



Consolidated Financial Results for the Fiscal Year Ended December 31, 2025

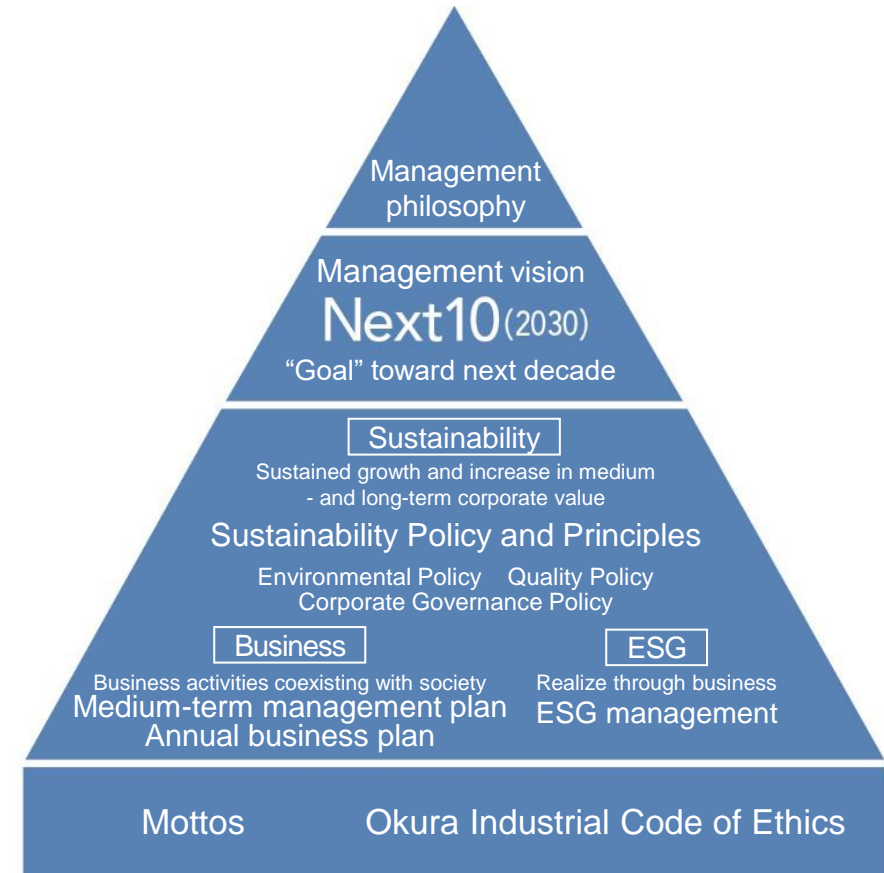
February 16, 2026

 **OKURA INDUSTRIAL CO., LTD.**

Code number: 4221

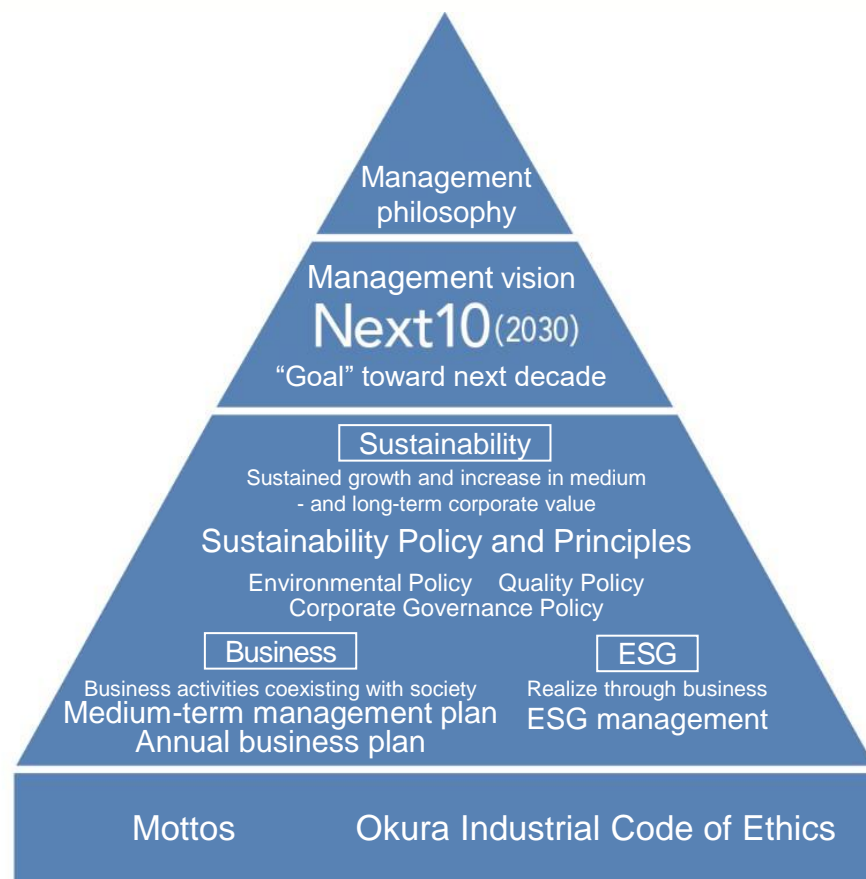
C O N T E N T S

- 1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025**
- 2. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (FY2026)**
- 3. Progresses of Medium-term Management Plan (2027)**
- 4. Reference Materials**



Okura Industrial Group's Vision

Philosophy system



Sustainability Policy

Aim for corporate growth through business, keeping in mind our coexistence with society, so that we may continue to be a company that is trusted by society

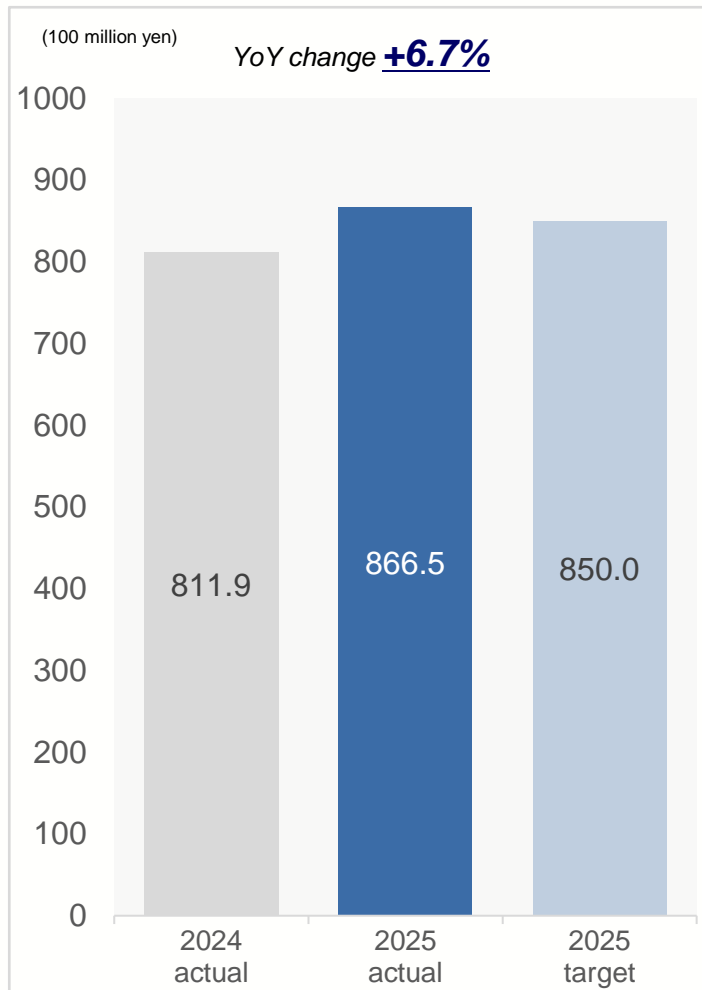
Sustainability Basic Principles

- 1. Balance between business and ESG**
- 2. Conservation of the global environment**
- 3. Compliance with laws and regulations, respect for human rights, and consideration of the labor environment**
- 4. Information disclosure and dialogue**

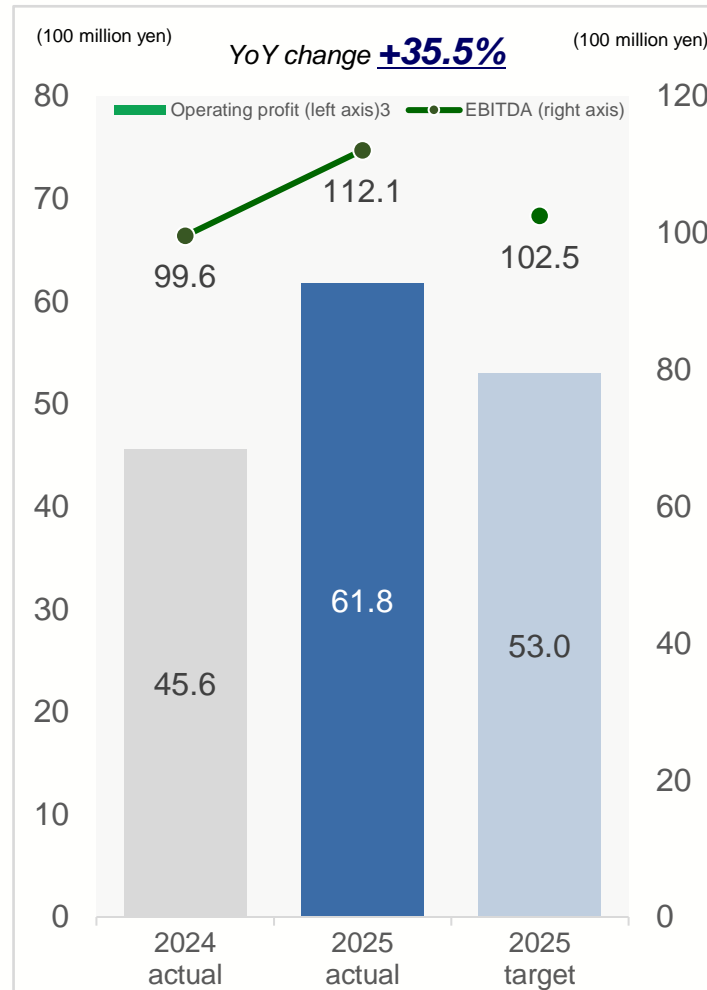
1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025

Net Sales, Operating Profit, Ordinary Profit, Profit, Capital Expenditures, Etc. (Consolidated)

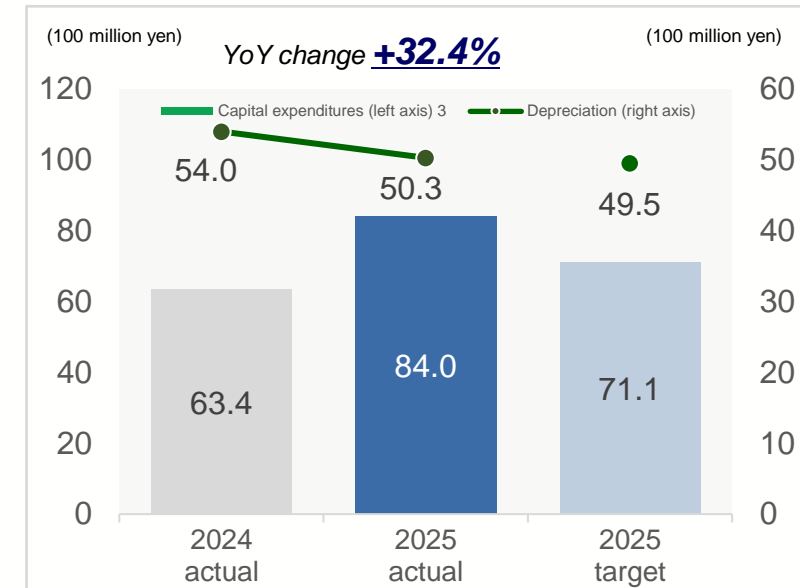
[Net sales]



[Operating Profit]

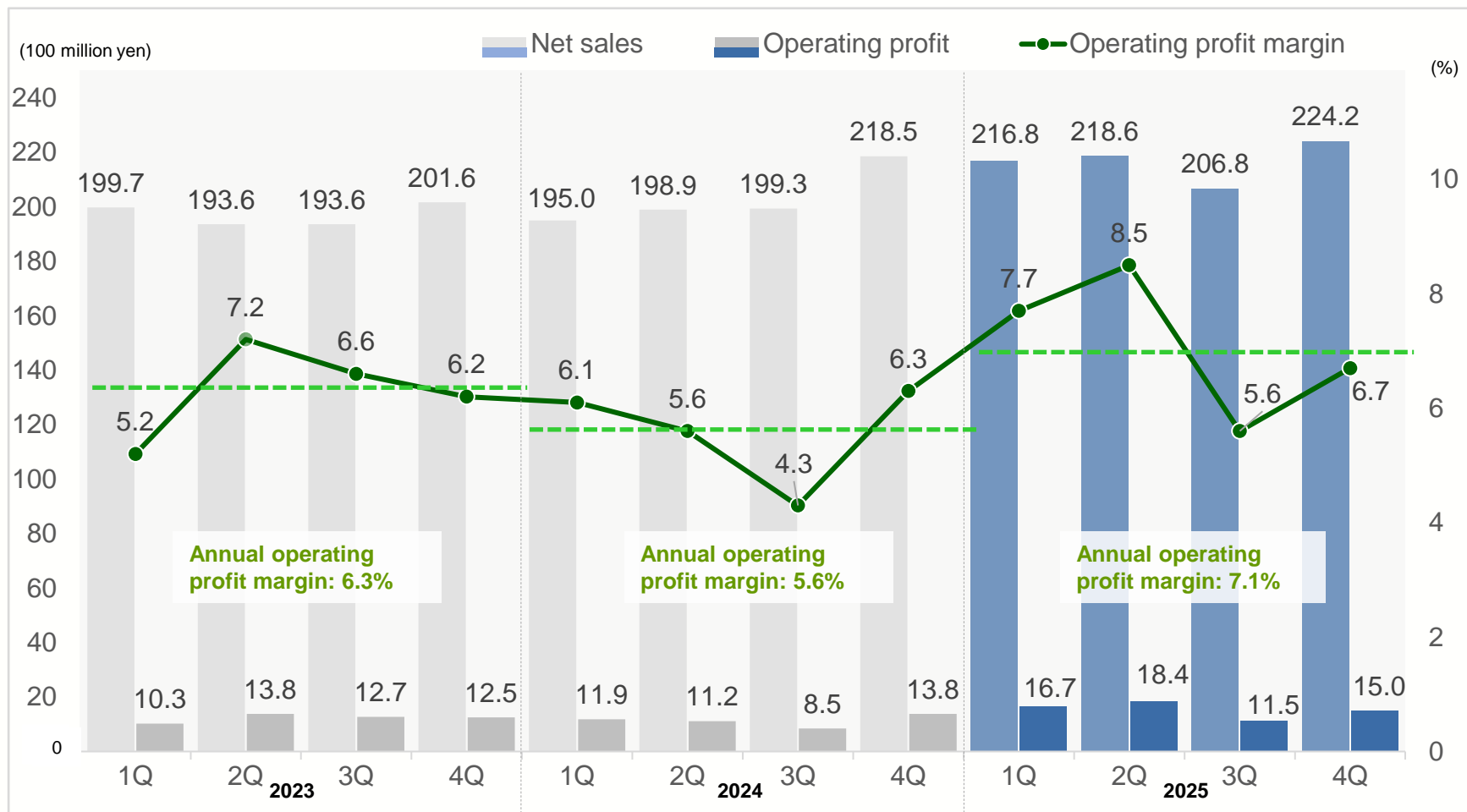


[Capital Expenditures]



	2024 actual	2025 actual	YoY change
Ordinary profit	51.1	64.2	+25.8%
Profit attributable to owners of parent	43.5	38.1	(12.5%)
Dividend per share	¥160	¥195	+¥35

Historical Quarterly Net Sales, Operating Profit, and Operating Profit Margin (Consolidated)



Summary for 2025

① Plastic Film

- Sales volume of packaging films decreased due to a decline in demand.
- Sales remained strong for environmental contributing products and industrial-use process films.
- Profit increased, supported by price revisions and cost reduction.

② New Materials

- Orders received for optical films used in high-end displays for large LCD televisions increased from 1Q to 2Q. The orders declined in 3Q due to inventory adjustments, but they recovered in 4Q.
- Operations at the new plant (G2 Line) stabilized, contributing to the profit growth.

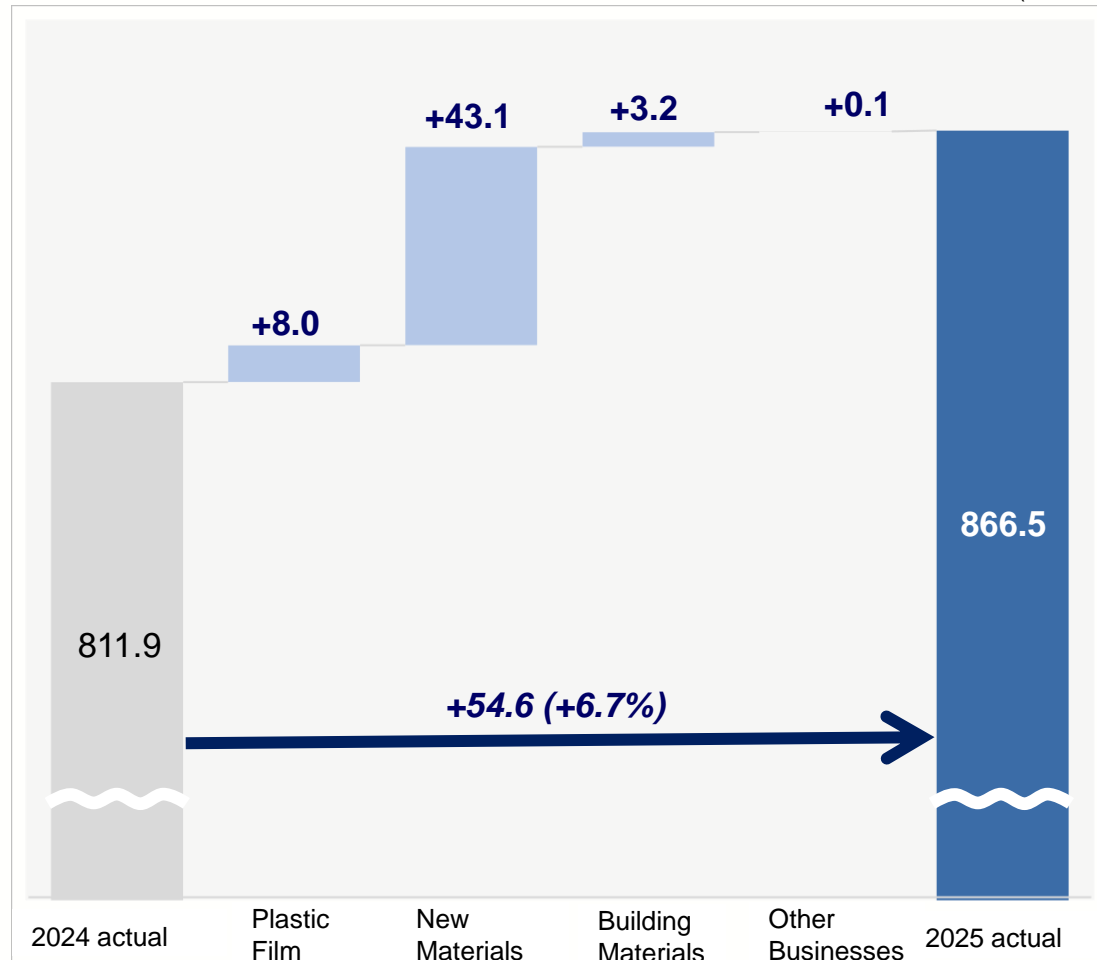
③ Building Materials

- Sales of particle boards for wet areas increased given the steady renovation demand.
- Profit declined due to the recording of valuation losses on some inventories.

Changes in Net Sales and Operating Profit by Business (Consolidated)

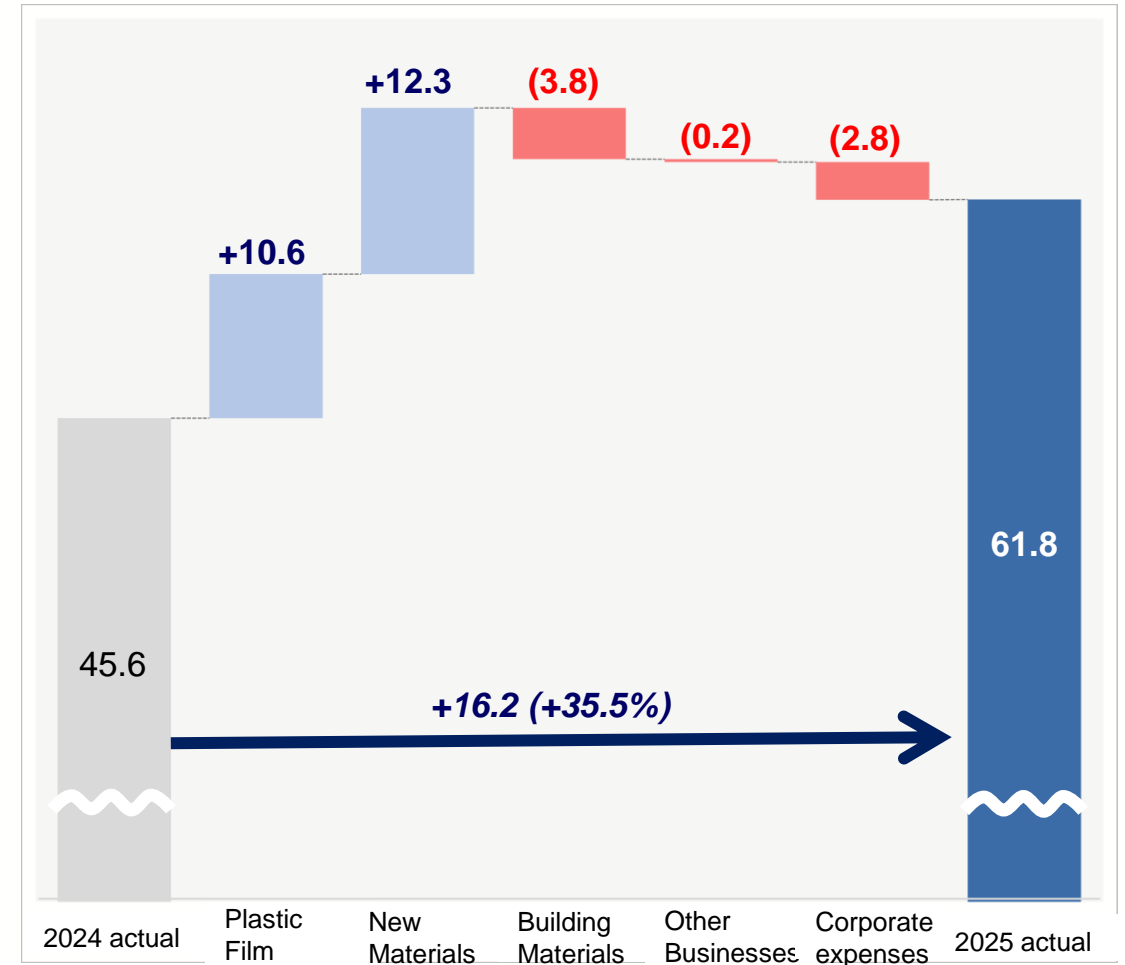
[Net Sales]

(100 million yen)



[Operating Profit]

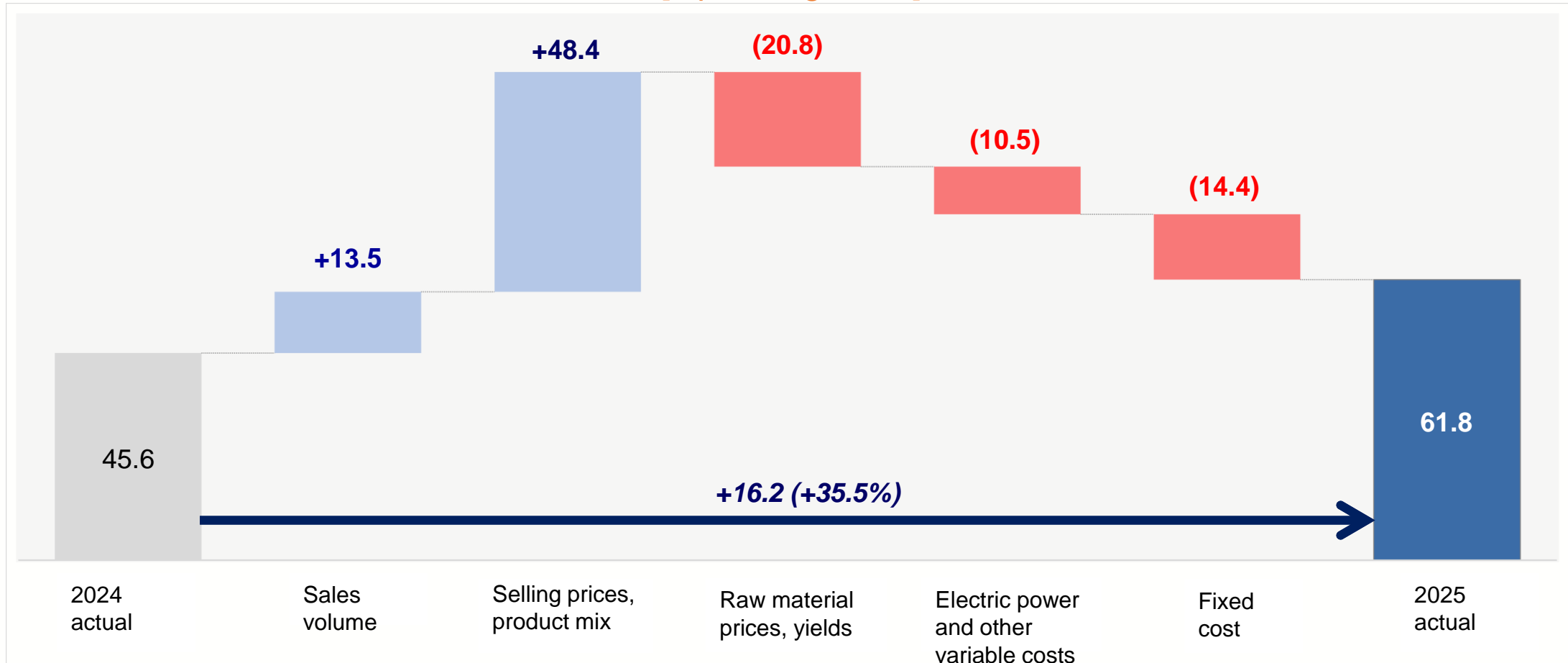
(100 million yen)



Increases/Decreases in Operating Profit (Consolidated)

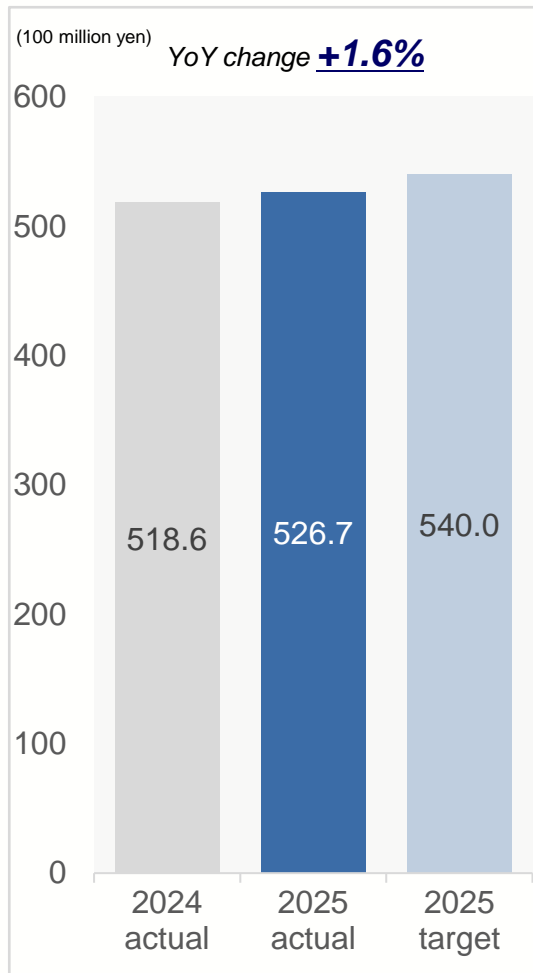
[Operating Profit]

(100 million yen)

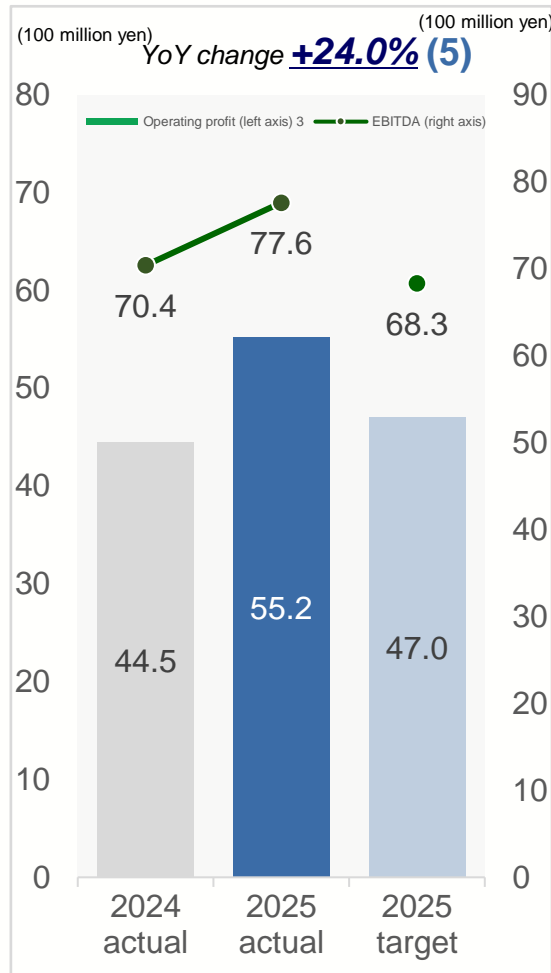


Plastic Film Division

[Net Sales]



[Operating Profit]



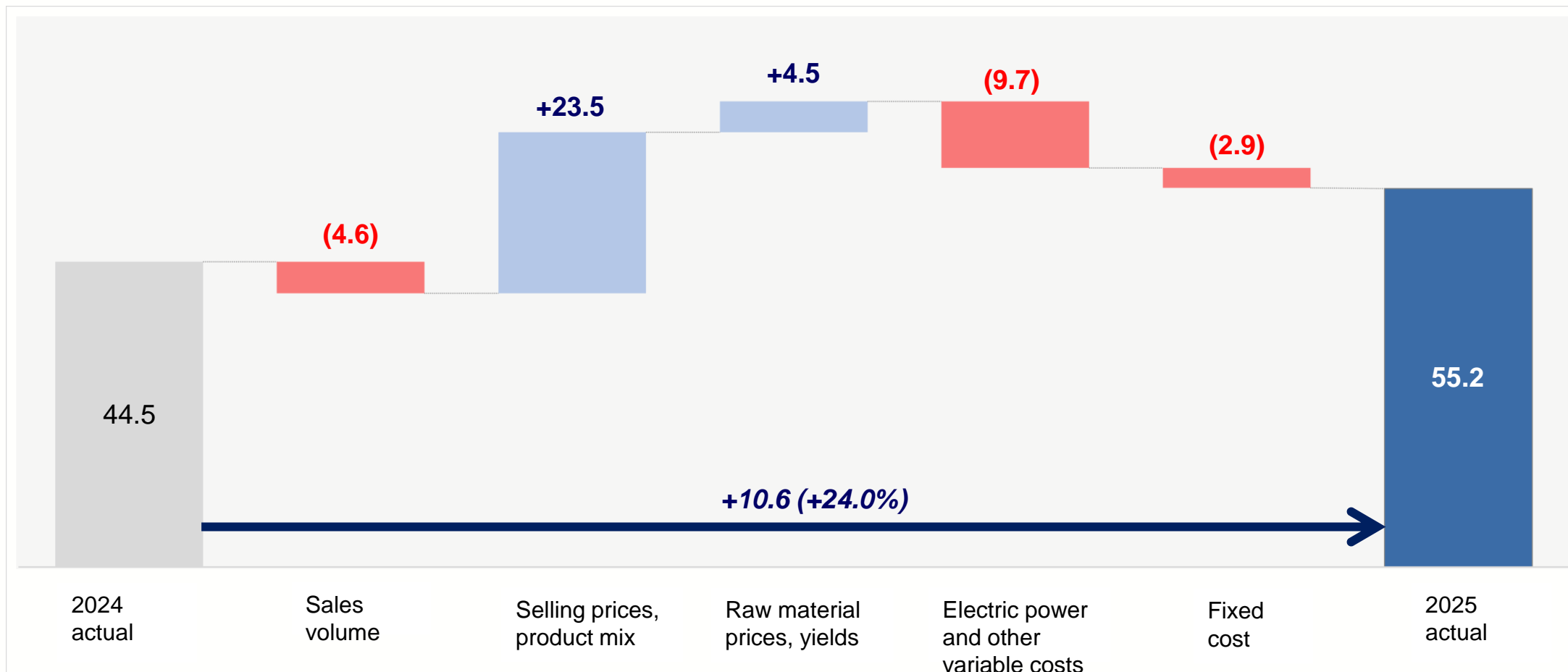
[Net Sales by Business Unit]	2025 actual (100 million yen)	YoY change
Life and Package BU	18,817	(1) +2.3%
Shrink films	10,337	+5.0%
Flexible packaging materials	6,318	(2.2%)
Liquid packs	2,162	+3.2%
Process Materials BU	6,396	(2) +0.5%
Basic Materials BU	20,373	(3) (0.6%)
Agricultural Materials BU	5,613	(4) +4.3%
Other	1,469	+21.3%
Total	52,671	+1.6%

- (1) There was a decline in demand in response to higher prices, but refill pouches and shrink film for instant noodle cups remained steady.
- (2) Sales of industrial-use process films for optics usages were strong.
- (3) Maintained the year-earlier level by offsetting demand decreases for existing products, including materials for sanitary products, through price revision.
- (4) Sales exceeded the year-earlier level owing to price revision amid declining sales volume caused by switch to cheaper foreign products.
- (5) Profit increased thanks to selling price revisions and cost reduction achieved through productivity improvement.

Plastic Film Division

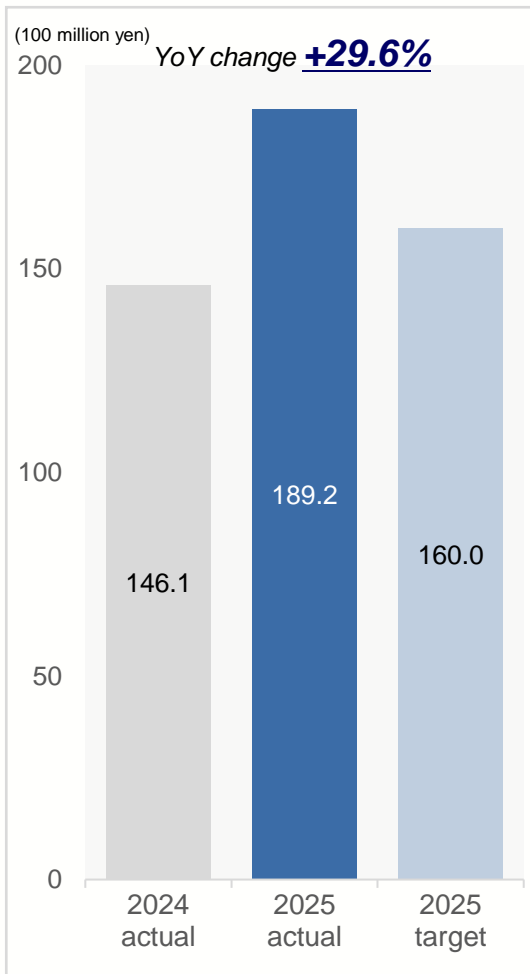
[Operating Profit]

(100 million yen)

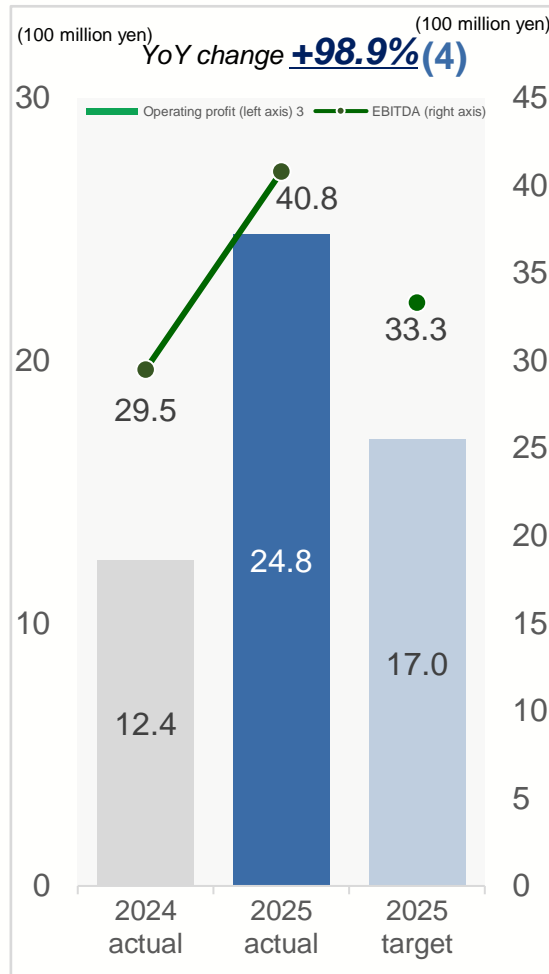


New Materials Division

[Net Sales]



[Operating Profit]

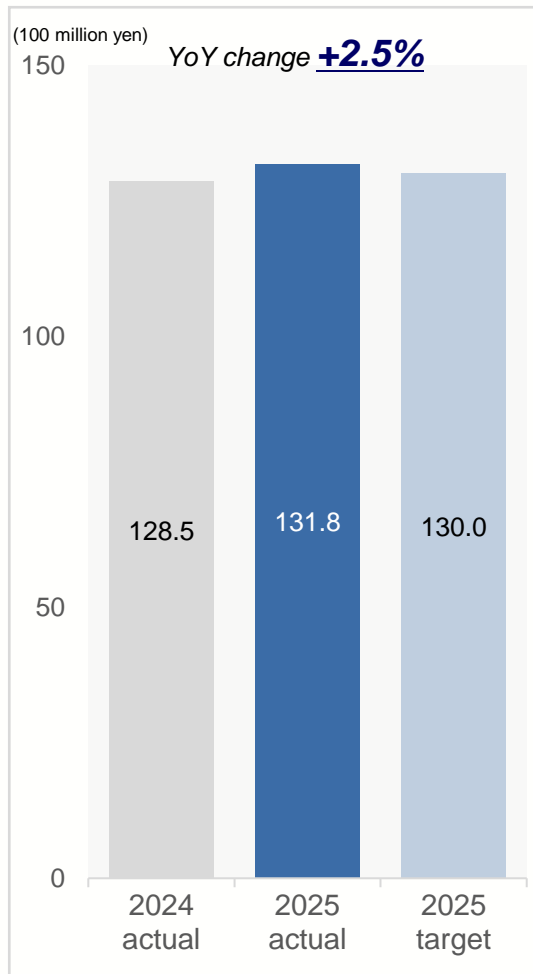


[Net Sales by Business Unit]	2025 actual (100 million yen)	YoY change
Functional Materials	2,986	(1) (7.6%)
Electronic Materials BU	2,555	(2) +3.3%
Optical Materials BU	13,283	(3) +51.1%
Other Products	104	(9.2%)
Total	18,928	+29.6%

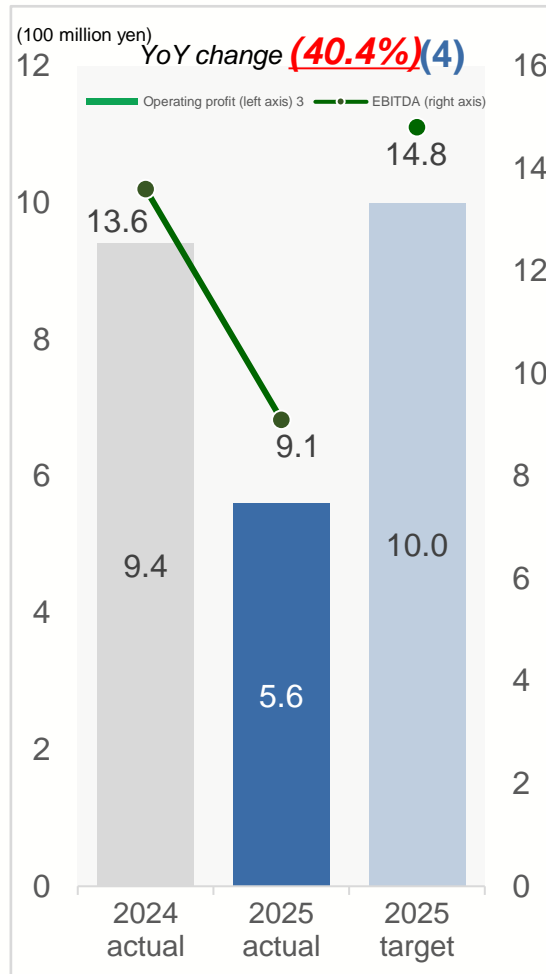
- (1) Demand remained weak for functional material films for automobiles.
- (2) Demand for small- and medium-sized panels for smartphones, tablet computers, etc. were strong. Processing volume, mainly for advanced-function automotive films, of the precision coating business increased.
- (3) Sales of optical films used in high-end displays for large LCD televisions, including both acrylic and COP films, were solid.
- (4) Profit increased thanks to stable operation of G2 Line, which went online last year.

Building Materials Division

[Net Sales]



[Operating Profit]

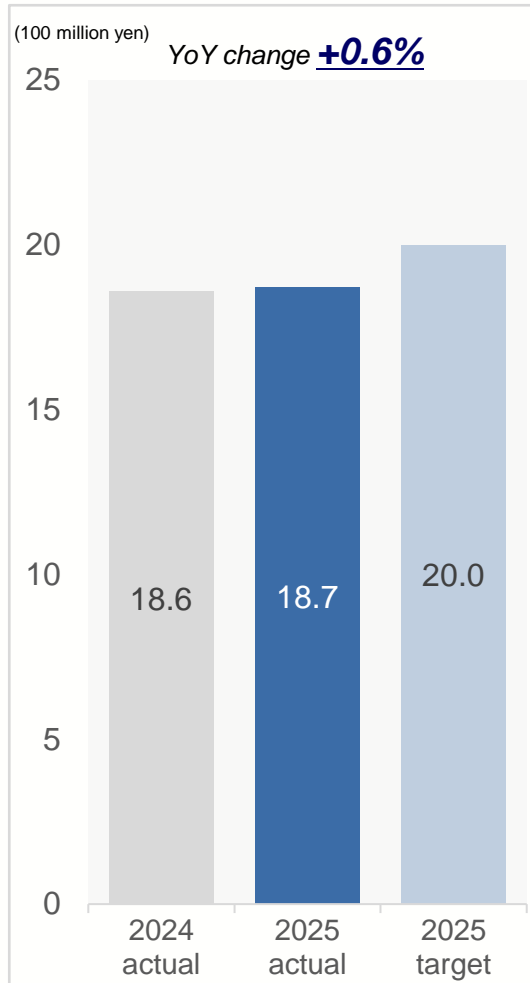


[Net Sales by Product Category]	2025 actual (100 million yen)	YoY change
Particle Boards	8,252	(1) +0.6%
Environmental Materials	552	(20.9%)
Housing Materials	187	+4.3%
Housing Business	1,364	(2) +0.3%
Pre-cutting Business	3,227	(3) +18.0%
Eliminations/Reclassification	(400)	-
Total	13,185	+2.5%

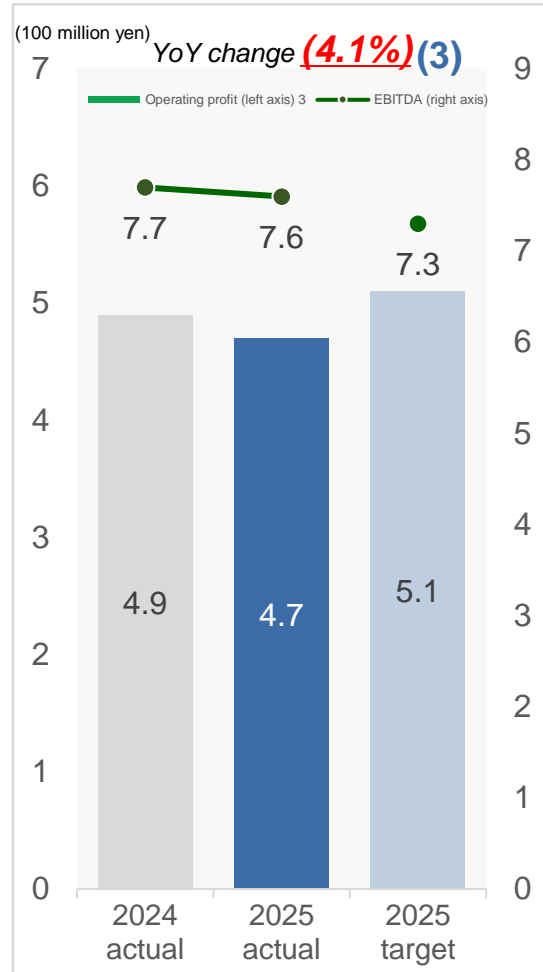
- (1) Sales increased YoY thanks to higher unit selling prices resulting from a better product mix.
- (2) The market has been weak due in part to decreasing new housing starts, but low-priced housing and renovation-related sales were strong.
- (3) Sales increased in comparison to the previous fiscal year, when they declined due to the plant relocation, and also thanks to a solid performance of non-residential properties.
- (4) Net sales increased but profit decreased due to the recording of valuation losses on some inventories.

Other Businesses

[Net Sales]



[Operating Profit]



[Net Sales by Business]	2025 actual (100 million yen)	YoY change
Hotel Business	971	(1) +4.6%
Information Processing Business	1,591	(2) (0.9%)
Real Estate Leasing	600	+6.6%
Eliminations/Reclassification	(1,290)	-
Total	1,872	+0.6%

(1) Hotel stays by inbound tourists, etc. increased.

(2) Sales to group companies increased, but sales of systems for dispensing pharmacies decreased.

(3) Operating profit decreased due to increased development expenses associated with updates of systems for dispensing pharmacies.

Consolidated Statements of Income

(100 million yen)

	2024 actual	2025 actual	Change	Key components
Net sales	811.9	866.5	+54.6	
Operating profit	45.6	61.8	+16.2	
Non-operating income	6.5	4.7	(1.7)	
Non-operating expenses	1.0	2.3	+1.2	
Ordinary profit	51.1	64.2	+13.1	
Extraordinary income	32.9	0.2	(32.7)	[Previous FY] Gain on sale of investment securities: 24.1 Gain on sale of non-current assets: 8.7
Extraordinary losses	24.0	12.4	(11.5)	[Previous FY] Impairment losses: 20.7 [Current FY] Impairment losses: 10.9
Profit before income taxes	60.0	52.0	(7.9)	
Income taxes	16.3	13.8	(2.5)	
Profit attributable to owners of parent	43.5	38.1	(5.4)	

Consolidated Balance Sheets

(100 million yen)

		Year ended December 31, 2024	Year ended December 31, 2025	Change	Key components
Assets	Current assets	555.4	526.6	(28.8%)	[Non-current] Property, plant and equipment: +16.4
	Non-current assets	474.6	503.7	+29.0	[Non-current] Intangible assets: +5.4 [Current] Trade receivables: (13.2) [Current] Cash and deposits: (9.6)
	Total assets	1,030.1	1,030.4	+0.2	
Liabilities	Current liabilities	348.5	344.7	(3.7)	[Current] Accounts payable - other: +6.1 [Current, Non-current] Borrowings: +6.1
	Non-current liabilities	60.8	54.3	(6.5)	[Current] Trade payables: (19.9) [Current] Income taxes payable: (6.3)
	Total liabilities	409.3	399.0	(10.2)	
Net assets	Total net assets	620.7	631.3	+10.5	Retained earnings: +15.2 Remeasurements of defined benefit plans: +6.7 Treasury shares: (12.2)
Equity ratio		60.2%	61.2%	+1.0P	
Borrowings outstanding		61.2	67.3	+6.1	

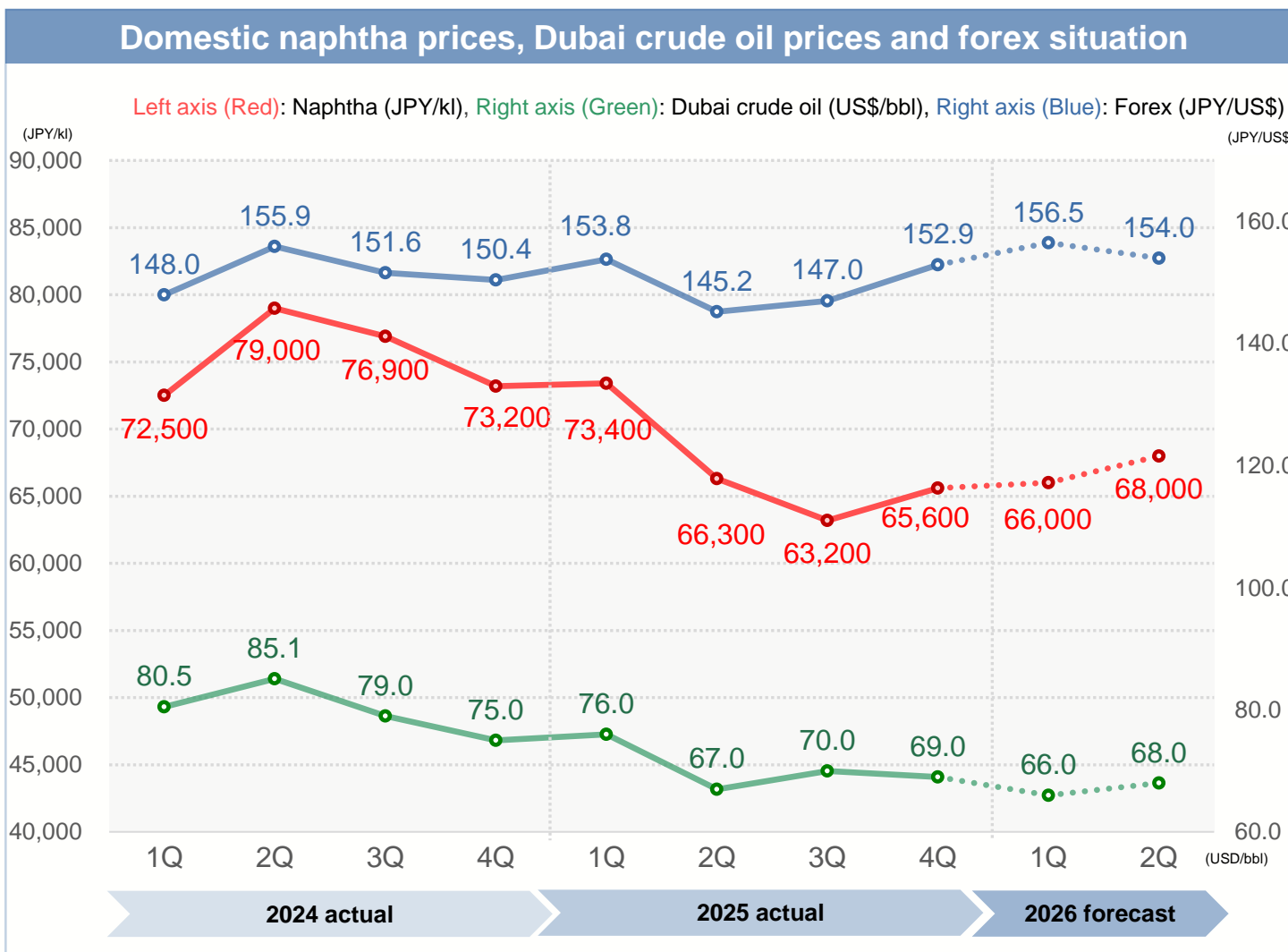
Consolidated Statements of Cash Flows

(100 million yen)

	2024 actual	2025 actual	Main factors of increases/decreases for 2025 (vs. 2024)
Cash and cash equivalents at beginning of period	78.0	89.4	
Cash flows from operating activities	58.3	99.0	Profit before income taxes: +52.0 Depreciation: +50.3
Cash flows from investment activities	(57.0)	(79.7)	Purchase of property, plant and equipment, such as manufacturing equipment
Cash flows from financial activities	9.4	(29.0%)	Increase in borrowings: +6.1 Purchase of treasury shares: (12.3) Dividends paid: (22.8)
Cash and cash equivalents at end of period	89.4	79.8	

2. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (FY2026)

External Environment Forecasts and Market Outlook

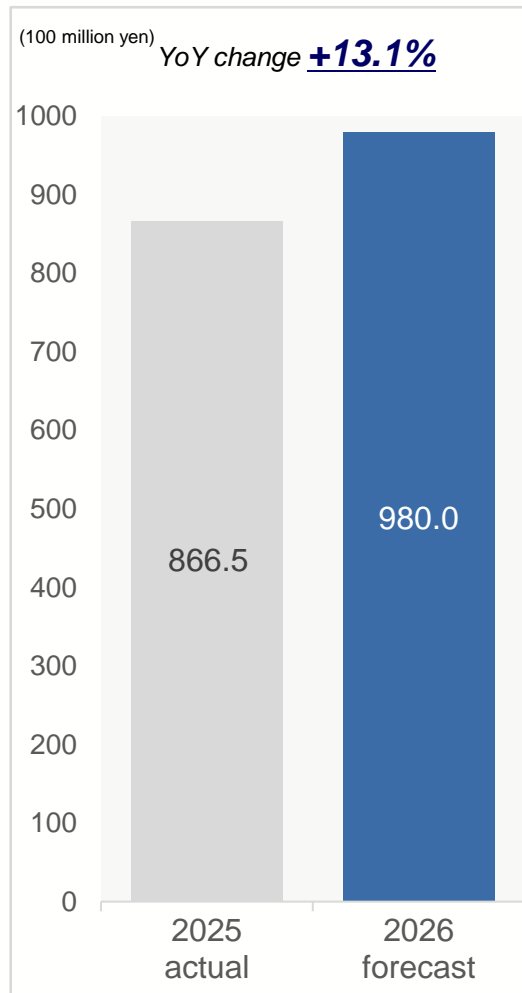


Market outlook

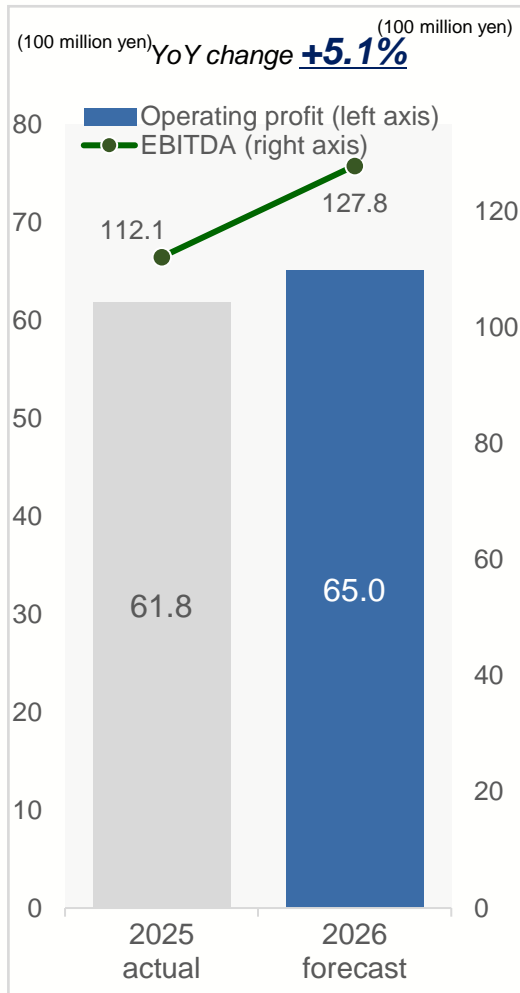
- Raw materials**
 - Increased ethylene manufacturers' production capacity in China prompts acceleration of realignment of ethylene producers in Japan and South Korea.
 - Potential price correction of raw materials in Japan and overseas.
- Large displays**
 - TV market continuing to favor larger screens; demand for polarizing plates growing 2%–7% annually.
 - LCD televisions are having more advanced functions reflecting improved performances such as higher resolution, higher brightness, and wider viewing angles.
- Automotive**
 - Global automobile output will increase YoY.
- Consumer spending**
 - The trend of gradual recovery along with wage growth is likely to continue despite the impact of price increases.
- Home market**
 - New housing starts will continue to decline gradually.
 - Renovation demand is likely to continue. Works on wet areas such as kitchen and bathroom account for 30% of the renovation market.

Net Sales, Operating Profit, Ordinary Profit, Profit, and Capital Expenditures (Consolidated)

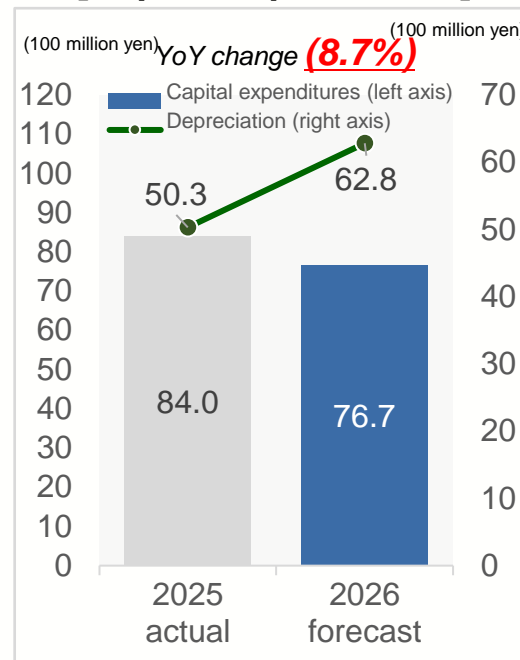
[Net sales]



[Operating Profit]



[Capital Expenditures]



Key capital expenditure projects

- ① **Building Materials Division**
 - Structural timber business using lumber sourced from the Shikoku region: **¥1,120 million**
- ② **New Materials Division**
 - Optical films manufacturing equipment modifications: **¥280 million**
- ③ **Plastic Film Division**
 - Agricultural material film manufacturing equipment: **¥180 million**

(100 million yen)

	2025 actual	2026 forecast	YoY change
Ordinary profit	64.2	67.0	+4.2%
Profit attributable to owners of parent	38.1	43.0	+12.7%
Dividend per share	¥195	¥220	+¥25

Net Sales, Operating Profit, EBITDA, and Capital Expenditures by Business

Net Sales

(100 million yen)

	2025 actual	2026 forecast	YoY change
Plastic Film Division	526.7	627.0	+19.0%
New Materials Division	189.2	195.0	+3.0%
Building Materials Division	131.8	138.0	+4.7%
Other Businesses	18.7	20.0	+6.8%
Total	866.5	980.0	+13.1%

Operating Profit

(100 million yen)

	2025 actual	2026 forecast	YoY change
Plastic Film Division	55.2	57.0	+3.2%
New Materials Division	24.8	30.0	+20.9%
Building Materials Division	5.6	4.5	(20.2%)
Other Businesses	4.7	5.0	+5.3%
Corporate Expenses	(28.5%)	(31.5%)	-
Total	61.8	65.0	5.1%

EBITDA

(100 million yen)

	2025 actual	2026 forecast	YoY change
Plastic Film Division	77.6	83.9	+8.1%
New Materials Division	40.8	46.0	+12.5%
Building Materials Division	9.1	13.5	+47.6%
Other Businesses	7.6	10.4	+36.6%
Corporate Expenses	(23.1%)	(26.0%)	-
Total	112.1	127.8	14.0%

Capital Expenditures

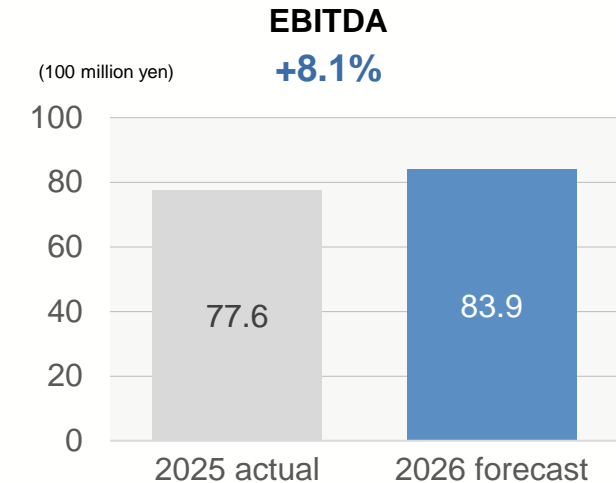
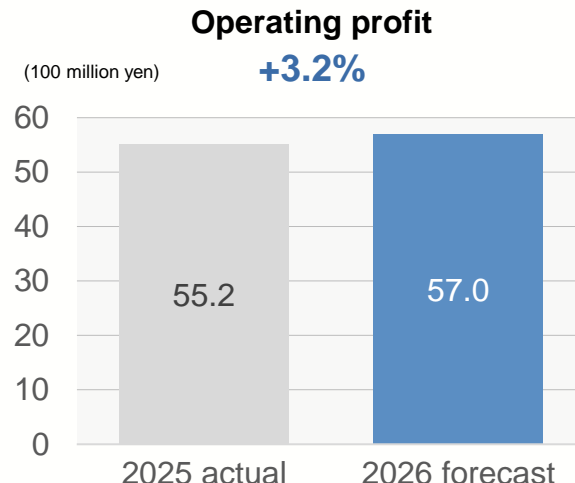
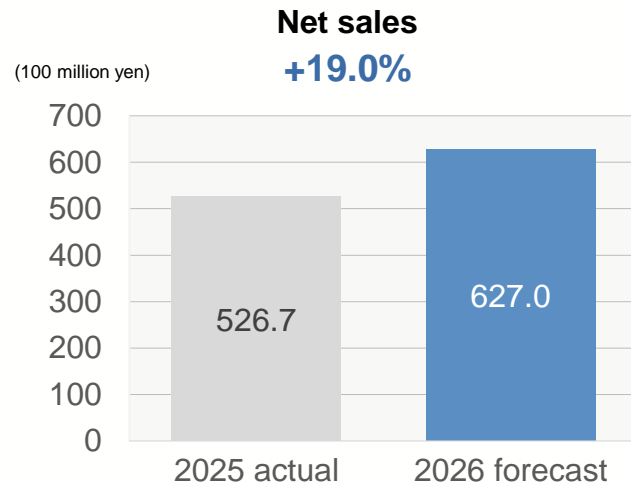
(100 million yen)

	2025 actual	2026 forecast	YoY change
Plastic Film Division	17.2	28.4	+65.2%
New Materials Division	8.7	18.4	+109.3%
Building Materials Division	39.2	22.7	(42.0%)
Other Businesses	8.2	2.9	(63.6%)
Corporate Expenses	10.5	4.0	(61.5%)
Total	84.0	76.7	(8.7%)

Priority Initiatives and Financial Results Forecast

Plastic Film Division

- | | |
|-------------------------------|--|
| MTP overall strategy | <ul style="list-style-type: none"> ● Focus efforts on mobility, electronic materials, semiconductor and battery fields, make investment aggressively and expand operations ● Expand environmental contributing products that reduce packaging costs and environmental impact ● Put Okura Vietnam to effective use and increase overseas sales |
| Priority initiatives for 2026 | <ul style="list-style-type: none"> ● In Process Materials BU, promote sales expansion by establishing the quality of optical protection films and building a structure to boost sales ● In Life and Package BU, establish new applications and forms for shrink films and increase the presence of the refill pouch market |



Priority Initiatives and Financial Results Forecast

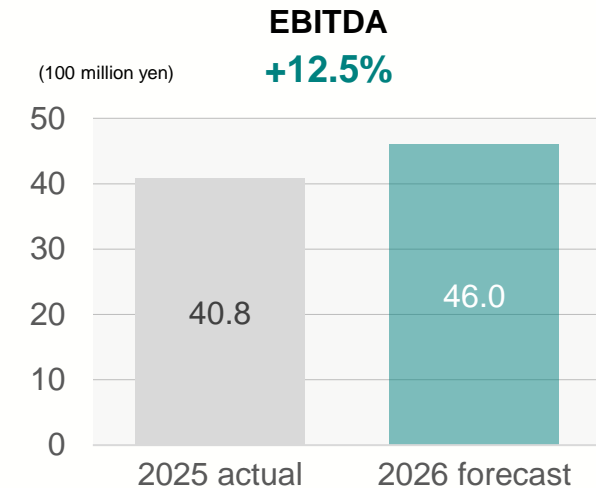
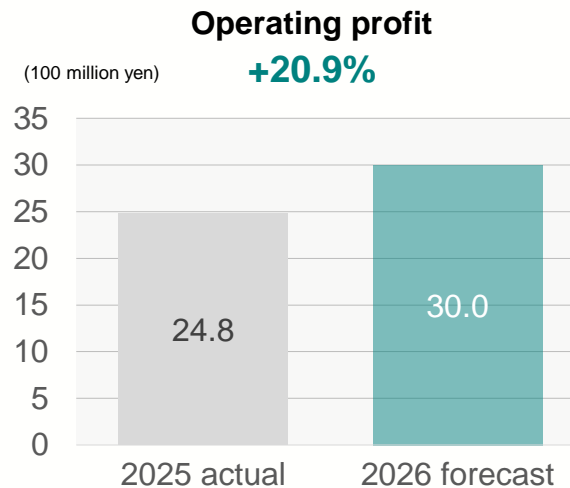
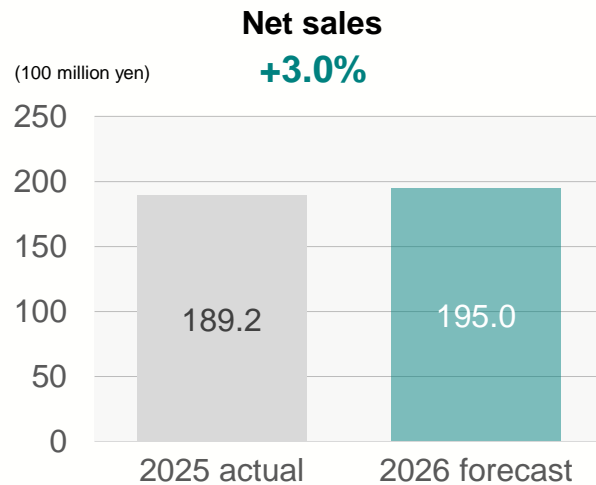
New Materials Division

MTP overall strategy

- Increase sales of acrylic films for large displays after G2 Line goes online in earnest
- Provide products and processing technologies in response to advancement in displays, information communication, mobility and life sciences

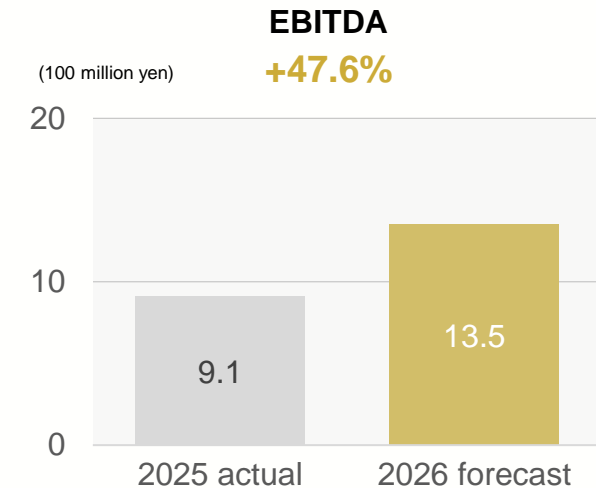
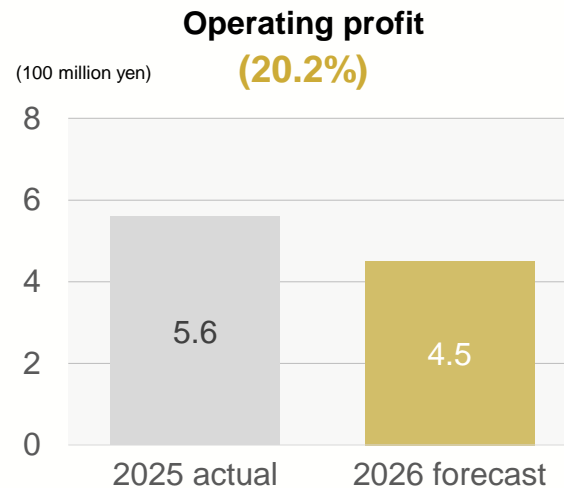
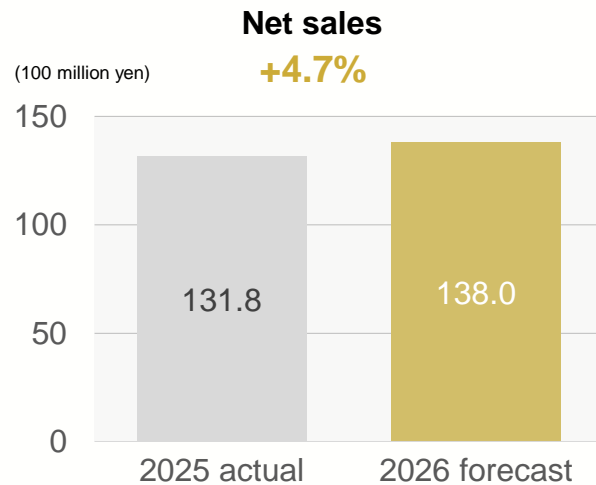
Priority initiatives for 2026

- Maintain stable operations of G2 Line throughout the year and further improve quality
- Improve productivity of the entire Optical Materials BU and strengthen sales expansion of COP films and acrylic films



Priority Initiatives and Financial Results Forecast Building Materials Division

- | | |
|-------------------------------|--|
| MTP overall strategy | <ul style="list-style-type: none"> ● Ensure stable operation of particleboard business and expand business in non-residential segments ● Vertical collaboration of wooden housing materials business that contributes to recycling of forest resources |
| Priority initiatives for 2026 | <ul style="list-style-type: none"> ● In the particle board business, promote sales increase in the renovation market by taking advantage of the products' strengths such as high surface smoothness and water resistance ● In the structural timber business, focus on establishment of manufacturing structure, spreading awareness of Japanese structural materials, and acquiring users |



3. Progress of Medium-term Management Plan (2027)

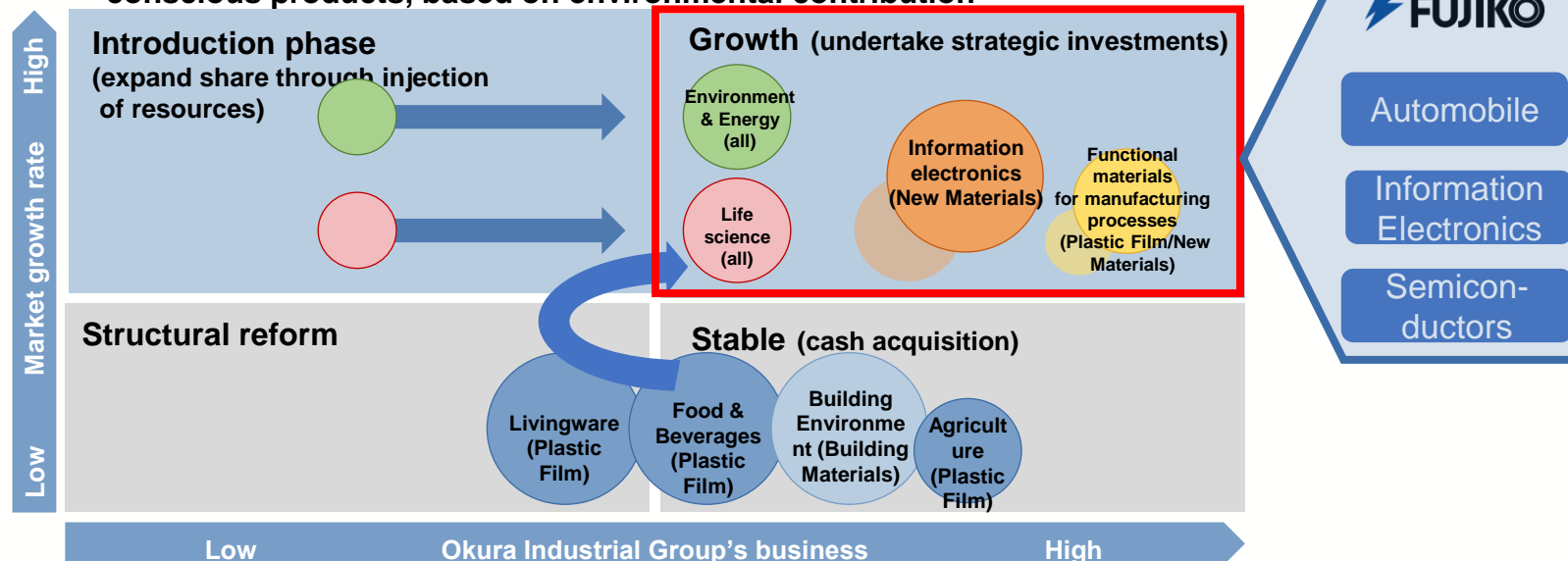
Business Strategy: Basic Policy ① : Steady implementation of growth strategies—Acquisition of FUJIKO shares

[Company profile]

Company name	FUJIKO Co., Ltd.
Headquarters	284-2 Minamiko, Kawanishi-cho, Marugame, Kagawa, Japan
Representative	Mitsuhiro Mori, President and Representative Director
Established	February 28, 1974
Businesses	Packaging, release liner production, transfer printing film production, hydrophobic and oleophobic paper production
Number of employees	256
Capital	¥30 million
Net sales	¥9,670 million (2024)
Operating profit	¥640 million (2024)
Business bases	Manufacturing: Main factory, Manno factories (Kagawa prefecture) Sales: Shizuoka and Kochi Offices

Deepening of Okura’s Business Portfolio Called For Under Next10 (2030)

- Focus investment on the growth fields of **Information Electronics, Functional Materials for Manufacturing Processes, Environment & Energy, and Life Science**
- In the living support category, which is one of our core businesses, make investments aimed at the conversion to and expansion of environmentally conscious products, based on environmental contribution

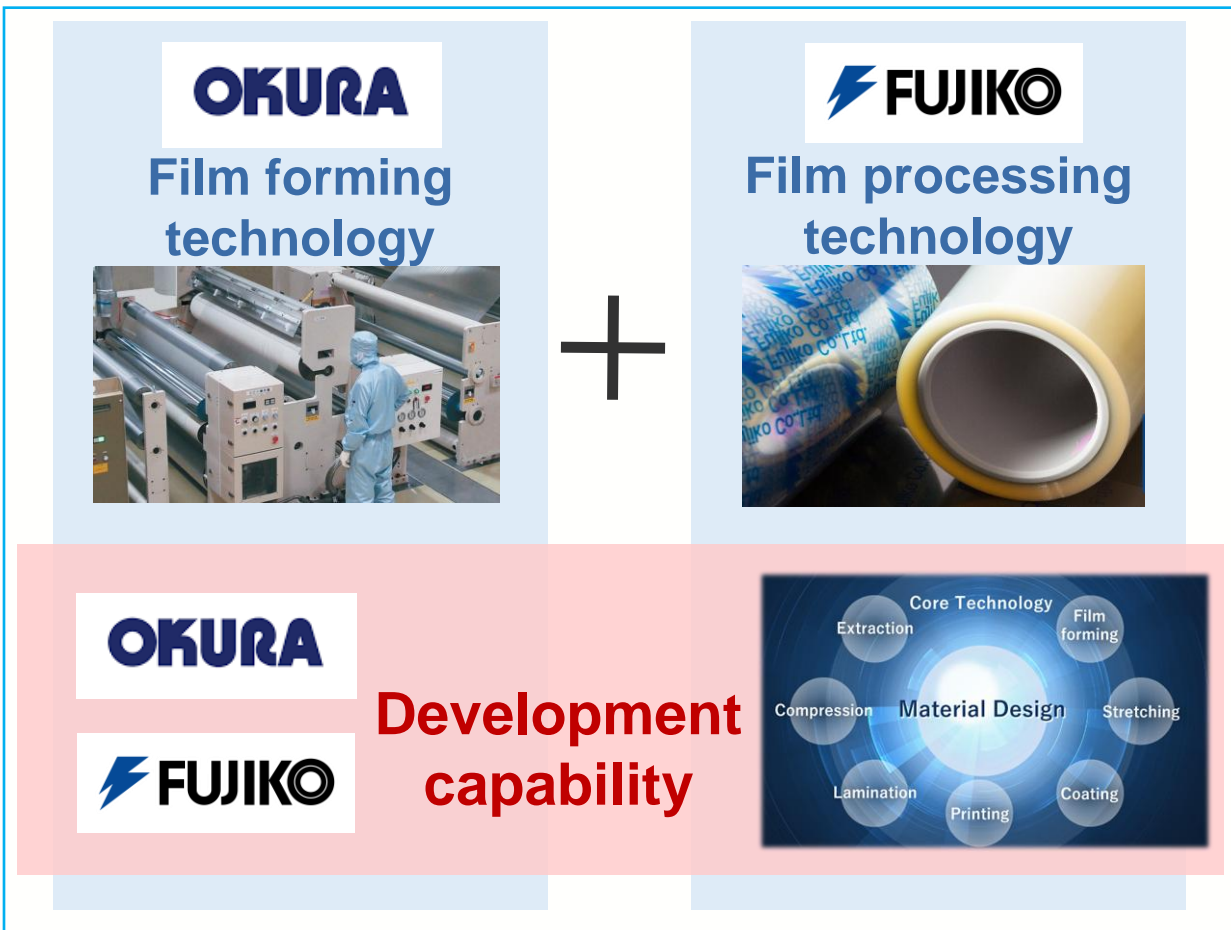


- FUJIKO has built strong relationships with its customers across a wide range of sectors, including automobile, information electronics, and semiconductors, based on their outstanding film processing expertise.

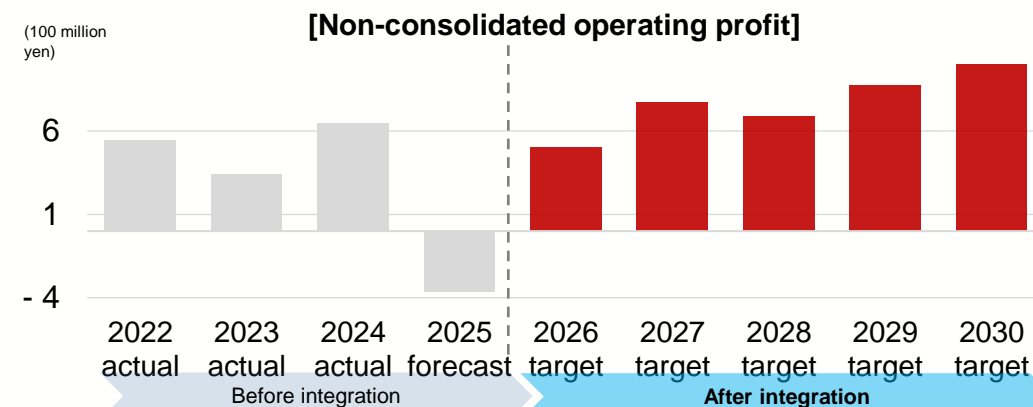
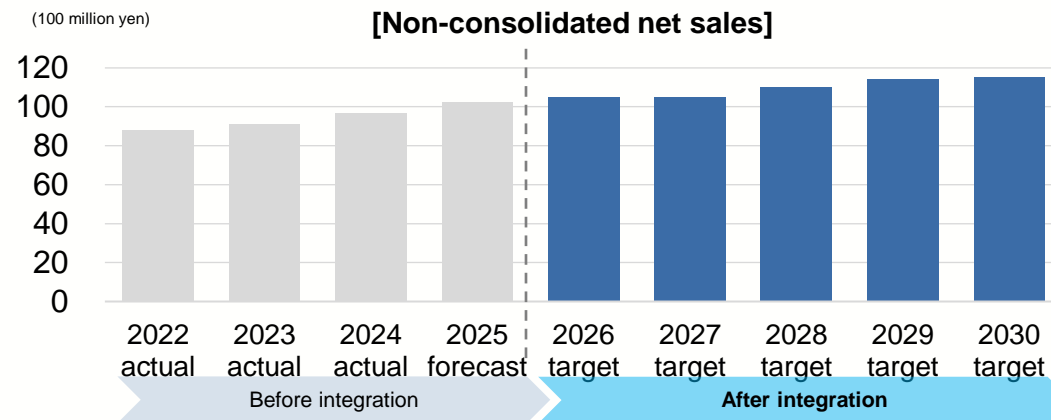
⇒ Work together with FUJIKO and make it a driving force of business portfolio innovation

Business Strategy: Basic Policy ① : Steady implementation of growth strategies—Acquisition of FUJIKO shares

[Integration of manufacturing and development processes]



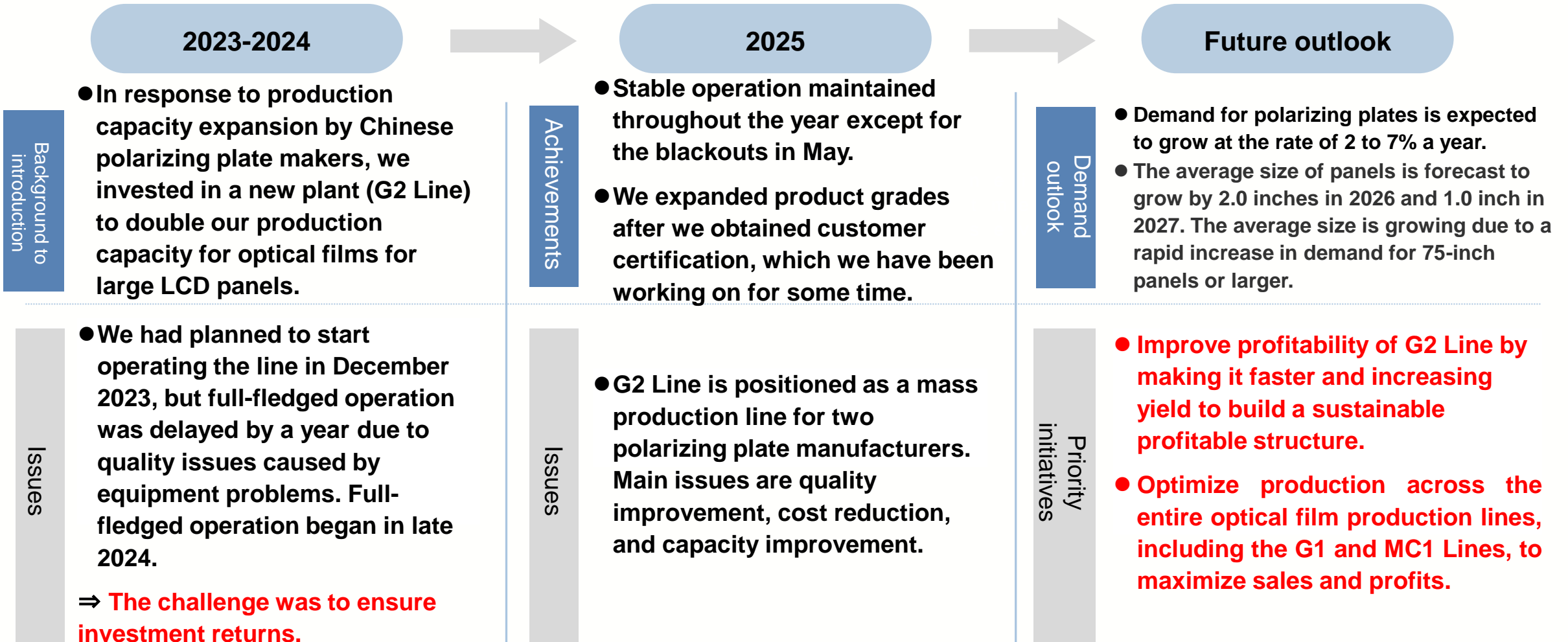
[Business plan]



Build a vertically integrated development and production structure and launch new products in growth fields. Aim to generate ¥1 billion in annual profit in 2030

Business Strategy: Basic Policy (1): Steady implementation of growth strategies —Strengthening of profitability of G2 Line

[New Materials Division: Current Status of G2 Line and Future Outlook]



Business Strategy: Basic Policy ① : Steady implementation of growth strategies

—Structural timber business using lumber sourced from the Shikoku region

[Business flow]

Business partner

<Forest resources>



<Lumber (rough lamina)>



<JAS lumber and laminated wood>



Okura Precut System,
Okura House, cooperating
vendors, etc.

<Lumber and component
processing>



<Construction>



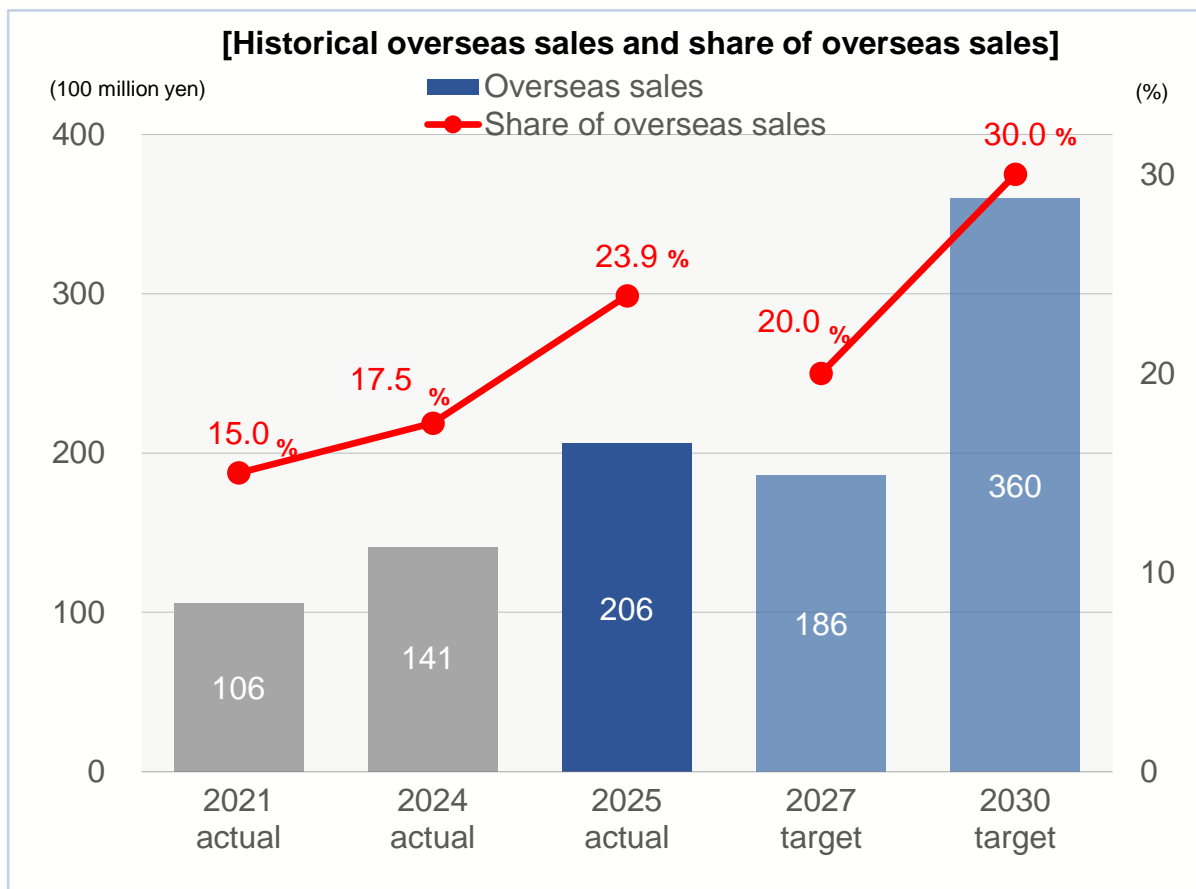
Takase Plant

- March 2025: Laminated wood factory building completed
- April 2025: A subsidiary that takes on factory operation services (Okura BM Works Co., Ltd.) established
- The plant began pre-production for the launch of business in April 2026.

Utilize lumber sourced from the Shikoku region and skills to the maximum extent and realize business expansion and decarbonated society

Business Strategy: Basic Policy ②: Promote international business to expand business areas

Channel management resources to boost overseas sales mainly of Information Electronics and Functional Materials for Manufacturing Processes



Opening of Shanghai Office

Shanghai Office of New Materials Division opened on July 1, 2025.

- Gather information promptly and deepen relationships with customers in China in anticipation of further expansion of the display market in the country.
- Serve as a base for disseminating the latest information, not only collecting information, to create further value.

In preparation for business launch at Okura Vietnam

Obtained the chemical handling license required for production and sales in November 2025.
Slated to start manufacturing in 2026, a year after initially planned launch date.

Business Strategy: Basic Policy ③: Create new products by strengthening Research & Development functions

Accelerate the cycle of creating new product themes, developing products, and launching them and lead Okura's business

With the Research & Development Center leading, aim to improve people's lives by providing materials and technologies through four growth areas of Information Electronics, Environment & Energy, Life & Healthcare, and Mobility

Information Electronics



LCP films

Optical films
(coating/protection/other)

Touch sensor films

Environment & Energy



Perovskite solar cells

Composite materials

Monomaterials

Life & Healthcare



Single-use bags

Drapes for surgery-assisting robots

Plant extraction

Food wrapping films

Mobility



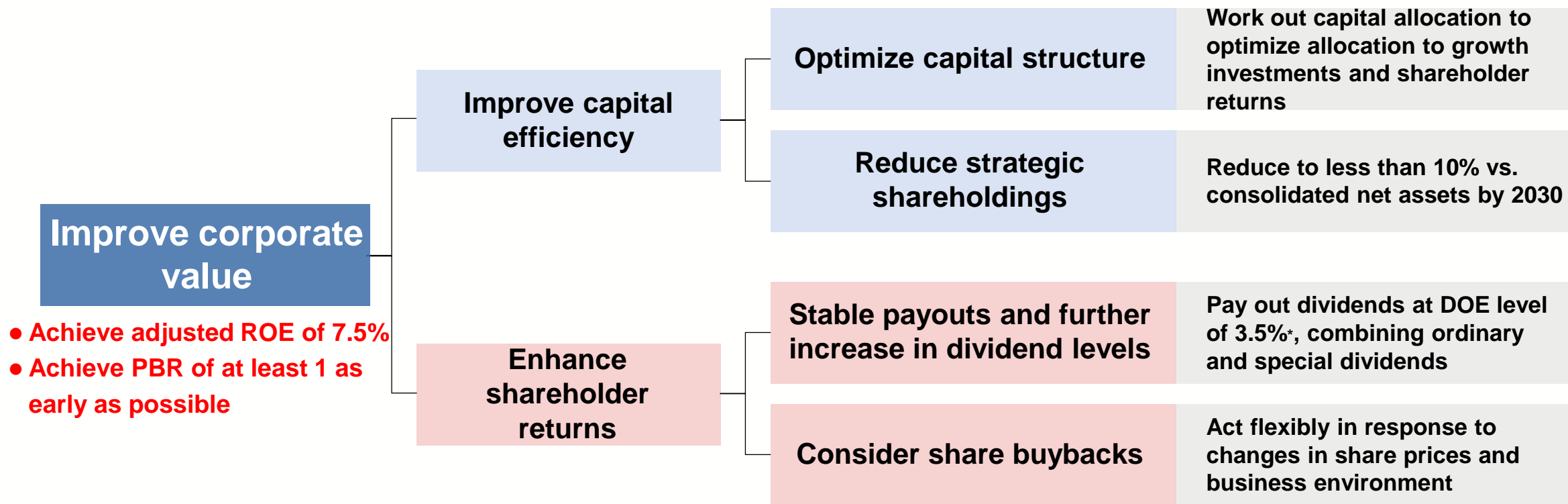
Automotive headliner materials

Paint replacement films

Adhesives for EVs

[Financial Strategy] Medium-term Management Plan (2027) Basic Policy

Support growth strategies and increase corporate value by improving capital efficiency and increasing shareholder returns



*At the time of plan formulation

[Financial Strategy] Enhance Shareholder Returns

Dividend policy

- ① We recognize shareholder returns as one of the most important management tasks and aim for continuous and stable dividend payout.
- ② As part of measures to practice corporate management with awareness of cost of capital and share prices, we introduced DOE (dividend on equity ratio on consolidated basis) indicator, in addition to the dividend payout ratio indicator which we already use, to more clearly demonstrate our commitment to strengthening profit distribution.

Dividend target indicators

Stable profit distribution
Performance-linked profit distribution

DOE: About 4.0% level (ordinary dividend: 3.0% or more, special dividend: 1.0% level)

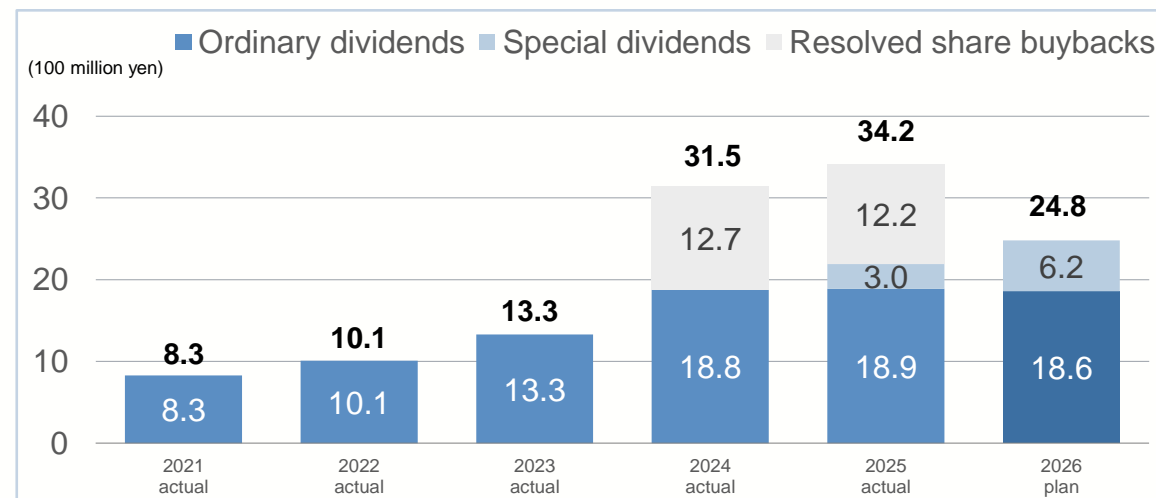
Payout ratio: At least 30%

Share buyback policy

Act flexibly in response to changes in share prices and business environment

[Historical shareholder returns]

	2024 actual	2025 actual	2026 plan
Dividend target	DOE: 3.0%	DOE: 3.5%	DOE: 4.0%
<small>*Including special dividends</small>	Payout ratio: 30%	Payout ratio: 30%	Payout ratio: 30%
Total dividends	¥1,880 million	¥2,200 million	¥2,480 million
Payout ratio	44.6%	58.2%	57.8%
Total payout ratio	72.5%	89.9%	57.8%
Dividend per share (Interim, year-end)	¥160 (¥55, ¥105)	¥195 (¥95, ¥100)	¥220 (¥110, ¥110)



Promoting Sustainability Through ESG Management

Medium-term Management Plan (2027): Policy

Generate sustainable economic value by bolstering nonfinancial capital and pursuing social value

Strengthen nonfinancial capital

Natural capital	<ul style="list-style-type: none"> ● Sustainable use of resources (promote management for decarbonization)
Human capital	<ul style="list-style-type: none"> ● Step up human capital investment; promote women's advancement and health and productivity management
Intellectual capital	<ul style="list-style-type: none"> ● Foster innovation and acquire intellectual property rights ● Improve productivity and streamline operations by promoting digital transformation
Manufacturing capital	<ul style="list-style-type: none"> ● Deepen knowledge of manufacturing and share experiences
Social capital	<ul style="list-style-type: none"> ● Involvement with volunteer activities and local businesses ● Promote dialogue with stakeholders and disclose information

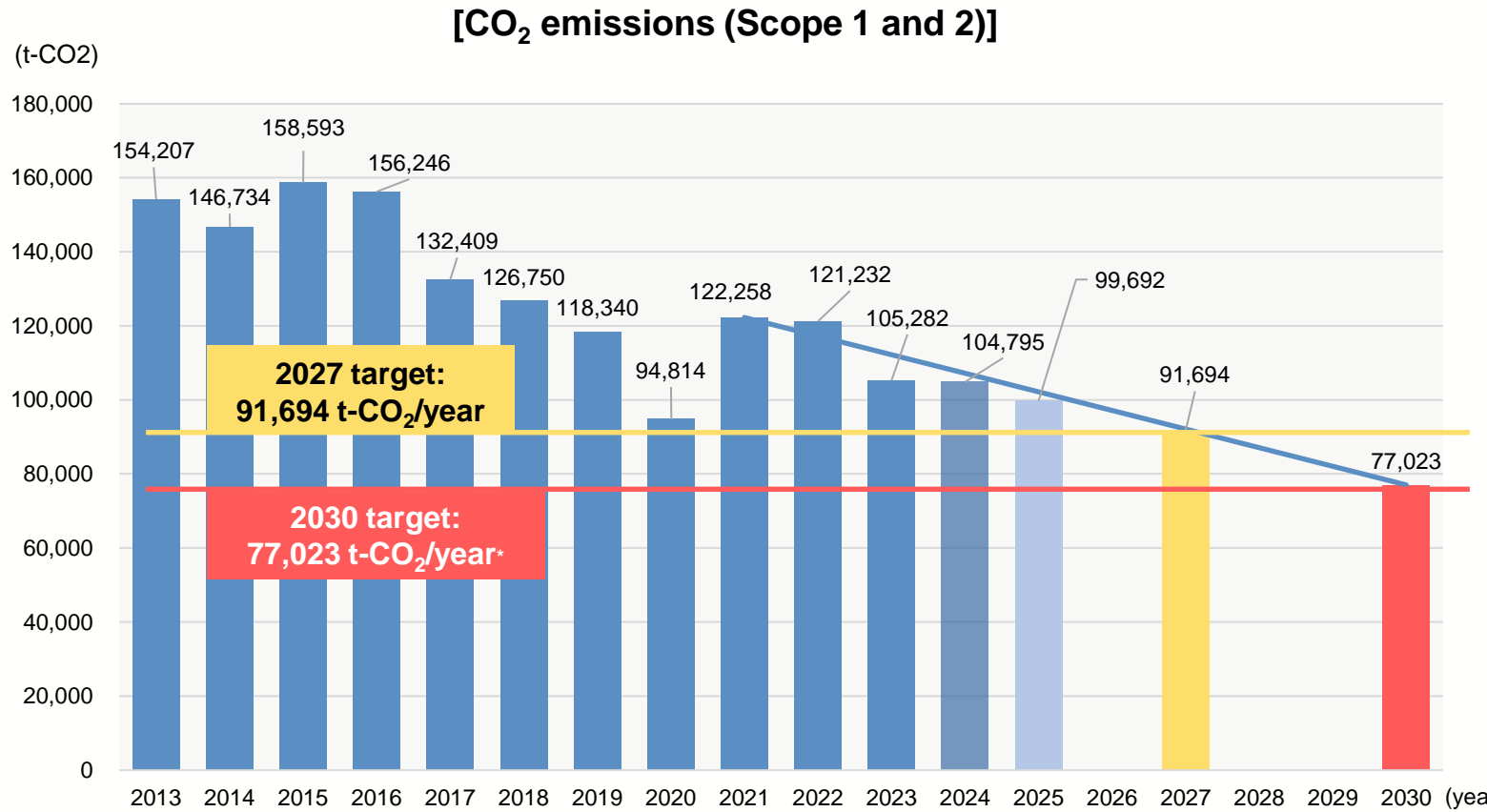


Pursue social value and generate economic value

- **Create and expand environmental contributing products**
- **Promote use of Shikoku's forest resources**
- Promote sustainable procurement
- Comply with applicable laws and regulations and eliminate compliance violations

Strengthen Natural Capital

Promote management for decarbonization and aim to reduce CO₂ emissions by at least 25%* from the 2021 level by 2027



Major initiatives in 2025

Expanding the use of renewable energy

- Started solar power generation (onsite PPA) in the Manno premises
- Started contributing to environmental value with solar power generation (off-site PPA) outside the Marugame No. 4 Plant premises

Active switch to highly efficient equipment

- Reviewed ICP price

*Reduction target

2027: 25% reduction vs. 2021 (equivalent to reduction of 40% vs. 2013)

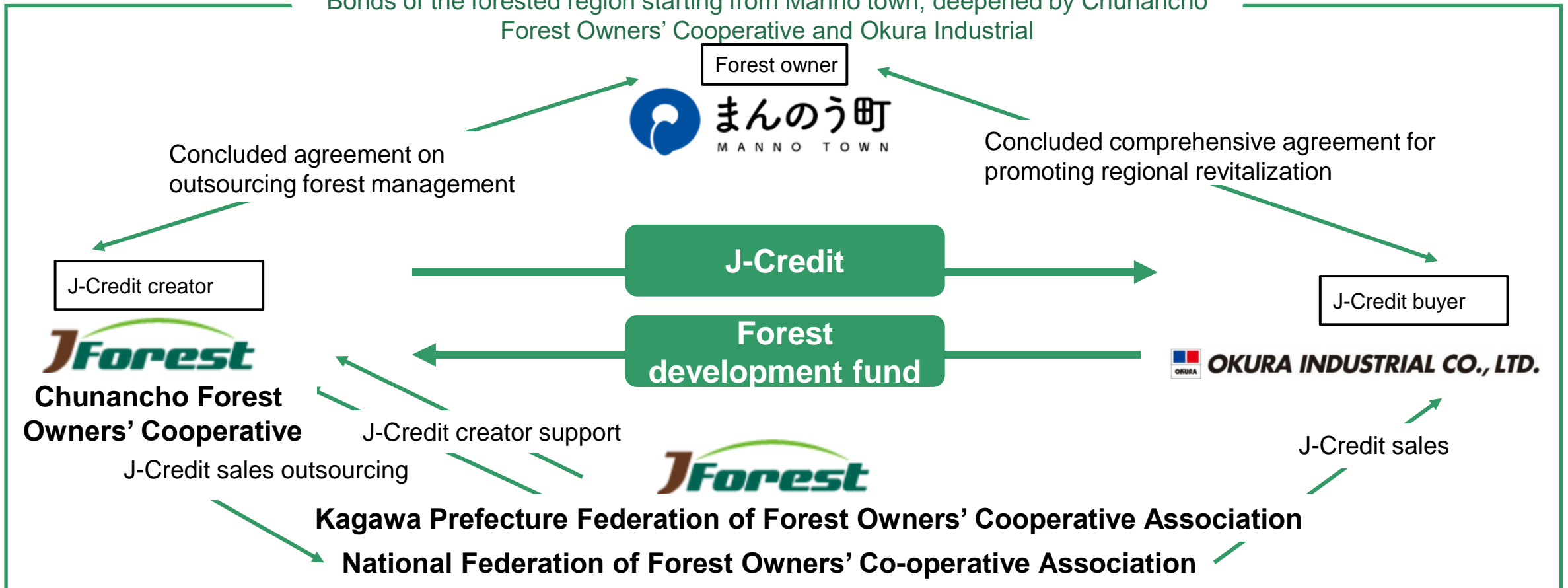
2030: 37% reduction vs. 2021 (equivalent to reduction of 50% vs. 2013)

Strengthen Natural Capital

Promote management for decarbonization and aim to reduce CO₂ emissions by at least 25%* from the 2021 level by 2027

J-Credit collaboration agreement of Sanuki no Mori Project: Nurturing Dreams and Future

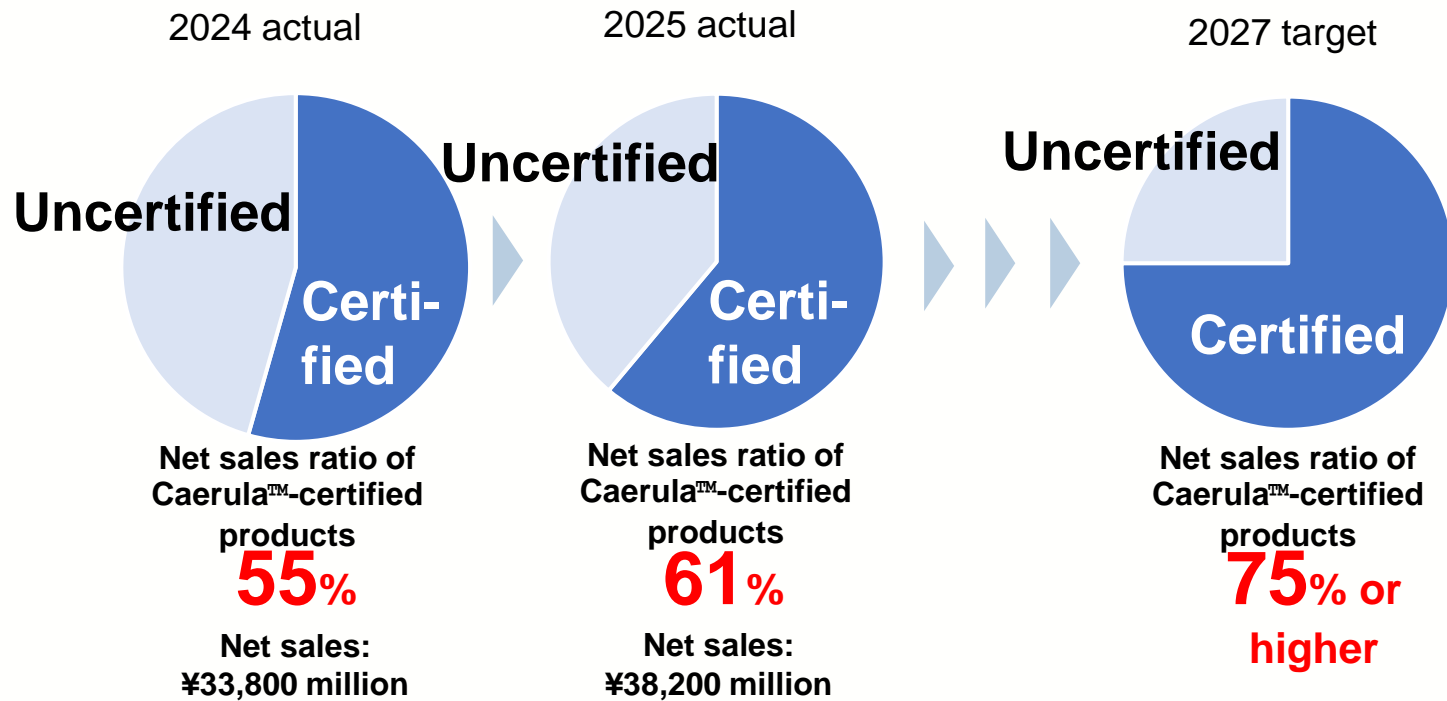
Bonds of the forested region starting from Manno town, deepened by Chunancho Forest Owners' Cooperative and Okura Industrial



Pursue Social Value and Generate Economic Value

Add environmental value to products and aim to increase the percentage of Caerula™ in the total sales of the living support category to at least 75%

[Status of Caerula™ certification for living support category products]



Marugame City-designated garbage bag



Only eco mark-certified garbage bag in Kagawa prefecture

Disclaimer

The earnings forecasts and other forward-looking statements herein were prepared using the information available to the Company at the time it prepared this document. Actual earnings results may differ from them depending on various factors in the future.

This document is intended only at providing information and is not intended to solicit buying or selling of any securities issued by the Company.