

Summary of Consolidated Financial Results for Third Quarter of FY2024



Feb 4, 2025
Mitsui Chemicals, Inc.

1. Summary of Operating Results

(Unit : Billions of Yen)

	3rd Q of FY2023	3rd Q of FY2024	Incr. (Decr.)	FY2023	Outlook for FY2024 (announced Feb. 4)	
					FY2024	Incr. (Decr.)
Sales revenue	1,274.5	1,338.8	64.3	1,749.7	1,825.0	75.3
Operating income before special items	72.4	75.8	3.4	96.2	105.0	8.8
Operating income	60.0	66.9	6.9	74.1	94.0	19.9
Net income	42.1	46.3	4.2	53.8	66.0	12.2
Net income attributable to owners of the parent	37.3	37.7	0.4	50.0	56.0	6.0
Exchange rate	Yen / US\$	143	153	10	145	152
Domestic standard naphtha price	Yen / KL	68,000	76,400	8,400	69,100	76,000
					6,900	

2. Sales Revenue and Operating Income (loss) before Special Items by Business Segment ※1

·Sales revenue

(Unit : Billions of Yen)

	3rd Q of FY2023	3rd Q of FY2024	Incr. (Decr.)	Breakdown		FY2023	Outlook for FY2024 (announced Feb. 4)	
				Volume	Price		FY2024	Incr. (Decr.)
Life & Healthcare Solutions	188.6	206.5	17.9	13.0	4.9	271.7	298.0	26.3
Mobility Solutions	398.4	427.8	29.4	19.5	9.9	544.0	574.0	30.0
ICT Solutions	193.4	164.7	(28.7)	(34.1)	5.4	259.4	229.0	(30.4)
Basic & Green Materials	483.2	528.8	45.6	(1.9)	47.5	659.9	710.0	50.1
Others	10.9	11.0	0.1	-	0.1	14.7	14.0	(0.7)
Total	1,274.5	1,338.8	64.3	(3.5)	67.8	1,749.7	1,825.0	75.3

·Operating income (loss) before special items

(Unit : Billions of Yen)

	3rd Q of FY2023	3rd Q of FY2024	Incr. (Decr.)	Breakdown			FY2023	Outlook for FY2024 (announced Feb. 4)	
				Volume	Price ※2	Fixed Costs etc.		FY2024	Incr. (Decr.)
Life & Healthcare Solutions	18.5	20.9	2.4	2.9	3.3	(3.8)	30.0	36.0	6.0
Mobility Solutions	41.0	43.9	2.9	7.8	(1.4)	(3.5)	57.7	55.0	(2.7)
ICT Solutions	19.9	20.0	0.1	5.2	0.8	(5.9)	23.6	29.0	5.4
Basic & Green Materials	(5.7)	(7.3)	(1.6)	(2.4)	6.1	(5.3)	(11.6)	(10.0)	1.6
Others	(1.3)	(1.8)	(0.5)	-	-	(0.5)	(1.7)	(2.0)	(0.3)
Adjustment	(0.0)	0.1	0.1	-	-	0.1	(1.8)	(3.0)	(1.2)
Total	72.4	75.8	3.4	13.5	8.8	(18.9)	96.2	105.0	8.8

※1 In accordance with the organizational reform implemented on April 1, 2024, Mitsui Chemicals, Inc. group has revised the segments to which Honshu Chemical Industry Co., Ltd. and certain other consolidated subsidiaries and equity method affiliates belong. Additionally, the segments for the corresponding period of the previous year are disclosed based on the reportable segment classifications after the revisions.

※2 Price includes both selling and purchasing price variances.

3. Summary of Statement of Financial Position

(Unit : Billions of Yen)

	Assets				Liabilities and Equity		
	As of Mar. 31, 2024	As of Dec. 31, 2024	Incr. (Decr.)		As of Mar. 31, 2024	As of Dec. 31, 2024	Incr. (Decr.)
Current assets	1,150.6	1,078.9	(71.7)	Interest-bearing debt	811.5	776.4	(35.1)
Property, plant and equipment & right-of-use assets	652.1	672.7	20.6	Other liabilities	419.5	398.7	(20.8)
Goodwill and intangible assets	76.4	83.6	7.2	Equity attributable to owners of the parent	862.9	867.6	4.7
Other non-current assets	336.7	330.5	(6.2)	Non-controlling interests	121.9	123.0	1.1
Total assets	2,215.8	2,165.7	(50.1)	Total liabilities and equity	2,215.8	2,165.7	(50.1)
				[Net D/E Ratio]	0.69	0.67	(0.02)

4. Summary of Statement of Cash Flows

(Unit : Billions of Yen)

	3rd Q of FY2023	3rd Q of FY2024	Incr. (Decr.)	FY2023	Outlook for FY2024 (announced Feb. 4)	
					FY2024	Incr. (Decr.)
Cash flows from operating activities	115.0	141.4	26.4	161.3	190.0	28.7
Cash flows from investing activities	(69.8)	(80.8)	(11.0)	(123.9)	(175.0)	(51.1)
Free cash flows	45.2	60.6	15.4	37.4	15.0	(22.4)
Cash flows from financing activities	(23.7)	(90.5)	(66.8)	(26.0)	(47.0)	(21.0)
Others	6.8	5.8	(1.0)	12.6	(5.0)	(17.6)
Net incr.(decr.) in cash and cash equivalents	28.3	(24.1)	(52.4)	24.0	(37.0)	(61.0)
Cash and cash equivalents at the end of period	214.6	186.2	(28.4)	210.3		

5. Dividends

	Annual Dividends per Share (yen)				
	1st Q	Interim (2nd Q)	3rd Q	Year-end (4th Q)	Annual Total
FY2023 Result	—	70.00	—	70.00	140.00
FY2024 Result/Forecast	—	75.00	—	75.00	150.00

6. Number of Shares Outstanding (common stock)

	FY2023	3rd Q of FY2024
Number of shares outstanding at term-end (including treasury stock)	200,843,815	200,843,815
Number of shares of treasury stock at term-end	10,709,181	13,501,539
Average number of shares	190,115,531 ※	189,601,761

※3rd Q of FY2023

1. Operating Results

(1) Overview

In the fiscal period under review (the nine-month period from April 1, 2024 to December 31, 2024, hereinafter the "third quarter"), economic recovery continued worldwide. Meanwhile, the pace of recovery in some countries and regions has slowed amid weak demand and tightened monetary policy. In Japan, economic activity has continued to recover, although it has struggled in some parts.

We reported the operating results for the third quarter as follows. We employ operating income before special items which stands for operating income excluding non-recurring items (e.g., losses resulting from withdrawing from and/or downsizing businesses) as a management indicator.

(Billions of Yen)

	Sales Revenue	Operating Income before Special Items	Operating Income	Net Income Attributable to Owners of the Parent
Third Quarter	1,338.8	75.8	66.9	37.7
Same period of previous fiscal year	1,274.5	72.4	60.0	37.3
Difference	64.3	3.4	6.9	0.4
Difference (%)	5.0	4.7	11.5	1.2

Sales revenue was 1,338.8 billion yen, an increase of 64.3 billion yen, or 5.0%, year on year. This result was mainly due to an increase in selling prices, which was resulting from rising raw material prices, such as naphtha, and the impact of exchange rate differences.

Operating income before special items was 75.8 billion yen, an increase of 3.4 billion yen, or 4.7%, year on year. This result was mainly due to an increase in sales in the Mobility Solutions segment. In addition, there were improved terms of trade caused by inventory revaluation that reflected changes in raw material prices, such as naphtha.

Operating income was 66.9 billion yen, an increase of 6.9 billion yen, or 11.5%, year on year. This result was due to the increase in operating income before special items.

Financial income/expenses worsened 0.1 billion yen year on year to a 0.9 billion yen loss.

As a result of the aforementioned factors, **income before income taxes** amounted to 66.0 billion yen, an increase of 6.8 billion yen, or 11.5%, year on year.

Net income attributable to owners of the parent after accounting for income taxes and non-controlling interests was 37.7 billion yen, an increase of 0.4 billion yen, or 1.2%, year on year. Basic earnings per share for the period amounted to 198.89 yen.

(2) Results by Business Segment

The status of each segment during the third quarter is as follows.

In accordance with the organizational reform implemented on April 1, 2024, we have revised the segments to which Honshu Chemical Industry Co., Ltd. and certain other consolidated subsidiaries and equity method affiliates belong. Accordingly, the results for the same period of the previous year have been reclassified into the reportable segment classifications after the revisions.

Life & Healthcare Solutions

Sales revenue increased 17.9 billion yen compared with the corresponding period of the previous fiscal year to 206.5 billion yen and comprised 15% of total sales. Operating income before special items increased 2.4 billion yen to 20.9 billion yen year on year. The increase in income was mainly due to healthy sales in vision care materials.

In **vision care materials**, sales were healthy for ophthalmic lens materials.

In **oral care materials**, sales remained at the same level as the corresponding period of the previous fiscal year.

In **agrochemicals**, sales were healthy, despite the effect of time lag of shipping in overseas.

In **nonwovens**, sales increased due to business integration.

Mobility Solutions

Sales revenue increased 29.4 billion yen year on year to 427.8 billion yen and comprised 32% of total sales. Operating income before special items increased 2.9 billion yen to 43.9 billion yen, mainly due to an increase in sales volume.

In **elastomers**, sales were healthy. Meanwhile, terms of trade worsened due to a temporary easing of supply and demand.

In **polypropylene compounds**, sales remained at the same level as the corresponding period of the previous fiscal year, and terms of trade improved due to sales price revisions and exchange rate differences, etc.

In **solutions business**, sales remained at the same level as the corresponding period of the previous fiscal year.

ICT Solutions

Sales revenue decreased 28.7 billion yen compared with the corresponding period of the previous fiscal year to 164.7 billion yen and comprised 12% of total sales, as some of the consolidated subsidiaries have become equity method affiliates through the partial transfer of subsidiary stock. On the other hand, operating income before special items increased 0.1 billion yen to 20.0 billion yen year on year despite the above mentioned reason. This was mainly due to healthy sales of semiconductor & optical materials.

In **semiconductor & optical materials**, sales were healthy due to a recovery in the semiconductor market and smartphone market.

In **coatings & engineering materials**, sales were healthy.

In **Industrial films & sheets**, terms of trade improved due to exchange rate differences, etc.

Basic & Green Materials

Sales revenue increased 45.6 billion yen compared with the corresponding period of the previous fiscal year to 528.8 billion yen and comprised 40% of total sales. On the other hand, operating loss before special items increased 1.6 billion yen, resulting in a 7.3 billion yen loss. This was mainly because the restart of production at the ethylene plant, which had been suspended for scheduled maintenance, was postponed in the first half of the fiscal year. Meanwhile, there were improved terms of trade due to price revisions and inventory revaluation resulting from changes in raw material prices, such as naphtha.

Sales of **polyolefin** and **phenols** remained weak.

Naphtha cracker operating rates remained low due to a decrease in demand for downstream products and the above-mentioned postponement of the restart of production.

Others

Sales revenue increased 0.1 billion yen to 11.0 billion yen and comprised 1% of total sales. Operating loss before special items increased 0.5 billion yen compared with the same period of the previous fiscal year to a loss of 1.8 billion yen.

2. Financial Position

(1) Status of Assets, Liabilities and Net Assets

Total assets at the end of the third quarter stood at 2,165.7 billion yen, a decrease of 50.1 billion yen compared with the previous fiscal year-end.

Total liabilities at the end of the third quarter decreased 59.9 billion yen compared with the previous fiscal year-end to 1,175.1 billion yen. **Interest-bearing debt** amounted to 776.4 billion yen, a decrease of 35.1 billion yen compared with the previous fiscal year-end. As a result, the interest-bearing debt ratio was 35.8%, a decrease of 0.8 percentage point.

Total equity was 990.6 billion yen, an increase of 5.8 billion yen compared with the previous fiscal year-end. The **ratio of equity attributable to owners of the parent** was 40.1%, an increase of 1.2 percentage points.

Accounting for the aforementioned factors, the **net debt-equity ratio** stood at 0.67 at the end of the third quarter, a 0.02-percentage point decrease from the previous fiscal year-end.

(2) Cash Flow Status

Cash and cash equivalents (hereinafter "net cash") at the end of the third quarter decreased 24.1 billion yen to 186.2 billion yen compared with the previous fiscal year-end.

Cash Flows from Operating Activities

Net cash provided by operating activities increased 26.4 billion yen to 141.4 billion yen, due to decrease in income tax paid and working capital.

Cash Flows from Investing Activities

Net cash used in investing activities increased 11.0 billion yen to 80.8 billion yen, compared with the same period of the previous fiscal year, due to a decrease in proceeds from the sale of subsidiaries.

Cash Flows from Financing Activities

Net cash used in financing activities increased 66.8 billion yen to 90.5 billion yen compared with the same period of the previous fiscal year, due to an increase in repayments of interest-bearing debt.

3. Outlook for Fiscal 2024 (Year Ending March 31, 2025)

(1) Overview

Revised financial forecasts are based on the following assumptions:

- a) Exchange rate for the full year is 152 yen/US\$ (Jan – Mar: 150 yen/US\$)
- b) Average price of domestic naphtha is 76,000 yen/kl (Jan – Mar: 75,000 yen/kl)

Sales revenue is expected to be higher than previously announced forecast, considering the third quarter results and increase in sales price due to higher naphtha prices and exchange rate differences.

(Billions of Yen)

	Sales Revenue	Operating Income before Special Items	Operating Income	Net Income	Net Income Attributable to Owners of the Parent	Basic Earnings per Share (yen)
Previous forecast (A)	1,770.0	105.0	94.0	66.0	56.0	294.48
Revised forecast (B)	1,825.0	105.0	94.0	66.0	56.0	296.24
Difference (B-A)	55.0	0.0	0.0	0.0	0.0	
Difference (%)	3.1	0.0	0.0	0.0	0.0	
(Reference) FY2023 Actual (Apr. 1, 2023 - Mar. 31, 2024)	1,749.7	96.2	74.1	53.8	50.0	262.99

(2) Business Segment

Forecast by business segment is as follows.

(Billions of Yen)

	Sales Revenue						
	Life & Healthcare Solutions	Mobility Solutions	ICT Solutions	Basic & Green Materials	Others	Adjustment	Total
Previous forecast	298.0	574.0	229.0	655.0	14.0	-	1,770.0
Revised forecast	298.0	574.0	229.0	710.0	14.0	-	1,825.0
Difference	0.0	0.0	0.0	55.0	0.0	-	55.0

(Billions of Yen)

	Operating Income before Special Items						
	Life & Healthcare Solutions	Mobility Solutions	ICT Solutions	Basic & Green Materials	Others	Adjustment	Total
Previous forecast	36.0	55.0	29.0	(10.0)	(2.0)	(3.0)	105.0
Revised forecast	36.0	55.0	29.0	(10.0)	(2.0)	(3.0)	105.0
Difference	0.0	0.0	0.0	0.0	0.0	0.0	0.0

4. Consolidated Statement of Financial Position

	Millions of yen	
	FY2023 As of March 31, 2024	FY2024 As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	210,292	186,187
Trade receivables	365,896	346,781
Inventories	451,075	460,242
Other financial assets	39,218	40,336
Other current assets	37,230	37,562
Total	1,103,711	1,071,108
Assets held for sale	46,868	7,758
Total current assets	1,150,579	1,078,866
Non-current assets		
Property, plant and equipment	605,789	625,004
Right-of-use assets	46,309	47,717
Goodwill	21,169	21,277
Intangible assets	55,241	62,278
Investment property	21,667	21,666
Investments accounted for using equity method	155,924	174,889
Other financial assets	61,669	58,158
Retirement benefit assets	82,777	60,022
Deferred tax assets	5,039	5,898
Other non-current assets	9,656	9,946
Total non-current assets	1,065,240	1,086,855
Total assets	2,215,819	2,165,721

	Millions of yen	
	FY2023	FY2024
	As of	As of
	March 31, 2024	December 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	179,947	165,802
Bonds and borrowings	324,088	288,970
Income taxes payable	4,038	12,722
Other financial liabilities	109,774	114,196
Provisions	1,267	1,151
Other current liabilities	42,103	38,400
Total	661,217	621,241
Liabilities directly associated with assets held for sale	15,362	1,861
Total current liabilities	676,579	623,102
Non-current liabilities		
Bonds and borrowings	432,670	432,040
Other financial liabilities	54,149	55,773
Retirement benefit liabilities	17,882	17,487
Provisions	6,845	4,480
Deferred tax liabilities	42,136	41,666
Other non-current liabilities	752	573
Total non-current liabilities	554,434	552,019
Total liabilities	1,231,013	1,175,121
Equity		
Share capital	125,738	125,738
Capital surplus	55,027	55,079
Treasury stock	(32,751)	(42,647)
Retained earnings	617,400	624,532
Other components of equity	97,437	104,879
Total equity attributable to owners of the parent	862,851	867,581
Non-controlling interests	121,955	123,019
Total equity	984,806	990,600
Total liabilities and equity	2,215,819	2,165,721

5. Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

(Consolidated Statement of Income)

	Millions of yen	
	FY2023 April 1, 2023 to December 31, 2023	FY2024 April 1, 2024 to December 31, 2024
Sales revenue	1,274,530	1,338,836
Cost of sales	(1,004,674)	(1,051,000)
Gross profit	269,856	287,836
Selling, general and administrative expenses	(204,470)	(217,856)
Other operating income	5,498	2,552
Other operating expenses	(20,277)	(14,482)
Share of profit of investments accounted for using equity method	9,416	8,851
Operating income	60,023	66,901
Financial income	7,100	6,793
Financial expenses	(7,949)	(7,739)
Income before income taxes	59,174	65,955
Income tax expense	(17,113)	(19,696)
Net income	42,061	46,259
Net income attributable to:		
Owners of the parent	37,261	37,711
Non-controlling interests	4,800	8,548
Net income	42,061	46,259
Earnings per share		
Basic earnings per share (Yen)	195.99	198.89

(Consolidated Statement of Comprehensive Income)

	Millions of yen	
	FY2023 April 1, 2023 to December 31, 2023	FY2024 April 1, 2024 to December 31, 2024
Net income	42,061	46,259
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1,857	(2,301)
Remeasurements of defined benefit plans	7,850	(4,946)
Share of other comprehensive income of investments accounted for using equity method	235	(322)
Total of items that will not be reclassified to profit or loss	9,942	(7,569)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	15,234	15,360
Effective portion of net change in fair value of cash flow hedges	34	(5)
Share of other comprehensive income of investments accounted for using equity method	4,856	228
Total of items that may be reclassified to profit or loss	20,124	15,583
Total other comprehensive income, net of tax	30,066	8,014
Comprehensive income	72,127	54,273
Comprehensive income attributable to:		
Owners of the parent	64,817	42,291
Non-controlling interests	7,310	11,982
Comprehensive income	72,127	54,273

6. Consolidated Statement of Cash Flows

	Millions of yen	
	FY2023 April 1, 2023 to December 31, 2023	FY2024 April 1, 2024 to December 31, 2024
Net cash provided by (used in) operating activities		
Income before income taxes	59,174	65,955
Depreciation and amortization	70,154	73,989
Impairment loss	14,202	6,536
Gain on negative goodwill	(939)	—
Interest and dividend income	(4,219)	(4,968)
Interest expenses	5,585	5,934
Share of loss (profit) of investments accounted for using equity method	(9,416)	(8,851)
Decrease (increase) in trade receivables	4,010	27,645
Decrease (increase) in inventories	(11,155)	(6,848)
Increase (decrease) in trade payables	7,855	(12,993)
Decrease (increase) in accounts receivable	4,643	(1,056)
Increase(decrease) in accrued expenses	(4,830)	(4,083)
Other	(4,713)	8,337
Subtotal	130,351	149,597
Interest and dividends received	12,149	11,123
Proceeds from insurance income	801	574
Interest paid	(5,841)	(6,074)
Income taxes refund (paid)	(22,506)	(13,858)
Net cash provided by (used in) operating activities	114,954	141,362
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(93,788)	(79,667)
Proceeds from sale of property, plant and equipment	502	175
Purchase of intangible assets	(7,135)	(11,096)
Proceeds from sale of intangible assets	1	—
Purchase of investment securities	(890)	(1,002)
Proceeds from sale and redemption of investment securities	282	1,031
Proceeds from acquisition of subsidiaries	2,416	—
Payments for sale of subsidiaries	—	(742)
Proceeds from sale of subsidiaries	38,732	10,897
Payments for acquisition of businesses	(7,364)	—
Purchase of equity accounted investments	(1)	—
Other	(2,520)	(350)
Net cash provided by (used in) investing activities	(69,765)	(80,754)

	Millions of yen	
	FY2023 April 1, 2023 to December 31, 2023	FY2024 April 1, 2024 to December 31, 2024
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term borrowings	(12,864)	8,721
Increase (decrease) in commercial papers	3,000	(41,000)
Proceeds from long-term borrowings	51,083	30,129
Repayments of long-term borrowings	(28,683)	(29,722)
Redemption of bonds	(142)	(5,000)
Repayments of lease liabilities	(6,915)	(7,105)
Proceeds from sale of treasury stock	3	2
Purchase of treasury stock	(34)	(10,024)
Dividends paid	(24,714)	(27,572)
Capital contribution from non-controlling interests	10	5
Dividends paid to non-controlling interests	(4,443)	(8,943)
Other	—	(2)
Net cash provided by (used in) financing activities	(23,699)	(90,511)
Effect of exchange rate change on cash and cash equivalents	6,797	5,798
Net increase (decrease) in cash and cash equivalents	28,287	(24,105)
Cash and cash equivalents at beginning of period	186,310	210,292
Cash and cash equivalents at end of period	214,597	186,187

7. Basis of Preparation

Our quarterly consolidated financial statements have been prepared in accordance with Article 5, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. (the Standards), applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards, accordingly certain disclosures and notes required by IAS 34 are not given.

8. Segment Information

(1) Overview of Reportable Segments

Our business segments are the components for which separate financial information is available and that are regularly reviewed by the Board of Directors (chief operating decision maker) to make decisions about management resources to be allocated to the segments and assess their performance.

We position business sector distinguished by their products and services within its headquarters. Each business sector proposes comprehensive domestic and overseas strategies in addition to pursuing business expansion in its respective product and service area.

Comprehensively considering similarities such as the details of products and services and target markets, the four reportable segments (distinguished by products and services) that comprise our operations without aggregating the business segments are: Life & Healthcare Solutions, Mobility Solutions, ICT Solutions, and Basic & Green Materials. Business segments, which are not included in the reportable segments, are classified into "Others."

In accordance with the organizational reform implemented on April 1, 2024, we have revised the segments to which Honshu Chemical Industry Co., Ltd. and certain other consolidated subsidiaries and equity method affiliates belong.

Additionally, the segments for the corresponding period of the previous year are disclosed based on the reportable segment classifications after the revisions.

Major products manufactured and sold by business segments are as follows:

Segments		Major Products and Businesses
Reportable Segments	Life & Healthcare Solutions	Vision care materials, nonwoven fabrics, oral care materials, personal care materials, and agrochemicals
	Mobility Solutions	Elastomers, performance compounds, polypropylene compounds, and comprehensive services regarding to the development of automotive and industrial products (Solution business)
	ICT Solutions	Materials and components for semiconductor and electronic component manufacturing processes, optical materials, lithium-ion battery materials, next-generation battery materials, and high-performance food packaging materials
	Basic & Green Materials	Ethylene, propylene, polyethylene, polypropylene, catalysts, phenols, PTA, PET, polyurethane materials, and industrial chemical products
Others	Others	Other related businesses, etc.

(2) Methods to Determine Sales Revenue, and Income or Loss by Reportable Business Segment

Reportable segment income is presented in operating income before special items which stands for operating income excluding non-recurring items (e.g., losses resulting from withdrawing from and/or downsizing businesses).

Intersegment transaction pricing and transfer pricing are negotiated and determined based on prevailing market prices.

(3) Information concerning Sales Revenue, and Income or Loss by Reportable Business Segment

Same period of previous fiscal year (April 1, 2023 – December 31, 2023)

(Millions of yen)

	Reportable Segment					Others (Note 1)	Adjustment (Note 2)	Consolidated
	Life & Healthcare Solutions	Mobility Solutions	ICT Solutions	Basic & Green Materials	Total			
Sales revenue								
1) To external customers	188,604	398,358	193,400	483,194	1,263,556	10,974	—	1,274,530
2) Intersegment	3,191	2,735	5,979	80,775	92,680	54,739	(147,419)	—
Total	191,795	401,093	199,379	563,969	1,356,236	65,713	(147,419)	1,274,530
Segment income (loss) (Operating income before special items)	18,534	40,973	19,846	(5,652)	73,701	(1,324)	(1)	72,376

- Notes:
1. "Others" encompasses business segments not included in the reportable segments and includes other related businesses, etc.
 2. The negative 1 million yen in adjustments to segment income includes corporate loss of 5 million yen not allocated to reportable segments and 4 million yen elimination of intersegment transactions. Corporate profit (loss) mainly comprise general & administrative expenses and R&D expenses for new business which are usually not attributed to segments, and allocation difference of general & administrative expenses to be borne by segments.

Third Quarter (April 1, 2024 – December 31, 2024)

(Millions of yen)

	Reportable Segment					Others (Note 1)	Adjustment (Note 2)	Consolidated
	Life & Healthcare Solutions	Mobility Solutions	ICT Solutions	Basic & Green Materials	Total			
Sales revenue								
1) To external customers	206,464	427,772	164,692	528,857	1,327,785	11,051	—	1,338,836
2) Intersegment	2,619	2,127	5,804	67,292	77,842	48,414	(126,256)	—
Total	209,083	429,899	170,496	596,149	1,405,627	59,465	(126,256)	1,338,836
Segment income (loss) (Operating income before special items)	20,879	43,844	20,010	(7,276)	77,457	(1,761)	67	75,763

- Notes:
1. "Others" encompasses business segments not included in the reportable segments and includes other related businesses, etc.
 2. The 67 million yen in adjustments to segment income includes corporate profit of 59 million yen not allocated to reportable segments and 8 million yen elimination of intersegment transactions. Corporate profit (loss) mainly comprise general & administrative expenses and R&D expenses for new business which are usually not attributed to segments, and allocation difference of general & administrative expenses to be borne by segments.

(4) Adjustments from segment income to income before income taxes

(Millions of yen)

	Same period of previous fiscal year (April 1, 2023 – December 31, 2023)	Third quarter (April 1, 2024 – December 31, 2024)
Total reportable segment income	72,376	75,763
Gain on negative goodwill	939	—
Gain on sales of shares of subsidiaries	2,282	—
Impairment loss	(14,202)	(6,536)
Loss on disposal of non-current assets	(1,582)	(2,544)
Other	210	218
Operating income	60,023	66,901
Financial income	7,100	6,793
Financial expenses	(7,949)	(7,739)
Income before income taxes	59,174	65,955