

Financial Summary

Results for 1st Quarter of FY2025 & Outlook for 1st Half of FY2025

Mitsui Chemicals, Inc.

Aug 7, 2025

<Remarks>

FY2025 indicates the period from April 1, 2025 to March 31, 2026.

This summary contains forward-looking statements about the future plans, strategies, belief and performance of the Mitsui Chemicals Group as a whole and its individual consolidated companies. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on information currently available to the Mitsui Chemicals Group and are subject to a number of risks, uncertainties and assumptions, which, without limitation, include economic trends, fluctuations in foreign currency exchange rates, fluctuations in the price of raw materials, competition in markets where the Company is active, personal consumption, market demand, the tax system and other legislation. As such, actual results may differ materially from those projected and the Mitsui Chemicals Group cannot guarantee that these forward-looking statements are accurate or will be achieved.

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Please note that this document has been translated from the original Japanese into English for the convenience of our stakeholders. The information was originally provided in Japanese. If there is any discrepancy, the Japanese language version is the official document and is available on our Japanese language website.

1. Executive Summary

1) Executive Summary: 1Q FY2025 Earnings Announcement

- **Sales in the specialty chemicals domains have been firm**, leading to solid progress in operating income before special items.
- As a result of **steady progress in business restructuring**, we recorded impairment losses in connection with the phenols business joint venture in China and losses on related business in the specialty chemicals domains.
- **The impact of U.S. trade policies**: No significant impact was observed in 1Q; we consider that the direct impact we previously estimated to be limited. From 2Q onward, we will closely monitor the indirect impact on demand, including the effect of pull-in of demand into 1Q by customers, and work to minimize their impact on profit through cost reductions and other measures.
 - Mobility Solutions: Automotive production is slowing down, but we will minimize its impact by leveraging our global sites.
 - ICT Solutions: We previously expected the semiconductor business to be impacted; however, we currently consider the effects to be limited.
 - Life & Healthcare Solutions: We previously expected the agrochemical business to be impacted; however, we currently consider the effects to be limited.
- **Gas leakage at Omuta Works**: Operation suspended for some plants; no disruptions to product shipment for the time being. (We will continue to assess the impact.)
- **The FY2025 dividend outlook** remains unchanged at 75 yen/share for the interim and 150 yen/share for the full year.

(Billions of Yen)

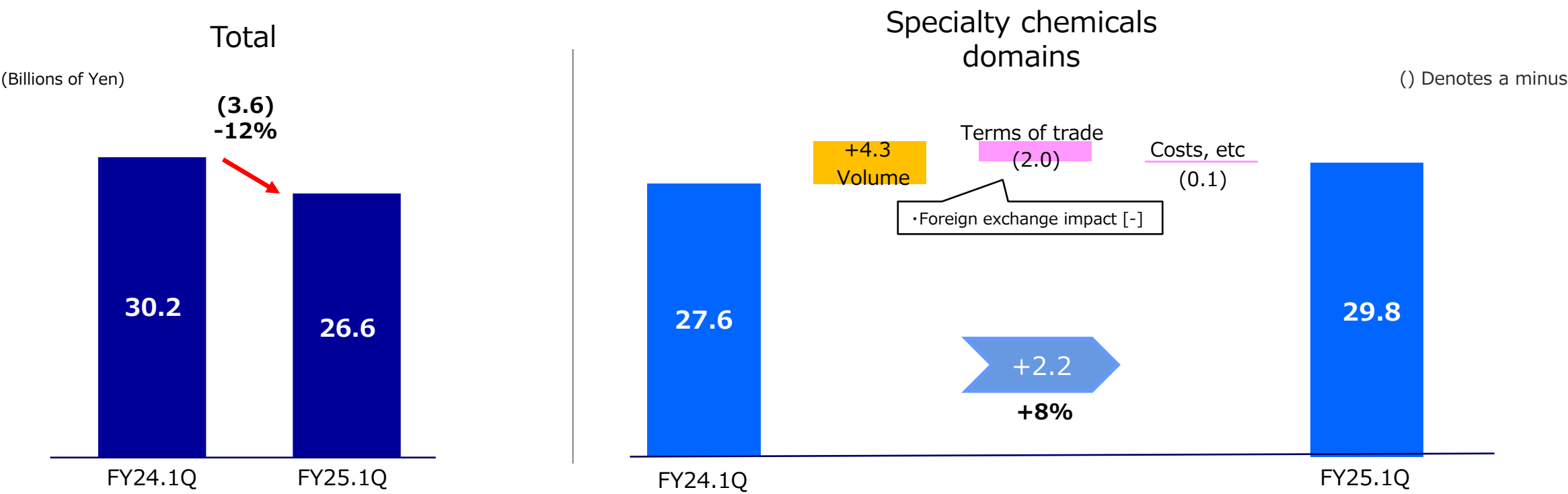
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Items	FY2025.1Q	FY2025.1H Outlook	Comments
Operating income before special items	26.6	49.0	
(of which Specialty chemicals domains)	29.8	58.0	Sales have been firm, leading to solid progress
(of which Basic & Green Materials)	(2.9)	(8.0)	Inventory valuation losses (including time-lag effects of sales price formula) due to decline in raw material prices
Non-recurring items	(13.8)	(18.0)	Business restructuring: Phenols business joint venture in China, Kulzer, ARRK
Net income attributable to owners of the parent	0.7	7.5	

2) Executive Summary: 1Q FY2025 Results (Operating Income before Special Items)

- Operating income before special items for the entire Group decreased to 26.6 billion yen in 1Q FY2025, down 3.6 billion yen (-12%) YoY, primarily due to inventory valuation losses (including time-lag effects of sales price formula) from lower naphtha prices in Basic & Green Materials, which more than offset the positive contribution from sales volume growth in the specialty chemicals domains.
- In the specialty chemicals domains, operating income before special items rose to 29.8 billion yen, up 2.2 billion yen (+8%) YoY, due to generally firm sales volumes, despite losses from yen appreciation.

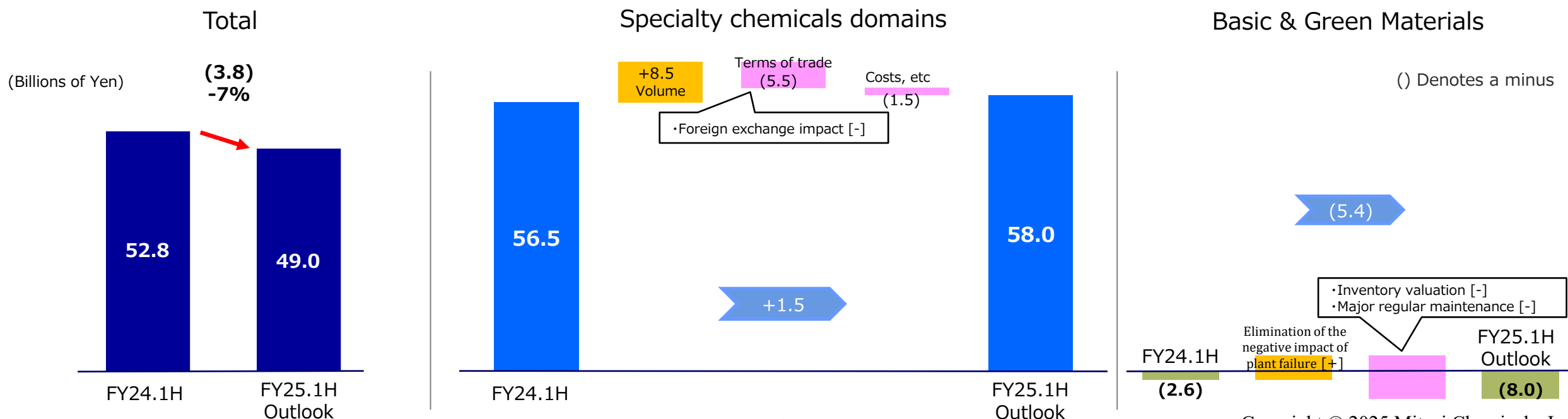
■ Operating income before special items (Total and by business domain)



3) Executive Summary: 1H FY2025 Outlook (Operating Income before Special Items)

- Operating income before special items for the entire Group is expected to be 49.0 billion yen in 1H FY2025, or a decrease of 3.8 billion yen (-7%) YoY, as the expected profit increase of 1.5 billion yen in the specialty chemicals domains from higher sales volume (+8.5 billion yen) is more than offset by a projected decline of 5.4 billion yen in Basic & Green Materials.
- In the specialty chemicals domains, while we anticipate losses from yen appreciation, sales are expected to expand in each segment, driven by firm sales in Life & Healthcare Solutions mainly in vision care and agrochemicals, the progress in expanding our products into multiple applications in Mobility Solutions, and demand growth in the cutting-edge semiconductor market and overall recovery in semiconductor markets in ICT Solutions.
- In Basic & Green Materials, operating income before special items is expected to decline by 5.4 billion yen YoY, as inventory valuation losses (including time-lag effects of sales price formula) from lower naphtha prices, major regular maintenance at Ichihara Works, and low facility operating rates more than offset the benefits from business restructuring and the elimination of the negative impact of the Osaka ethylene plant failure.

■ Operating income before special items (Total and by business domain)



2. Results for 1st Quarter of FY2025

(April 1, 2025 – June 30, 2025)

In accordance with the organizational reform implemented on April 1, 2025, we have revised the segment to which Mitsui Chemicals Asahi Life Materials Co., Ltd. belong from Life & Healthcare Solutions to ICT Solutions as well as that of certain other affiliates from Mobility Solutions to ICT Solutions. Additionally, the segments for FY2024 are disclosed based on the reportable segment classifications after the revisions.

1) Trends of Key Market Indicators

		FY2025			FY2025 1H (changes from FY2024 1H)	
		1Q	2Q	1Q→2Q		
Life & Healthcare Solutions	Ophthalmic lens materials market	Firm demand	Firm demand expected	➡	Firm demand	➡
	Agrochemicals market	Firm demand; inventory level adjustments seen in some regions	Firm demand expected; inventory level adjustments seen in some regions	➡	Firm demand	➡
Mobility Solutions	Automotive production (Global) *			➡		➡
	Japan	No significant change in global production volume, despite impact of U.S. trade policies	No significant change in global production volume expected, despite impact of U.S. trade policies	➡	Global production volume expected to decrease due to impact of U.S. trade policies	➡
	North America			➡		➡
	China			➡		➡
	ASEAN			➡		➡
	Europe			➡		➡
ICT Solutions	Semiconductor market	Demand on a gradual recovery trend	Demand expected to be on a gradual recovery trend	➡	Demand recovery	➡
	Smartphone market	Demand on par with year-ago level	Demand expected to remain on par with year-ago level	➡	Demand on par with year-ago level	➡
Basic & Green Materials	Cracker operating rates	Low (major regular maintenance: June - August)		➡	Low (major regular maintenance)	➡

* Estimated from data by external information services

2) Major Investment Projects, etc.

Major Investment projects		Date	Capacity	FY23	FY24	FY25	FY26~
Life & Healthcare Solutions	Capacity expansion of MR™ High Refractive Index Ophthalmic Lens Material@Japan	January.'24	-				
	Capacity expansion of MR™ High Refractive Index Ophthalmic Lens Material@Japan (Announced on January 15, 2025)	1H FY28	-				
	DNA Chip Research Inc.: wholly owned subsidiary	FY25.1Q	-				
Mobility Solutions	Establishment of new TAFMER™ plant@Singapore	2H FY25	120KT				
	New plant for high-performance PP@Japan	2H FY25	200KT				
ICT Solutions	Capacity expansion of ICROS™ Tape@Taiwan	June.'24	380万㎡				
	Splitting of Mitsui Chemicals Tohcello and transfer of a portion of its shares	April.'24	-				
	Capacity expansion of Polyurethane Dispersions (PUD) @Japan	June.'25	+100%				
	Capacity expansion of special isocyanate XDI @Japan	September.'25	+20%				
	Production facilities for CNT pellicles for use in next-gen EUV lithography @Japan	December.'25	5,000 sheets				
	Investment to strengthen materials development in semiconductor & assembly solutions	Mar.'25	-				
B&GM	Capacity expansion of MDI, Kumho Mitsui Chemicals @Korea	Sep.'24	200KT				
New business /New products	Establishment of second CVC fund(321Catalyst™)	May.'25	-				
Restructuring	Shutdown of PTA Production @Japan	August.'23	400KT	Shutdown			
	Shutdown of PET Production @Japan	October.'24	145KT	Shutdown			
	Optimization of TDI production capacity @Japan	July.'25	120KT→50KT	Optimization			
	Shutdown of Phenol Plant at Ichihara Works @Japan	October.'25	190KT	Shutdown			
	Transfer of Equity Interest of PH business joint venture@China	October.'25	-	Transfer of Equity Interest			
	Joint deliberations on consolidation of Chiba ethylene complexes to optimize production	FY27	-			Optimization	
	Share transfer of Mobility Solutions segment subsidiary @Japan (Industrial materials)	April.'25	-	Share transfer			
	Shutdown of nitrogen trifluoride (NF3) Production @Japan	Mar.'26	-	Share transfer			

Commercial operation launched in FY25

3-1) Consolidated Financial Highlights

(Billions of Yen)

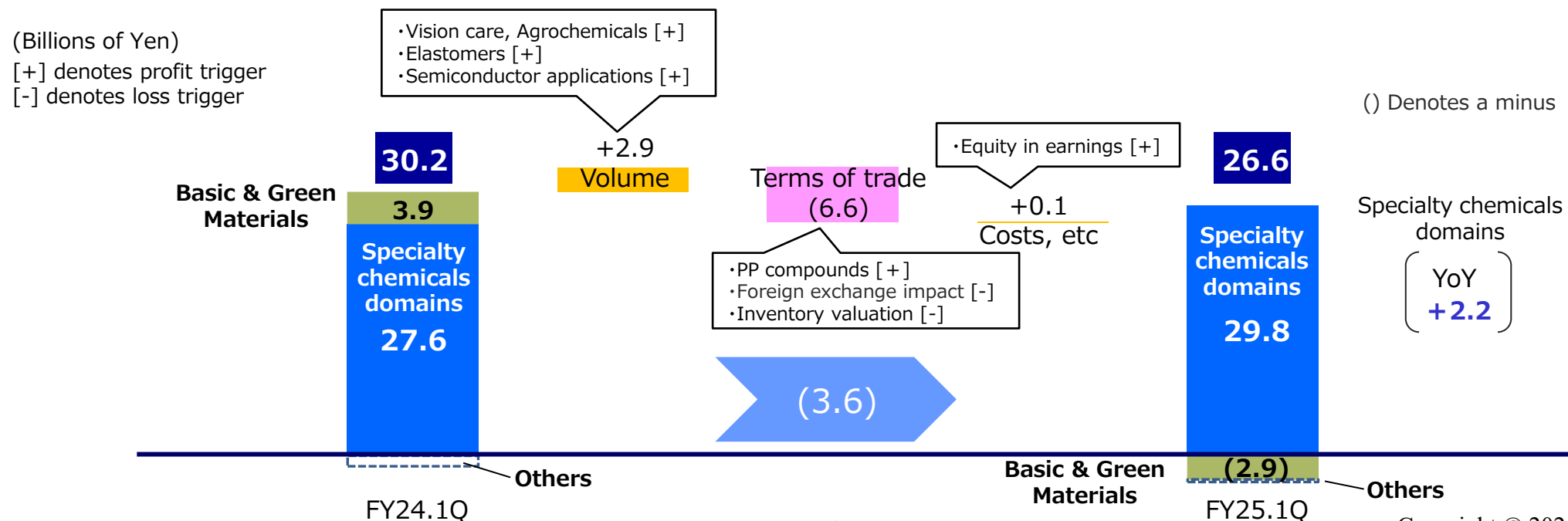
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Items	FY2024 1Q	FY2025 1Q	Increase (Decrease)	%
Sales revenue	449.5	415.4	(34.1)	(8%)
Operating income before special items	30.2	26.6	(3.6)	(12%)
(inc. Equity in earnings)	3.6	4.4	0.8	22%
Non-recurring items	(3.0)	(13.8)	(10.8)	-
Operating income	27.2	12.8	(14.4)	(53%)
Financial incomes/expenses	2.1	(2.8)	(4.9)	-
Income before taxes	29.3	10.0	(19.3)	(66%)
Net income attributable to owners of the parent	17.9	0.7	(17.2)	(96%)

Exchange rate (Yen/US\$)	156	145	(11)
Domestic standard naphtha price (Yen/KL)	79,000	66,300	(12,700)

3-2) Consolidated Financial Highlights (Operating Income before Special Items)

Factors	Comments	Profit/loss trigger
Volume	• Vision care materials increased due to firm demand. • Agrochemicals increased due to firm demand. • Elastomers increased due to expansion of products into multiple applications in growth markets. • Semiconductor applications increased due to demand growth in the cutting-edge semiconductor market and overall recovery in semiconductor markets.	[+] [+] [+] [+]
Terms of trade	• Temporary improvement in terms of trade in PP compounds, driven by sales price revision. • Deterioration in terms of trade resulting from foreign exchange impact. • Inventory valuation losses (including time-lag effects of sales price formula) due to decline in raw material prices.	[+] [-] [-]
Costs, etc.	• Increase in equity in earnings.	[+]



4) Sales Revenue and Operating Income before Special Items by Business Segment

(compared with corresponding period of FY2024 results)

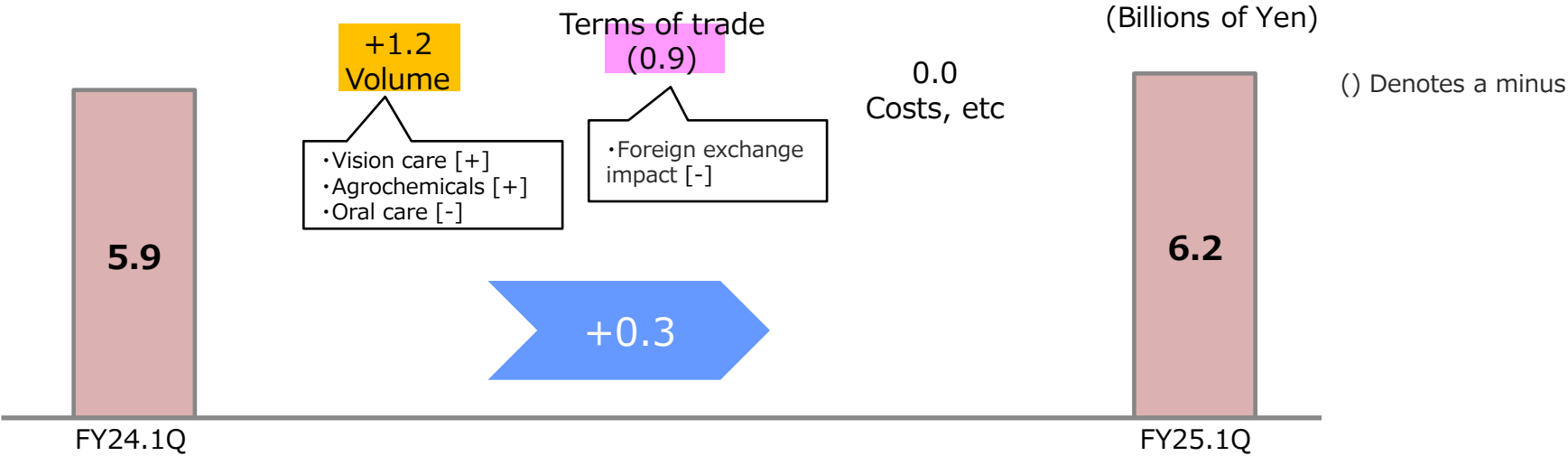
(Billions of Yen)

() Denotes a minus

Segment	Sales revenue			Operating income before special items			Breakdown		
	FY2024 1Q	FY2025 1Q	Incr. (Decr.)	FY2024 1Q	FY2025 1Q	Incr. (Decr.)	Volume	Terms of trade	Costs
Life & Healthcare Solutions	56.6	56.3	(0.3)	5.9	6.2	0.3	1.2	(0.9)	0.0
Mobility Solutions	140.3	130.2	(10.1)	15.5	14.6	(0.9)	0.2	(1.2)	0.1
ICT Solutions	68.3	69.0	0.7	6.2	9.0	2.8	2.9	0.1	(0.2)
Specialty chemicals domains	265.2	255.5	(9.7)	27.6	29.8	2.2	4.3	(2.0)	(0.1)
Basic & Green Materials	180.8	156.2	(24.6)	3.9	(2.9)	(6.8)	(1.4)	(4.6)	(0.8)
Others	3.5	3.7	0.2	(1.3)	(0.3)	1.0	-	-	1.0
Total	449.5	415.4	(34.1)	30.2	26.6	(3.6)	2.9	(6.6)	0.1

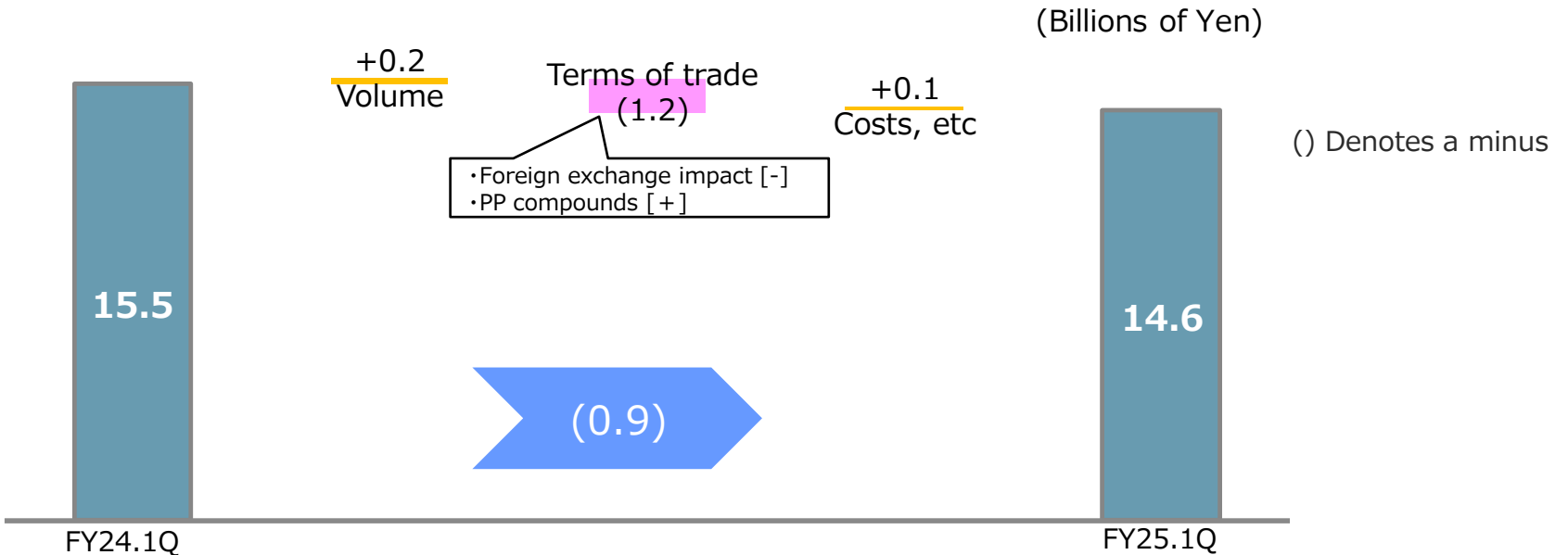
5-1) Life & Healthcare Solutions: Operating Income before Special Items and Business Overview (compared with corresponding period of FY2024 results)

	Business Overview of FY25.1Q Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Vision care	 •Sales volume was up, driven by firm demand	[+]Sales volume
Oral care	 •Sales volume was down due to movements to adjust inventory levels •Steady progress in business restructuring	[-]Sales volume
Agrochemicals	 •Sales remained firm mainly in the domestic market, despite inventory level adjustments continuing in some regions •Deterioration in terms of trade driven by foreign exchange impact	[+]Sales volume [-]Foreign exchange impact



5-2) Mobility Solutions: Operating Income before Special Items and Business Overview (compared with corresponding period of FY2024 results)

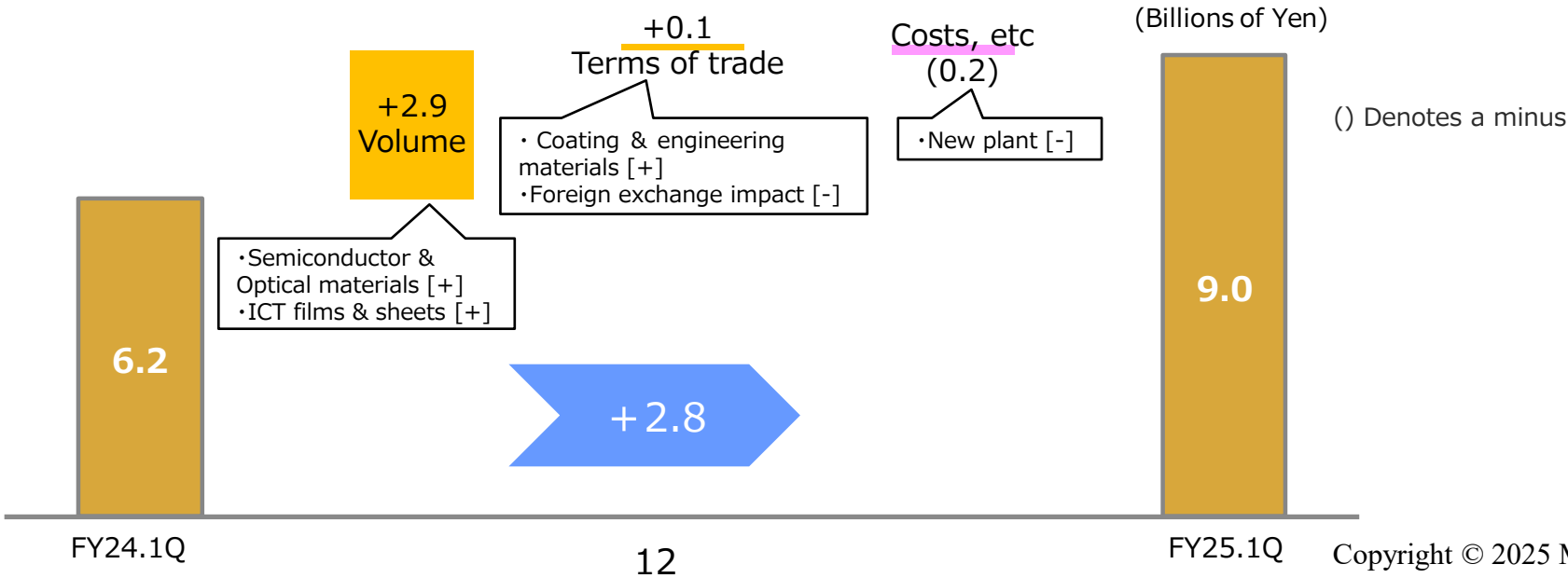
	Business Overview of FY25.1Q Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Elastomers	 •Sales volume increased driven by expansion of products into multiple applications in growth markets •Deterioration in terms of trade driven by foreign exchange impact	[+]Sales Volume [-]Foreign exchange impact
Composite materials (PP compounds, Performance compounds)	 •Temporary improvement in terms of trade resulting from sales price revision reflecting raw material price fluctuations •Deterioration in terms of trade resulting from foreign exchange impact	[+]Terms of trade [-]Foreign exchange impact
Solutions business	 •Steady progress in business restructuring	–



5-3) ICT Solutions: Operating Income before Special Items and Business Overview

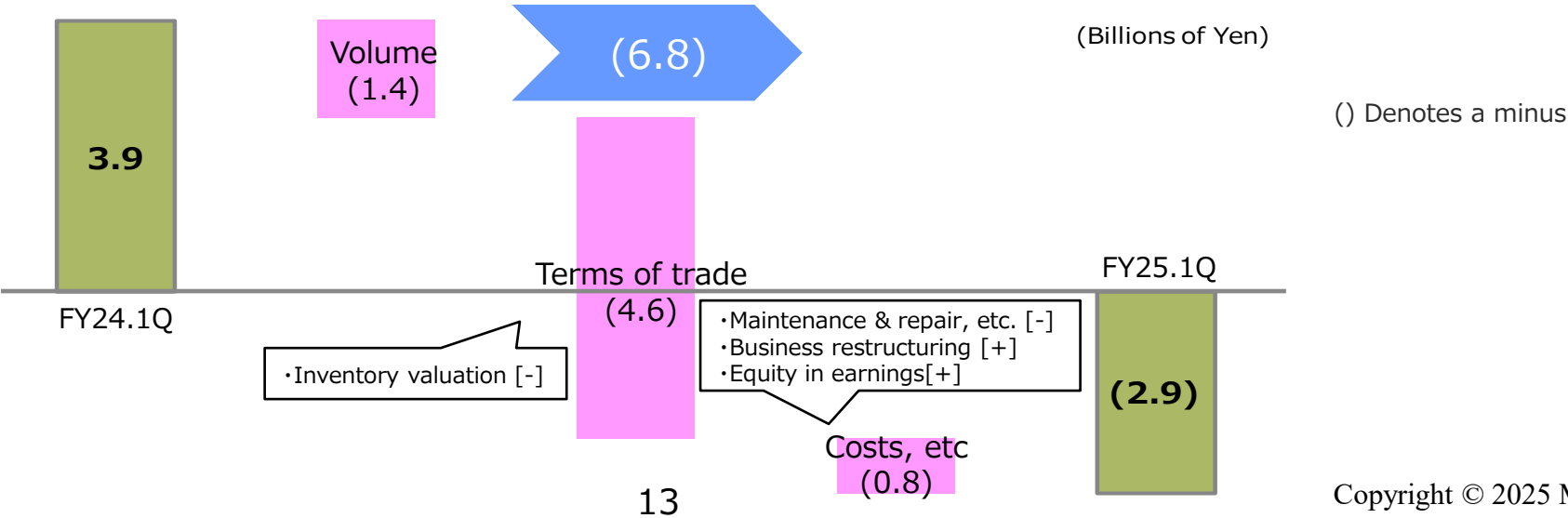
(compared with corresponding period of FY2024 results)

	Business Overview of FY25.1Q Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Semiconductor & Optical materials	➡ • Sales volume was up due to demand growth in the cutting-edge semiconductor market and overall recovery in semiconductor markets • Deterioration in terms of trade driven by foreign exchange impact	[+]Sales volume [-]Foreign exchange impact
Coating & engineering materials	➡ • Improvement in terms of trade due to fluctuations in raw material prices • Deterioration in terms of trade driven by foreign exchange impact • Higher fixed costs due to operation of new plant (PUD capacity expansion)	[+]Terms of trade [-]Foreign exchange impact [-]Costs
ICT films & sheets	➡ • Sales volume was up due to demand growth in the cutting-edge semiconductor market and overall recovery in semiconductor markets • Deterioration in terms of trade driven by foreign exchange impact	[+]Sale volume [-]Foreign exchange impact [-]Costs
Nonwovens	➡ • Steady progress in business restructuring	—



5-4) Basic & Green Materials: Operating Income before Special Items and Business Overview (compared with corresponding period of FY2024 results)

	Business Overview of FY25.1Q Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Petrochemicals	 •Inventory valuation losses (including time-lag effects of sales price formula) due to decline in raw material prices	[-]Sales volume [-]Inventory valuation [-]Costs
Basic chemicals	 •Inventory valuation losses (including time-lag effects of sales price formula) due to decline in raw material prices •Improvement in profitability from business restructuring	[-]Sales volume [-]Inventory valuation [-]Costs [+]Restructuring
Polyurethanes	 •Increase in equity in earnings	[+]Equity in earnings



6) Non-recurring Items

(Billions of Yen)

() Denotes a minus

Items	FY2024 1Q	FY2025 1Q	Incr. (Decr.)	Comments
Impairment loss	(3.1)	(12.4)	(9.3)	25.1Q Transfer of Equity Interest of PH business joint venture@China* -12.4
Loss on related business	—	(0.9)	(0.9)	25.1Q Business restructuring: Kulzer, ARRK
Others	0.1	(0.5)	(0.6)	
Non-recurring items total	(3.0)	(13.8)	(10.8)	

*Full-year FY2025: The total impact is projected to be approximately (8.0) billion yen, as we anticipate a realized gain of approximately 4.5 billion yen in 2H FY2025 from foreign currency translation adjustment related to the transfer of equity interest.

7) Consolidated Statement of Financial Position

(Billions of Yen)

() Denotes a minus

Items	End of Mar.2025	End of Jun.2025	Incr. (Decr.)	Items	End of Mar.2025	End of Jun.2025	Incr. (Decr.)
Current assets	1,041.2	999.5	(41.7)	Liabilities	1,183.4	1,154.7	(28.7)
Cash and cash equivalents	170.6	180.5	9.9	Operating payables	157.8	143.6	(14.2)
Operating receivables	349.5	315.3	(34.2)	Interest-bearing liabilities	791.7	803.3	11.6
Inventories	442.8	433.2	(9.6)	Other liabilities	233.9	207.8	(26.1)
Other current assets	78.3	70.5	(7.8)				
Non-current assets	1,112.8	1,108.8	(4.0)	Equity	970.6	953.6	(17.0)
Property, plant and equipment & right-of-use assets	669.2	674.1	4.9	Equity attributable to owners of the parent	848.3	829.9	(18.4)
Goodwill and Intangible assets	87.3	94.9	7.6	Non-controlling interests	122.3	123.7	1.4
Other non-current assets	356.3	339.8	(16.5)				
Total	2,154.0	2,108.3	(45.7)	Total	2,154.0	2,108.3	(45.7)

Total assets were 2,108.3 billion yen, down 45.7 billion yen compared to the end of March 2025, mainly as a result of fluctuations in raw material prices, reductions in accounts receivable and inventories associated with a major regular maintenance, and measures to make the phenols business in China asset-light.

8) Consolidated Statement of Cash Flows

(Billions of Yen)

() Denotes a minus

Items	FY2024 1Q	FY2025 1Q	Incr. (Decr.)
I . Cash flows from operating activities (a)	39.8	45.4	5.6
(of which Working capital)	5.0	28.2	23.2
II . Cash flows from investing activities (b)	(23.9)	(24.7)	(0.8)
(of which cash inflows from divestments, etc.)	11.1	9.7	(1.4)
Free cash flows (a)+(b)	15.9	20.7	4.8
III . Cash flows from financing activities	(11.1)	(8.8)	2.3
IV . Others (Effect of exchange rate change on cash and cash equivalents)	8.4	(2.0)	(10.4)
Net incr.(decr.) in cash and cash equivalents	13.2	9.9	(3.3)

- Cash flows from operating activities: Increased to 45.4 billion yen, or by 5.6 billion yen YoY, largely due to improvements in working capital
- Cash flows from investing activities: Totaled (24.7) billion yen, reflecting continued active investments as well as cash inflows from divestment of businesses driven by business portfolio transformation

3. Outlook for 1st Half of FY2025 (April 1, 2025 – September 30, 2025)

In accordance with the organizational reform implemented on April 1, 2025, we have revised the segment to which Mitsui Chemicals Asahi Life Materials Co., Ltd. belong from Life & Healthcare Solutions to ICT Solutions as well as that of certain other affiliates from Mobility Solutions to ICT Solutions. Additionally, the segments for FY2024 are disclosed based on the reportable segment classifications after the revisions.

1-1) Highlights of Consolidated Financial Outlook

(Billions of Yen)

() Denotes a minus

Items	FY2024	FY2025 Outlook	Incr.(Decr.)	
	1st Half	1st Half	1st Half	%
Sales revenue	890.4	818.0	(72.4)	(8%)
Operating income before special items	52.8	49.0	(3.8)	(7%)
Non-recurring items	(6.8)	(18.0)	(11.2)	—
Operating income	46.0	31.0	(15.0)	(33%)
Financial income/expenses	(5.2)	(5.0)	0.2	—
Income before taxes	40.8	26.0	(14.8)	(36%)
Net income attributable to owners of the parent	22.2	7.5	(14.7)	(66%)

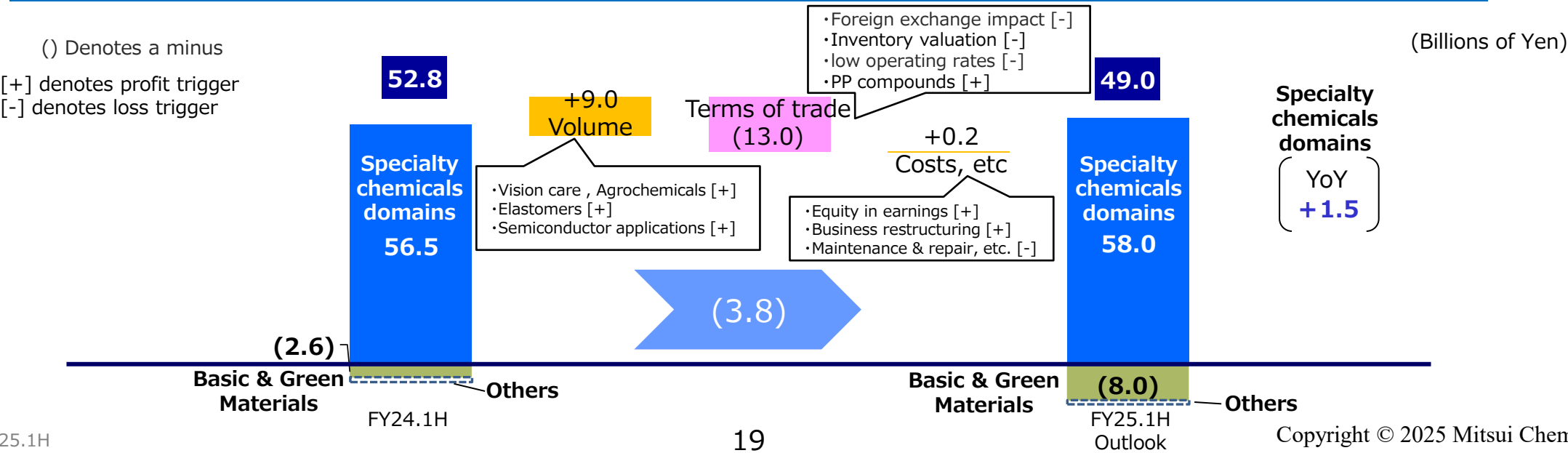
Exchange rate (Yen/US\$) 153 145 (8)

Domestic standard naphtha price (Yen/KL) 77,950 65,650 (12,300)

	Interim	Interim	Incr.(Decr.)
Dividend (Yen/Share)	75	75	—

1-2) Highlights of Consolidated Financial Outlook (Operating Income before Special Items)

Factors	Comments	Profit/loss trigger
Volume	• Vision care materials expected to increase on the back of firm demand. • Agrochemicals expected to increase due to firm demand. • Elastomers expected to increase, driven by expansion of products into multiple applications in growth markets. • Semiconductor applications expected to increase, due to demand growth in the cutting-edge semiconductor market and overall recovery in semiconductor markets.	[+] [+] [+] [+]
Terms of trade	• Temporary improvement in terms of trade expected in PP compounds, driven by sales price revision. • Expecting deterioration in terms of trade due to foreign exchange impact. • Expecting inventory valuation losses (including time-lag effects of sales price formula) due to decline in raw material prices. • Decreased energy efficiency due to low operating rates of crackers and derivatives.	[+] [-] [-] [-]
Costs, etc.	• Expecting improvement in equity in earnings. • Expecting improvement in profitability from business restructuring. • Costs expected to increase due to major regular maintenance at Ichihara Works.	[+] [+] [-]



2) Sales Revenue and Operating Income before Special Items of Outlook by Business Segment

(compared with corresponding period of FY2024 results)

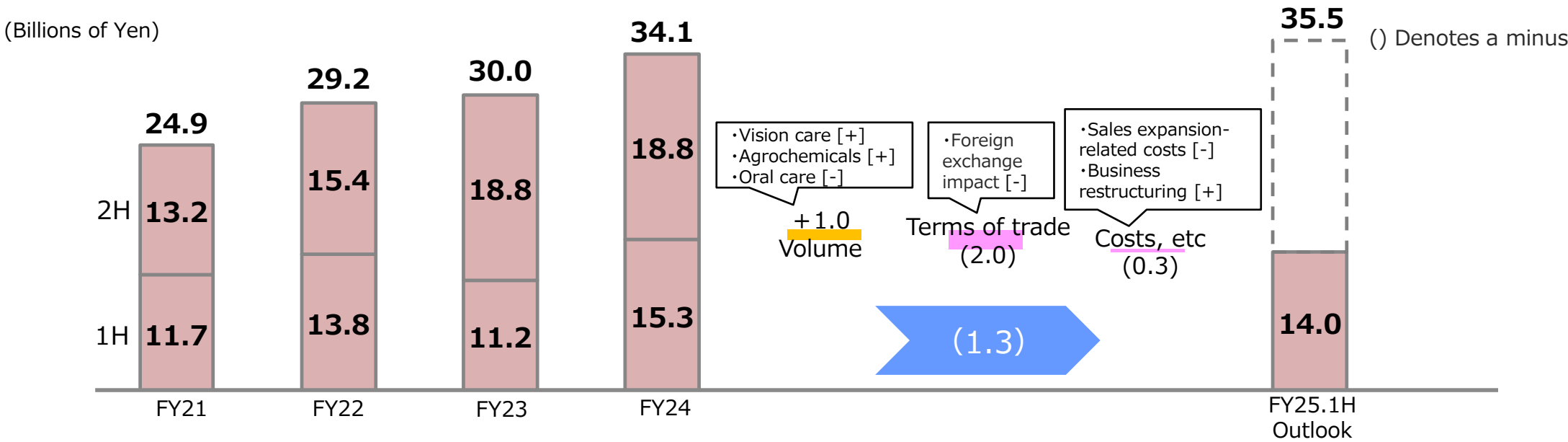
(Billions of Yen)

() Denotes a minus

Segment	Sales revenue			Operating income before special items			Breakdown		
	FY2024 1H	FY2025 1H Outlook	Incr.(Decr.)	FY2024 1H	FY2025 1H Outlook	Incr.(Decr.)	Volume	Terms of trade	Costs
Life & Healthcare Solutions	115.5	115.0	(0.5)	15.3	14.0	(1.3)	1.0	(2.0)	(0.3)
Mobility Solutions	276.8	260.0	(16.8)	28.4	27.0	(1.4)	2.0	(3.0)	(0.4)
ICT Solutions	139.8	140.0	0.2	12.8	17.0	4.2	5.5	(0.5)	(0.8)
Specialty chemicals domains	532.1	515.0	(17.1)	56.5	58.0	1.5	8.5	(5.5)	(1.5)
Basic & Green Materials	351.0	295.0	(56.0)	(2.6)	(8.0)	(5.4)	0.5	(7.5)	1.6
Others	7.3	8.0	0.7	(1.1)	(1.0)	0.1	-	-	0.1
Total	890.4	818.0	(72.4)	52.8	49.0	(3.8)	9.0	(13.0)	0.2

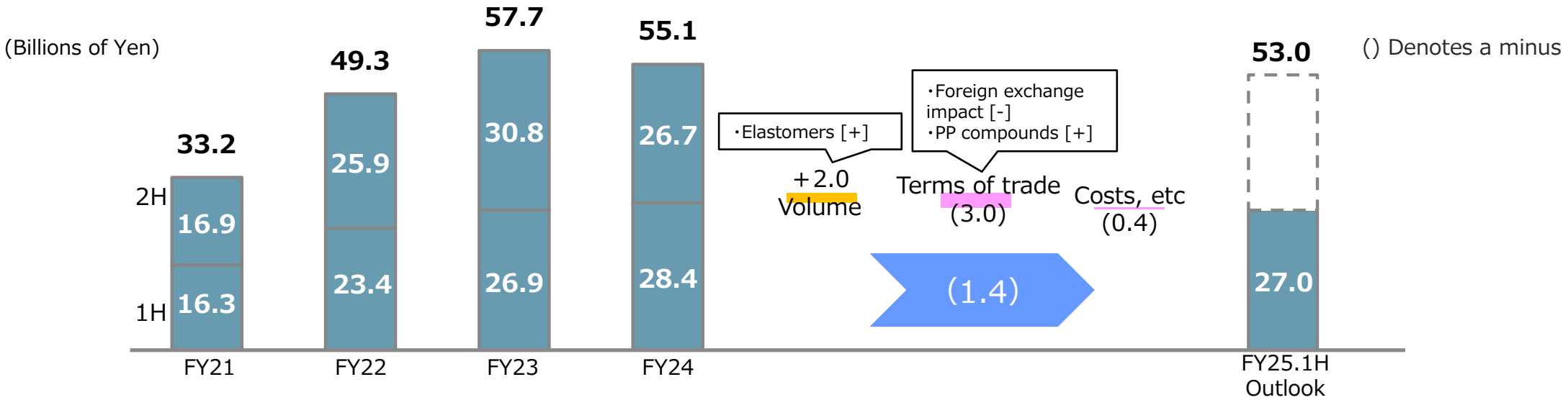
3-1) Life & Healthcare Solutions: Operating Income before Special Items and Business Overview (compared with corresponding period of FY2024 results)

	Business Overview of FY25.1H (Outlook): Movement of Operating Income before Special Items		Comments [+] denotes profit trigger [-] denotes loss trigger
Vision care		•Sales volume expected to increase, driven by firm demand	[+]Sales volume [-]Costs
Oral care		•Sales volume expected to decrease due to movements to adjust inventory levels •Steady progress in business restructuring (Reorganizing sales sites)	[-]Sales volume [+]Restructuring
Agrochemicals		•Sales staying firm mainly in the domestic market, despite movements to adjust inventory levels continuing in some regions •Deterioration in terms of trade driven by foreign exchange impact	[+]Sales volume [-]Foreign exchange impact [-]Costs



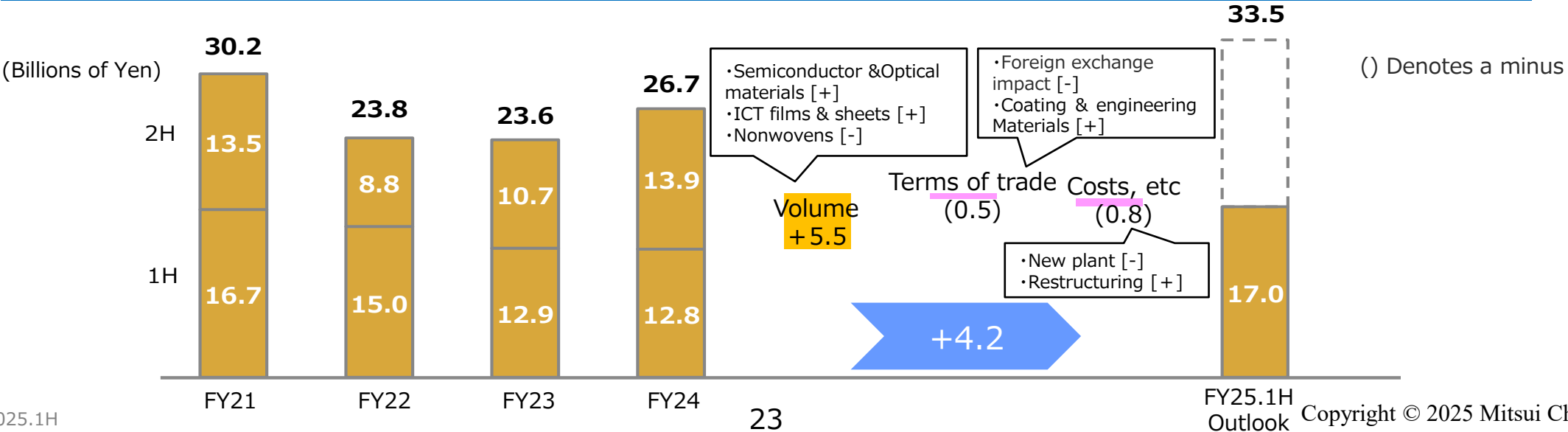
3-2) Mobility Solutions: Operating Income before Special Items and Business Overview (compared with corresponding period of FY2024 results)

	Business Overview of FY25.1H (Outlook): Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Elastomers	• Sales volume increase driven by expansion of products into multiple applications in growth markets • Deterioration in terms of trade resulting from foreign exchange impact	[+]Sales volume [-]Foreign exchange impact
Composite materials (PP compounds, Performance compounds)	• Temporary improvement in terms of trade resulting from sales price revision reflecting raw material price fluctuations • Deterioration in terms of trade resulting from foreign exchange impact	[+]Terms of trade [-]Foreign exchange impact
Solutions business	• Steady progress in business restructuring (Rationalizing administrative functions)	—



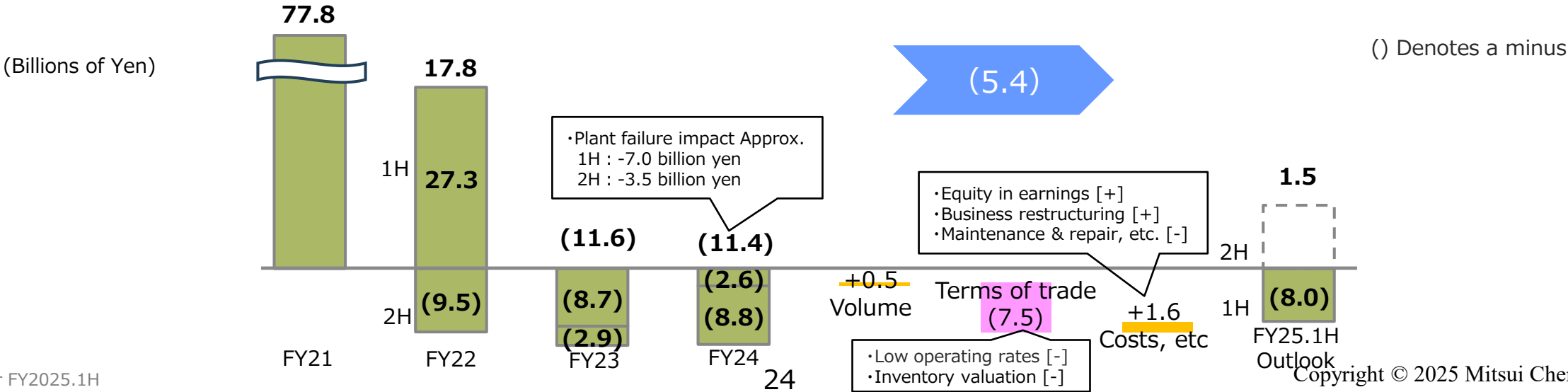
3-3) ICT Solutions: Operating Income before Special Items and Business Overview (compared with corresponding period of FY2024 results)

	Business Overview of FY25.1H (Outlook): Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Semiconductor & Optical materials	 •Sales volume expected to increase, due to demand growth in the cutting-edge semiconductor market and overall recovery in semiconductor markets •Deterioration in terms of trade driven by foreign exchange impact	[+]Sales volume [-]Foreign exchange impact
Coating & engineering materials	 •Improvement in terms of trade due to fluctuations in raw material prices •Deterioration in terms of trade driven by foreign exchange impact •Higher fixed costs due to operation of new plants (capacity expansion of PUD, special isocyanate)	[+]Terms of trade [-]Foreign exchange impact [-]Costs
ICT films & sheets	 •Sales volume expected to increase, due to demand growth in the cutting-edge semiconductor market and overall recovery in semiconductor markets •Deterioration in terms of trade driven by foreign exchange impact	[+]Sales volume [-]Foreign exchange impact [-]Costs
Nonwovens	 •Sales volume of hygiene materials expected to decrease •Steady progress in business restructuring (Optimizing production setup)	[-]Sales volume [+]Restructuring



3-4) Basic & Green Materials: Operating Income before Special Items and Business Overview (compared with corresponding period of FY2024 results)

	Business Overview of FY25.1H (Outlook): Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Petrochemicals	➔ • Elimination of the negative impact of the Osaka ethylene plant failure that occurred in FY24 • Decreased energy efficiency due to low operating rates • Inventory valuation losses (including time-lag effects of sales price formula) due to decline in raw material prices • Increase in costs driven by major regular maintenance at Ichihara Works	[-] Sales volume [+] Elimination of plant failure impact [-] Terms of trade [-] Inventory valuation [-] Costs
Basic chemicals	➔ • Inventory valuation losses (including time-lag effects of sales price formula) due to decline in raw material prices • Improvement in profitability from business restructuring	[-] Sales volume [-] Inventory valuation [+] Restructuring
Polyurethanes	➡ • Increase in equity in earnings • Improvement in profitability from business restructuring	[+] Equity in earnings [+] Restructuring



4) Operating Income before Special Items by Business Segment (2Q vs. 1Q of FY2025)

(Billions of Yen)

() Denotes a minus

Segment	Operating income before special items FY2025			Comments [+] denotes profit trigger [-] denotes loss trigger
	1Q	2Q Outlook	Incr.(Decr.)	
Life & Healthcare Solutions	6.2	7.8	1.6	[+]Sales volume: Agrochemicals
Mobility Solutions	14.6	12.4	(2.2)	[-]Terms of trade: PP compounds
ICT Solutions	9.0	8.0	(1.0)	[-]Costs: New plant
Specialty chemicals domains	29.8	28.2	(1.6)	
Basic & Green Materials	(2.9)	(5.1)	(2.2)	[-]Terms of trade: Low cracker operating rates [-]Costs: Major regular maintenance at Ichihara Works
Others	(0.3)	(0.7)	(0.4)	
Total	26.6	22.4	(4.2)	

5) Consolidated Statement of Cash Flows

(Billions of Yen)

() Denotes a minus

Items	FY2024	FY2025 Outlook	Incr.(Decr.)
	1st Half	1st Half	
I . Cash flows from operating activities (a)	118.0	116.0	(2.0)
II . Cash flows from investing activities (b)	(48.3)	(70.0)	(21.7)
Free cash flows (a)+(b)	69.7	46.0	(23.7)
III . Cash flows from financing activities	(104.5)	(36.0)	68.5
IV . Others (Effect of exchange rate change on cash and cash equivalents)	(4.5)	0.0	4.5
Net incr.(decr.) in cash and cash equivalents	(39.3)	10.0	49.3

4. Appendix

- 1) Trends in Product Prices
- 2) Sales Revenue Increase/Decrease (Year on Year) by Business Segment
- 3) Sales Revenue and Operating Income before Special Items by Business Segment
- 4) Outline of Business Segments
- 5) Data Highlights

1) Trends in Product Prices

(Naphtha prices are Domestic Standard Naphtha Price)

(PE, PP, PH, BPA(Japan): Change in Prices and Raw Materials Prices in Japan / TDI: Chinese Market Price)

(ACP) : Asian contract price

Year	2022		2023				2024				2025	
Month	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.
Naphtha (Yen/KL)	81,400	72,500	66,500	67,500	63,600	72,800	72,500	79,000	76,900	73,200	73,400	66,300
PE (Yen/KG)	about (10)	about (15)	about (10)	about +8	about (6)	about +20	about (3)	about +22	about (5)	about (7)	about (1)	about (11)
PP (Yen/KG)	about (10)	about (15)	about (10)	about +8	about (6)	about +20	about (3)	about +22	about (5)	about (7)	about (1)	about (11)
PH (Formula Price) (Yen/KG)	→	→	→	→	→	→	→	→	→	→	→	→
BZ(ACP) (US\$/T)	\$1,120	\$880	\$930	\$940	\$870	\$950	\$995	\$1,085	\$1,040	\$930	\$930	\$770
BPA(Japan) (Yen/KG)	→	(14) From Dec.	(17) From Mar.	+16 From Jun.	→	→	→	+19 From Jun.	→	(14) From Oct	(10) From Jan	→
	negotiation based on BZ price and BPA market price											
TDI (US\$/T)	\$2,320	\$2,410	\$2,430	\$2,190	\$2,060	\$1,950	\$1,920	\$1,950	\$1,880	\$1,750	\$1,780	\$1,560

2)Sales Revenue Increase/Decrease (Year on Year) by Business Segment

(Billions of Yen)

() Denotes a minus

Segment	Sales revenue			Breakdown		Comments
	FY2024 1Q	FY2025 1Q	Incr.(Decr.)	Volume	Prices	
Life & Healthcare Solutions	56.6	56.3	(0.3)	1.7	(2.0)	Volume) Sales of vision care were firm. Prices) Foreign exchange impact, etc.
Mobility Solutions	140.3	130.2	(10.1)	0.7	(10.8)	Volume) Sales of elastomers were firm. Prices) Foreign exchange impact, etc.
ICT Solutions	68.3	69.0	0.7	2.3	(1.6)	Volume) Sales of Semiconductor applications were firm. Prices) Foreign exchange impact, etc.
Specialty chemicals domains	265.2	255.5	(9.7)	4.7	(14.4)	
Basic & Green Materials	180.8	156.2	(24.6)	(7.8)	(16.8)	Volume) Business restructuring (Plant Shutdown, etc.) Prices) Sales price revision reflecting raw material price decline.
Others	3.5	3.7	0.2	-	0.2	
Total	449.5	415.4	(34.1)	(3.1)	(31.0)	

3) Sales Revenue and Operating Income before Special Items by Business Segment

(Billions of Yen)

() Denotes a minus

Segment	Sales revenue*					
	FY2024				FY2025	
	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep Outlook
Life & Healthcare Solutions	56.6	58.9	57.3	78.9	56.3	58.7
Mobility Solutions	140.3	136.5	139.7	138.6	130.2	129.8
ICT Solutions	68.3	71.5	69.8	68.0	69.0	71.0
Specialty chemicals domains	265.2	266.9	266.8	285.5	255.5	259.5
Basic & Green Materials	180.8	170.2	177.9	181.1	156.2	138.8
Others	3.5	3.8	3.7	3.8	3.7	4.3
Total	449.5	440.9	448.4	470.4	415.4	402.6

Segment	Operating income before special items*					
	FY2024				FY2025	
	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep Outlook
Life & Healthcare Solutions	5.9	9.4	5.2	13.6	6.2	7.8
Mobility Solutions	15.5	12.9	14.8	11.9	14.6	12.4
ICT Solutions	6.2	6.6	8.3	5.6	9.0	8.0
Specialty chemicals domains	27.6	28.9	28.3	31.1	29.8	28.2
Basic & Green Materials	3.9	(6.5)	(4.7)	(4.1)	(2.9)	(5.1)
Others	(1.3)	0.2	(0.6)	(1.8)	(0.3)	(0.7)
Total	30.2	22.6	23.0	25.2	26.6	22.4

*In accordance with the organizational reform implemented on April 1, 2025, we have revised the segments to which certain consolidated subsidiaries and equity method affiliates in Life & Healthcare Solutions, Mobility Solutions and ICT Solutions belong.

The quarterly sales revenue and operating income before special items for FY2024 denoted by an asterisk are disclosed based on the reportable segment classifications after the revisions.

4) Outline of Business Segments

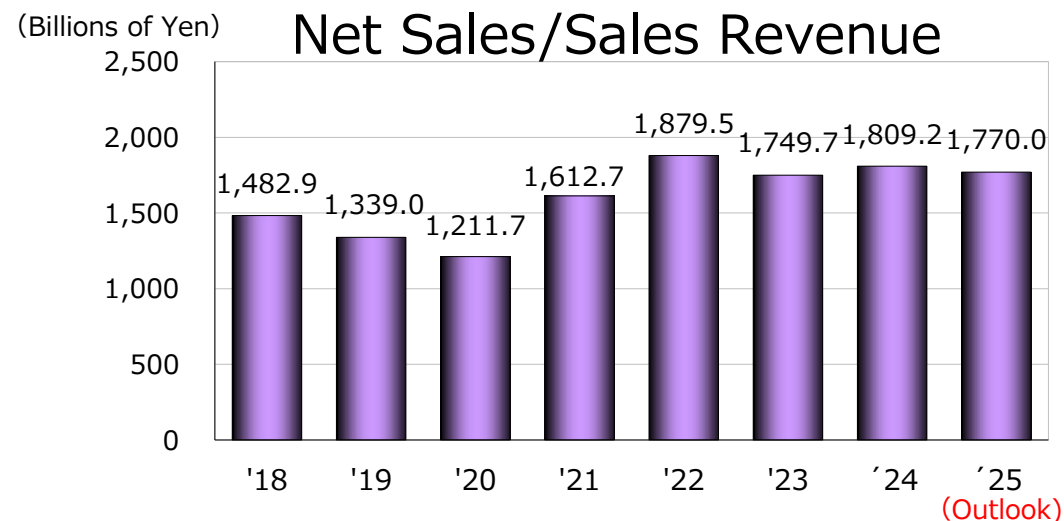
Segment	Businesses	Main Products
Life & Healthcare Solutions	Vision Care Materials, Personal Care Materials, Oral Care, Agrochemicals and Medical Business Development	Ophthalmic lens materials (MR™, Do Green™), Medical materials (taurine), Oral care materials (restoratives, adhesives, digital equipment), Agrochemicals (dinotefuran, TENEBENAL™)
Mobility Solutions	Elastomers, Composite Materials and Mobility Solutions	TAFMER™, Mitsui EPT™, LUCANT™, PP compounds, Performance compounds (ADMER™, MILASTOMER™, ARLEN™)  
ICT Solutions	Semiconductor & Optical Materials, Coating & Engineering Materials, ICT films & sheets, ICT Materials and Nonwovens*	Mitsui PELLICLE™ (DUV, EUV, FPD), APEL™, TPX™, Semiconductor gas, High-performance food packaging materials (sealants, adhesives, coating agents, eco-friendly packaging), ICT films & sheets (ICROS™ Tape, SP-PET™) Nonwovens* (hygiene materials, industrial materials),
Basic & Green Materials	Phenols, PTA&PET, Industrial Chemicals, Sustainable Feedstocks, Polyolefins, Licensing, Polyurethanes and Green Sustainable Chemicals	Phenol, Bisphenol A, Acetone, PTA, PET, EO, Hydroquinone, Ammonia, Exhaust gas reduction agent (AdBlue™*), Polyolefins, TDI, MDI *AdBlue is a trademark of the VDA (Verband der Automobilindustrie).

* The nonwovens business and its products, which were part of the Life & Healthcare Solutions segment until FY2024, have been transferred to the ICT Solutions segment following the organizational reform implemented on April 1, 2025.

5-1) Data Highlights

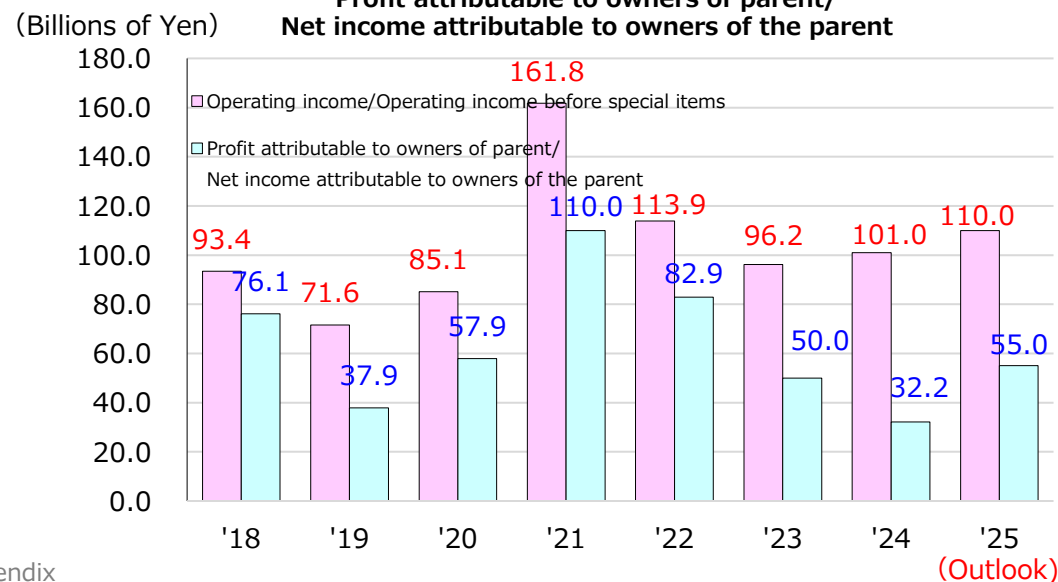
~FY19 : J-GAAP / FY20~ : IFRS

Net Sales/Sales Revenue



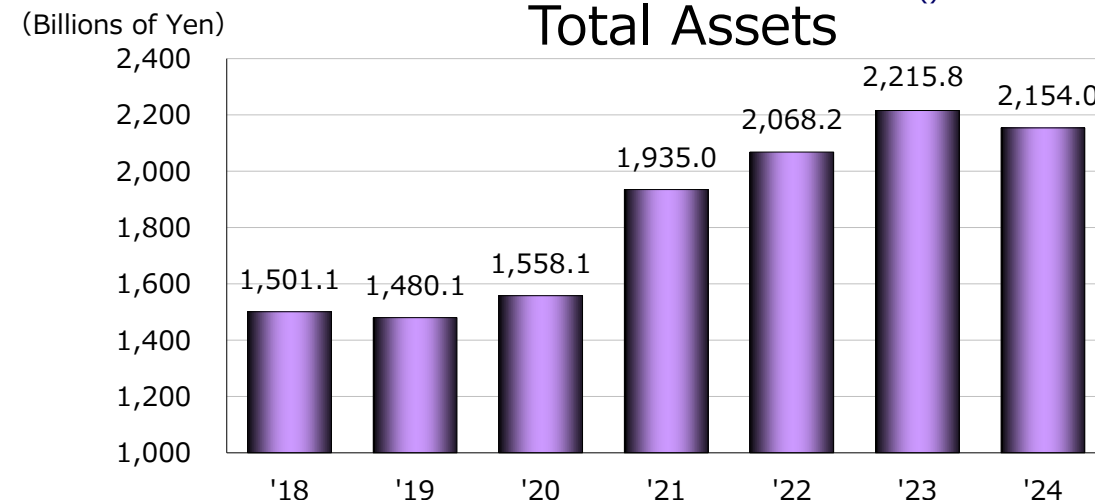
Operating income/Operating income before special items
&

Profit attributable to owners of parent/
Net income attributable to owners of the parent



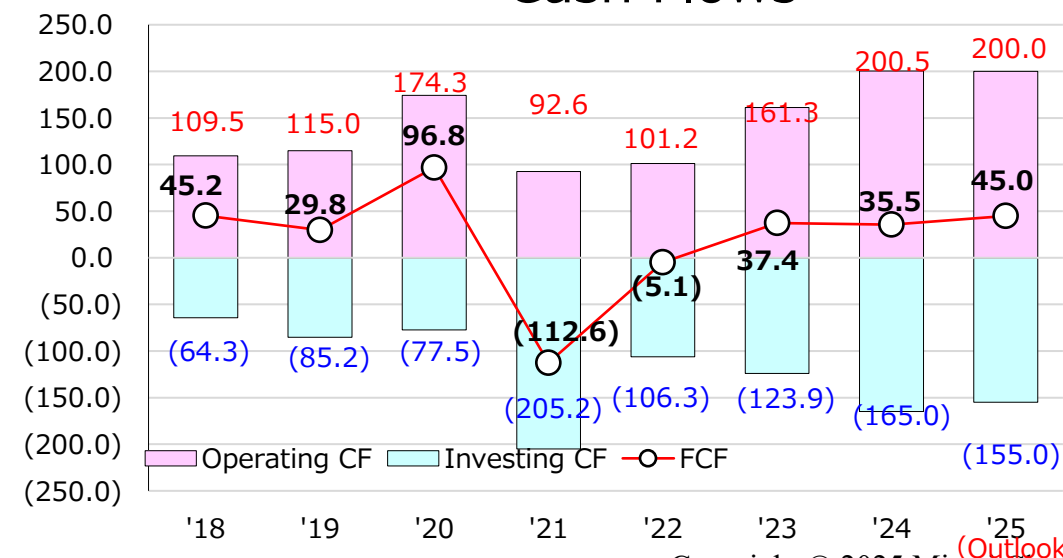
() Denotes a minus

Total Assets

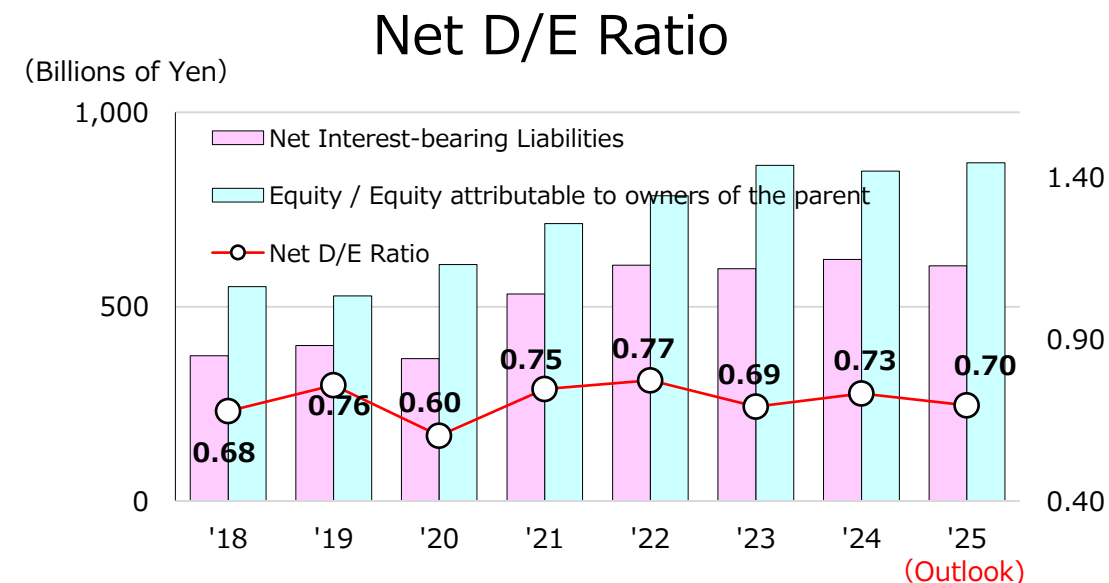
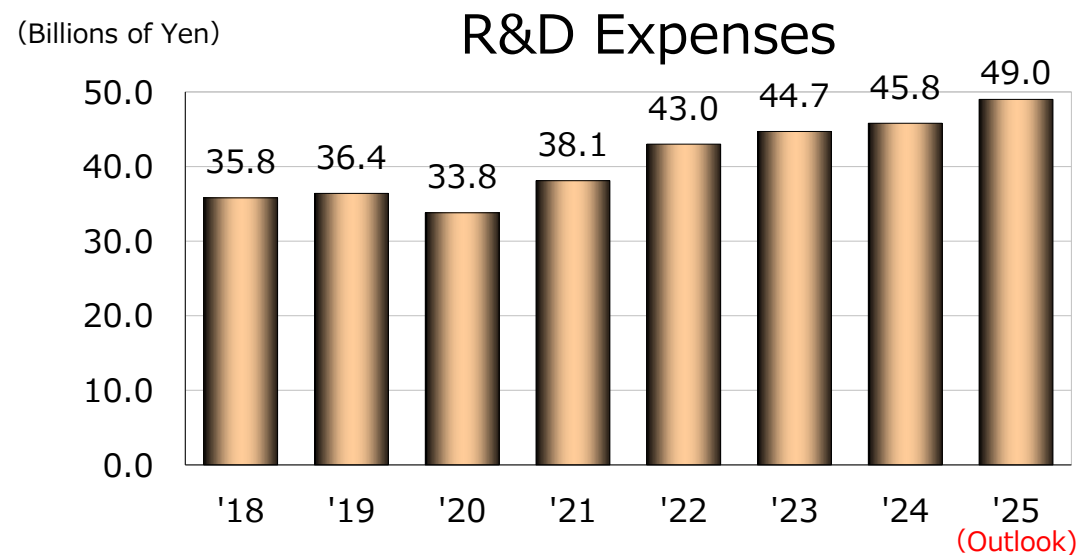
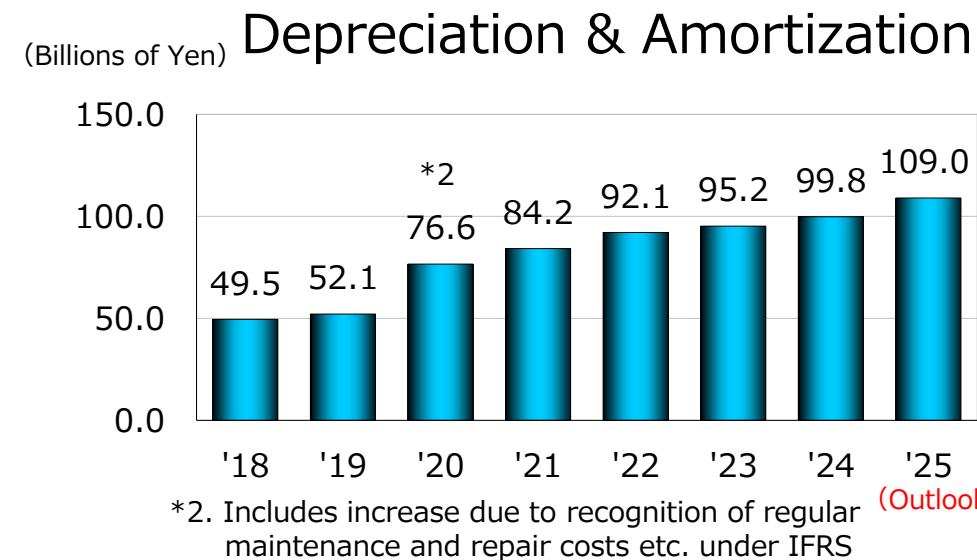
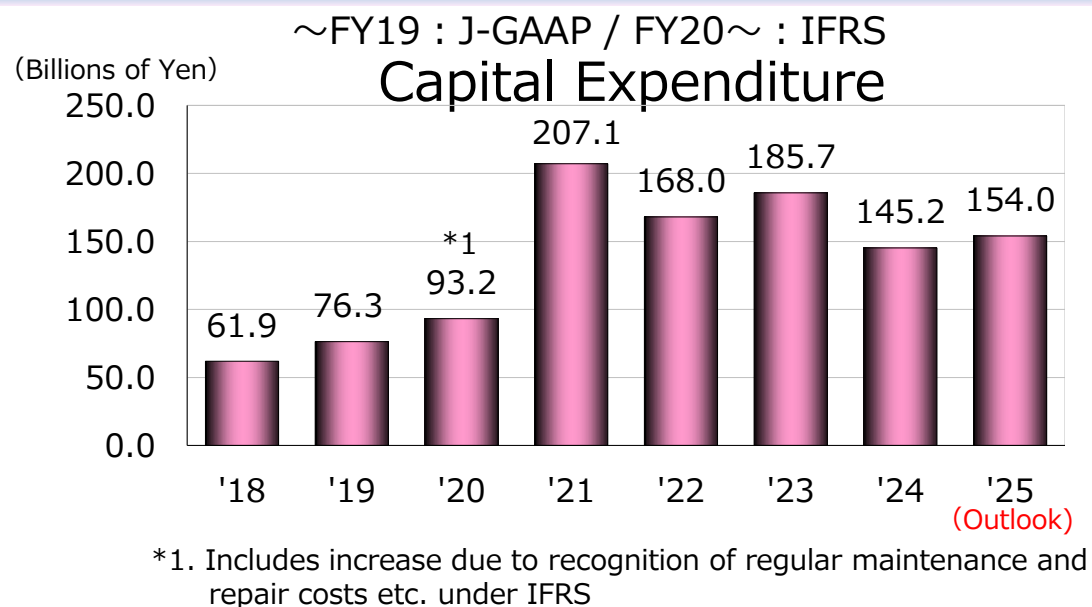


(Billions of Yen)

Cash Flows



5-2) Data Highlights



Chemistry for Sustainable World



Mitsui Chemicals

Challenge Diversity One Team