February 13, 2025

Company name: Mitsubishi Chemical Group Corporation
Representative: Manabu Chikumoto
Representative Corporate Executive Officer,
President & Chief Executive Officer
Listed on The Prime Market TSE (stock code:4188)
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"Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 (Under IFRS)" Partial Corrections in Disclosure Matters And Completion of Interim Review for by an Independent Auditor

Mitsubishi Chemical Group Corporation (MCG) hereby announces that there have been corrections made to "Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 (Under IFRS)" released on February 6, 2025. Note that no corrections have been made to numerical data.
And the interim review of the Japanese Originals of the MCG's Condensed Consolidated Financial Statements in the above-mentioned disclosure material, has been completed by an independent auditor.

Note that The English translation of the quarterly consolidated financial results did not receive a quarterly review by certified public accountants or an audit firm.

1.Details of the revision

【page 20】
Added descriptions to the following section.
2. Condensed Consolidated Financial Statements
and Notes Concerning Condensed Consolidated Financial Statements
(6) Notes to Condensed Consolidated Financial Statements (Material Subsequent Events)

【Before revision】
Not applicable

【After revision】
(The Transfer of Mitsubishi Tanabe Pharma Corporation and its Subsidiaries)
The Group has resolved, at a meeting of the Board of Directors held today, to transfer its consolidated subsidiary, Mitsubishi Tanabe Pharma Corporation ("MTPC"), which engages in the manufacturing and sales of pharmaceutical products, to K.K. BCJ-94, a special purpose company indirectly owned by funds advised by Bain Capital Private Equity, LP (together with its affiliates, "Bain Capital")(the "Transfer"), and an agreement related to the Transfer was signed on the same day.
The specific method of this Transfer is currently under review and the completion of the Transfer is expected in the second quarter of FY 3/2026, subject to certain conditions including approval of the Transfer at MCG's annual shareholders' meeting and Bain Capital's obtainment of necessary clearance and approval pursuant to the competition laws and related laws and regulations of Japan and other relevant jurisdictions.
Following approval of the Transfer at MCG's annual shareholders' meeting, MTPC, its subsidiaries and affiliate will be categorized as discontinued operations. MCG expects to record pre-tax income from discontinued operations of approximately 95 billion yen in the second quarter of FY2025 in relation to the

Transfer. However, this number may differ from the final result although it is predicted based on the financial results as of end of December 2024.

2.Reasons for the above revision

Notes have been added because a significant subsequent event occurred in MCG after the announcement of the quarterly financial results for the third quarter on February 6, 2025.

February 13, 2025

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 (Under IFRS)

Company name:	Mitsubishi Chemical Group Corporation	Listing:	Tokyo Stock Exchange
Securities code:	4188	URL:	https://www.mcgc.com/english/
Representative:	Manabu Chikumoto Representative Corporate Executive Officer, President&Chief Executive Officer		
Contact:	Minoru Kida Vice President, Chief Financial Officer	TEL: Media IR	[+81] (0)3-6748-7140 [+81] (0)3-6748-7120

Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for securities analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the Third Quarter of the Fiscal Year Ending March 31, 2025("FY2024") (from April 1, 2024 to December 31, 2024)

(1) Results of Operations:

(Percentages indicate year-on-year changes.)

	Sales Revenue		Core Operating Income *		Operating income		Net income		Net income attributable to owners of the parent		Comprehensive Income	
Nine months ended		%		%		%		%		%		%
December 31, 2024	3,331,546	2.7	247,243	34.5	189,477	(10.8)	106,750	(26.0)	59,369	(42.8)	150,392	(42.6)
December 31, 2023	3,245,140	(4.7)	183,878	3.4	212,500	337.0	144,274	222.0	103,864	509.6	261,931	115.6

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	41.72	41.70
December 31, 2023	73.02	69.88

Reference: Income before taxes
Nine months ended December 31, 2024: ¥161,485 million((15.8)%)
Nine months ended December 31, 2023: ¥191,784 million(389.2%)

* Core operating income is calculated as operating income excluding certain gains and expenses attributable to non-recurring factors.

(2) Financial Position:

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of parent to total assets
As of				%
December 31, 2024	6,091,957	2,361,387	1,807,934	29.7
March 31, 2024	6,104,513	2,275,495	1,763,447	28.9

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2024	—	16.00	—	16.00	32.00
March 31, 2025	—	16.00	—		
March 31, 2025 (Forecast)				16.00	32.00

Note:
Revisions to the forecast of cash dividends most recently announced: None

3. Forecast for the Current Fiscal Year

(Percentages indicate changes in comparison with the same period of the previous fiscal year)

	Sales Revenue		Core Operating Income		Operating income		Net income		Net income attributable to owners of the parent		Basic earnings per share
		%		%		%		%		%	Yen
FY2024	4,470,000	1.9	290,000	39.3	218,000	(16.7)	112,000	(37.2)	52,000	(56.5)	36.54

Reference: Income before taxes
FY2024: ¥166,000 million((31.0)%)

Note:
Revisions to the forecast for the current fiscal year most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period : Yes

Newly included: ― Excluded : 2

(Company Name) PT Mitsubishi Chemical Indonesia, Kansai Coke and Chemicals Company, Limited

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS : None

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(3) Number of issued shares (ordinary shares)

(i)Total number of issued shares at the end of the period (including treasury shares)

As of December 31,2024	1,506,288,107 Shares	As of March 31,2024	1,506,288,107 Shares

(ii)Number of treasury shares at the end of the period

As of December 31,2024	83,129,226 Shares	As of March 31,2024	83,705,108 Shares

(iii)Average number of shares outstanding during the period

Nine months ended December 31,2024	1,423,035,856 Shares	Nine months ended December 31,2023	1,422,471,311 Shares

*Mitsubishi Chemical Group Corporation adopted a performance-based share compensation plan that uses executive compensation Board Incentive Plan (BIP) trusts. Mitsubishi Chemical Group Corporation stocks held by BIP trust are included in treasury shares.

(Reference)

Number of Company's shares in executive compensation BIP trust:

December 31, 2024	1,670,494 Shares
March 31, 2024	1,989,461 Shares

Disclosure regarding quarterly review procedures

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

*The English translation of the quarterly consolidated financial results will not receive a quarterly review by certified public accountants or an audit firm.

Proper use of earnings forecasts, and other special matters

*The forward-looking statements are based largely on the Company's expectations and information available as of the date hereof, and are subject to risks and uncertainties which may be beyond the Company's control. Actual results could differ materially due to numerous factors.

*This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Contents:

1. Qualitative Information on Financial Results for the Term

(1) Business Performance

Performance Overview

The global economy during the consolidated first three quarters (April 1, 2024 - December 31, 2024; same hereafter) continued to show different levels of strength among regions and industries. In the United States, solid growth continued due to the favorable employment environment supporting private consumption. In Europe, there were signs of recovery on the back of calming inflation and monetary policies. In Japan, there was a moderate recovery trend in tandem with an increase in business expenditure and growing inbound demand. On the other hand, in China, growth slowed due to the slump in the real estate market among other factors. Outlook remains uncertain, with concerns about the effects of the policy trends of the new administration in the United States, the protracted real estate slump in China, and the expansion of geopolitical risks, and fluctuations in financial and capital markets.

Against this backdrop, compared to the same period of the previous consolidated fiscal year (April 1, 2023 - December 31, 2023; same hereafter), sales revenue of the Mitsubishi Chemical Group (the MCG Group) increased ¥86.4 billion, or 2.7%, to ¥3,331.5 billion. In the profit front, core operating income rose ¥63.3 billion, or 34.5%, to ¥247.2 billion. Operating income was down ¥23.0 billion, or 10.8%, to ¥189.5 billion. Income before taxes decreased ¥30.3 billion, or 15.8%, to ¥161.5 billion. Meanwhile, net income attributable to owners of the parent dropped ¥44.5 billion, or 42.8% to ¥59.4 billion.

Overview of Business Segment

The overview of financial results by business segment for the first three quarters of fiscal 2024 is shown below. The MCG Group has reviewed reporting segments from the beginning of fiscal 2024. The order of reporting segments has been changed from the consolidated first three quarters of fiscal 2024. For details, please see "2. (6) Notes to Condensed Consolidated Financial Statements (Segment Information)".
Segment gains or losses are stated as core operating income, which excludes gains or losses from non-recurring factors and including losses from business withdrawals, streamlining, and other factors.

Specialty Materials Segment

In comparison with the same quarter in the previous consolidated fiscal year, sales revenue increased ¥35.9 billion, to ¥812.8 billion and core operating income rose ¥15.0 billion, to ¥34.4 billion.

In Advanced Films and Polymers, while there were effects of business transfer and withdrawal, sales revenue increased reflecting a rise in sales volume on the back of a moderate recovery in demand for displays, barrier packaging and other applications and efforts to maintain and improve selling prices of various products, on top of the forex impact.

In Advanced Solutions, sales revenue decreased due primarily to a drop in sales volume of EV applications in Europe and the U.S. and a decline in selling prices in some businesses, despite the forex impact as well as an increase in sales volume reflecting a rise in demand for semiconductors, displays and other applications.

In Advanced Composites and Shapes, sales revenue increased as a result of the effects of the attainment of full ownership of C.P.C. S.r.l., a rise in sales volume reflecting a recovery in demand for high-performance engineering plastics and the forex impact.

Core operating income in this segment increased year on year due mainly to an increase in sales volume reflecting a recovery in demand for displays, semiconductors and barrier packaging and other applications.

In this segment in the consolidated first three quarters under review, the following items were implemented by or occurred at the MCG Group.

- In response to an anticipated increase in demand for ArF and EUV photoresists in tandem with the miniaturization of semiconductor devices and to strengthen the supply chain, the MCG Group has decided to increase the production capacity of its Lithomax™ photosensitive polymers for photoresists at its Kyushu-Fukuoka Plant. This will more than double the production capacity of Lithomax™ for ArF photoresists, and also signal the start of mass production of Lithomax™ for EUV photoresists. The Plant is scheduled to commence operations in October 2025 for Lithomax™ for ArF photoresists and in September 2025 for Lithomax™ for EUV photoresists.
- As part of its business portfolio reform, the MCG Group reached a deal with GSI Creos Corporation (Head office: Minato-ku, Tokyo) to transfer its triacetate fiber business to this same corporation and signed a share transfer agreement in September 2024. The transfer is scheduled in March 2025.
- In tandem with the expansion of the semiconductor market, the decision was made in October 2024 to increase the production capacity of ion exchange resins used to produce ultrapure water for use in semiconductor manufacturing processes at Kyushu-Fukuoka Plant. The upgraded facilities are scheduled to go into operation in April 2026.
- In order to meet the growing demand and requirements for higher quality with the increase in the size of liquid crystal display screens, the decision was made to expand the production facility for OPL Film™ products, optical polyvinyl alcohol (PVOH) film for polarizing plates, at Central Japan-Ogaki (Kanda) Plant (production capacity: 27 million square meters per year). The upgraded facility is scheduled to go into operation in the second half of FY2027, and after completion, the total production capacity of the MCG Group is expected to be 154 million square meters per year.
- In tandem with the expansion of the semiconductor market, the decision was made to establish a new plant in Fukushima Prefecture and expand the existing Iwate Plant for the semiconductor precision cleaning business. Both plants are scheduled to begin operations in October 2026.
- In tandem with the expansion of the semiconductor market, the decision was made to increase the production capacity of a synthetic silica powder used in the semiconductor manufacturing process by 35% over the current capacity at the Kyushu-Fukuoka Plant. Operations are scheduled to start in September 2028.
- In order to strengthen supply chains of anode material for automotive lithium-ion batteries and enhance efforts to make more carbon-neutral materials, the decision was made in December 2024 to develop a grade of natural graphite that exceeds the performance of synthetic graphite and to increase the production capacity of at its Kagawa Plant (production capacity: 11,000 tons/year). The upgraded facility is scheduled to go into operation in October 2026.

MMA & Derivatives Segment

In comparison with the same quarter in the previous consolidated fiscal year, sales revenue increased ¥52.3 billion, to ¥308.9 billion and core operating income rose ¥30.0 billion, to ¥32.6 billion.

In MMA, sales revenue increased due to the forex impact in addition to a rise in market prices chiefly for MMA monomer.

In Coating and Additives, sales revenue grew reflecting an effort to maintain and increase selling prices on top of an increase in sales volume due to a moderate recovery in demand for paints / adhesives / inks / additives, among other applications.

Core operating income in this segment increased year on year due mainly to an improvement in the balance between cost and selling prices as a result of the rise in market prices chiefly for MMA monomer.

Basic Materials & Polymers Segment

In comparison with the same quarter in the previous consolidated fiscal year, sales revenue decreased ¥48.5 billion, to ¥773.8 billion and core operating income rose ¥2.8 billion, to a loss of ¥12.1 billion.

In Materials and Polymers, sales revenue remained virtually flat year on year due mainly to the forex impact and a rise in selling prices in tandem with higher raw material prices, despite the effects of the transfer of shares of a specified subsidiary in the pure terephthalic acid (PTA) business among other factors.

In Carbon Products, sales revenue dropped owning to the effects of the transfer of shares of a specified subsidiary in the cokes business, a decrease in sales volume due to sluggish demand, and a decline in selling prices for cokes in tandem with a fall in raw material prices.

Core operating income in this segment improved on the back of the widened price gap between raw materials and products, chiefly for polyolefins, despite the deterioration in inventory valuation gains mainly in the carbon business.

In this segment in the consolidated first three quarters under review, the following items were implemented by or occurred at the MCG Group.

- With regard to the press release entitled "Asahi Kasei, Mitsui Chemicals, and Mitsubishi Chemical to start joint feasibility study on carbon neutrality of ethylene production facilities in western Japan" announced in May 2024, based on initial assessment of discussions thus far, it was confirmed that coordination across districts would be valuable, and an agreement was reached with Asahi Kasei Corp. (Head office: Chiyoda-ku, Tokyo) and Mitsui Chemicals, Inc. (Head office: Chuo-ku, Tokyo) to perform more in-depth study on production optimization, including carbon neutrality of ethylene production facilities in western Japan and future capacity reductions, premised on the establishment of a joint operating entity.
- In August 2024, it was decided to reduce the number of coke ovens owned by Kagawa Plant from 250 to 150. It is scheduled to discontinue production through the targeted 100 ovens by the end of March 2025. Furthermore, it is planned to review the MCG Group's domestic and overseas sales portfolios and implement additional streamlining measures to transform its coal business structure into one that is not affected by market fluctuations. Along with this structural reform, MCG's aim is to make its coal business profitable from the fiscal year ending March 31, 2026. It will continue to be reviewed the mid- to long-term positioning of the coal business in the business portfolio of the entire MCG Group while steadily promoting this structural reform.
- In September 2024, it was decided to transfer all shares held by the MCG Group of Kansai Coke and Chemicals Company, Limited (Head office: Amagasaki City, Hyogo Prefecture), which engages in the production and sale of coke and its byproducts to Kobe Steel, Ltd. (Head office: Kobe City, Hyogo Prefecture) as part of the business portfolio reform. The share transfer was completed in October 2024.

Pharma Segment

In comparison with the same quarter in the previous consolidated fiscal year, sales revenue increased ¥11.2 billion, to ¥349.1 billion and core operating income declined ¥0.9 billion, to ¥54.5 billion.

Although there was negative impact mainly from National Health Insurance drug price revisions in the domestic ethical pharmaceuticals business, there was offset by positive impact from the growth in sales of RADICAVA ORS®, a treatment agent for patients with amyotrophic lateral sclerosis (ALS) which had been released in the United States, currency fluctuations, as well as the steady launch of sustained release GIP/GLP-1 receptor agonist Mounjaro and GOBIK Aqueous Suspension Syringes, Absorbed Diphtheria-Purified Pertussis-Tenanus-Inactivated Polio-Haemophilus type b conjugate Combined Vaccine. Core operating income dropped despite an increase in sales revenue, due to a rise in SG&A expenses in Japan and the United States.

In this segment in the consolidated first three quarters under review, the following items were implemented by or occurred at the MCG Group.

- In March 2024, the United States Food and Drug Administration (FDA) recognized seven years of orphan-drug exclusive approval for RADICAVA ORS® (edaravone) for treatment of amyotrophic lateral sclerosis (ALS). The period of exclusive approval is seven years from May 12, 2022, the date of approval of New Drug Application (NDA).
- In July 2024, Mitsubishi Tanabe Pharma Corporation(MTPC) announced that it will implement a voluntary retirement

program to accelerate the review of its human resource portfolio towards developing personnel with the capabilities required to its growth strategies and realizing an organization where highly specialized and diverse human resources can thrive with the aim for growth in the global market.

- With regard to investigational ND0612 for the treatment of motor fluctuations in people with Parkinson's Disease, a complete response letter (hereinafter "CRL") had been received from the U.S. Food and Drug Administration (hereinafter, "FDA"). The development plan in the United States was updated following a meeting was held with the FDA to discuss the contents of the CRL including additional safety information on the carbidopa ingredient of ND0612, as well as additional information on product quality, device, and manufacturing site inspections and next steps. Resubmission of a new drug application is targeted around mid-2025.
- In December 2024, Eli Lilly Japan K.K. received manufacturing and marketing authorization in Japan for Zepbound®, a long-acting GIP/GLP-1 receptor agonist, for the treatment of obesity disease*. In Japan, MTPC is responsible for sales and distribution of Zepbound and Eli Lilly Japan K.K. and MTPC will jointly provide information, in the same way as Mounjaro® with the same molecule, which is indicated for the treatment of type 2 diabetes mellitus and is marketed and distributed by the two companies.

  * However, its use is limited to people with any of hypertension, dyslipidemia, or type 2 diabetes mellitus and do not adequately respond to diet or exercise therapy and meet any of the following conditions:
    - BMI of ≥27 kg/m2 in the presence of at least two obesity-related health conditions
    - BMI of ≥35 kg/m2.

Industrial Gases Segment

In comparison with the same quarter in the previous consolidated fiscal year, sales revenue increased ¥43.4 billion, to ¥965.8 billion and core operating income rose ¥15.0 billion, to ¥137.5 billion.

Sales revenue increased as a result of price management efforts in each region as well as the forex impact, despite the effects of business restructuring in Japan. Core operating income rose on the back of the effects of cost reduction initiatives on top of an increase in sales revenue.

In this segment in the consolidated first three quarters under review, the following items were implemented by or occurred at the MCG Group.

- In May 2024, a purchase and sale agreement was signed with Wesfarmers Kleenheat Gas Pty Ltd (Head office: Australia; hereinafter "Kleenheat"), which handles the LPG business of Wesfarmers Chemicals, Energy and Fertilisers (Head office: Australia) in Australia, to acquire the LPG sales business in Western Australia and Northern Territory of Kleenheat.
- In October 2024, an agreement on investment in Polaris (Head office: Italy), a plant engineering company renowned for its expertise in process and separation technological solutions, was signed in order to pursue and strengthen engineering capabilities.
- It was agreed with Wesfarmers Limited (Head office: Australia; hereinafter "Wesfarmers") to acquire Coregas Pty Ltd (Head office: Australia), Blacksmith Jacks Pty Ltd (Head office: Australia), and Coregas NZ Limited (Head office: New Zealand) (hereinafter collectively "Coregas Group"), which is currently owned by Wesfarmers and handles industrial gas businesses in Australia and New Zealand. An agreement on the acquisition of all shares of Coregas Group was signed in December 2024. The acquisition is expected to be completed by mid-calendar year 2025.
- With the aim of strengthening our homecare and respiratory business in Spain, it was agreed with Corporación Químico-Farmacéutica Esteve (Head office: Spain; hereinafter "CQFE") and Teijin Holdings Europe BV (Head office: the Netherlands; hereinafter "Teijin") regarding the acquisition of Esteve Teijin Healthcare (Head office: Spain; hereinafter "ETH"). An agreement on the acquisition of all shares of ETH was signed in December 2024. The acquisition of shares is scheduled to be completed upon obtaining approval from Spain's National Commission on Markets and Competition (Comisión Nacional de los Mercados y de la Competencia).

Others

In comparison with the same quarter in the previous consolidated fiscal year, sales revenue decreased ¥7.9 billion, to ¥121.1 billion and core operating income declined ¥0.4 billion, to ¥7.7 billion.

In this segment in the consolidated first three quarters under review, the following items were implemented by or occurred at the MCG Group.

- In November 2024, it was decided to transfer the MCG Group's insurance agency business to Aon Japan Ltd. (Head office: Chiyoda-ku, Tokyo) in light of recent changes in the business environment surrounding in-house insurance agencies. The transfer is scheduled for March 2025.
- In December 2024, it was decided to transfer some of the MCG Group's real estate leasing and management business and its real estate assets related to this business to ES-CON JAPAN Ltd. (Head office: Minato-ku, Tokyo) in order to optimize its assets. The transfer is scheduled for April 2025.

Group Performance Overview

The MCG Group formulated a management vision "KAITEKI Vision 35" specifying the Group's targets toward 2035, and a “New Medium-Term Management Plan 2029” covering the period from fiscal year 2025 to the end of fiscal year 2029 and announced them in November 2024.

(2) Financial Position

Total assets at the end of the third quarter of the fiscal year ending March 31, 2025 totaled ¥6,092.0 billion, a decrease of ¥12.5 billion compared with the end of the previous fiscal year. The decrease in total assets was primarily attributable to the sale of consolidated subsidiaries including Kansai Coke and Chemicals Company, Limited, which more than offset an increase in the value of assets translated into yen at overseas consolidated subsidiaries mainly from the impact of the cheaper yen.

2. Condensed Consolidated Financial Statements and Notes Concerning Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Profit or Loss

Nine months ended December 31, 2023 and 2024

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Sales revenue	3,245,140	3,331,546
Cost of sales	(2,389,100)	(2,374,745)
Gross profit	856,040	956,801
Selling, general and administrative expenses	(679,406)	(714,019)
Other operating income	65,444	31,062
Other operating expenses	(36,275)	(91,478)
Share of profit of associates and joint ventures	6,697	7,111
Operating income	212,500	189,477
Financial income	13,337	9,899
Financial expenses	(34,053)	(37,891)
Income before taxes	191,784	161,485
Income taxes	(47,510)	(54,735)
Net income	144,274	106,750
Net income attributable to		
Owners of the parent	103,864	59,369
Non-controlling interests	40,410	47,381
Earnings per share(Yen)		
Basic earnings per share attributable to owners of the parent	73.02	41.72
Diluted earnings per share attributable to owners of the parent	69.88	41.70

(2) Condensed Consolidated Statement of Comprehensive Income

Nine months ended December 31, 2023 and 2024

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net income	144,274	106,750
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	7,633	(779)
Remeasurements of defined benefit plans	3,550	(73)
Share of other comprehensive income(loss) of associates and joint ventures for using the equity method	60	25
Total items that will not be reclassified to profit or loss	11,243	(827)
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	96,193	44,102
Net gain (loss) on derivatives designated as cash flow hedges	1,045	244
Share of other comprehensive income(loss) of associates and joint ventures for using the equity method	9,176	123
Total items that may be subsequently reclassified to profit or loss	106,414	44,469
Total other comprehensive income (net of tax)	117,657	43,642
Total comprehensive income	261,931	150,392
Total comprehensive income attributable to		
Owners of the parent	186,739	89,249
Non-controlling interests	75,192	61,143

(3) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	March 31, 2024	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	294,924	283,485
Trade receivables	852,353	823,687
Inventories	799,249	812,377
Other financial assets	82,804	53,476
Other current assets	131,721	149,879
Subtotal	2,161,051	2,122,904
Assets held for sale	30,585	27,247
Total current assets	2,191,636	2,150,151
Non-current assets		
Property, plant and equipment	2,043,330	2,067,680
Goodwill	832,899	849,394
Intangible assets	481,028	470,133
Investments accounted for using the equity method	164,246	166,267
Other financial assets	221,232	219,851
Other non-current assets	72,747	68,981
Deferred tax assets	97,395	99,500
Total non-current assets	3,912,877	3,941,806
Total assets	6,104,513	6,091,957

(Millions of yen)

	March 31, 2024	December 31, 2024
Liabilities		
Current liabilities		
Trade payables	501,532	458,126
Bonds and borrowings	605,307	596,790
Income tax payable	22,890	38,202
Other financial liabilities	367,925	331,072
Provisions	35,957	42,667
Other current liabilities	187,420	195,412
Subtotal	1,721,031	1,662,269
Liabilities directly associated with assets held for sale	3,881	5,334
Total current liabilities	1,724,912	1,667,603
Non-current liabilities		
Bonds and borrowings	1,595,704	1,549,421
Other financial liabilities	121,128	120,739
Retirement benefit liabilities	104,828	108,029
Provisions	31,672	29,478
Other non-current liabilities	44,147	48,082
Deferred tax liabilities	206,627	207,218
Total non-current liabilities	2,104,106	2,062,967
Total liabilities	3,829,018	3,730,570
Equity		
Common stock	50,000	50,000
Additional paid-in capital	159,602	160,023
Treasury stock	(61,857)	(61,470)
Retained earnings	1,355,131	1,372,518
Other components of equity	260,571	286,863
Equity attributable to owners of the parent	1,763,447	1,807,934
Non-controlling interests	512,048	553,453
Total equity	2,275,495	2,361,387
Total liabilities and equity	6,104,513	6,091,957

(4) Condensed Consolidated Statement of Changes in Equity

Nine months ended December 31, 2023

(Millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2023	50,000	167,917	(62,231)	1,270,577
Net income	—	—	—	103,864
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	103,864
Purchase of treasury stock	—	—	(23)	—
Disposal of treasury stock	—	(50)	375	—
Cash dividends	—	—	—	(44,094)
Share-based payment transactions	—	147	—	—
Changes in interests in subsidiaries	—	(5,596)	—	—
Changes in scope of consolidation	—	—	—	(7)
Transfer from other components of equity to retained earnings	—	—	—	5,130
Total transactions with owners	—	(5,499)	352	(38,971)
Balance at December 31, 2023	50,000	162,418	(61,879)	1,335,470

	Other components of equity							
	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasure-ments of defined benefit plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges	Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at April 1, 2023	34,291	—	99,888	4,256	138,435	1,564,698	423,771	1,988,469
Net income	—	—	—	—	—	103,864	40,410	144,274
Other comprehensive income	4,612	3,546	73,899	818	82,875	82,875	34,782	117,657
Total comprehensive income	4,612	3,546	73,899	818	82,875	186,739	75,192	261,931
Purchase of treasury stock	—	—	—	—	—	(23)	—	(23)
Disposal of treasury stock	—	—	—	—	—	325	—	325
Cash dividends	—	—	—	—	—	(44,094)	(12,858)	(56,952)
Share-based payment transactions	—	—	—	—	—	147	—	147
Changes in interests in subsidiaries	—	—	—	—	—	(5,596)	(10,815)	(16,411)
Changes in scope of consolidation	—	—	—	—	—	(7)	(8)	(15)
Transfer from other components of equity to retained earnings	(1,584)	(3,546)	—	—	(5,130)	—	—	—
Total transactions with owners	(1,584)	(3,546)	—	—	(5,130)	(49,248)	(23,681)	(72,929)
Balance at December 31, 2023	37,319	—	173,787	5,074	216,180	1,702,189	475,282	2,177,471

Nine months ended December 31, 2024

(Millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2024	50,000	159,602	(61,857)	1,355,131
Net income	—	—	—	59,369
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	59,369
Purchase of treasury stock	—	—	(20)	—
Disposal of treasury stock	—	(127)	407	—
Cash dividends	—	—	—	(45,533)
Share-based payment transactions	—	50	—	—
Changes in interests in subsidiaries	—	498	—	—
Business combinations or business divestitures	—	—	—	—
Changes in scope of consolidation	—	—	—	(37)
Transfer from other components of equity to retained earnings	—	—	—	3,588
Total transactions with owners	—	421	387	(41,982)
Balance at December 31, 2024	50,000	160,023	(61,470)	1,372,518

	Other components of equity							
	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges	Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at April 1, 2024	37,941	—	217,484	5,146	260,571	1,763,447	512,048	2,275,495
Net income	—	—	—	—	—	59,369	47,381	106,750
Other comprehensive income	(100)	(115)	29,747	348	29,880	29,880	13,762	43,642
Total comprehensive income	(100)	(115)	29,747	348	29,880	89,249	61,143	150,392
Purchase of treasury stock	—	—	—	—	—	(20)	—	(20)
Disposal of treasury stock	—	—	—	—	—	280	—	280
Cash dividends	—	—	—	—	—	(45,533)	(15,528)	(61,061)
Share-based payment transactions	—	—	—	—	—	50	—	50
Changes in interests in subsidiaries	—	—	—	—	—	498	(1,021)	(523)
Business combinations or business divestitures	—	—	—	—	—	—	(3,153)	(3,153)
Changes in scope of consolidation	—	—	—	—	—	(37)	(36)	(73)
Transfer from other components of equity to retained earnings	(3,703)	115	—	—	(3,588)	—	—	—
Total transactions with owners	(3,703)	115	—	—	(3,588)	(44,762)	(19,738)	(64,500)
Balance at December 31, 2024	34,138	—	247,231	5,494	286,863	1,807,934	553,453	2,361,387

(5) Condensed Consolidated Statement of Cash Flow

Nine months ended December 31, 2023 and 2024

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Cash flows from operating activities		
Income before taxes	191,784	161,485
Depreciation and amortization	204,506	207,533
Share of profit of associates and joint ventures	(6,697)	(7,111)
Interest and dividend income	(9,945)	(7,372)
Interest expense	32,038	32,651
(Increase) decrease in trade receivables	(9,545)	7,217
(Increase) decrease in inventories	7,640	(28,247)
Increase (decrease) in trade payables	(8,714)	2,757
Increase (decrease) in retirement benefit assets and liabilities, net	1,670	4,007
Increase (decrease) in employees' bonus liabilities	(20,491)	(14,654)
Others	(56,966)	44,773
Subtotal	325,280	403,039
Interest received	3,878	3,821
Dividends received	23,402	14,142
Interest paid	(32,604)	(35,474)
Income tax (paid) received, net	(34,926)	(42,705)
Net cash provided by (used in) operating activities	285,030	342,823
Cash flows from investing activities		
Purchase of property, plant and equipment	(192,982)	(237,176)
Proceeds from sales of property, plant and equipment	5,231	8,278
Purchase of intangible assets	(4,554)	(6,651)
Purchase of other financial assets	(6,685)	(1,368)
Proceeds from sales/redemption of other financial assets	21,190	9,088
Net cash outflow on acquisition of subsidiaries	(2,196)	(781)
Proceeds from sales of investments in subsidiaries	45,054	18,006
Payments for transfer of business	(10,024)	(5,646)
Proceeds from transfer of business	1,319	3,601
Net (Increase) decrease of time deposits	(5,318)	1
Others	29,626	1,609
Net cash provided by (used in) investing activities	(119,339)	(211,039)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(34,187)	5,783
Net increase (decrease) in commercial papers	9,000	(24,000)
Proceeds from long-term borrowings	77,836	169,985
Repayment of long-term borrowings	(152,063)	(182,773)
Proceeds from issuance of bonds	119,446	―
Redemption of bonds	(25,000)	(35,000)
Repayment of lease liabilities	(26,065)	(25,557)
Net (increase) decrease in treasury stock	(23)	(20)
Dividends paid to owners of the parent	(44,094)	(45,533)
Dividends paid to non-controlling interests	(12,758)	(16,112)
Others	(15,911)	(258)
Net cash provided by (used in) financing activities	(103,819)	(153,485)
Effect of exchange rate changes on cash and cash equivalents	10,653	7,102
Net increase (decrease) in cash and cash equivalents	72,525	(14,599)
Cash and cash equivalents at the beginning of the period	297,224	294,924
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	(2,902)	3,058
Net increase in cash and cash equivalents resulting from merger and acquisition	―	102
Cash and cash equivalents at the end of the period	366,847	283,485

(6) Notes to Condensed Consolidated Financial Statements

(Applicable Financial Reporting Framework)

The MCG Group's condensed quarterly consolidated financial statements, which comprise the Condensed Consolidated Statement of Profit or Loss, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flow and Notes to Condensed Consolidated Financial Statements disclosed in this Consolidated Financial Results, have been prepared in accordance with Article 5, Paragraph 2 of the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements (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.

(Segment Information)

The MCG Group's reporting segments are the components for which separate financial information is available, and the chief operating decision maker regularly assesses this information in deciding how to allocate resources and evaluate results. No operating segments or components have been aggregated in preparing the reporting segment information.

As of April 1, 2024, the MCG Group reorganized its business structure with the aim of further reinforcing collaboration among businesses and accelerating growth. In tandem with this reorganization, businesses within reporting segments have been reorganized and the previous five reporting segments (Specialty Materials, Industrial Gases, Health Care, MMA, and Basic Materials) have been reclassified into the new five reporting segments (Specialty Materials, Industrial Gases, Pharma, MMA & Derivatives, and Basic Materials & Polymers).
In line with the New Medium-Term Management Plan 2029 announced in November 2024, the order of reporting segments has been changed from the third quarter of the fiscal year ending March 31, 2025.
The MCG Group used revised classifications and a revised order to present segment information for the nine months ended December 31, 2023.

The businesses in each reporting segment are as follows.

Business Segments	Business Sub-Segments	Businesses
Specialty Materials	Advanced Films & Polymers	Performance Polymers, Soarnol, Gohsenol Packaging, Industrial & Medical Films, Acetyl Firms, Polyester Films, and Fiber
	Advanced Solutions	Aqua Solution, Life Solution, Infrastructure Solution, Semiconductor, Electronics, and Battery Materials
	Advanced Composites & Shapes	Engineering Shapes & Solutions, Carbon Fiber and Composite Materials
MMA & Derivatives	MMA	MMA, PMMA
	Coating & Additives	Coating Material, Additives & Fine
Basic Materials & Polymers	Materials & Polymers	Basic Petrochemicals, Polyolefins, Basic Chemical Derivatives, Sustainable Polymers, and Engineering Plastic
	Carbon Products	Carbon Products
Pharma		Ethical Pharmaceuticals
Industrial Gases		Industrial Gases

Accounting policies for reportable segments are identical to those Group accounting policies adopted to consolidated financial statements. Inter-segment sales and transfers are based mainly on prevailing market prices.

Nine months ended December 31, 2023

(Millions of yen)

	REPORTING SEGMENT					Others (Note 1)	Adjustment (Note 2)	Consolidated
	Specialty Materials	MMA & Derivatives	Basic Materials & Polymers	Pharma	Industrial Gases			
Revenue								
External revenue	776,961	256,599	822,241	337,882	922,403	129,054	—	3,245,140
Inter-segment revenue	8,816	9,852	29,201	102	6,254	111,022	(165,247)	—
Total	785,777	266,451	851,442	337,984	928,657	240,076	(165,247)	3,245,140
Segment profit (loss) Core operating income (Note 3)	19,431	2,590	(14,757)	55,318	122,506	8,046	(9,256)	183,878

Notes:

1.The Others category consists of businesses not included in reporting segments and mainly includes engineering, transportation, and warehousing operations.

2.The segment profit (loss) adjustment includes corporate costs of ¥ (9,367) million not allocated to reporting segments and inter-segment eliminations of ¥111 million. Corporate costs include expenditures on basic testing, research, and other activities not allocated to reporting segments.

3.Segment profit (loss) is Operating profit after excluding earnings from non-recurring factors, such as losses from business withdrawals and downsizings, representing core operating income.

Nine months ended December 31, 2024

(Millions of yen)

	REPORTING SEGMENT					Others (Note 1)	Adjustment (Note 2)	Consolidated
	Specialty Materials	MMA & Derivatives	Basic Materials & Polymers	Pharma	Industrial Gases			
Revenue								
External revenue	812,845	308,871	773,821	349,086	965,836	121,087	—	3,331,546
Inter-segment revenue	7,946	10,650	26,942	75	5,428	106,196	(157,237)	—
Total	820,791	319,521	800,763	349,161	971,264	227,283	(157,237)	3,331,546
Segment profit (loss) Core operating income (Note 3)	34,434	32,608	(12,067)	54,508	137,455	7,678	(7,373)	247,243

Notes:

1.The Others category consists of businesses not included in reporting segments and mainly includes engineering, transportation, and warehousing operations.

2.The segment profit (loss) adjustment includes corporate costs of ¥ (8,079) million not allocated to reporting segments and inter-segment eliminations of ¥ 706 million. Corporate costs include expenditures on basic testing, research, and other activities not allocated to reporting segments.

3.Segment profit (loss) is Operating profit after excluding earnings from non-recurring factors, such as losses from business withdrawals and downsizings, representing core operating income.

4.From the third quarter of the fiscal year ending March 31, 2025, the MCG Group reclassified segments for some businesses. The MCG Group used new classifications to present segment information for the Nine months ended December 31, 2023.

Adjustments to income before taxes from segment profit (loss) are as follows:

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Segment profit (loss)	183,878	247,243
Gain on sales of shares of subsidiaries and associates (Note1)	27,569	11,278
Gain on sale of carbon credit	—	2,718
Reversal of provision for loss on plant closure	6,364	1,864
Gain on sales of property, plant and equipment	1,639	1,576
Gain on reversal of asset retirement obligations	2,639	—
Impairment loss (Note1)(Note2)(Note3)	(13,717)	(42,933)
Special retirement expense (Note4)	(1,150)	(18,335)
Loss on sales and disposal of fixed assets	(2,408)	(6,439)
Cancellation penalty	(2)	(3,323)
Provision for loss on business liquidation	(1,707)	(1,850)
Loss on business liquidation	(4,233)	(760)
Others	13,628	(1,562)
Operating income	212,500	189,477
Financial income	13,337	9,899
Financial expenses	(34,053)	(37,891)
Income before taxes	191,784	161,485

Notes:

1. In the nine months ended December 31, 2024, concerning the transfer of shares in PT Mitsubishi Chemical Indonesia, the MCG Group recorded gain on sales of shares of subsidiaries and associates of ¥5,578 million, mainly reflecting the realization of the foreign currency translation adjustments, which are recognized at the time sales are completed. In the nine months ended December 31, 2023, with respect to the decision on the share transfer of the company, the MCG Group recorded an impairment loss of ¥ (9,699) million, provision for loss on business liquidation of ¥ (1,205) million, and other associated losses of ¥ (428) million.
2. In the nine months ended December 31, 2024, as a result of the decision to discontinue consideration of a new MMA monomer plant being pursued by Mitsubishi Chemical America Inc., the MCG Group recorded impairment loss of ¥ (12,954) million, cancellation penalty of ¥ (3,323) million and other associated losses of ¥ (474) million.
3. In the nine months ended December 31, 2024, regarding the hydrogen production facility currently under construction by Matheson Tri-Gas, Inc., the MCG Group recorded impairment loss of ¥ (10,799) million, in tandem with the decision to discontinue construction plans.
4. In the nine months ended December 31, 2024, with respect to the decision to implement a voluntary retirement program at Mitsubishi Tanabe Pharma Corporation, the MCG Group recorded special retirement expense of ¥ (16,632) million and other associated losses of ¥ (306) million.

(Business Combination)

The finalization of the provisional accounting for the acquisition of C.P.C. S.r.l. (CPC)
On January 10, 2024, the MCG Group, through its subsidiary Mitsubishi Chemical Europe GmbH acquired additional shares in CPC. CPC manufactures and distributes automotive components crafted from carbon fiber reinforced plastic (CFRP).
While the fair values of acquired assets and liabilities assumed were provisional amounts in the previous fiscal year, the initial accounting for the business combination was completed in the first quarter of the current fiscal year and the amounts have been determined as below. The adjusted amounts resulting from this determination are not material.

Net assets acquired, liabilities assumed and goodwill

	Millions of yen Acquisition date (January 10, 2024)
Current assets:	
Cash and cash equivalents	6,529
Trade receivables	9,497
Inventories	8,301
Other current assets	1,322
Non-current assets:	
Property, plant and equipment (Note 1)	20,756
Intangible assets (Note 2)	21,399
Other non-current assets	291
Acquired assets	68,095
Current liabilities:	
Trade payables	4,692
Borrowings	5,844
Other current liabilities	3,353
Non-current liabilities:	
Lease liabilities	4,912
Deferred tax liabilities	5,682
Other non-current liabilities	2,042
Assumed liabilities	26,525
Net assets acquired and liabilities assumed	41,570
Fair value of equity interest in acquired company held before business combination	42,313
Fair value of consideration paid for additional acquisition	54,280
Goodwill (Note 3)	55,023

Notes:
1. Composition of property, plant and equipment:
   Property, plant and equipment mainly comprise ¥13,376 million in buildings and structures.
2. Composition of intangible assets:
   Intangible assets primarily comprise ¥19,554 million in customer-related intangible assets.
3. Goodwill:
   The principal components of goodwill are synergies with existing businesses and excess earnings expected to arise from the acquisition that do not meet individual recognition criteria. Also, goodwill is not fully deductible for tax purposes.

(Additional Information)

(Transfer of shares in the Kansai Coke and Chemicals Company, Limited.)

In September 2024, it was decided to transfer all shares held by the MCG Group of Kansai Coke and Chemicals Company, Limited, which engages in the production and sale of coke and its byproducts to Kobe Steel, Ltd. as part of the business portfolio reform. The share transfer was completed in October 2024.

The relationship between the transfer consideration and the sales proceeds, the principal assets and liabilities upon loss of control in the subsidiary, and the gains and losses related to the transfer are as follows.

(1) Proceeds from sale of subsidiary

	Millions of yen
Cash consideration received	9,004
Cash and cash equivalents of subsidiary over which control was lost	(1,650)
Proceeds from sale of subsidiary	7,354

(2) Assets and liabilities of subsidiary

	Millions of yen
Current assets (including cash and cash equivalents)	52,325
Non-current assets	34,051
Total assets	86,376
Current liabilities	61,343
Non-current liabilities	5,998
Total liabilities	67,341

(3) Gain or loss from sale of subsidiary

As a result of the decision on the transfer, an impairment loss of ¥1,891 million was recorded on the difference between the fair value after the deduction of selling costs and the carrying amount, which is included in other operating expenses.

(Acquisition (conversion into a subsidiary) of the industrial gas business by Australian subsidiary)

The MCG Group reached an agreement with Wesfarmers Limited (hereinafter "Wesfarmers") in Australia to acquire Coregas Pty Ltd, Blacksmith Jacks Pty Ltd, and Coregas NZ Limited (hereinafter collectively "Coregas Group"), which is currently owned by Wesfarmers and handles industrial gas businesses in Australia and New Zealand, through the MCG Group's subsidiary in Australia NSC (Australia) Pty Ltd. An agreement on the acquisition of all shares of Coregas Group was signed in December 2024.

The acquisition of shares is scheduled to be completed upon obtaining approval from the Foreign Investment Review Board (FIRB) and the Australian Competition and Consumer Commission (ACCC).

(Acquisition (conversion into a subsidiary) of the homecare and respiratory business by European subsidiary)

The MCG Group reached an agreement with Corporación Químico-Farmacéutica Esteve (hereinafter "CQFE") in Spain and Teijin Holdings Europe BV (hereinafter "Teijin") regarding the acquisition of Esteve Teijin Healthcare, S.L. (hereinafter "ETH"), a joint venture by CQFE and Teijin which operates respiratory home therapy services in Spain, through the MCG Group's subsidiary in Europe Oximesa S.L.U. An agreement on the acquisition of all shares of ETH was signed in December 2024.

The acquisition of shares is scheduled to be completed upon obtaining approval from Spain's National Commission on Markets and Competition (Comisión Nacional de los Mercados y de la Competencia).

(Material Subsequent Events)

(The Transfer of Mitsubishi Tanabe Pharma Corporation and its Subsidiaries)
The Group has resolved, at a meeting of the Board of Directors held today, to transfer its consolidated subsidiary, Mitsubishi Tanabe Pharma Corporation (“MTPC”), which engages in the manufacturing and sales of pharmaceutical products, to K.K. BCJ-94, a special purpose company indirectly owned by funds advised by Bain Capital Private Equity, LP (together with its affiliates, “Bain Capital”)(the ”Transfer”), and an agreement related to the Transfer was signed on the same day.
The specific method of this Transfer is currently under review and the completion of the Transfer is expected in the second quarter of FY 3/2026, subject to certain conditions including approval of the Transfer at MCG’ s annual shareholders’ meeting and Bain Capital’s obtainment of necessary clearance and approval pursuant to the competition laws and related laws and regulations of Japan and other relevant jurisdictions.
Following approval of the Transfer at MCG’ s annual shareholders’ meeting, MTPC, its subsidiaries and affiliate will be categorized as discontinued operations. MCG expects to record pre-tax income from discontinued operations of approximately 95 billion yen in the second quarter of FY2025 in relation to the Transfer. However, this number may differ from the final result although it is predicted based on the financial results as of end of December 2024.