

Summary of Consolidated Financial Results for Third Quarter of FY2025



Feb 5, 2026
Mitsui Chemicals, Inc.

1. Summary of Operating Results

		3rd Q of FY2024	3rd Q of FY2025	Incr. (Decr.)	(Unit : Billions of Yen)	
					FY2024	Outlook for FY2025 (announced Feb. 5)
					FY2025	Incr. (Decr.)
Sales revenue		1,338.8	1,218.7	(120.1)	1,809.2	1,675.0 (134.2)
Operating income before special items		75.8	68.0	(7.8)	101.0	103.0 2.0
Operating income		66.9	54.6	(12.3)	78.3	87.0 8.7
Net income		46.3	33.4	(12.9)	42.6	56.0 13.4
Net income attributable to owners of the parent		37.7	22.6	(15.1)	32.2	42.0 9.8
Exchange rate	Yen / US\$	153	149	(4)	153	150 (3)
Domestic standard naphtha price	Yen / KL	76,400	65,000	(11,400)	75,600	65,000 (10,600)

2. Sales Revenue and Operating Income before Special Items by Business Segment ^{※1}

		3rd Q of FY2024	3rd Q of FY2025	Incr. (Decr.)	Breakdown (Unit : Billions of Yen)	
					Volume	Price
Life & Healthcare Solutions		172.8	174.1	1.3	6.9	(5.6)
Mobility Solutions		416.5	382.8	(33.7)	(14.5)	(19.2)
ICT Solutions		209.7	208.4	(1.3)	1.6	(2.9)
Specialty chemicals domains		799.0	765.3	(33.7)	(6.0)	(27.7)
Basic & Green Materials		528.8	442.5	(86.3)	(56.5)	(29.8)
Others		11.0	10.9	(0.1)	-	(0.1)
Total		1,338.8	1,218.7	(120.1)	(62.5)	(57.6)

Sales revenue

FY2024	Outlook for FY2025 (announced Feb. 5)	
	FY2025	Incr. (Decr.)
251.7	270.0	18.3
555.1	510.0	(45.1)
277.6	280.0	2.4
1,084.4	1,060.0	(24.4)
710.0	600.0	(110.0)
14.8	15.0	0.2
1,809.2	1,675.0	(134.2)

Operating income (loss) before special items

FY2024	Outlook for FY2025 (announced Feb. 5)	
	FY2025	Incr. (Decr.)
34.1	35.5	1.4
55.1	53.0	(2.1)
26.7	35.5	8.8
115.9	124.0	8.1
(11.4)	(15.0)	(3.6)
(2.6)	(2.5)	0.1
(0.9)	(3.5)	(2.6)
101.0	103.0	2.0

^{※1} In accordance with the organizational reform implemented on April 1, 2025, the Mitsui Chemicals group has revised the segment classifications for Mitsui Chemicals Asahi Life Materials Co., Ltd. and certain other consolidated subsidiaries.

Accordingly, the results for the same period of the previous year have been reclassified into the post-revision reportable segment classifications.

^{※2} Price includes both selling and purchasing price variances.

3. Summary of Statement of Financial Position

	Assets			Liabilities and Equity (Unit : Billions of Yen)		
	As of Mar. 31, 2025	As of Dec. 31 2025	Incr. (Decr.)	As of Mar. 31, 2025	As of Dec. 31 2025	Incr. (Decr.)
Current assets	1,041.2	1,015.2	(26.0)	Interest-bearing debt	791.7	814.8 23.1
Property, plant and equipment & right-of-use assets	669.2	721.1	51.9	Other liabilities	391.7	389.1 (2.6)
Goodwill and intangible assets	87.3	97.9	10.6	Equity attributable to owners of the parent	848.3	877.4 29.1
Other non-current assets	356.3	374.9	18.6	Non-controlling interests	122.3	127.8 5.5
Total assets	2,154.0	2,209.1	55.1	Total liabilities and equity	2,154.0	2,209.1 55.1
[Net D/E Ratio]					0.73	0.70 (0.03)

4. Summary of Statement of Cash Flows

	3rd Q of FY2024	3rd Q of FY2025	Incr. (Decr.)	(Unit : Billions of Yen)	
				FY2024	Outlook for FY2025 (announced Feb. 5)
				FY2025	Incr. (Decr.)
Cash flows from operating activities	141.4	141.0	(0.4)	200.5	200.0 (0.5)
Cash flows from investing activities	(80.8)	(97.0)	(16.2)	(165.0)	(155.0) 10.0
<i>Free cash flows</i>	60.6	44.0	(16.6)	35.5	45.0 9.5
Cash flows from financing activities	(90.5)	(31.0)	59.5	(74.4)	(45.0) 29.4
Others	5.8	8.6	2.8	(0.8)	0.0 0.8
Net incr.(decr.) in cash and cash equivalents	(24.1)	21.6	45.7	(39.7)	0.0 39.7
Cash and cash equivalents at the end of period	186.2	192.2	6.0	170.6	

5. Dividends

	Annual Dividends per Share (yen)				
	1st Q	Interim (2nd Q)	3rd Q	Year-end (4th Q)	Annual Total
FY2024 Result	—	75.00	—	75.00	150.00
FY2025 Result/Forecast	—	75.00	—	37.50	—

On January 1, 2026, Mitsui Chemicals, Inc. (hereinafter the "Company") conducted a two-for-one stock split of its common shares.

The above dividends per share for the FY2024 and the second quarter of the FY2025 are the amounts before the stock split.

The forecast total annual dividend per share for the FY2025 is not stated because the interim dividend and the year-end dividend cannot be simply added together due to the stock split. If the stock split is not taken into account, the forecast year-end dividend per share for FY2025 would be 75.00 yen, and the total annual dividend would be 150.00 yen.

6. Number of Shares Outstanding (common stock)

	FY2024	3rd Q of FY2025
Number of shares outstanding at term-end (including treasury stock)	401,687,630	401,687,630
Number of shares of treasury stock at term-end	27,005,490	25,157,340
Average number of shares	379,203,521	375,921,842

※3rd Q of FY2024

On January 1, 2026, the Company conducted a two-for-one stock split of its common shares.

The above number of Shares Outstanding (common stock) has been calculated assuming that the stock split had been conducted at the beginning of the FY2024.

1. Operating Results

(1) Overview

In the fiscal period under review (the nine-month period from April 1, 2025 to December 31, 2025, hereinafter the "third quarter"), economic recovery continued moderately worldwide. Meanwhile, the pace of recovery in some countries and regions has slowed amid weak demand and U.S. trade policies.

In Japan, economic activity has continued to recover with the improvement of employment and income environment. However, uncertainty arising from U.S. trade policies persists.

The Mitsui Chemicals Group (hereinafter the "Group") reported the operating results for the third quarter as follows. The Group employs 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.

	Sales Revenue	Operating Income before Special Items	Operating Income	Net Income Attributable to Owners of the Parent	(Billions of Yen)
Third Quarter	1,218.7	68.0	54.6	22.6	
Same period of previous fiscal year	1,338.8	75.8	66.9	37.7	
Difference	(120.1)	(7.8)	(12.3)	(15.1)	
Difference (%)	(9.0)	(10.3)	(18.3)	(40.1)	

Sales revenue was 1,218.7 billion yen, a decrease of 120.1 billion yen, or 9.0%, year on year. This result was mainly due to the decrease in selling prices, which was resulting from the fall in raw material prices, such as naphtha, and the decrease in sales mainly in the Basic & Green Materials segment.

Operating income before special items was 68.0 billion yen, a decrease of 7.8 billion yen, or 10.3%, year on year. This result was mainly due to the worsened inventory revaluation gain and loss resulting from the fall in raw material prices, such as naphtha.

Operating income was 54.6 billion yen, a decrease of 12.3 billion yen, or 18.3%, year on year. This result was mainly due to the decrease in operating income before special items and the recognition of an impairment loss on an investment accounted for using equity method to operate phenol businesses in China.

Financial income/expenses worsened 2.2 billion yen year on year to a 3.1 billion yen loss.

As a result of the aforementioned factors, **income before income taxes** amounted to 51.5 billion yen, a decrease of 14.5 billion yen, or 21.9%, year on year.

Net income attributable to owners of the parent after accounting for income taxes and non-controlling interests was 22.6 billion yen, a decrease of 15.1 billion yen, or 40.1%, year on year. Basic earnings per share for the period amounted to 60.07 yen. On January 1, 2026, Mitsui Chemicals, Inc. (hereinafter the "Company") conducted a two-for-one stock split of its common shares.

(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, 2025, the Group has revised the segment classifications for Mitsui Chemicals Asahi Life Materials Co., Ltd. and certain other consolidated subsidiaries. Accordingly, the results for the same period of the previous year have been reclassified into the post-revision reportable segment classifications.

Life & Healthcare Solutions

Sales revenue increased 1.3 billion yen compared with the corresponding period of the previous fiscal year to 174.1 billion yen and comprised 14% of total sales. On the other hand, operating income before special items decreased 3.5 billion yen to 17.0 billion yen year on year. This result was mainly due to the impact of a halt in production facilities at the Omuta Works, despite healthy sales in vision care materials and agrochemicals.

In **vision care materials**, sales were healthy for ophthalmic lens materials. On the other hand, the halt in production facilities at the Omuta Works had a negative impact on fixed costs, etc.

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

In **agrochemicals**, sales were healthy.

Mobility Solutions

Sales revenue decreased 33.7 billion yen compared with the corresponding period of the previous fiscal year to 382.8 billion yen and comprised 32% of total sales. This was mainly due to the transfer of the Group's subsidiary shares. Operating income before special items decreased 5.7 billion yen to 37.5 billion yen year on year. This was mainly due to the decrease in sales of polypropylene compounds caused by the impact of U.S. tariffs, a shortage of semiconductor supplies, and reduced production by various companies engaged in OEM following a fire at an aluminum plant in North America. It was also due to the worsened terms of trade by exchange rate differences.

In **elastomers**, sales remained at the same level as the corresponding period of the previous fiscal year. In addition, terms of trade worsened mainly due to exchange rate differences.

In **polypropylene compounds**, sales decreased compared to the corresponding period of the previous fiscal year. Meanwhile, the revision of prices contributed to an improvement in the terms of trade despite the adverse impact of exchange rate differences.

In **solutions business**, sales decreased compared to the corresponding period of the previous fiscal year.

ICT Solutions

Sales revenue decreased 1.3 billion yen compared with the corresponding period of the previous fiscal year to 208.4 billion yen and comprised 17% of total sales. This was mainly due to the transfer of the Group's subsidiary shares. On the other hand, operating income before special items increased 7.4 billion yen to 28.5 billion yen year on year. This was mainly due to healthy sales in semiconductor & optical materials and ICT films & sheets.

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

In **coatings & engineering materials**, sales remained at the same level as the corresponding period of the previous fiscal year.

In **ICT films & sheets**, sales were healthy due to a recovery in demand in the semiconductor market.

In **nonwovens**, sales decreased compared to the corresponding period of the previous fiscal year.

Basic & Green Materials

Sales revenue decreased 86.3 billion yen compared with the corresponding period of the previous fiscal year to 442.5 billion yen and comprised 36% of total sales. Operating loss before special items increased 5.5 billion yen, resulting in 12.8 billion yen. This was mainly due to the worsened inventory revaluation gain and loss resulting from the falling raw material prices, such as naphtha, and deteriorating market conditions, despite the improvements in fixed costs, etc. from business restructuring.

Sales of **phenols** decreased compared with the same period of the previous fiscal year.

In **polyolefin**, price revisions have improved terms of trade.

Naphtha cracker operating rates remained low due to a decrease in demand for downstream products and the scheduled major maintenance.

Others

Sales revenue decreased 0.1 billion yen compared with the corresponding period of the previous fiscal year to 10.9 billion yen and comprised 1% of total sales. On the other hand, operating loss before special items improved 1.7 billion yen to 0.1 billion yen year on year.

2. Financial Position

(1) Status of Assets, Liabilities and Net Assets

Total assets at the end of the third quarter stood at 2,209.1 billion yen, an increase of 55.1 billion yen compared with the previous fiscal year-end.

Total liabilities at the end of the third quarter increased 20.5 billion yen compared with the previous fiscal year-end to 1,203.9 billion yen. **Interest-bearing debt** amounted to 814.8 billion yen, an increase of 23.1 billion yen compared with the previous fiscal year-end. As a result, the interest-bearing debt ratio was 36.9%, an increase of 0.1 percentage point.

Total equity was 1,005.2 billion yen, an increase of 34.6 billion yen compared with the previous fiscal year-end. The **ratio of equity attributable to owners of the parent** was 39.7%, an increase of 0.3 percentage point.

Accounting for the aforementioned factors, the **net debt-equity ratio** stood at 0.70 at the end of the third quarter, a 0.03 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 increased 21.6 billion yen to 192.2 billion yen compared with the previous fiscal year-end.

Cash Flows from Operating Activities

Net cash provided by operating activities decreased 0.4 billion yen to 141.0 billion yen, compared with the same period of the previous fiscal year.

Cash Flows from Investing Activities

Net cash used in investing activities increased 16.2 billion yen to 97.0 billion yen, compared with the same period of the previous fiscal year, due to an increase in purchase of property, plant and equipment.

Cash Flows from Financing Activities

Net cash used in financing activities decreased 59.5 billion yen to 31.0 billion yen, compared with the same period of the previous fiscal year, due to an increase in borrowings of interest-bearing debt.

3. Outlook for Fiscal 2025 (Year Ending March 31, 2026)

(1) Overview

Revised financial forecasts are based on the following assumptions:

- a) Exchange rate for the full year is 150 yen/US\$ (Jan – Mar: 155 yen/US\$)
- b) Average price of domestic naphtha for the full year is 65,000 yen/kl (Jan – Mar: 65,000 yen/kl)

Sales revenue is expected to be lower than the previously announced forecast, as sales fell mainly due to reduced automobile production. Each income item is also expected to be lower, considering the third quarter results, due to the worsened inventory revaluation gain and loss resulting from the fall in raw material prices, such as naphtha, as well as deteriorating market conditions.

(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)	1,700.0	110.0	95.0	65.0	55.0	146.25
Revised forecast (B)	1,675.0	103.0	87.0	56.0	42.0	111.68
Difference (B-A)	(25.0)	(7.0)	(8.0)	(9.0)	(13.0)	
Difference (%)	(1.5)	(6.4)	(8.4)	(13.8)	(23.6)	
(Reference) FY2024 Actual (Apr. 1, 2024 - Mar. 31, 2025)	1,809.2	101.0	78.3	42.6	32.2	170.56

Note: On January 1, 2026, the Company conducted a two-for-one stock split of its common shares. Basic earnings per share has been calculated assuming that the stock split had been conducted at the beginning of the FY2024.

(2) Business Segment

Forecast by business segment is as follows.

	Sales Revenue						
	Life & Healthcare Solutions	Mobility Solutions	ICT Solutions	Basic & Green Materials	Others	Adjustment	Total
Previous forecast	270.0	530.0	280.0	605.0	15.0	-	1,700.0
Revised forecast	270.0	510.0	280.0	600.0	15.0	-	1,675.0
Difference	0.0	(20.0)	0.0	(5.0)	0.0	-	(25.0)

(Billions of Yen)

	Operating Income before Special Items						
	Life & Healthcare Solutions	Mobility Solutions	ICT Solutions	Basic & Green Materials	Others	Adjustment	Total
Previous forecast	35.5	53.0	35.5	(7.0)	(3.5)	(3.5)	110.0
Revised forecast	35.5	53.0	35.5	(15.0)	(2.5)	(3.5)	103.0
Difference	0.0	0.0	0.0	(8.0)	1.0	0.0	(7.0)

4. Consolidated Statement of Financial Position

	Millions of yen	
	FY2024 As of March 31, 2025	FY2025 As of December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	170,615	192,227
Trade receivables	349,481	304,038
Inventories	442,763	443,202
Other financial assets	38,618	35,499
Other current assets	32,052	40,309
Total	<hr/> 1,033,529	1,015,275
Assets held for sale	7,642	—
Total current assets	1,041,171	1,015,275
Non-current assets		
Property, plant and equipment	623,097	672,233
Right-of-use assets	46,143	48,822
Goodwill	21,122	24,743
Intangible assets	66,202	73,109
Investment property	21,666	21,666
Investments accounted for using equity method	168,274	160,695
Other financial assets	93,618	95,667
Retirement benefit assets	57,745	82,036
Deferred tax assets	5,083	6,029
Other non-current assets	9,832	8,864
Total non-current assets	1,112,782	1,193,864
Total assets	2,153,953	2,209,139

	Millions of yen	
	FY2024 As of March 31, 2025	FY2025 As of December 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	157,742	150,298
Bonds and borrowings	282,488	292,934
Income taxes payable	6,106	13,212
Other financial liabilities	110,625	111,300
Provisions	1,177	1,978
Other current liabilities	45,643	39,819
Total	<hr/> 603,781	609,541
Liabilities directly associated with assets held for sale	2,146	—
Total current liabilities	605,927	609,541
Non-current liabilities		
Bonds and borrowings	455,489	465,513
Other financial liabilities	53,025	54,651
Retirement benefit liabilities	16,941	17,681
Provisions	7,115	4,450
Deferred tax liabilities	44,714	51,977
Other non-current liabilities	138	102
Total non-current liabilities	577,422	594,374
Total liabilities	1,183,349	1,203,915
Equity		
Share capital	125,738	125,738
Capital surplus	55,079	50,988
Treasury stock	(42,652)	(39,719)
Retained earnings	618,307	634,697
Other components of equity	91,812	105,718
Total equity attributable to owners of the parent	848,284	877,422
Non-controlling interests	122,320	127,802
Total equity	970,604	1,005,224
Total liabilities and equity	2,153,953	2,209,139

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

(Consolidated Statement of Income)

	Millions of yen	
	FY2024 April 1, 2024 to December 31, 2024	FY2025 April 1, 2025 to December 31, 2025
Sales revenue	1,338,836	1,218,711
Cost of sales	(1,051,000)	(946,749)
Gross profit	287,836	271,962
Selling, general and administrative expenses	(217,856)	(215,246)
Other operating income	2,552	5,483
Other operating expenses	(14,482)	(21,490)
Share of profit of investments accounted for using equity method	8,851	13,935
Operating income	66,901	54,644
Financial income	6,793	7,502
Financial expenses	(7,739)	(10,613)
Income before income taxes	65,955	51,533
Income tax expense	(19,696)	(18,168)
Net income	46,259	33,365
Net income attributable to:		
Owners of the parent	37,711	22,581
Non-controlling interests	8,548	10,784
Net income	46,259	33,365
Earnings per share		
Basic earnings per share (Yen)	99.45	60.07

(Consolidated Statement of Comprehensive Income)

	Millions of yen	
	FY2024 April 1, 2024 to December 31, 2024	FY2025 April 1, 2025 to December 31, 2025
Net income	46,259	33,365
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(2,301)	5,448
Remeasurements of defined benefit plans	(4,946)	17,466
Share of other comprehensive income of investments accounted for using equity method	(322)	323
Total of items that will not be reclassified to profit or loss	(7,569)	23,237
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	15,360	15,901
Effective portion of net change in fair value of cash flow hedges	(5)	2
Share of other comprehensive income of investments accounted for using equity method	228	341
Total of items that may be reclassified to profit or loss	15,583	16,244
Total other comprehensive income, net of tax	8,014	39,481
Comprehensive income	54,273	72,846
Comprehensive income attributable to:		
Owners of the parent	42,291	58,467
Non-controlling interests	11,982	14,379
Comprehensive income	54,273	72,846

6. Consolidated Statement of Cash Flows

	Millions of yen	
	FY2024	FY2025
	April 1, 2024 to December 31, 2024	April 1, 2025 to December 31, 2025
Net cash provided by (used in) operating activities		
Income before income taxes	65,955	51,533
Depreciation and amortization	73,989	77,399
Impairment loss	6,536	10,441
Gain on negative goodwill	—	(2,583)
Interest and dividend income	(4,968)	(5,268)
Interest expenses	5,934	5,920
Share of loss (profit) of investments accounted for using equity method	(8,851)	(13,935)
Decrease (increase) in trade receivables	27,645	52,573
Decrease (increase) in inventories	(6,848)	8,292
Increase (decrease) in trade payables	(12,993)	(12,622)
Decrease (increase) in accounts receivable	(1,056)	4,650
Increase (decrease) in accrued expenses	(4,083)	(4,835)
Other	8,337	(22,449)
Subtotal	149,597	149,116
Interest and dividends received	11,123	11,959
Proceeds from insurance income	574	1,681
Interest paid	(6,074)	(5,997)
Income taxes refund (paid)	(13,858)	(15,788)
Net cash provided by (used in) operating activities	141,362	140,971
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(79,667)	(92,458)
Proceeds from sale of property, plant and equipment	175	72
Purchase of intangible assets	(11,096)	(7,630)
Proceeds from sale of intangible assets	—	1
Purchase of investment securities	(1,002)	(2,412)
Proceeds from sale and redemption of investment securities	1,031	4,778
Payments for acquisition of subsidiaries	—	(3,706)
Proceeds from acquisition of subsidiaries	—	346
Payments for sale of subsidiaries	(742)	—
Proceeds from sale of subsidiaries	10,897	5,448
Purchase of equity accounted investments	—	(1)
Other	(350)	(1,405)
Net cash provided by (used in) investing activities	(80,754)	(96,967)

	Millions of yen	
	FY2024 April 1, 2024 to December 31, 2024	FY2025 April 1, 2025 to December 31, 2025
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term borrowings	8,721	(25,417)
Increase (decrease) in commercial papers	(41,000)	30,000
Proceeds from long-term borrowings	30,129	43,550
Repayments of long-term borrowings	(29,722)	(7,576)
Redemption of bonds	(5,000)	(25,000)
Repayments of lease liabilities	(7,105)	(7,070)
Proceeds from sale of treasury stock	2	2
Purchase of treasury stock	(10,024)	(21)
Dividends paid	(27,572)	(28,171)
Capital contribution from non-controlling interests	5	—
Dividends paid to non-controlling interests	(8,943)	(8,897)
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	(2,369)
Other	(2)	(2)
Net cash provided by (used in) financing activities	(90,511)	(30,971)
Effect of exchange rate change on cash and cash equivalents	5,798	8,579
Net increase (decrease) in cash and cash equivalents	(24,105)	21,612
Cash and cash equivalents at beginning of period	210,292	170,615
Cash and cash equivalents at end of period	186,187	192,227

7. Basis of Preparation

The Group's 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

The Group's 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.

The Group positions 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 the Group's 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, 2025, the Group has revised the segment classifications for Mitsui Chemicals Asahi Life Materials Co., Ltd. and certain other consolidated subsidiaries.

Accordingly, the results for the same period of the previous year have been reclassified into the post-revision reportable segment classifications.

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

Segments		Major Products and Businesses
Reportable Segments	Life & Healthcare Solutions	Vision care materials, 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, nonwoven fabrics, 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	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, 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) External customers	172,789	416,504	209,635	528,857	1,327,785	11,051	—	1,338,836
2) Intersegment	2,605	2,116	4,707	67,292	76,720	48,414	(125,134)	—
Total	175,394	418,620	214,342	596,149	1,404,505	59,465	(125,134)	1,338,836
Segment income (loss) (Operating income before special items)	20,477	43,149	21,107	(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.

Third Quarter (April 1, 2025 – December 31, 2025)

(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) External customers	174,147	382,785	208,330	442,512	1,207,774	10,937	—	1,218,711
2) Intersegment	3,783	2,345	4,111	52,117	62,356	48,378	(110,734)	—
Total	177,930	385,130	212,441	494,629	1,270,130	59,315	(110,734)	1,218,711
Segment income (loss) (Operating income before special items)	17,022	37,474	28,525	(12,773)	70,248	(126)	(2,153)	67,969

Notes:

1. "Others" encompasses business segments not included in the reportable segments and includes other related businesses, etc.
2. The negative 2,153 million yen in adjustments to segment income includes corporate loss of 2,028 million yen not allocated to reportable segments and negative 125 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, 2024 – December 31, 2024)	Third quarter (April 1, 2025 – December 31, 2025)
Total reportable segment income	75,763	67,969
Gain on negative goodwill	—	2,583
Impairment loss	(6,536)	(10,441)
Loss on disposal of non-current assets	(2,544)	(3,007)
Loss on related business	—	(2,857)
Other	218	397
Operating income	66,901	54,644
Financial income	6,793	7,502
Financial expenses	(7,739)	(10,613)
Income before income taxes	65,955	51,533

9. Subsequent Events

(Stock Split)

Based on a resolution of the Board of Directors held on November 11, 2025, the Company conducted a stock split effective January 1, 2026.

1. Purpose of Stock Split

The stock split is intended to expand the Company's investor base with a more affordable environment for investors by lowering the investment unit price of its shares.

2. Details of stock split

(1) Method of stock split

The Company conducted a two-for-one stock split of its common shares held by shareholders listed or recorded in the final shareholder registry on the record date, December 31, 2025 (effectively, December 30, 2025, as the administrator of shareholder registry was closed on December 31, 2025).

(2) Number of shares increased by the stock split

(Shares)

Total number of issued shares before the stock split	200,843,815
Number of shares increased by the stock split	200,843,815
Total number of issued shares after the stock split	401,687,630

(*Note: There was no change to the total number of shares authorized to be issued, which remains at 600,000,000 shares.)

3. Schedule of stock split

Public notice date of the record date	December 16, 2025
Record date	December 31, 2025
Effective date	January 1, 2026

4. Others

(1) The amount of capital

There was no change in the amount of the stated capital as a result of the stock split.

(2) Adjustment to the maximum number of shares granted as restricted stock compensation

At the 26th Annual General Meeting of Shareholders held on June 27, 2023, it was approved that the total number of common shares of the Company to be issued or disposed of as restricted stock compensation to the Company's directors (excluding outside directors "eligible directors") shall be up to 190,000 shares per year. It was also approved that, in the event of a stock split (including gratis allotment), such total number shall be adjusted within a reasonable range. Based on this approval, the Company adjusted the maximum number of shares to be issued or disposed of to eligible directors effective January 1, 2026.

(Repurchase of Own Shares and Cancellation of Treasury Shares)

The Company has resolved at a meeting of its Board of Directors held on February 5, 2026 to repurchase its own shares pursuant to Article 156 of the Companies Act as applied mutatis mutandis pursuant to Article 165, Paragraph 3 of the Act and to cancel treasury shares pursuant to Article 178 of the Act, as described below.

1. Reason for Repurchase and Cancellation

The company will repurchase its own shares to improve capital efficiency and will cancel treasury shares to enhance the effectiveness of shareholder returns.

2. Detail of Repurchase

(1)	Class of shares to be repurchased	Common shares of the Company
(2)	Total number of shares to be repurchased	Up to 18,400,000 shares (Percentage to the total number of shares in issue (excluding treasury shares) 4.9%)
(3)	Total amount of repurchase	Up to JPY 30,000,000,000
(4)	Repurchase period	From February 6, 2026 to July 31, 2026
(5)	Repurchase method	Market purchases based on a discretionary dealing contract regarding repurchase of its own shares

3. Detail of Cancellation

(1)	Type of shares to be cancelled	Common shares of the Company
(2)	Total number of shares to be cancelled	The number of treasury shares held by the Company will be reduced through cancellation so that, upon completion of the share repurchase resolved at the Board of Directors meeting held on February 5, 2026, it will be approximately 5% of the total number of shares in issue.
(3)	Scheduled date of cancellation	August 31, 2026