



Kirei—Making Life Beautiful

# **Consolidated Financial Results for the Nine Months Ended September 30, 2025**

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Kao Corporation  
November 6, 2025



## Disclaimer

Forward-looking statements such as earnings forecasts and other projections contained in this release are based on information available at this time and assumptions that management believes to be reasonable, and do not constitute guarantees of future performance. Actual results may differ materially from those expectations due to various factors.

### Notes:

1. Numbers in parentheses are negative.
2. YoY: Abbreviation for year on year
3. Year on year growth rates for net sales are all like-for-like, excluding the effect of translation of local currencies into Japanese yen. Growth by volume includes changes due to differences in product mix.
4. Changes and comparisons are all with the same period a year earlier unless otherwise noted.
5. Household & personal care (H&PC): Global consumer care products excluding cosmetics
6. GC: Abbreviation for Global Consumer Care
7. Core income: Income excluding impacts of structural reforms for the fiscal year ended December 31, 2023.
8. Net sales and operating income year on year have been reclassified and restated to reflect the changes to reportable segments implemented during the three months ended March 31, 2025 (see page 26 for details).

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# Key Highlights

## Positioning of FY2025 toward Achieving K27

- ✓ **Improving earning power while building a foundation for global sales expansion toward profitable growth.**
  - Accelerating the shift from quantity-based to quality-based growth, underpinned by a solid revenue base in Japan.

## FY2025 Q3 YTD Results and Initiatives

- ✓ **Earning power steadily improved through the expansion of high-value-added products and effective pricing reflecting their value, establishing a strong foundation centered on the Global Consumer Care Business in Japan.**
  - The Kao Group's share of the H&PC market has grown YoY for 27 consecutive months.
  - Achieved an operating margin of 9.3% (+0.8 pts YoY), ROIC of 9.3% (+0.9 pts), and EPS of 182.64 yen (+19.5%) .
- ✓ **In the Cosmetics Business, profitability continued to improve substantially, and operating income increased 10.9 billion yen YoY.**
- ✓ **Executing a growth strategy in the Global Consumer Care Business outside Japan:**  
**Strengthen brands in key markets and develop new markets, focusing on cosmetics and skin protection, and begin reforming areas impacted by evolving market dynamics.**

## Toward Achievement of FY2025 Forecast and K27

- ✓ **The Kao Group expects to achieve its publicly announced forecast for the year as a result of further expanding its solid revenue base and getting the Cosmetics Business back on a growth track, among other factors.**
- ✓ **To ensure the success of K27, the Kao Group has the dual objectives of strengthening growth areas and advancing reforms in areas facing challenges in the Global Consumer Care Business outside Japan.**

**02**

# **Financial Results**

**for the Nine Months Ended September 30, 2025**

# Highlights of Consolidated Financial Results

Billion yen	FY2024 Q3 YTD	FY2025 Q3 YTD	Growth	Change
Net sales	1,190.0	1,232.0	+3.5%	+42.0
		Effect of currency translation <sup>*</sup>	(0.5%)	(6.5)
		Like-for-like growth	<u>+4.1%</u>	<u>+48.5</u>
Gross profit	459.3	481.3	+4.8%	+22.0
Gross margin(%)	38.6%	39.1%	-	+0.5pts
Operating income	101.1	114.9	<u>+13.7%</u>	+13.8
Operating margin(%)	8.5%	9.3%	-	<u>+0.8pts</u>
Income before income taxes	104.0	119.4	+14.8%	+15.4
Net income	72.9	84.9	+16.4%	+12.0
Net income attributable to owners of the parent	71.0	84.7	+19.3%	+13.7
EBITDA (Operating income + Depr. & Amort.)	167.5	178.9	+6.8%	+11.4
Basic earnings per share (yen)	152.85	<u>182.64</u>	<u>+19.5%</u>	+29.79

\*Exchange rates: 148.16 yen/USD, 165.56 yen/Euro, 20.52 yen/Yuan

# Highlights of Q3 Consolidated Financial Results (Jul. – Sep.)

Billion yen	FY2024 Q3	FY2025 Q3	Growth	Change
Net sales	402.0	<b>423.0</b>	+5.2%	+21.0
		Effect of currency translation <sup>*</sup>	+0.4%	+1.5
		Like-for-like growth	+4.8%	+19.5
Gross profit	155.6	<b>169.5</b>	+8.9%	+13.9
Gross margin(%)	38.7%	<b>40.1%</b>	-	+1.4pts
Operating income	43.1	<b>45.4</b>	+5.3%	+2.3
Operating margin(%)	10.7%	<b>10.7%</b>	-	+0.0pts
Income before income taxes	39.6	<b>47.6</b>	+20.3%	+8.0
Net income	28.1	<b>35.4</b>	+26.1%	+7.3
Net income attributable to owners of the parent	27.6	<b>35.1</b>	+27.1%	+7.5
EBITDA (Operating income + Depr. & Amort.)	65.2	<b>66.7</b>	+2.3%	+1.5
Basic earnings per share (yen)	59.45	<b>75.85</b>	+27.6%	+16.40

\* Exchange rates: 147.41 yen/USD, 172.30 yen/Euro, 20.59 yen/Yuan

# Key Points of Results and Future Initiatives

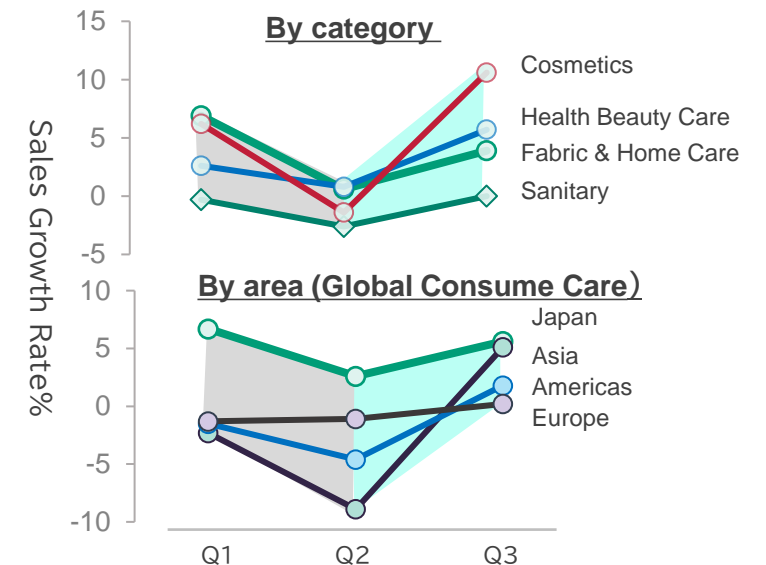
**Net sales 1,232.0** billion yen  
+4.1% on a like-for-like basis

**Operating income 114.9** billion yen  
(+13.8 billion yen; +13.7%); **margin 9.3%**

**ROIC 9.3%**  
+0.9 pts

## FY2025 Q3 YTD Financial Results

- Q3 sales recovered in all categories and areas. Both sales and profit increased due to continuous improvement in earning power, including volume growth and pricing measures.
- In the Cosmetics Business, recovery in China, as well as increased sales and progress in streamlining fixed costs in Japan, led to a substantial 10.9 billion yen increase in operating income.
- Prioritizing capital efficiency resulted in ROIC of 9.3% (+0.9 pts).



## Q4 Initiatives

- Japan: Work to further expand market share through new innovations (new laundry beads, *KATE* base makeup renewal, etc.).
  - Outside Japan: Strengthen brands in key markets, develop new markets, and begin reforming areas impacted by evolving market dynamics.
- >Steadily implement these initiatives to drive increased growth, profitability, and ROIC.



# Consolidated Net Sales by Segment/Geographic Region in Q3 YTD

- Consolidated sales exceeded the plan.
- The Global Consumer Care Business performed well in Japan, and market share continued to grow. Outside Japan, while the Cosmetics Business and the Health Beauty Care Business steadily improved, Fabric & Home Care in Asia faced industry-wide headwinds.
- The Chemical Business grew substantially in all areas.

		Japan		Asia		Americas		Europe		Outside Japan		Consolidated	
		Billion yen	Like-for-like	Billion yen	Like-for-like	Billion yen	Like-for-like	Billion yen	Like-for-like	Billion yen	Like-for-like	Billion yen	Like-for-like
	Fabric & Home Care	246.7	6.0%	29.5	(11.6%)	2.3	(13.2%)	-	-	31.8	(11.7%)	278.4	3.6%
	Sanitary	53.3	(3.5%) 0.6%	66.2	(2.2%)	-	-	-	-	66.2	(2.2%)	119.5	(2.8%) (1.0%)
Hygiene Living Care Business		300.0	4.1% 5.0%	95.7	(5.2%)	2.3	(13.2%)	-	-	97.9	(5.4%)	397.9	1.6% 2.2%
Health Beauty Care Business		166.9	7.1%	26.8	0.2%	81.7	(1.2%)	46.4	(1.7%)	154.9	(1.1%)	321.8	3.0%
Cosmetics Business		123.2	6.0%	32.8	4.4%	5.3	(3.5%)	19.9	1.5%	58.0	2.7%	181.2	4.9%
Business Connected Business		27.7	(4.6%) 1.2%	0.3	92.8%	-	-	-	-	0.3	92.8%	28.0	(4.2%) 1.6%
GC Business		617.8	4.8% 5.6%	155.6	(2.3%)	89.2	(1.7%)	66.4	(0.7%)	311.1	(1.8%)	928.9	2.5% 2.9%
Chemical Business*		107.0	6.4%	89.6	16.3%	65.1	8.1%	75.2	3.4%	229.9	9.5%	336.9	8.5%
Consolidated		695.3	5.0% 5.7%	242.9	3.9%	154.1	2.2%	139.7	1.8%	536.7	2.9%	1,232.0	4.1% 4.4%

\* Net sales of the Chemical Business include intersegment transactions

• Sales by geographic region are classified based on the location of the sales recognized.  
• Green figures: Excluding the impact of business transfers and structural reform expenses in FY2024

# Consolidated Results by Segment in Q3 YTD

- Operating income increased due to substantial improvement in the profitability of the Cosmetics Business and strong performance by Fabric & Home Care and sanitary products.
- In the Chemical Business, operating income decreased as fluctuations in raw material prices offset the effects of selling price adjustments.

		Net sales				Operating income			Overview
		Q3 YTD (Billion yen)	Like- for-like	By Volume	By Price	Q3 YTD (Billion yen)	Change	Operating margin	
	Fabric & Home Care	278.4	3.6%	1.6%	2.0%	51.6	3.8	18.5%	Earning power from promotion of high-value-added products, price adjustments and other measures drove sales and profits. Volume and market share also grew.
	Sanitary	119.5	(2.8%) (1.0%)	(1.5%)	(1.2%)	6.1	(0.2) 4.0	5.1%	Both sales and profits of sanitary napkins grew continuously. <i>Merries</i> remained profitable. The operating margin improved by 5.3 pts.
	Hygiene Living Care Business	397.9	1.6% 2.2%	0.6%	0.9%	57.7	3.5 7.8	14.5%	—
	Health Beauty Care Business	321.8	3.0%	2.7%	0.2%	29.6	3.9 0.2	9.2%	Personal health grew, along with skin care and high-premium hair care grew substantially in Japan. Ramped up investment for growth in skin care.
	Cosmetics Business	181.2	4.9%	4.0%	0.9%	3.0	10.9	1.6%	Profitability improved substantially due to growth of the six focus brands and streamlining fixed costs. Profits expanded.
	Business Connected Business	28.0	(4.2%) 1.6%	(5.3%)	1.2%	1.2	(3.6) 2.7	4.1%	Although the medical and other sectors were impacted by price competition, sales increased in the lodging and leisure sectors due to firm market conditions.
	GC Business	928.9	2.5% 2.9%	1.8%	0.7%	91.4	14.8 21.7	9.8%	—
	Chemical Business*	336.9	8.5%	(2.7%)	11.2%	22.9	(3.0)	6.8%	Sales increased substantially but operating income decreased due to the impact of a decline in demand in some sectors, including automotives, and fluctuations in raw material prices.
	Consolidated	1,232.0	4.1% 4.4%	0.6%	3.5%	114.9	13.8 20.7	9.3%	

\* Net sales of the Chemical Business include intersegment transactions

- Growth by volume includes changes due to differences in product mix.
- Sales by geographic region are classified based on the location of the sales recognized.
- Green figures: Excluding the impact of business transfers and structural reform expenses in FY2024

# Q3 Consolidated Net Sales by Segment/Geographic Region (Jul. – Sep.)

- Consolidated sales were nearly in line with the plan. The Global Consumer Care Business continued to expand its market share in Japan. The Chemical Business maintained its sales growth.
- The Global Consumer Care Business outside Japan improved in all areas. Fabric & Home Care sales decreased in Asia, but the Cosmetics Business sales improved substantially.

		Japan		Asia		Americas		Europe		Outside Japan		Consolidated	
		Billion yen	Like-for-like	Billion yen	Like-for-like	Billion yen	Like-for-like	Billion yen	Like-for-like	Billion yen	Like-for-like	Billion yen	Like-for-like
	Fabric & Home Care	89.8	6.6%	9.6	(16.6%)	0.8	0.5%	-	-	10.4	(15.4%)	100.2	3.9%
	Sanitary	17.3	(5.2%) (1.6%)	22.5	0.6%	-	-	-	-	22.5	0.6%	39.9	(2.0%) (0.4%)
Hygiene Living Care Business		107.2	4.5% 5.2%	32.1	(5.0%)	0.8	0.5%	-	-	32.9	(4.9%)	140.1	2.1% 2.6%
Health Beauty Care Business		59.5	9.8%	9.0	4.9%	26.0	1.7%	15.9	(1.2%)	50.8	1.3%	110.4	5.7%
Cosmetics Business		41.8	4.7%	11.4	49.8%	1.8	4.7%	7.6	3.2%	20.9	24.9%	62.7	10.6%
Business Connected Business		9.8	(2.5%) 2.9%	0.1	72.8%	-	-	-	-	0.1	72.8%	10.0	(1.9%) 3.5%
GC Business		218.3	5.6% 6.2%	52.7	5.1%	28.6	1.8%	23.5	0.2%	104.8	3.1%	323.1	4.8% 5.2%
Chemical Business*		35.1	2.3%	30.0	13.7%	21.2	1.8%	24.6	(3.7%)	75.8	4.3%	110.9	3.6%
Consolidated		243.6	5.3% 5.9%	81.9	8.5%	49.9	2.0%	47.6	(0.5%)	179.5	4.2%	423.0	4.8% 5.2%

\* Net sales of the Chemical Business include intersegment transactions

- Sales by geographic region are classified based on the location of the sales recognized.
- Green figures: Excluding the impact of business transfers and structural reform expenses in FY2024

# Q3 Consolidated Results by Segment (Jul. – Sep.)

- Operating income increased due to substantial improvement in the profitability of the Cosmetics Business, and strong performance by Fabric & Home Care and skin care in Japan.
- Excluding the gain on the transfer of the beverage business and other expenses in the previous fiscal year, operating income increased 8.3 billion yen.

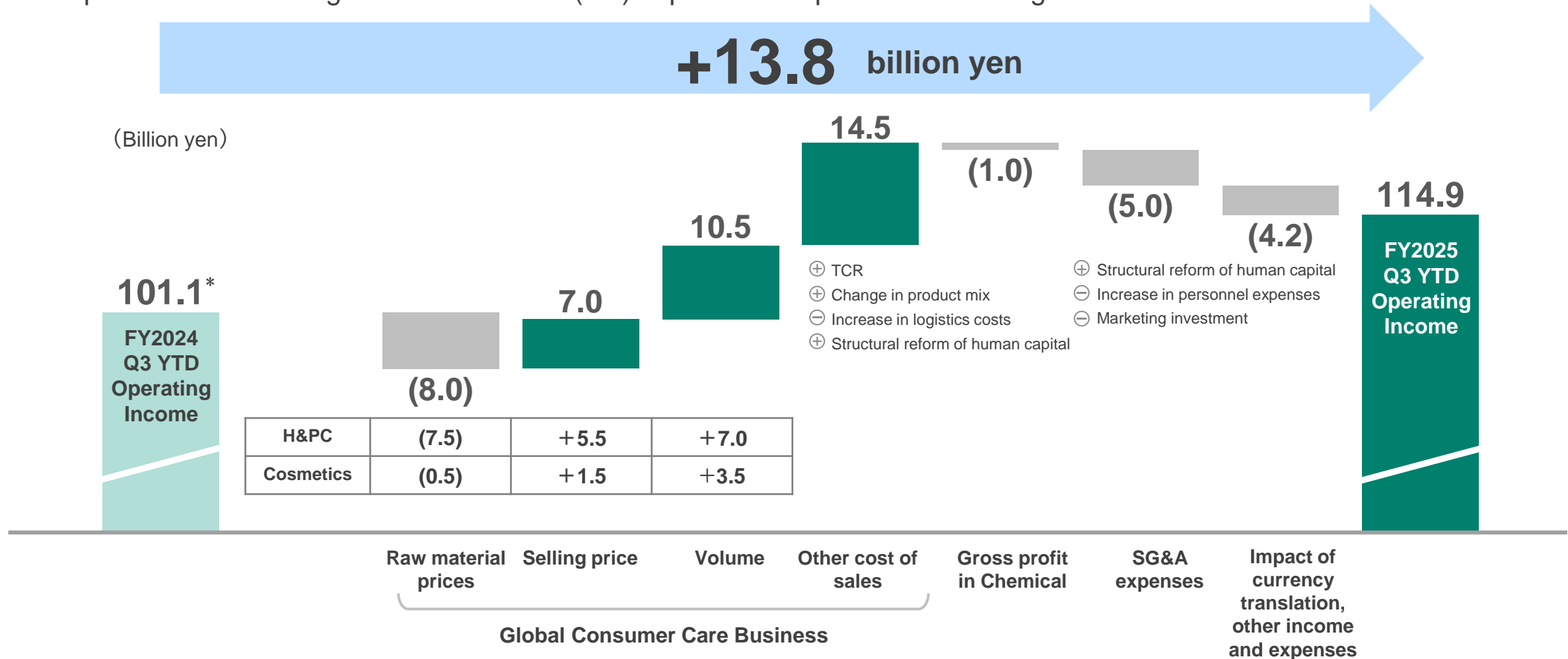
		Net sales				Operating income		
		Billion yen	Like-for-like	By Volume	By Price	Billion yen	Change	Operating margin
	Fabric & Home Care	100.2	3.9%	1.0%	2.8%	20.7	0.9	20.6%
	Sanitary	39.9	(2.0%) (0.4%)	(0.8%)	(1.2%)	1.7	1.2	4.1%
Hygiene Living Care Business		140.1	2.1% 2.6%	0.5%	1.6%	22.3	2.1	15.9%
Health Beauty Care Business		110.4	5.7%	5.3%	0.5%	11.4	0.8 0.5	10.4%
Cosmetics Business		62.7	10.6%	9.6%	1.0%	2.6	4.3	4.1%
Business Connected Business		10.0	(1.9%) 3.5%	(4.1%)	2.3%	0.8	(4.9) 1.4	7.9%
GC Business		323.1	4.8% 5.2%	3.4%	1.4%	37.1	2.3 8.4	11.5%
Chemical Business*		110.9	3.6%	(5.1%)	8.7%	8.0	(0.7)	7.2%
Consolidated		423.0	4.8% 5.2%	1.5%	3.4%	45.4	2.3 8.3	10.7%

\* Net sales of the Chemical Business include intersegment transactions

- Growth by volume includes changes due to differences in product mix.
- Sales by geographic region are classified based on the location of the sales recognized.
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# Analysis of Change in Operating Income in Q3 YTD (YoY Change)

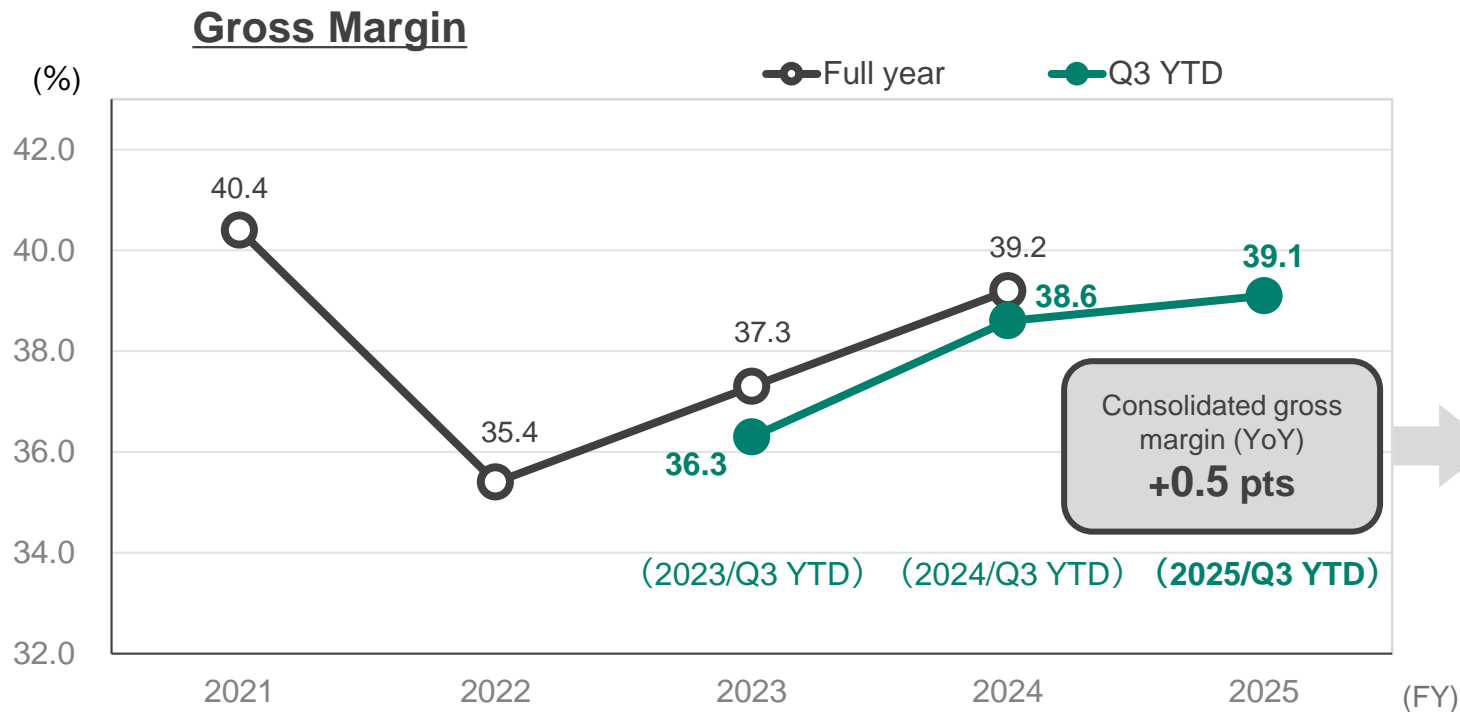
- Operating income increased substantially due to a significant increase in sales volume in the Global Consumer Care Business and the contributions of selling price adjustments and a change in the product mix.
- As personnel and other expenses increased, factors including the effects of structural reforms and productivity improvements from digital transformation (DX) kept SG&A expenses from rising.



\*Including +6.9 billion yen in one-time income and expenses in FY2024 Q3 YTD. Breakdown of main items: 1) Gain on transfer: pet care business +4.3 billion yen, beverage business +6.3 billion yen 2) Structural reform expenses for subsidiaries in the Americas and Europe (3.7) billion yen

# Further Improvement of Earning Power

- Launches of high-value-added products, cost reduction activities and other measures offset the impact of rising raw material prices.
- With the additional contribution of growth in the Cosmetics Business, the profit margin improved substantially. Progress toward targets has been steady.



Gross margin for FY2023 represents "core gross margin."

## GC Business Gross Margin

**+1.5 pts**

> Target improvement rate +1.0 pts/year

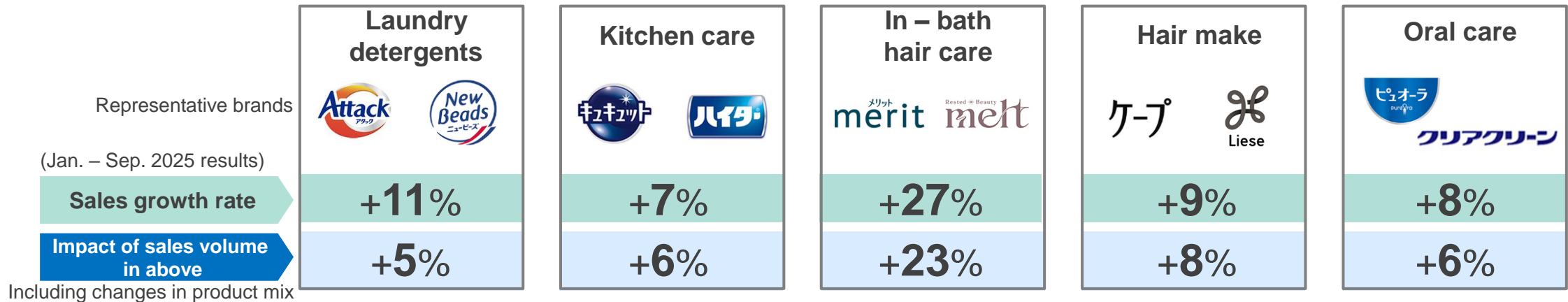
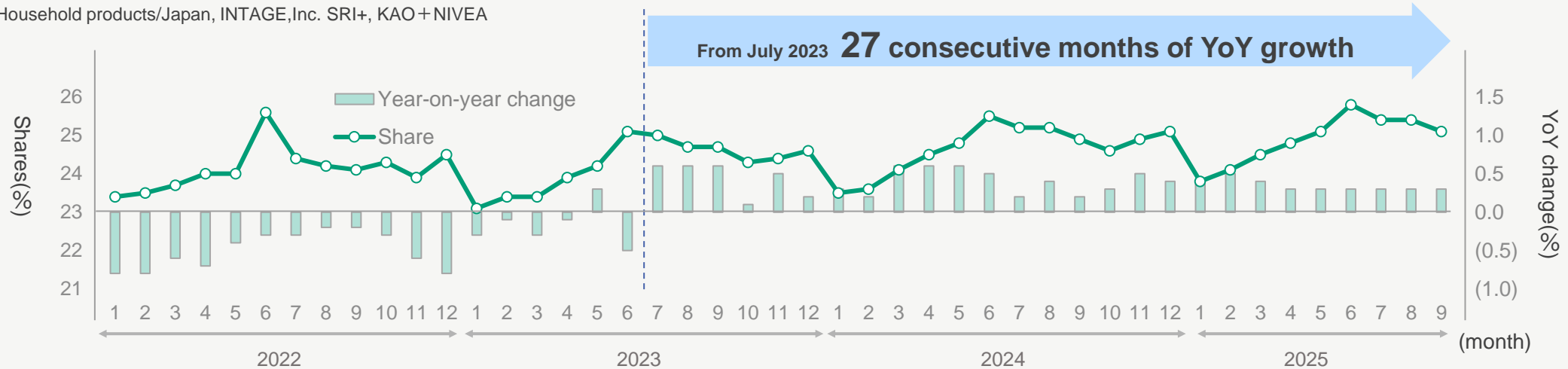
- Selling price increases (promotion of high-value-added products/price hikes): +0.9 pts
- Cost reductions, etc. (including product mix differences): +1.9 pts
- Rising raw material prices: (1.3) pts

# Steady Progress toward Sustainable Growth

- The Kao Group has maintained or expanded sales volume in multiple categories even after selling price adjustments, achieving both profitability and market share expansion with the “strength of brands that consumers continue to choose.”

## Kao's share of the H&PC market(Japan)

Household products/Japan, INTAGE,Inc. SRI+, KAO+NIVEA



# Reorganizing the Cosmetics Business to Achieve Profitable Growth and Promoting Globalization

- Sales of the six focus brands expanded, primarily in Japan and ASEAN, while business streamlining made headway in Japan.
- Profits steadily expanded, supported by a strong resumption of growth in China.

## Six Focus Brands

SENSAI

MOLTON BROWN

KANEBO

SOFINA

Curél

KATE TOKYO

## Japan Business

Achieve both growth and profitability improvement

### Accelerated Growth of Six Focus Brands

YoY  
sales growth

**111%** (Market: 101%)  
INTAGE Inc. New SLI

### A Stronger Base in the Channel

YoY sales growth  
in directly operated  
e-commerce

**127%**

### Business Streamlining

Reduction of  
fixed costs

**(4.2)** billion yen

## Laying the foundation for global growth

### Sales Expansion in ASEAN

YoY growth of  
six focus brands

**113%**

Note: 129% in Thailand

### Strengthening Presence in Europe

Curél



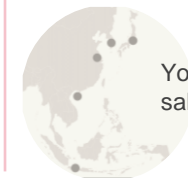
YoY  
sales growth

**1.6** times

Note: Started rollout in Canada,  
following Germany and France

### Promoting Integrated Operations in Asia

SENSAI



YoY  
sales growth

**1.6** times

## China Business Reorganization

### As planned Sell-out Expansion

YoY  
growth

Kao **106%** (Market: 99%)

GMV at Tmall cosmetics brand flagship stores  
Kao: Total of Curél and freeplus

### Unofficial E-commerce stores Selling Price Recovery

YoY selling  
price increase

**113%**

Selling price of freeplus mild soap

### Cultivating Locally Produced Products

YoY  
sell-out growth

**1.9** times

Sell-out amount in e-commerce of Curél serum



# Ensuring the Success of K27

## - the Global Consumer Care Business Initiatives Outside Japan

- Strengthening growth areas: Reinforce brands in key markets outside Japan and develop new markets, focusing on cosmetics and skin protection.
- Advancing reforms in areas facing challenges: Formulate and implement strategic measures to address industry-wide market dynamics.
- Continue strengthening growth areas while improving businesses facing challenges to ensure the success of K27.

### Strengthening Growth Areas

### Advancing Reforms in Areas Facing Challenges

#### Americas and Europe

#### Skin care (*JERGENS*)

- Proactively develop emerging sales channels (leverage the expertise of *Bondi Sands*)
- Rejuvenate the legacy brand

#### Skin protection (*Bioré UV*)

- Use evidence-based marketing for differentiation strategy
- Use a scrum-style system to accelerate rollout
- Expand distribution in strategic retail chains in North America

#### Hair salon products

- Review low-margin businesses and reform inefficient businesses
- Strengthen *GOLDWELL* through a brand restage
- Promote DX across beauty brands (leverage the expertise of *ORIBE*)

- ✓ Decreased demand due to economic downturn
- ✓ Increasing personnel expenses
- ✓ Changes in sales channels

#### Asia

#### Sanitary (*Laurier*)

- Profitable growth through item portfolio reform by area and loyalty marketing

#### Cosmetics (*SENSAI, Curél, KANEBO, KATE, etc.*)

- *SENSAI*: Establish an integrated operating structure for Japan and Asia
- *Curél*: Production system and marketing tailored to local needs in China
- Conduct global promotion centered on Thailand

#### Overall business

- Strengthen portfolio management

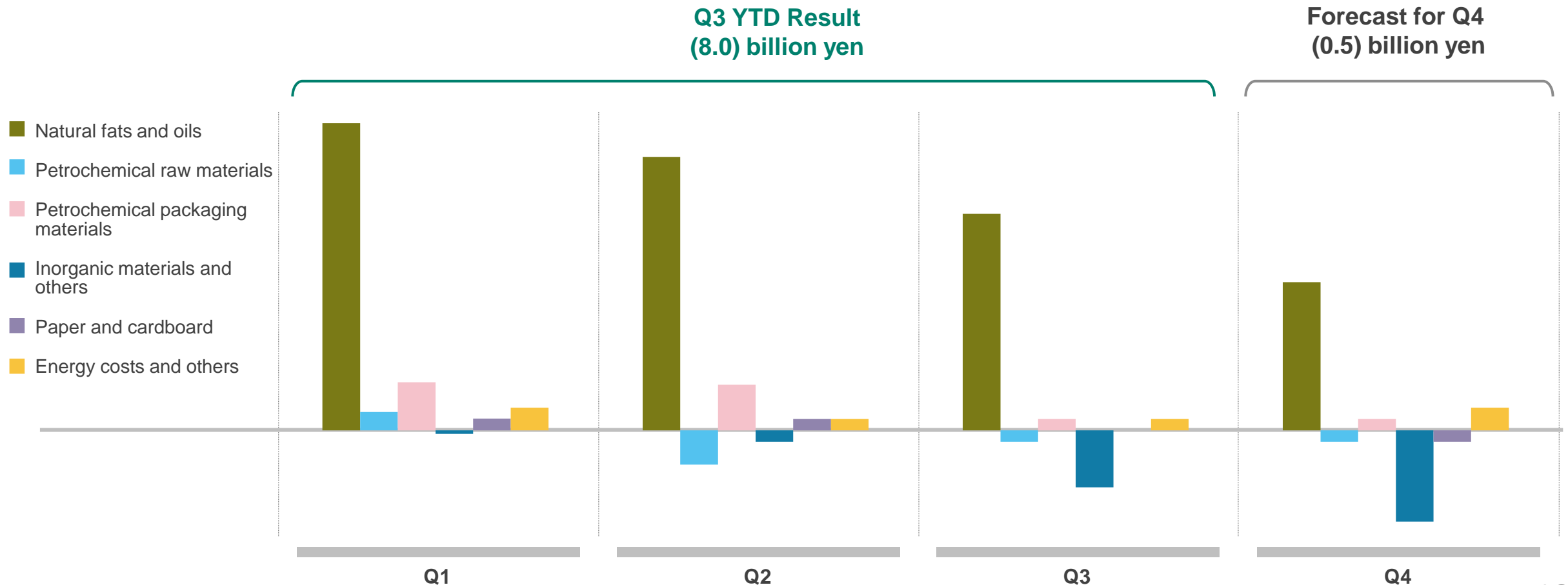
- ✓ Intensifying price competition (especially in Indonesia)

#### Fabric care (*Attack*)

- Optimize sales strategy and organization, including collaboration with major retailers
- Review low-margin businesses and reform inefficient businesses

# Raw Material Prices Outlook in FY2025 (GC Business; vs. FY2024 Results)

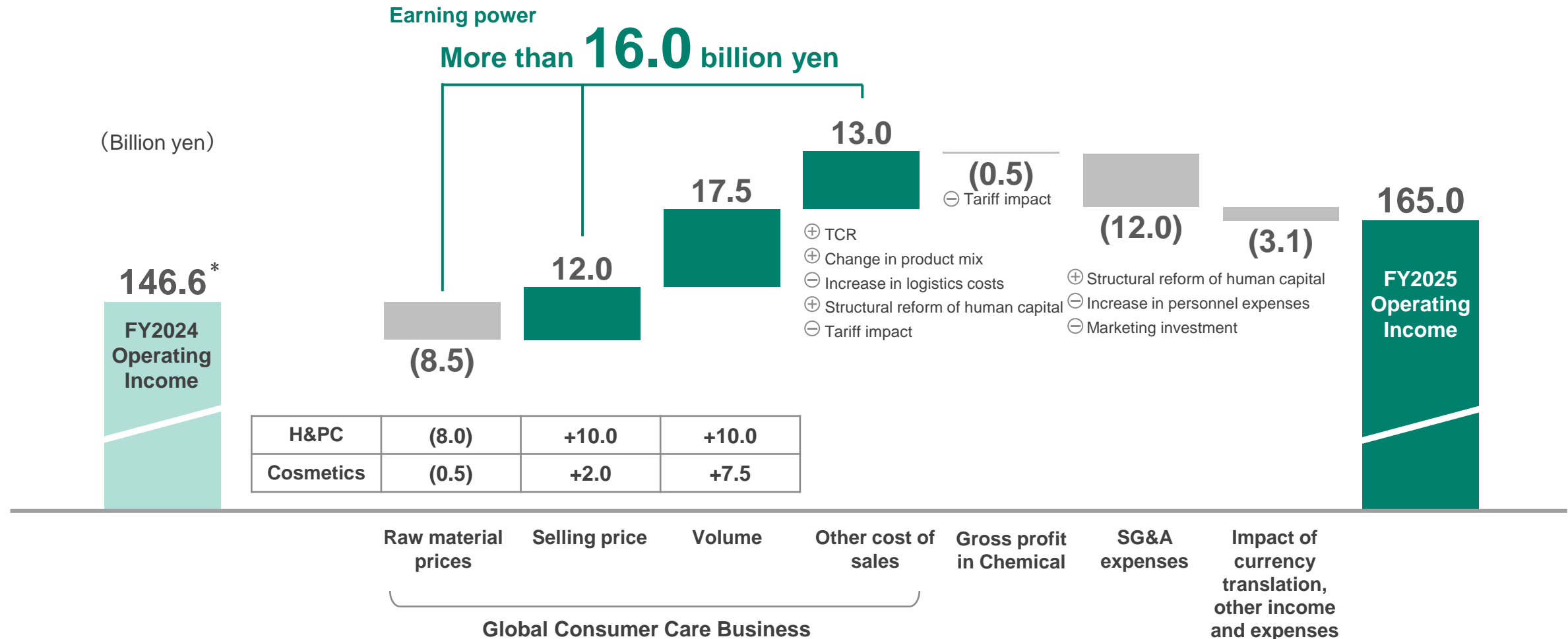
- Prices of fats and oils in Q3 YTD were higher than the initial assumption. This trend is expected to continue in Q4.
- Due to the impact of petrochemical raw materials, raw material prices are expected to be approximately 0.5 billion yen less\* than forecast.
- The Kao Group plans to offset increased costs and ensure profits by adjusting selling prices to reflect added value, among other measures.



\* Compared with the (9.0) billion yen forecast for raw material prices announced on August 6, 2025.

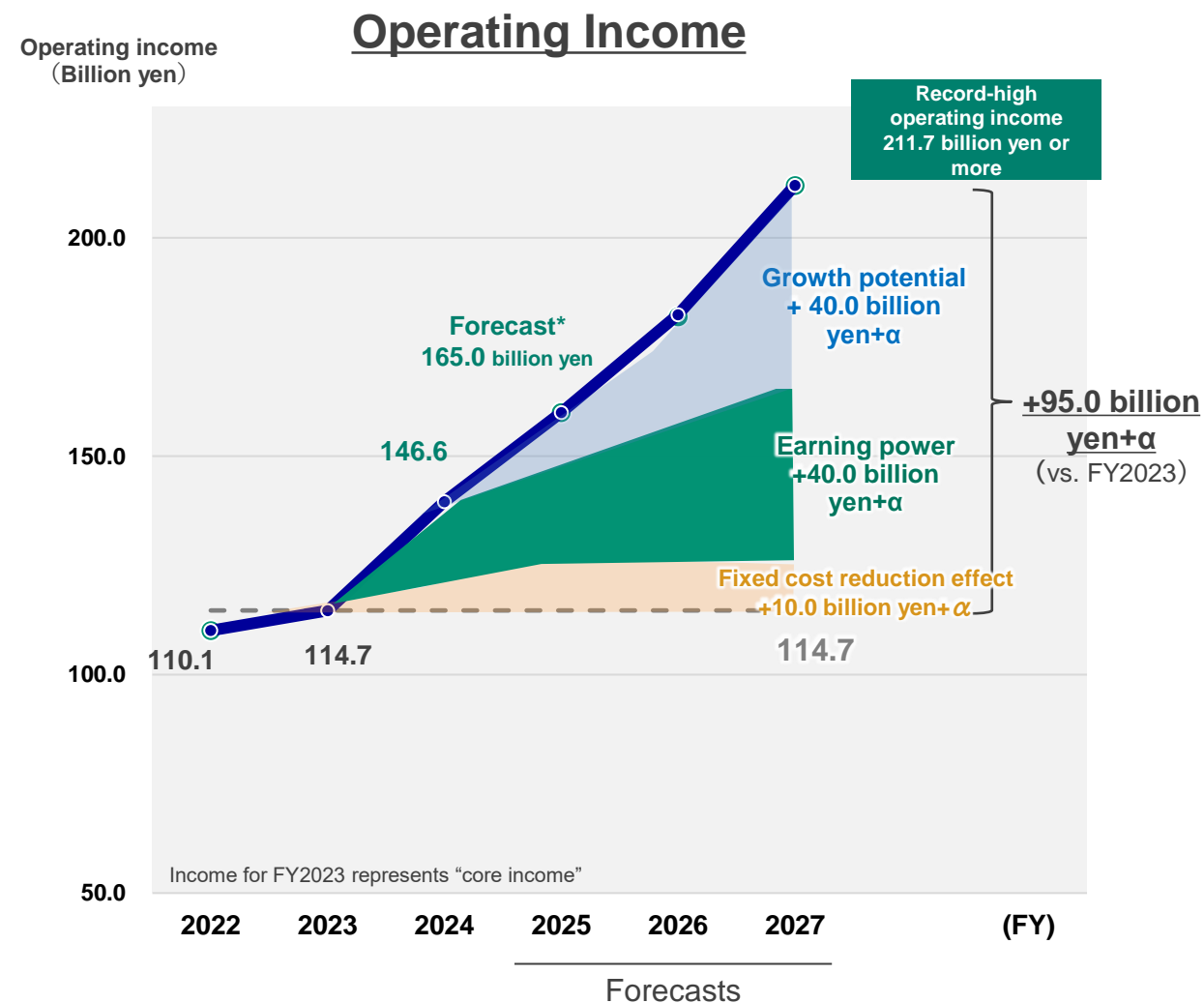
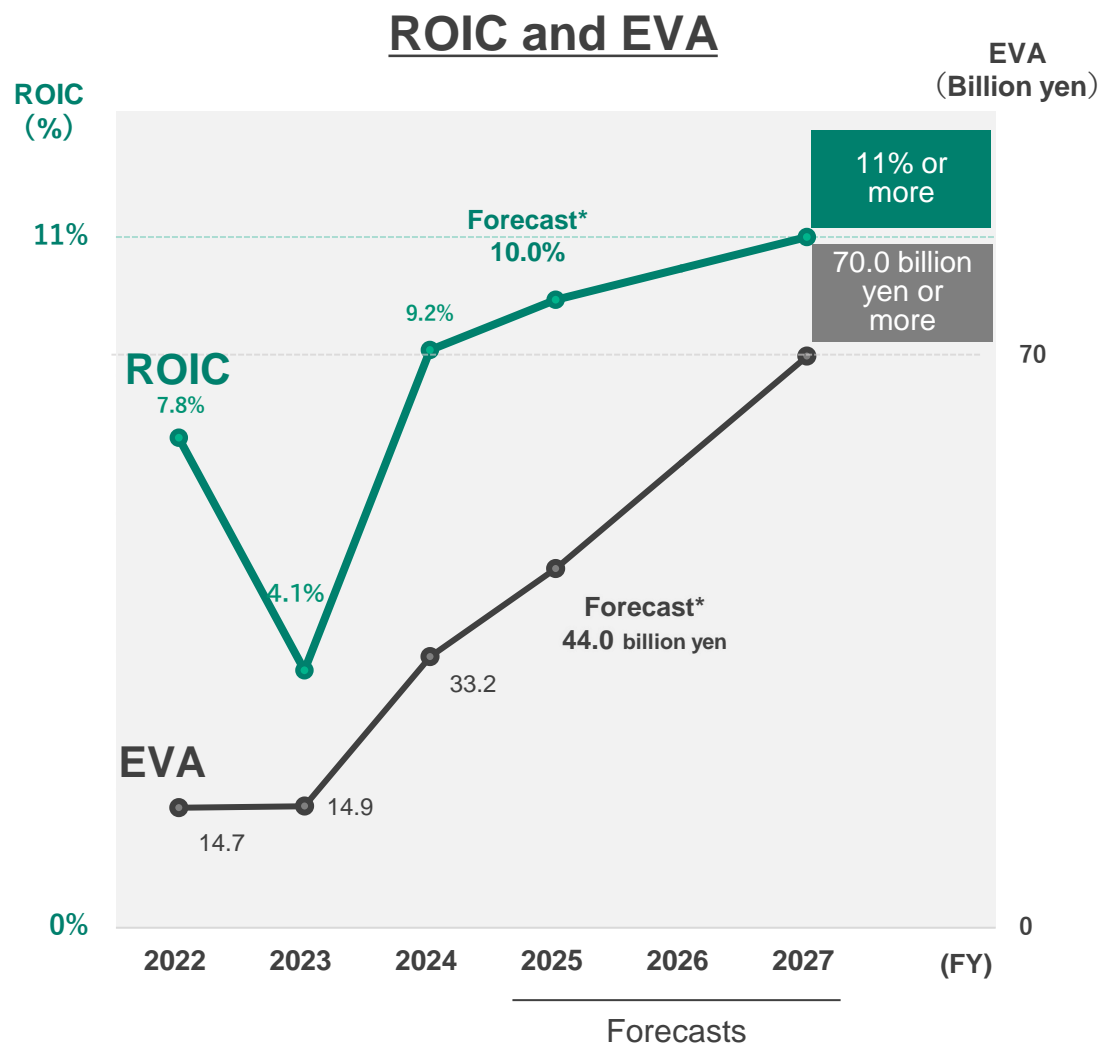
# Forecast of Factors in Operating Income in FY2025(vs. FY2024 Results)

- Aim to achieve a profit increase of more than 16.0 billion yen by enhancing earning power.
- Price adjustments in response to rising raw material prices for household and personal care products will continue concurrently with plans to increase sales volume through new product launches and other measures.
- U.S. tariffs are expected to have a direct negative impact of less than 1.5 billion yen.



\*Including temporary income and expenses +7.2 billion yen. Breakdown of main items: 1) Gain on transfer: pet care business +4.3 billion yen, beverage business +6.3 billion yen  
 2) Structural reform expenses for subsidiaries in the Americas and Europe (3.4) billion yen

# K27 Progress



# Key Highlights

## Positioning of FY2025 toward Achieving K27

- ✓ **Improving earning power while building a foundation for global sales expansion toward profitable growth.**
  - Accelerating the shift from quantity-based to quality-based growth, underpinned by a solid revenue base in Japan.

## FY2025 Q3 YTD Results and Initiatives

- ✓ **Earning power steadily improved through the expansion of high-value-added products and effective pricing reflecting their value, establishing a strong foundation centered on the Global Consumer Care Business in Japan.**
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- ✓ **Executing a growth strategy in the Global Consumer Care Business outside Japan:**  
**Strengthen brands in key markets and develop new markets, focusing on cosmetics and skin protection, and begin reforming areas impacted by evolving market dynamics.**

## Toward Achievement of FY2025 Forecast and K27

- ✓ **The Kao Group expects to achieve its publicly announced forecast for the year as a result of further expanding its solid revenue base and getting the Cosmetics Business back on a growth track, among other factors.**
- ✓ **To ensure the success of K27, the Kao Group has the dual objectives of strengthening growth areas and advancing reforms in areas facing challenges in the Global Consumer Care Business outside Japan.**

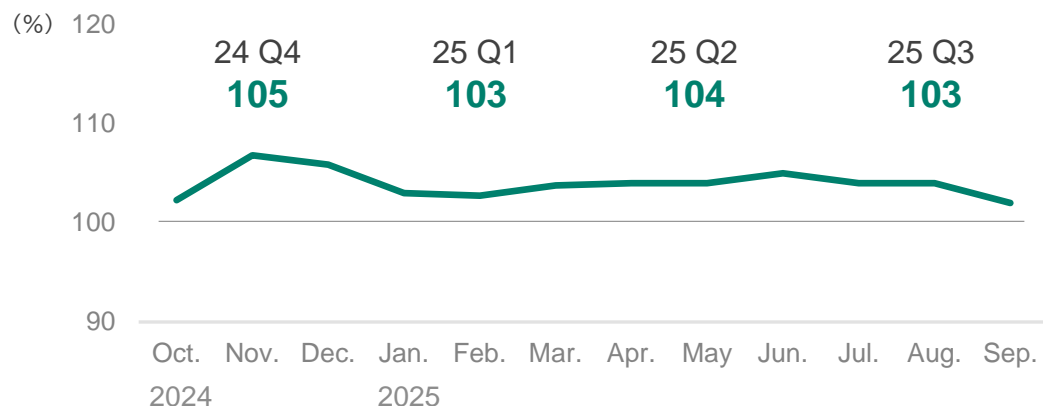
**03**

# **Appendix**

# Consumer Products Market in Japan

## Growth of H&PC Market

87 categories, SRI+<sup>1</sup>  
Market growth rate in value terms

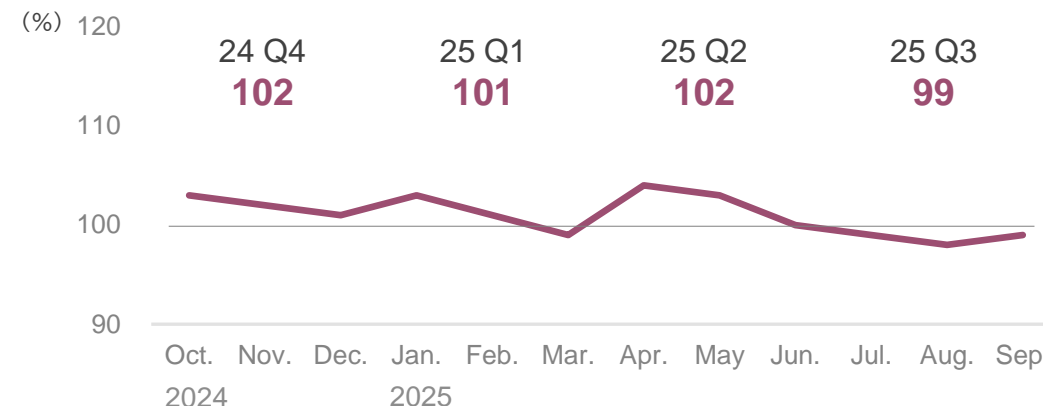


## Market Growth Rates of Major Categories

vs. previous year	Jul.	Aug.	Sep.	Q3
<b>H&amp;PC total</b>	<b>104</b>	<b>104</b>	<b>102</b>	<b>103</b>
Laundry detergents	109	110	107	109
Fabric softeners	106	106	101	104
Bath cleaning products	101	108	103	104
Sanitary napkins	103	94	101	99
Baby diapers	104	100	103	102
Sunscreens	117	106	105	111
Hand soaps	103	103	105	104
Hand sanitizers	67	75	95	78
Bath additives	100	106	101	102

## Growth of Cosmetics Market

26 categories, New SLI<sup>2</sup>  
Market growth rate in value terms



## Market Growth Rates of Major Categories

(Source: INTAGE Inc.)

vs. previous year	Jul.	Aug.	Sep.	Q3
<b>Cosmetics total</b>	<b>99</b>	<b>98</b>	<b>99</b>	<b>99</b>
<b>Skin care products</b>	<b>98</b>	<b>97</b>	<b>100</b>	<b>98</b>
Facial cleansers/ Makeup removers	102	91	102	98
Lotions/emulsions/creams	98	98	99	98
Serums	96	100	101	99
<b>Makeup products</b>	<b>99</b>	<b>99</b>	<b>95</b>	<b>98</b>
Makeup bases	101	97	97	98
Point makeup products	97	102	93	97
<b>Other</b>	<b>112</b>	<b>106</b>	<b>105</b>	<b>108</b>
Sunscreens	115	101	108	109

1. SRI+: Estimates based on POS data from approx. 6,000 retail outlets in Japan

2. New SLI: Estimates based on a panel survey of approx. 40,000 consumers in Japan

# Kao's Main Markets outside Japan

## Asia

Market growth rate in value terms (% vs. previous year)	China (including e-commerce)				Indonesia				Thailand			
	24 Q4	25 Q1	25 Q2	25 Q3	24 Q4	25 Q1	25 Q2	25 Q3	24 Q4	25 Q1	25 Q2	25 Q3
Baby diapers	-	-	-	-	94	95	95	95	83	86	86	79
Sanitary napkins and panty liners	105	105	104	103	107	107	104	103	103	101	101	101
Laundry detergents	-	-	-	-	103	102	102	102	101	99	100	101
Sunscreens	-	-	-	-	-	-	-	-	110	102	93	97
House cleaning products	-	-	-	-	-	-	-	-	97	93	96	96

Source: NielsenIQ

## Americas and Europe

Market growth rate in value terms (% vs. previous year)	U.S.				U.K.				Germany			
	24 Q4	25 Q1	25 Q2	25 Q3	24 Q4	25 Q1	25 Q2	25 Q3	24 Q4	25 Q1	25 Q2	25 Q3
Hair care	105	105	105	105	110	107	107	107	107	105	106	105
Facial care products	100	102	104	107	-	-	-	-	-	-	-	-
Self tanning	116	108	101	107	-	-	-	-	-	-	-	-
Hand and body lotions	110	112	106	106	-	-	-	-	-	-	-	-

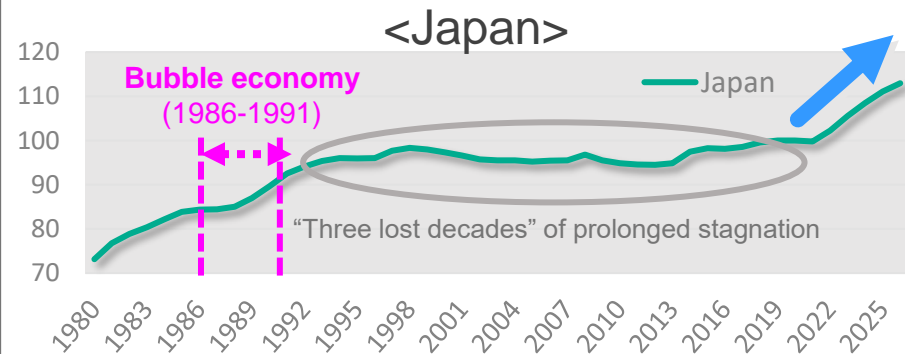
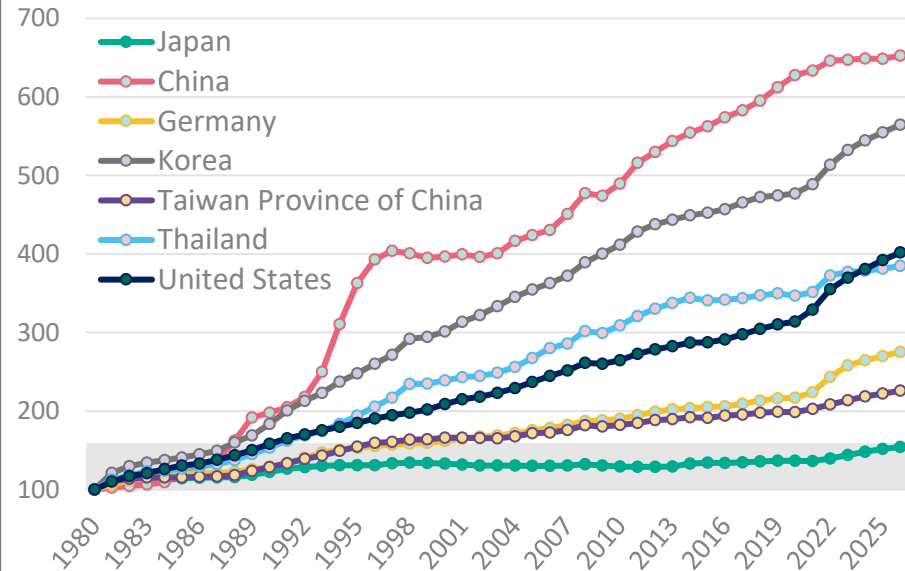
Source: Circana



# Consumer Price Index Trends and Spending Attitudes (Japan)

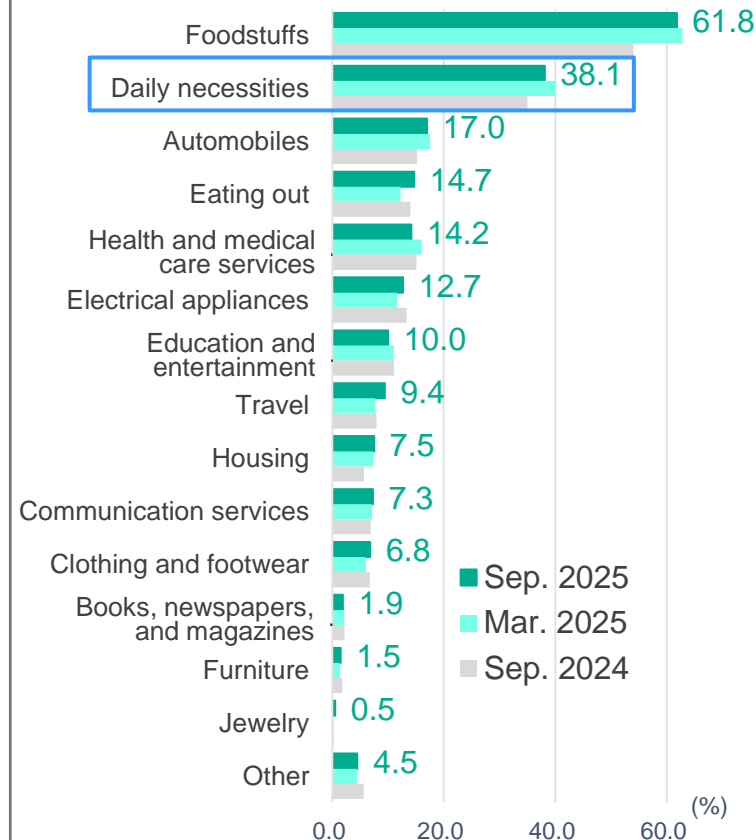
## Consumer Price Index for Major Countries(1980 = 100)

Figures for 2025 and after are based on the IMF April 2025 forecast.



Data source: IMF World Economic Outlook Database  
<https://www.imf.org/en/Publications/WEO/weo-database/2025/april>

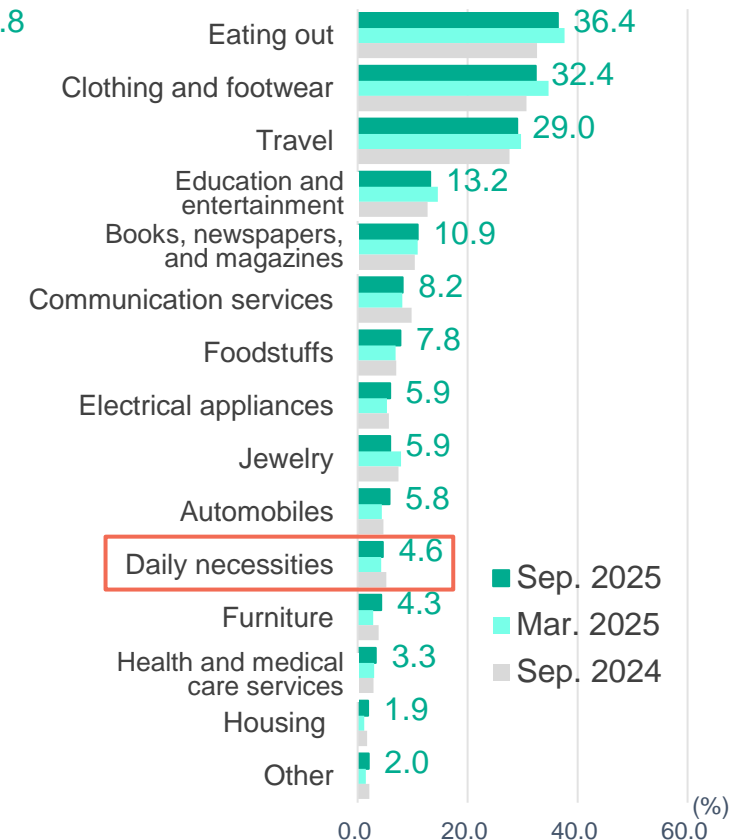
### Goods and Services on Which Households Have **Increased Spending** Compared with One Year Ago (Note: Up to three answers allowed)



Bank of Japan, Results of the 103rd Opinion Survey on the General Public's Views and Behavior (September 2025 Survey)  
 Mail survey of individuals living in Japan who are at least 20 years of age, valid responses from 1,997 people  
[https://www.boj.or.jp/en/research/o\\_survey/ishiki2510.htm](https://www.boj.or.jp/en/research/o_survey/ishiki2510.htm)

## Japan

### Goods and Services on Which Households Have **Decreased Spending** Compared with One Year Ago (Note: Up to three answers allowed)



Daily necessities: detergents, general merchandise, etc.;  
 Automobiles: excluding gasoline and other maintenance costs;  
 Education and entertainment: tutoring schools, recreational lessons, amusement parks, movies, etc.; Housing: includes rent;  
 Communication services: telephone (including the costs of handsets), internet services, etc.

# Changes in Reportable Segments (From January 2025)

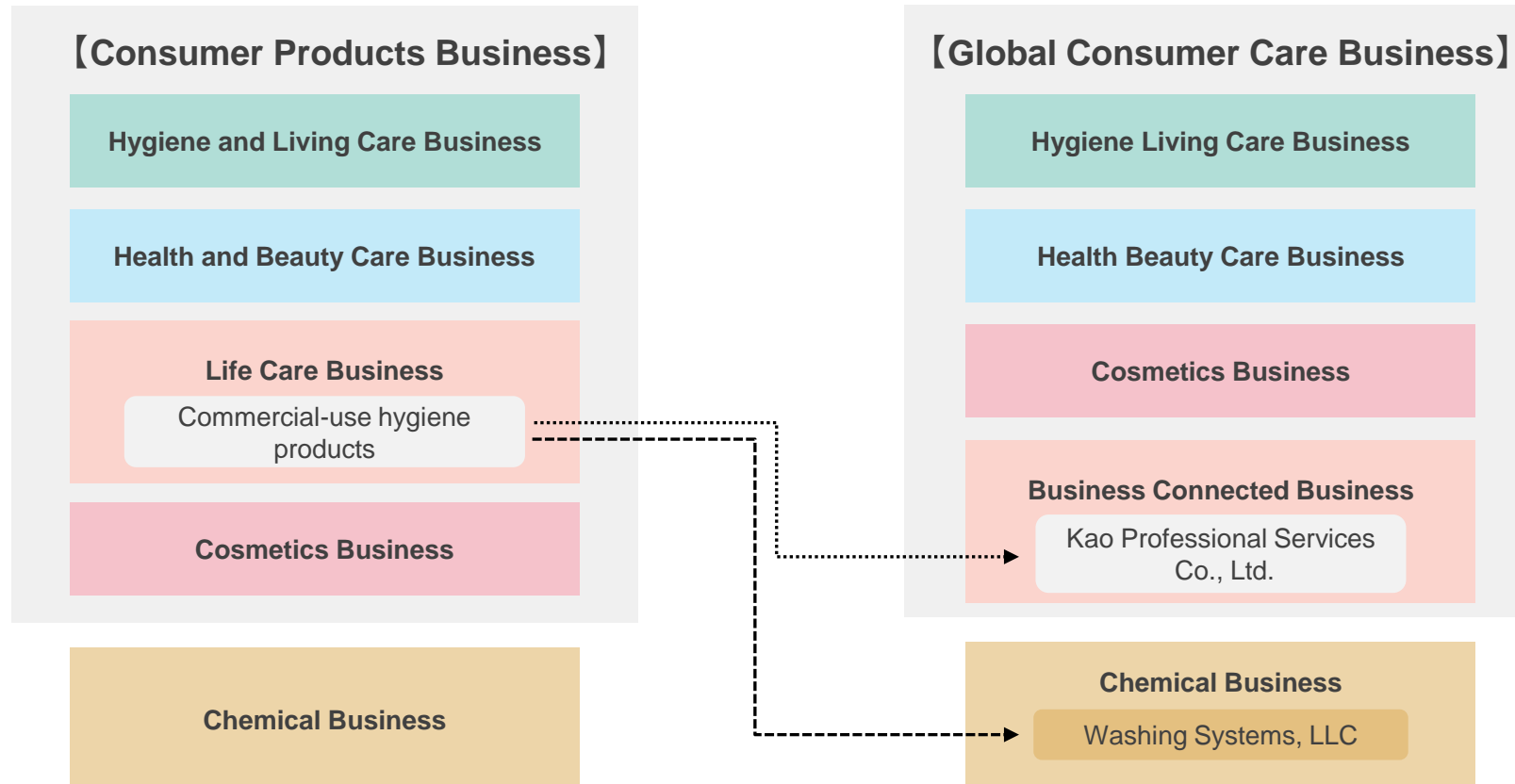
To further ramp up global growth, the Kao Group restructured its organization and functions as of January 2025.

## 【Changes of Names】

- The “Consumer Products Business” has been renamed as the “Global Consumer Care Business.”
- The “Hygiene and Living Care Business” has been renamed as the “Hygiene Living Care Business.”
- The “Health and Beauty Care Business” has been renamed as the “Health Beauty Care Business.”

## 【New Establishment】

- The “Business Connected Business” has been established to further improve productivity and strengthen both internal and external collaboration for creating new businesses. The business consists of the commercial-use hygiene products that were previously included in the Life Care Business (excluding Washing Systems, LLC), as well as life care products and other products.



# Kao

Kirei—Making Life Beautiful

