainly to the sale of investment securities.
- Interest-bearing debt decreased mainly due to redemption of short-term bonds.

Cash Flow Statement

Unit : Billion Yen		2024/3	2025/3	Change
	Cash Flows from Operating Activities	76.7	93.4	+16.7
	Cash Flows from Investing Activities	-55.4	-47.9	+7.5
Free Cash Flows		21.4	45.5	+24.2
Cash Flows from Financing Activities		-52.4	-48.9	+3.5
Other		5.9	-0.3	-6.3
Net Increase (Decrease) in Cash and Cash Equivalents		-25.1	-3.6	+21.4
Cash and Cash Equivalents at End of Period		68.4	64.8	-3.6

- Although there were temporary factors such as issues at the CO plant, cash flows from operating activities increased due to business structure reform, and the selling off cross-holding of shares was advanced, resulting in free cash flow of 45.5 billion yen, an increase of 24.2 billion yen compared to the previous fiscal year.
- Liquidity on hand improved, and interest-bearing debt was reduced through redemption of short-term bonds.

Forecasts / Analysis of EBITDA

Forecasts (Y on Y)

We plan to increase net sales by promoting sales expansion that takes advantage of opportunities to increase demand and increasing production of Engineering Plastics. Despite the effects of resolving the CO plant troubles and reforming the safety business structure, operating income is expected to decline due to the anticipated stronger yen compared to the previous fiscal year, increased depreciation costs for Engineering Plastics, and increased regular inspection costs.

- We will promote sales expansion by taking advantage of increased demand in the electronic materials-related market, and we plan to increase net sales by expanding sales through increased production at new POM and LCP plants in Engineering Plastics, and by increasing sales volume of inflators for automobile airbags.
- Although it is expected to increase in sales volumes and thorough cost reductions in each business, as well as improvements in productivity at the safety business's U.S. production site, operating income are expected to decrease due to the impact of exchange rates, increased depreciation expenses for Engineering Plastics, and increased regular inspection costs.
- Income Attributable to Owners of Parent is expected to increase due to a decrease in extraordinary losses compared to the previous fiscal year, and EPS is expected to be 203.67 yen.

	2025/3 Results	2026/3 Forecasts	Change	%
Net Sales	586.5	600.0	+13.5	+2.3%
Operating Income	61.0	54.0	-7.0	-11.5%
Ordinary Income	62.3	56.0	-6.3	-10.1%
Net income attributable to owners of the parent	49.5	54.0	+4.5	+9.1 %
Exchange Rate USD/JPY	153	140		

	2025/3 Results	2026/3 Forecasts
EBITDA	102.4	97.0
ROE	13.8%	14.8%
ROIC	6.1%	5.4%
ROA	6.0%	6.6%
EPS (yen)	181.44	203.67

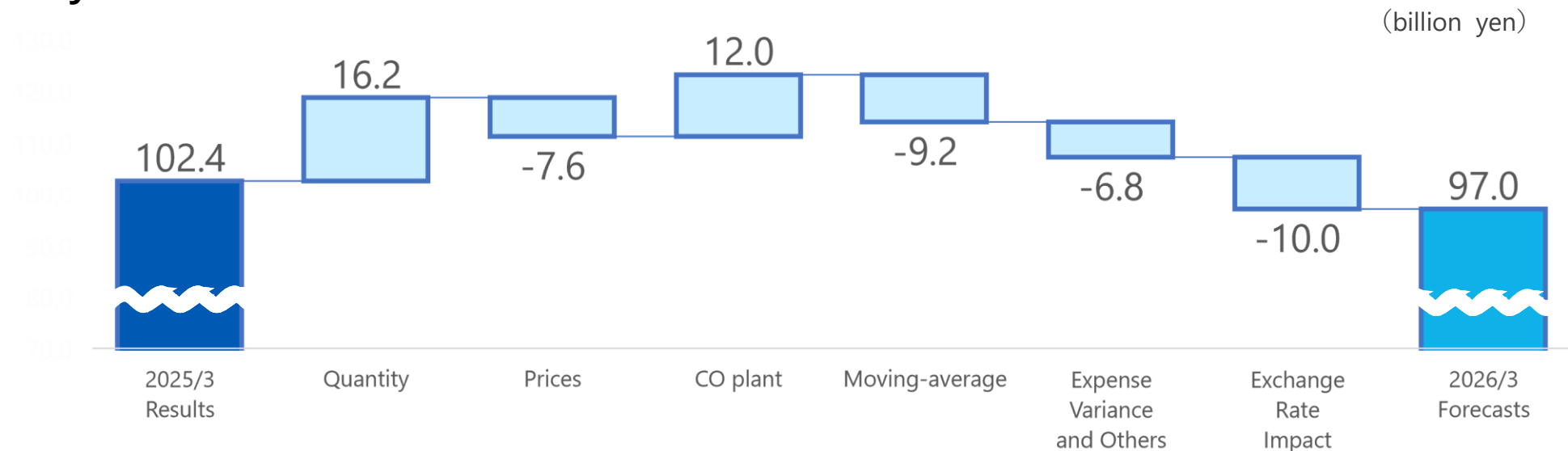
*The financial forecast for the fiscal year ending March 2026 is not taken into account the impact of US tariff measures.

Forecasts / Analysis of EBITDA

Forecasts (Y on Y)

- Quantity impact is expected to be positive due to increased sales in each business due to increased demand and the operation of additional Engineering Plastic plants.
- Although the CO plant problem resolved (+12 billion yen), the impact of carried-over inventory is expected to be -9.2 billion yen.
- Despite thorough cost reductions in each business, an increase in general and administrative expenses, including personnel expenses, is expected to result in an expense variance of -6.8 billion yen.
- Exchange rate(USD/JPY)
FY2025/3 result:153 yen → FY2026/3 forecast:140 yen

Analysis of EBITDA



Net Sales and Operating Income by Segment

Unit : Billion Yen	Net Sales				Operating Income				EBITDA	
	2025/3 Results	2026/3 Forecasts	Change	%	2025/3 Results	2026/3 Forecasts	Change	%	2025/3 Results	2026/3 Forecasts
Medical / Healthcare	14.4	15.5	+1.1	+7.4%	0.3	0.3	+0.0	+14.9%	1.3	1.3
Smart	37.3	40.5	+3.2	+8.5%	-0.8	1.4	+2.2	-	2.0	3.9
Safety	97.6	101.0	+3.4	+3.5%	3.9	6.4	+2.5	+62.8%	11.1	14.5
Materials	183.4	181.5	-1.9	-1.0%	29.6	23.0	-6.6	-22.4%	49.6	41.1
Engineering Plastics	248.0	256.0	+8.0	+3.2%	27.0	22.1	-4.9	-18.2%	36.8	34.9
Others	5.8	5.5	-0.3	-4.6%	1.0	0.8	-0.2	-17.1%	1.6	1.3
Total	586.5	600.0	+13.5	+2.3%	61.0	54.0	-7.0	-11.5%	102.4	97.0

Segment Information – Forecasts

Segment	Main Products	Market Environment Outlook / Effects on Our Business	Our Actions
Medical / Healthcare	Chiral Related Products	<ul style="list-style-type: none"> The demand for chiral-related products is expected to remain steady due to an increase in demand for generic drug companies in India despite the impact of continuous decrease in outsourcing of U.S. companies in China. In addition, development supporting service of middle- and large-molecule drugs also expected to increase in demand as well as small-molecule drugs. 	<ul style="list-style-type: none"> Sales volume of chiral column is expected to increase due to a continuous growing demand. Especially, sales volume of services for middle molecular pharmaceutical in India are expected to increase in response to the growing demand. After having obtained a license for manufacturing and marketing medical devices of Daicel Medical Ltd., the Company is applying a medical approval of novel drug delivery devices to obtain pharmaceutical approval of medical device in Japan to prepare establishing sales structure after obtaining medical approval.
	Cosmetic Ingredients / Functional Food Materials	<ul style="list-style-type: none"> The demand for cosmetics and functional food markets is expected to continuously remain steady. 	<ul style="list-style-type: none"> Net sales of cosmetic ingredient is expected to increase due to sales expansion by acquiring new customers and an increase in sales of new products such as biodegradable improved grade of BELLOCEA (Spherical cellulose acetate particles). Net sales of functional food materials is expected to increase due to sales expansion of Equol which attracting customers' growing demand, and promoting sales expansion of new product of intestinal metabolite "Astrophop". The Company makes these new products as a major product in Healthcare business next to Equol.

Segment Information – Forecasts

Segment	Main Products	Market Environment Outlook / Effects on Our Business	Our Actions
Smart	Caprolactone Derivatives, Cycloaliphatic Epoxies	<ul style="list-style-type: none"> Sales price of caprolactone derivatives is expected to decrease due to an increase in production volume by competitors, even though the demand for urethane is expected to be in line with the last fiscal year. Cycloaliphatic epoxies is expected to be an increase in demand for electronic materials application and an increase in market share expansion mainly in the United States. 	<ul style="list-style-type: none"> Sales volume of caprolactone derivatives is expected to decrease. Nevertheless, the Company will improve price competitiveness and improve product quality, differentiating our products by sales expansion in existence market and development of new applications. Sales volume of cycloaliphatic epoxies is expected to increase compared to the last fiscal year by sales expansion in response to the growing demand and differentiating our products against competitors by sales expansion of new products for OLED encapsulation.
	Photoresist Materials, Solvents for Electronic Materials, High-Performance Films	<ul style="list-style-type: none"> Demand is expected to increase across the semiconductor market including increased demand in the market for AI semiconductors as well as an increase in the demand of LCD panel market. Demand for high-performance film is expected to increased due to the increase in demand for in-vehicle display applications. 	<ul style="list-style-type: none"> Sales volume of polymers for photoresists is expected to increase by sales expansion for ArF application by attracting growing demand of cutting-edge semiconductor (logic/memory) market to get early adoption of our products for EUV application and increase in evaluation of our products by customers. Also, the company plans to introduce a trial microfluid devices plant during FY2026/3. The Company plans to propose products (polymers for photoresists and adhesive) in the back-end semiconductor production process in addition to the process in the front-end semiconductor. The Company plans to increase sales volume of solvents for electronic materials compared to the last fiscal year behind the growing demand for cutting-edge semiconductor and LCD panel material markets The Company plans to increase sales volume of high-performance film compared to the last fiscal year by utilizing equipment at Kameoka production site of Daicel Beyond Ltd. to increase sales volume for in-vehicle and wide display applications, and aggressive sales expansion for new applications.

Segment Information – Forecasts

Segment	Main Products	Market Environment Outlook / Effects on Our Business	Our Actions
Safety	Automobile Airbag Inflators	<ul style="list-style-type: none"> The number of automotive production volume is expected to slightly increase. However, the production volume in China and India is expected to increase steady. The demand for our company's inflator is expected to increase. 	<ul style="list-style-type: none"> Sales volume of inflator is expected to increase compared to the last fiscal year by progressing sales expansion in response to the market demand for improvement of crashworthiness in Chinese market and growth of attach rate of airbag in India. The Company plans to launch mass production of pyro-fuse for EV application in Europe, and sales expansion in Europe and China. Besides, the Company makes an effort to expand sales in Europe and China by proposing pyro-fuse for industrial application. The Company promotes local procurement of components and production equipment for a reduction in investment cost and construction period of production lines.
Materials	Acetate Tow	<ul style="list-style-type: none"> Global tobacco production volume is expected to remain as it is similar to the previous fiscal year. Demand for acetate tow is expected to remain strong. 	<ul style="list-style-type: none"> Regarding the sales program of acetate tow, the Company intend to make multiple-year sales contracts with major tobacco manufactures to ensure constant sales volume, besides promotes its sales expansion. Also, the Company continues to maintain full capacity production and full amount of sales to improve return on investment capital (ROIC). By integrated management with three production sites; a manufacturing factory of acetate tow (Toyama Filter Tow Co., Ltd., what the Company wholly subsidiarized to reinforce acetyl production chain,) Aboshi plant and Ohtake plant in Daicel Corporation, the Company utilizes product categories with more flexible structure to realize an improvement profitability. Sales volume of acetate tow is expected to increase compared to the last fiscal year.

Segment Information – Forecasts

Segment	Main Products	Market Environment Outlook / Effects on Our Business	Our Actions
Materials	TAC	<ul style="list-style-type: none"> LCD market is expected to be growing demand in the 1st fiscal year due to consumer goods trade-in programs in China. After 2nd quarter the market is expected to be sluggish as a reaction of the policy. The market environment for protection film application is expected to get more competitive between competitors' products. 	<ul style="list-style-type: none"> Sales volume is in line with the last fiscal year by sales expansion targeted to the overseas TAC film manufactures. By promoting production process conversion in the whole acetic acid products, the Company improves capital efficiency by a decrease in inventory, expands sales by improving product quality and develops new applications to strengthen competitiveness.
	1,3BG	<ul style="list-style-type: none"> Demand for cosmetics in both domestic and overseas market is expected to remain steady. 	<ul style="list-style-type: none"> Sales volume is expected to increase by continuous sales expansion for overseas market, as well as maintaining high market share in the odorless market with our strong brand strength.

Segment Information – Forecasts

Segment	Main Products	Market Environment Outlook / Effects on Our Business	Our Actions
Engineering Plastics	POM PBT PPS	<ul style="list-style-type: none"> The number of worldwide automotive production is expected to be slightly higher than the last fiscal year. Demand of POM is expected to increase due to the strengthening subsidiary of consumer goods trade-in programs in China, despite the impact of anti-dumping duties. 	<ul style="list-style-type: none"> Demand for Japanese automotive manufacture in Chinese market is expected to decrease due to falling behind in the EV in China, nevertheless the Company promotes sales expansion to non-Japanese automotive manufactures. Sales volume is expected to increase due to sales expansion for office automation and home electrical appliances application except for automotive behind consumer goods trade-in programs in China. The 1st launched POM plant for an increase in production continues full capacity against anti-dumping duties in China. However, shipment from Malaysia etc. for supplying shortage in China continues until the launch of 2nd POM plant due in fiscal year ending 2027/3. The Company reinforces PPS and PBT supply system to meet the growing demand of PPS and PBT for artificial intelligence servers. The Company establishes stable production system by expanding DAICEL Production Innovation to overseas production sites, to maximize efficiency of production and usage rate of POM and LCP plants for an increase in production toward improving profitability.
	LCP	<ul style="list-style-type: none"> Demand for electronic devices such as smartphone and personal computer is in recovery. 	<ul style="list-style-type: none"> Sales volume of LCP is expected to increase due to the recovery in demand of electronic products and subsidiary of replacement of consumer goods by Chinese government. The plant for an increase in production started operation in February 2025 is expected to operate full capacity until the end of June 2025.
	COC	<ul style="list-style-type: none"> Demand for environmentally friendly packaging and medical use is continuously steady. 	<ul style="list-style-type: none"> Sales volume of COC is expected to increase in response to the growing demand. A substantial sales expansion is scheduled after commercial operation of an increase in production plant scheduled in the fiscal year ending 2027/3.

Progress of Important Management Indicators (ROIC, EBITDA, etc.)

FY2025/3

- **ROIC decreased slightly to 6.1% (-0.2pp).**
- Both ROE and ROA fell sharply. The reasons for this were a slight decrease in operating profit, but a decrease net income attributable to owners of the parent due to extraordinary losses from business reorganization and impairment losses.
- Invested capital decreased by 19 billion yen due to inventory reduction etc.

FY2026/3

- **ROIC declined to 5.4% (-0.7pp)**
- The main reason will be a decline in profits, with an increase in fixed assets (overseas investment) also having an impact
- **Both ROE and ROA is expected to improve.** The reason is that net income attributable to owners of the parents expected to increase due to disappearance of the temporary impact from the previous, continued stock sales and receipt of relocation compensation.

Unit : %	2024/3 Results	2025/3 Results	2026/3 Forecasts	Change YoY
ROE	17.1%	13.8%	14.8%	+1.0pp
ROIC	6.3%	6.1%	5.4%	-0.7pp
ROA	7.0%	6.0%	6.6%	+0.6pp
WACC	4.6%	4.4%	4.4%	

The factors from
Profits

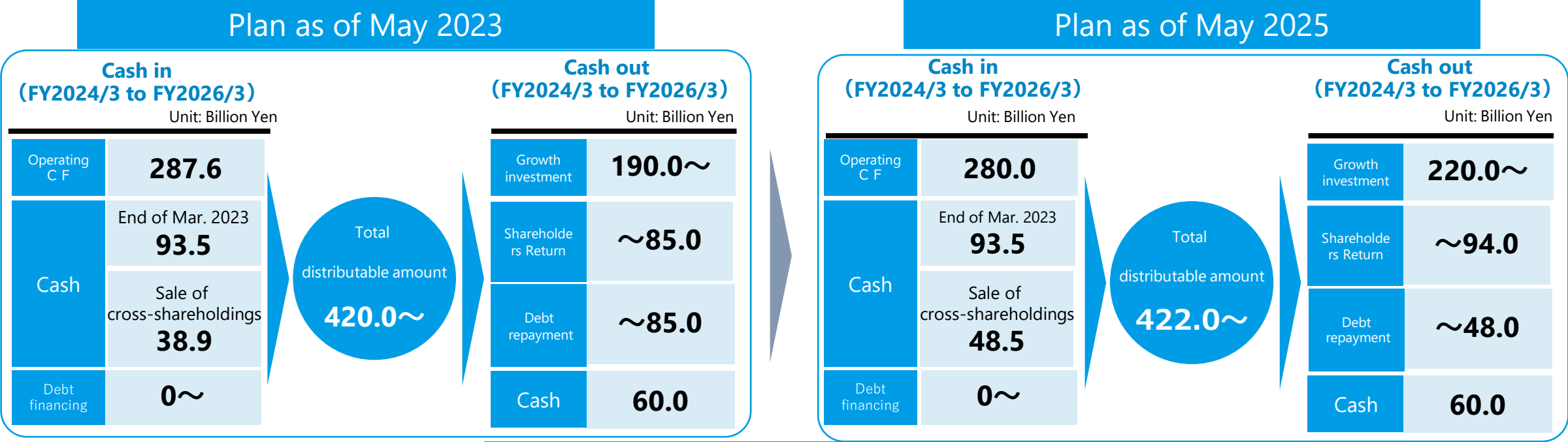
Unit : Billion Yen	2024/3 Results	2025/3 Results	2026/3 Forecasts	Change YoY
EBITDA	96.1	102.4	97.0	-5.4
Operating Income	62.4	61.0	54.0	-7.0
Net income attributable to owners of the parent	55.8	49.5	54.0	+4.5

The factors from Assets

Unit : Billion Yen	2024/3 Results	2025/3 Results	2026/3 Forecasts	Change YoY
Cash and Deposits	68.4	64.8	62.0	-2.8
Working capital	234.7	230.6	217.1	-7.0
Total Non-Current Assets	429.7	418.2	440.0	+21.8

Cash Allocation and Cross-shareholdings

- **Cash generation capacity remains at the same level as in the Medium-Term Management Strategy**, and cash allocation will be flexibly reviewed to **allocate to growth investments and strengthen shareholder returns**.
- We have continued to reduce cross-shareholdings, and as of the end of March 2025, **the ratio of net assets including deemed holdings was less than 20%.**

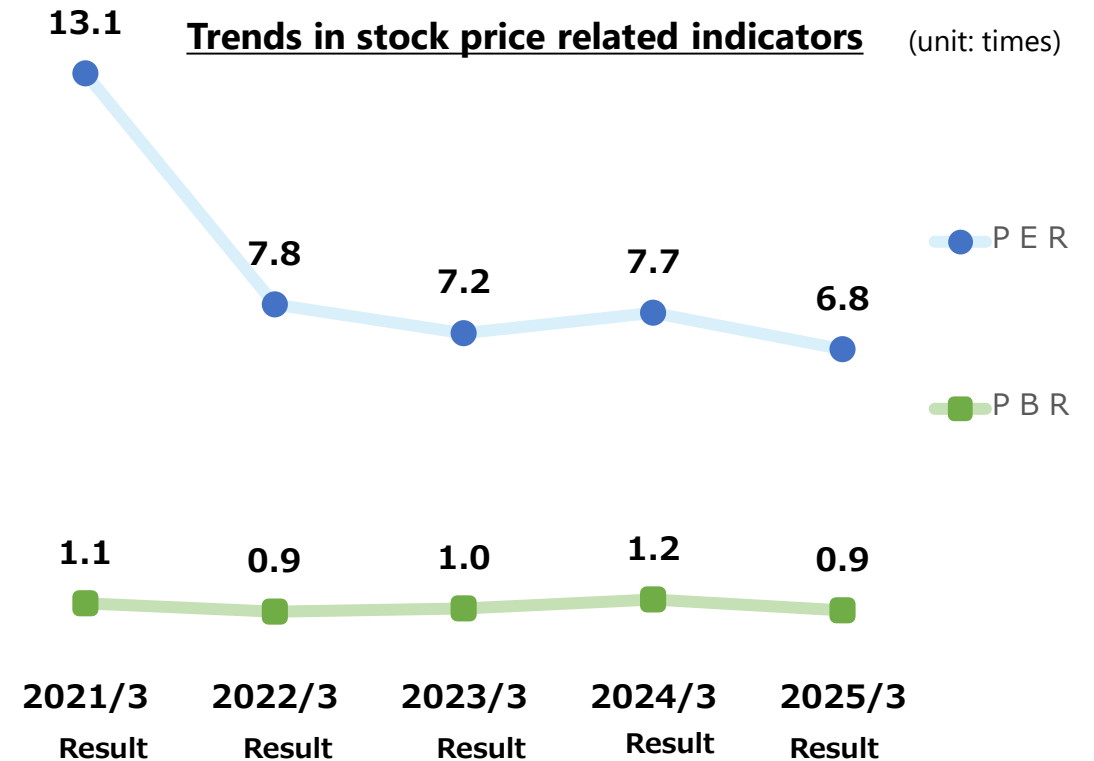
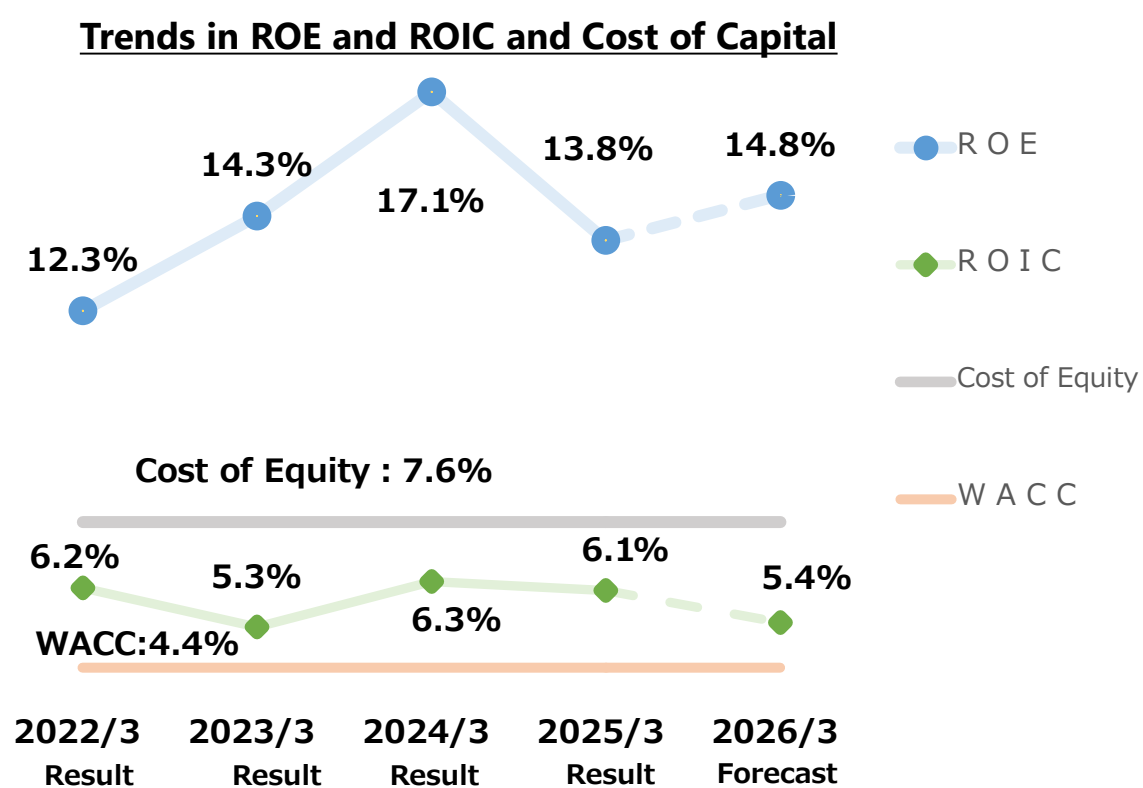


Status of reduction in cross-shareholdings

	2025/3 Result	2026/3 Plan
Ratio of consolidated net assets (excluding deemed holdings of shares)	12.2%	7.7%
Ratio of consolidated net asse (including deemed holdings of shares)	17.0%	12.3%

Indicators of Capital Profitability and Stock Price

- Income attributable to owners of parent in the fiscal year of ended March 2025 decreased due to recorded cost of business reform and impairment loss, as well as a slight decrease in operating income. The indicators are as follows; ROE13.8% (-3.3pp), ROIC6.1% (-0.2pp). **ROE and ROIC remain above their respective corresponding cost of equity and WACC, the cost of capital.**
- Regarding stock price indicators, **PBR decreased to 0.9 times. PER also remained around 7 times.** The Company understands that present situation of stock price indicators should be taken some measures and intend to improve these indicators by resulting a variety of measures the Company has been taken until now.
- ROIC in the fiscal year of 2026/3 is expected to be 5.4% (-0.7pp) due to a decrease in operating income, but ROE in the fiscal year of 2026/3 is expected to improve to 14.8% (+1.0pp)** due to an increase in income attributable to owners of parent by extinguishment of temporary impact and receiving compensation for relocation.



※The metric of Cost of Equity is calculated by CAPM.

Shareholders Return

Maintain stable shareholders return in accordance with the following policies; "total return ratio of 40% or more" and "dividend on equity (DOE) ratio of 4% or more"

FY ended March 2025

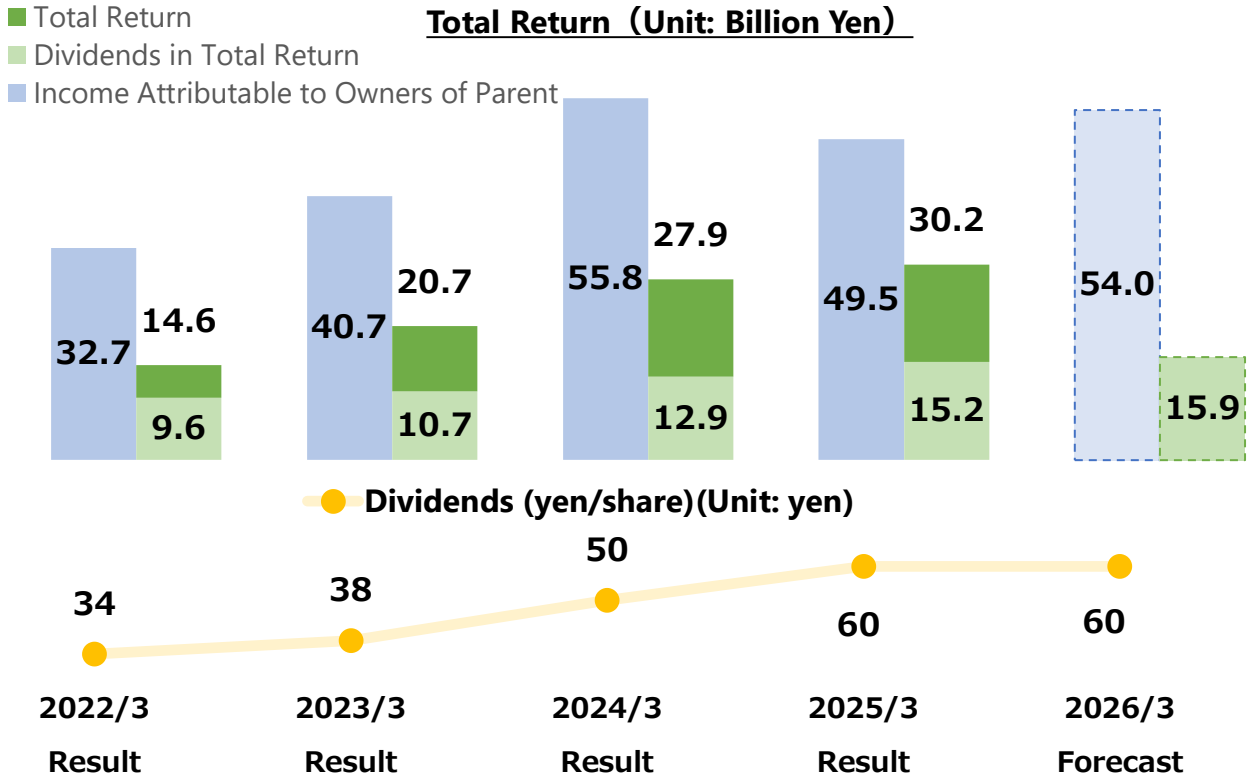
- **Year-end dividends forecasts : 30 yen per share**
(Annual dividends : 60 yen per share: increase by 10 yen from previous fiscal year)
- Purchase of own stocks of 10.98 million shares for 15 billion yen
(Period of purchase: from Nov. 2024 to Feb. 2025)

FY ending March 2026

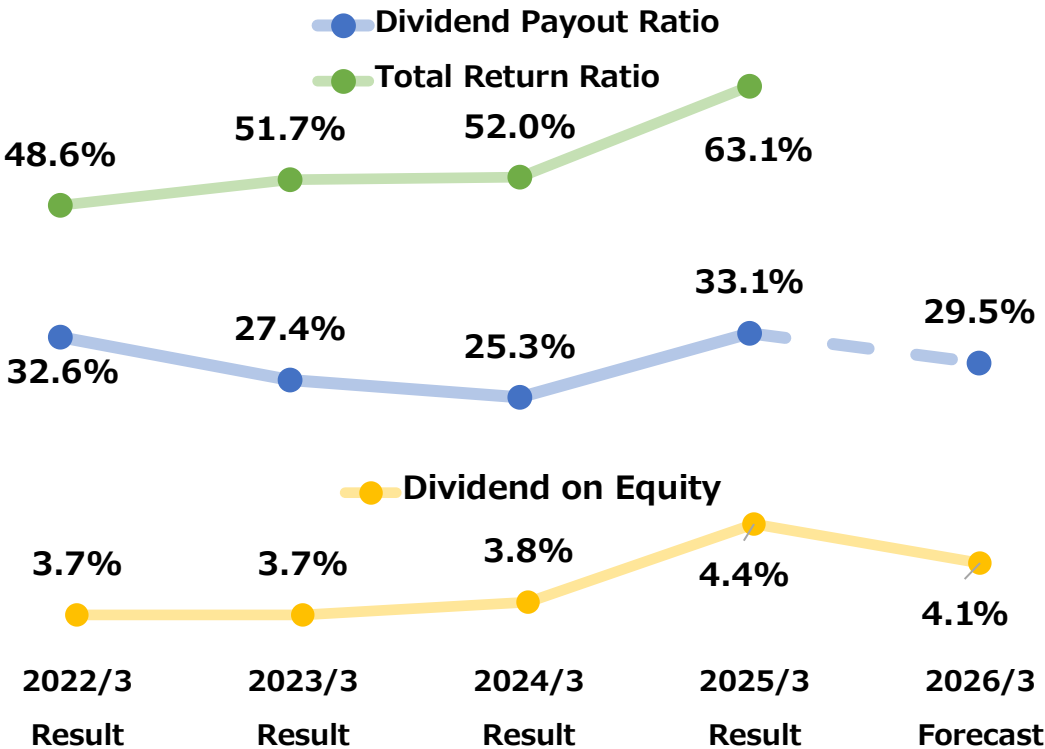
- Interim dividends forecasts : 30 yen per share
- Year-end dividends forecasts : 30 yen per share
(Annual dividends forecasts : 60 yen per share: same amount of dividends compared to the previous fiscal year)
- **Decide Cancellation of 10 million shares of treasury stock**

Trends in Income Attributable to Owners of Parent and Dividends in

Total Return (Unit: Billion Yen)



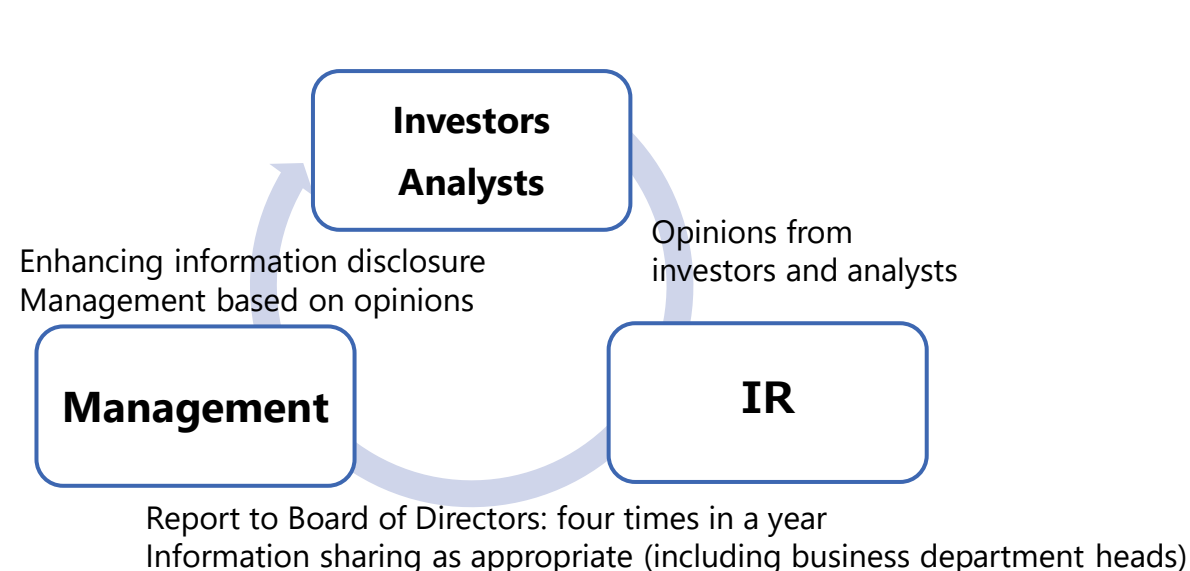
Trend in Shareholder Return Indices



Strengthen interactive communication with the market and continue to improve corporate value

Our actions took into account internal discussions as well as the opinions of investors and analysts.

- Regarding executive compensation, the calculation of performance-linked bonuses was changed from "consolidated net sales and consolidated operating income" to "consolidated net sales and **EBITDA and ROIC**" in FY2026/3.
- Regarding shareholder returns, we **introduced a DOE of 4% or more** in addition to a total return ratio of 40% or more in FY2025/3.
- Regarding management that is conscious of capital costs and stock prices, we established an organization that is responsible for planning and controlling the capital efficiency of the company as a whole and promoted business activities that are conscious of ROIC, a management indicator.
- We are reducing our strategic shareholdings, and we have expanded the disclosure of progress and plans not only in the convocation notice but also in the FY2025/3 year-end financial results presentation material and the annual securities report.

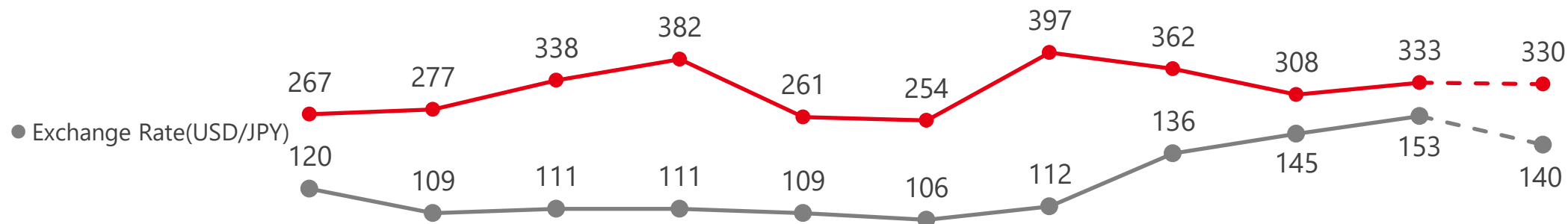


Main activities	(times)		
	FY 2023/3	FY 2024/3	FY 2025/3
Individual interview (1on1)	115	162	160
Overseas road show (face-to-face)	0	2	2
Conference sponsored by securities companies	1	3	3
Business briefing	3	2	0
Plant tour	0	0	1
Briefing for Individual Investors	2	0	1

Appendix

Trend in Net Sales, Operating Income, and EPS

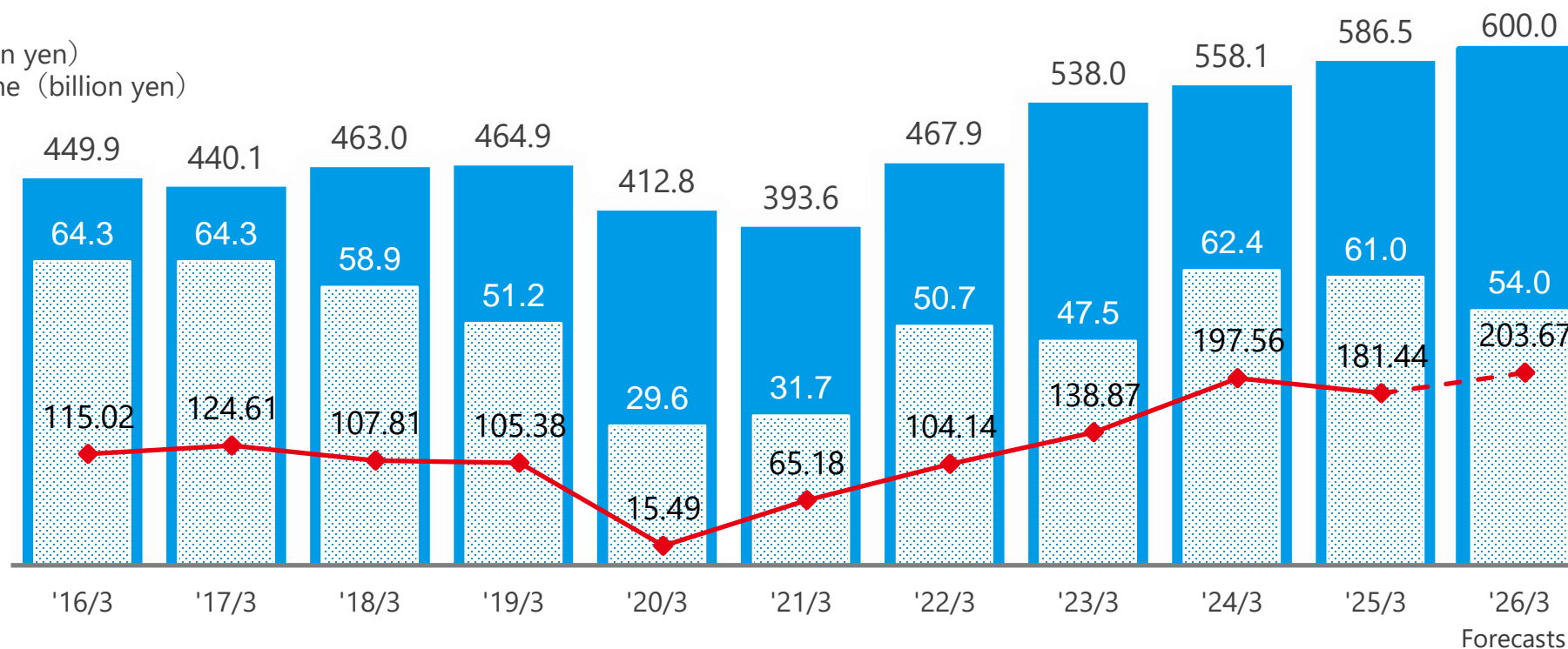
● Methanol(Asian spot price) (USD / ton)



■ Net Sales (billion yen)

□ Operating Income (billion yen)

◆ EPS (yen)



Quarterly Results for Net Sales and Operating Income

Unit : Billion Yen	Net Sales							
	2024/3				2025/3			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Medical / Healthcare	3.4	3.5	3.6	3.4	3.5	3.7	3.7	3.6
Smart	8.4	8.4	8.3	8.7	10.3	9.3	8.9	8.8
Safety	22.4	24.7	25.6	22.9	23.3	23.8	25.7	24.8
Materials	45.2	43.9	43.3	49.9	44.5	44.0	40.7	54.2
Engineering Plastics	50.3	58.4	60.8	57.3	62.7	61.8	62.3	61.2
Others	1.2	1.3	1.5	1.6	1.3	1.6	1.6	1.4
Total	130.8	140.2	143.3	143.8	145.6	144.1	142.9	154.0

Unit : Billion Yen	Operating Income							
	2024/3				2025/3			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Medical / Healthcare	0.3	0.2	0.4	-0.1	0.1	0.1	0.2	-0.1
Smart	0.1	0.0	-0.4	-0.6	0.5	-0.3	-0.8	-0.2
Safety	-0.7	0.5	2.5	0.6	-0.0	1.4	1.7	0.9
Materials	8.6	11.2	9.3	11.6	9.1	5.3	4.8	10.5
Engineering Plastics	0.7	5.4	6.0	6.2	7.7	7.5	5.4	6.4
Others	-0.0	0.2	0.1	0.2	0.1	0.2	0.4	0.3
Total	9.1	17.5	17.9	17.9	17.5	14.1	11.6	17.8

(Note) Net sales and operating income by segment for FY2024/3 are the figure after being reflected segment changing in the TAC, Cycloaliphatic Epoxies and Caprolactone Derivatives.

Segment Information 2nd Half Results of FY2025/3 (vs Forecasts)

Medical / Healthcare	<ul style="list-style-type: none"> Regarding chiral related products, sales of chiral column in the United States and separation services in India exceeded the plan. On the contrary, sales of separation services in China and analysis service in India fell short of the plan. Net sales of cosmetics business fell short of target due to sluggish sales of domestic cosmetic manufacture for Chinese market and behind schedule of new product adoption evaluation. On the contrary, sales expansion of health functional food business exceeded the plan by attracting an increase in demand for inbound tourists.
Smart	<ul style="list-style-type: none"> Sales volume of caprolactone derivatives came lower than projection due to the production adjustment because of the improvement of production equipment. Sales volume of cycloaliphatic epoxies increased due to the recovery in demand for LCD panel and electronic material applications. Sales volume of polymers for photoresists fell short of target due to a decrease in sales volume for domestic customers despite the recovery in demand for semiconductor market. Sales volume of solvents for electronic materials fell short of target due to a decrease in sales volume for domestic customers, despite the continuous recovery in demand for semiconductor and LCD panel market. Sales volume of functional films came lower than target due to a drop in demand for fuel battery market and a behind schedule of development for new application in overseas market.
Safety	<ul style="list-style-type: none"> Sales volume of inflator fell short of plan due to the impact of certification misconduct issue at some of the Japanese automakers and sluggish sales of Chinese automakers.

Segment Information 2nd Half Results of FY2025/3 (vs Forecasts)

Materials

- Sales volume of acetic acid fell short of the plan due to sluggish demand for major derivatives such as VAM and PTA, as well as the impact of additional construction work of carbon monoxide plant. Acetic acid market condition changed roughly within expectation.
- Customers' inventory adjustment of acetate tow continued in the 3rd quarter has been finished due to continuous steady demand on 4th quarter. Sales volume was just in line with planned due to the result of sales expansion mainly in Asia region.
- Sales volume of TAC fell short of plan due to the customers' inventory adjustment occurred by the slowdown of recovery trend of LCD panel market.
- Sales volume of 1,3-BG exceeded the plan due to the recovery trend in domestic cosmetics market and the result of sales expansion toward overseas.

Engineering Plastics

- Sales volume of POM slightly exceeded the plan due to an increase in office automation and home electrical appliances applications behind consumer goods trade-in programs in China, although sales volume for automotive was in line with planned.
- Sales volume of PBT fell slightly short of planned due to a decrease in sales volume for industrial equipment applications, despite an increase in sales volume for office automation and home electrical appliances applications.
- Sales volume of PPS slightly fell short of the plan due to a decrease in sales volume for Japanese automakers.
- Sales volume of LCP fell short of the plan due to a decrease in sales volume for communication infrastructure.
- Sales volume of COC was in line with planned due to a consistent demand for environmentally friendly packaging and medical applications.

Operating Income by Segment (Y on Y Analysis)

Unit : Billion Yen	Operating Income		
	Analysis	Change	Main Factors for Operating Income Changes
Medical / Healthcare	Quantity	+0.0	—
	Prices	+0.2	Product composition difference
	Others	-0.7	Increased expenses due to increased sales volume
Smart	Quantity	+3.4	Increase in sales volume of products associated with peracetic acid derivatives and photoresist materials due to a recovery of demand in electronics materials market
	Prices	-2.0	Differences in price composition of sold products and rise in raw material and fuel prices
	Others	-1.3	Increased expenses due to increased sales volume and inventory disposal costs
Safety	Quantity	+0.1	Increase in sales volume of inflator
	Prices	-0.8	Decrease in selling prices due to product mix
	Others	+1.7	Decrease in fixed costs due to integration with North American production bases
Materials	Quantity	-4.9	Decrease in sales volume due to an impact of troubles at a carbon monoxide plant
	Prices	+3.0	Impact of exchange rate fluctuations (increase) and decline in acetic acid market price (decrease)
	Others	-9.3	Increase in depreciation costs of a carbon monoxide plant (decrease) and inventory prices (increase)
Engineering Plastics	Quantity	+4.5	Increase in sales volume through sales expansion
	Prices	+3.7	Sales price correction and exchange rate impact
	Others	+0.5	Decreased expenses due to small-scale regular repairs this fiscal year(increase) and increased in depreciation costs(decrease)

Capital Expenditures

Unit : Billion Yen	21/3 Results	22/3 Results	23/3 Results *1	23/3 Results *1, 2	24/3 Results *1	24/3 Results *1, 3	25/3 Results *1	26/3 Forecasts *1
Medical / Healthcare	8.7	1.0	2.7	2.2	1.9	1.9	0.9	1.5
Smart	2.0	2.9	4.2	4.2	2.6	3.0	2.3	4.0
Safety	8.8	7.7	9.0	9.0	9.4	9.4	11.0	12.0
Materials	11.6	18.8	8.6	9.1	17.4	16.9	11.5	24.0
Engineering Plastics	7.1	7.4	30.6	30.6	45.7	45.7	43.3	29.0
Others / Corporate	1.4	3.0	1.2	1.2	0.4	0.4	0.3	0.5
Total	39.6	40.8	56.3	56.3	77.5	77.5	69.5	71.0

*1 Reflects the revised method of allocating corporate expenses. Figures for "Others / Corporate" are only for "Other Businesses."

*2 Reflects segment changes effective April 1, 2023 in the Cosmetics Raw Material 1,3-BG and Novel Drug Delivery Devices R&D functions.

*3 Reflects segment changes effective April 1, 2024 in the TAC, Cycloaliphatic Epoxies and Caprolactone Derivatives.

Depreciation and Amortization

Unit : Billion Yen	21/3 Results	22/3 Results	23/3 Results *1	23/3 Results *1, 2	24/3 Results *1	24/3 Results *1, 3	25/3 Results *1	26/3 Forecasts *1
Medical / Healthcare	1.4	1.4	2.8	1.5	1.1	1.1	1.1	1.0
Smart	1.6	2.0	2.7	2.7	2.9	3.1	2.8	2.5
Safety	4.7	5.0	6.5	6.5	7.1	7.1	7.1	8.0
Materials	9.0	9.0	9.7	11.0	13.1	12.9	19.9	18.0
Engineering Plastics	6.9	7.0	8.6	8.6	8.2	8.2	9.5	12.5
Others / Corporate	2.2	2.5	0.6	0.6	0.6	0.6	0.6	0.5
Total	25.8	26.9	30.8	30.8	33.0	33.0	41.0	42.5

*1 Reflects the revised method of allocating corporate expenses. Figures for "Others / Corporate" are only for "Other Businesses."

*2 Reflects segment changes effective April 1, 2023 in the Cosmetics Raw Material 1,3-BG and Novel Drug Delivery Devices R&D functions.

*3 Reflects segment changes effective April 1, 2024 in the TAC, Cycloaliphatic Epoxies and Caprolactone Derivatives.

Unit : Billion Yen

	21/3 Results	22/3 Results	23/3 Results *1	23/3 Results *1, 2	24/3 Results *1	24/3 Results *1, 3	25/3 Results *1	26/3 Forecasts *1
Medical / Healthcare	2.1	1.9	2.2	2.8	2.4	2.4	2.7	3.0
Smart	2.7	3.6	4.2	4.2	4.0	4.8	5.0	4.2
Safety	5.1	5.6	6.3	5.7	6.0	6.0	7.2	8.0
Materials	1.6	1.5	2.8	2.8	3.8	3.1	3.5	3.5
Engineering Plastics	3.5	3.7	6.1	6.1	6.8	6.8	7.3	8.0
Others / Corporate	4.6	4.5	0.3	0.3	0.3	0.3	0.3	0.3
Total	19.5	20.7	21.9	21.9	23.4	23.4	25.9	27.0

*1 Reflects the revised method of allocating corporate expenses. Figures for "Others / Corporate" are only for "Other Businesses."

*2 Reflects segment changes effective April 1, 2023 in the Cosmetics Raw Material 1,3-BG and Novel Drug Delivery Devices R&D functions.

*3 Reflects segment changes effective April 1, 2024 in the TAC, Cycloaliphatic Epoxies and Caprolactone Derivatives.

Financial Forecasts (FY ending March 2026)

Unit : Billion Yen		2025/3 Results			2026/3 Forecasts			Change (B)-(A)
		1 st Half	2 nd Half	Total(A)	1 st Half	2 nd Half	Total(B)	
	Medical / Healthcare	7.2	7.3	14.4	7.5	8.0	15.5	+1.1
	Smart	19.6	17.7	37.3	20.0	20.5	40.5	+3.2
	Safety	47.1	50.6	97.6	50.0	51.0	101.0	+3.4
	Materials	88.5	94.9	183.4	83.0	98.5	181.5	-1.9
	Engineering Plastics	124.5	123.4	248.0	127.0	129.0	256.0	+8.0
	Others	2.8	2.9	5.8	2.5	3.0	5.5	-0.3
Net Sales		289.7	296.8	586.5	290.0	310.0	600.0	+13.5
	Medical / Healthcare	0.2	0.1	0.3	-0.2	0.5	0.3	+0.0
	Smart	0.2	-1.0	-0.8	0.7	0.7	1.4	+2.2
	Safety	1.3	2.6	3.9	2.9	3.5	6.4	+2.5
	Materials	14.3	15.3	29.6	7.8	15.2	23.0	-6.6
	Engineering Plastics	15.2	11.8	27.0	11.0	11.1	22.1	-4.9
	Others	0.3	0.6	1.0	0.3	0.5	0.8	-0.2
Operating Income		31.6	29.4	61.0	22.5	31.5	54.0	-7.0
Ordinary Income		30.7	31.6	62.3	23.5	32.5	56.0	-6.3
Net income attributable to owners of the parent		32.1	17.4	49.5	25.0	29.0	54.0	+4.5
(ref.) Exchange rate USD/JPY		153	152	153	140	140	140	

Assumptions

		2024/3 (Results)		2025/3 (Result & Forecasts)			2026/3 (Forecasts)
		1st Half	2nd Half	1st Half (Results)	2nd Half (Forecasts)	2nd Half (Results)	Full year
Exchange rate (USD／JPY)		141	148	153	145	152	140
Raw Materials	Methanol Asian spot price (USD/ton)	295	322	332	320	334	330
	Crude Oil Dubai (USD/bbl.)	82	82	82	85	75	75
	Domestic Naphtha (JPY/kl)	65,550	72,800	77,950	72,000	74,000	67,000

Main Products List of Each Segment

Segment	Main Business	Main Products
Medical / Healthcare	Life Sciences	Chromatographic columns/stationary phases (chiral columns and achiral columns), Chiral reagents, Separation services/purification services, Analytical services, Reagents for genetic analysis research, Pharmaceutical additives, Novel drug delivery devices
	Healthcare	Cosmetic ingredients (Polyglycerols, Spherical cellulose acetate particles (BELLOCEA®), etc.), Functional food ingredients (Equol, Konjac ceramide, Urolithin, and Lactobionic acid, etc.)
Smart	Functional Products	Cycloaliphatic epoxies*, Caprolactone derivatives*, Optical lenses
	Advanced Technology	Polymers for photoresists, Solvents for electronic materials, High-performance films
Safety	Mobility	Automobile airbag inflators
	Industry	Pyro-Fuse, Gas generators for seat belt pretensioners (PGG)
Materials	Acetyl	Acetic acid, Acetic anhydride, Acetate tow
	Chemical	Cellulose acetate for optical films (TAC)*, Cellulose acetate, 1,3-Butylene glycol(1,3-BG), Organic solvents such as Ethyl acetate, Ketene derivatives, Ethylamine
Engineering Plastics	Polyplastics Co., Ltd.	Polyacetal (POM), Polybutylene terephthalate (PBT), Polyphenylene sulfide (PPS), Liquid crystal polymer (LCP), Cyclic olefin copolymer (COC)
	Daicel Miraizu Ltd.	Water-soluble polymers (CMC), Barrier films for packaging and AS resin

*These products were transferred between Smart and Material on April 1, 2024.

External Recognition of ESG Indices

Daicel Group is working to create a sustainable society together with our customers and partners in order to realize a recycling-oriented society.

Daicel has been selected as a constituent stock of **all six ESG indices for domestic stocks adopted by the Government Pension Investment Fund (GPIF)**, one of the world's largest pension funds. (As of April, 2025)
Furthermore, in the 2025 MSCI ESG Ratings, our group **received an "AA" rating**.

- ◆ MSCI Nihonkabu ESG Select Leaders Index
- ◆ MSCI Japan Empowering Women Index (WIN)
- ◆ S&P/JPX Carbon Efficient Index
- ◆ FTSE Blossom Japan Index
- ◆ FTSE Blossom Japan Sector Relative Index
- ◆ Morningstar Japan ex-REIT Gender Diversity Tilt Index

2024 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

2024 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



FTSE Blossom
Japan Index



FTSE Blossom
Japan Sector
Relative Index



Awarded the "Gold" medal in the
2025 Sustainability Rating by
EcoVadis (Head Office: France).



We have been certified as a "2025 KENKO
Investment for Health Excellent
Corporation (Large Corporation Category
"White 500")" (Daicel: 6th consecutive
year)



In addition, Daicel has been continuously selected for the FTSE4Good Index Series and SOMPO Sustainability Index, and has also been newly included in the iSTOXX® MUTB Japan Platinum Carrier 150 Index from May 2024.

※For details on each index, please refer to our web site.

[Participation in Initiatives and External Recognition | Sustainability | Daicel Corporation](#)

Notes Regarding Forward-Looking Statements

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