

## Consolidated Financial Statements

### Consolidated Statement of Income

Mitsubishi Chemical Group Corporation and Consolidated Subsidiaries  
Fiscal years ended March 31

	Millions of yen	
	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Continuing operations:</b>		
Sales revenue	¥ 3,976,948	¥ 4,634,532
Cost of sales	(2,862,224)	(3,395,045)
Gross profit	1,114,724	1,239,487
Selling, general and administrative expenses	(854,455)	(922,650)
Other operating income	81,692	31,893
Other operating expenses	(59,961)	(177,755)
Share of profit of associates and joint ventures	21,194	11,743
Operating income	303,194	182,718
Financial income	9,368	16,636
Financial expenses	(22,192)	(31,390)
Income before taxes	290,370	167,964
Income taxes	(80,965)	(32,814)
Net income from continuing operations	¥ 209,405	¥ 135,150
<b>Net income attributable to:</b>		
Owners of the parent	¥ 177,162	¥ 96,066
Non-controlling interests	32,243	39,084
<b>Earnings per share:</b> (Yen)		
Basic earnings per share attributable to owners of the parent	¥ 124.68	¥ 67.57
Diluted earnings per share attributable to owners of the parent	¥ 115.03	¥ 64.72

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### Consolidated Statement of Comprehensive Income

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Fiscal years ended March 31

	Millions of yen	
	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Net income</b>	¥209,405	¥135,150
<b>Other comprehensive income:</b>		
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	4,471	(9,923)
Remeasurements of defined benefit pensions plans	7,328	(3,018)
Share of other comprehensive income (loss) of associates and joint ventures for using the equity method	(6)	426
Total items that will not be reclassified to profit or loss	11,793	(12,515)
Items that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of foreign operations	104,596	78,926
Net gain (loss) on derivatives designated as cash flow hedges	2,384	1,528
Share of other comprehensive income (loss) of associates and joint ventures for using the equity method	4,656	7,404
Total items that may be subsequently reclassified to profit or loss	111,636	87,858
Total other comprehensive income (net of tax)	123,429	75,343
<b>Total comprehensive income</b>	¥332,834	¥210,493
<b>Total comprehensive income attributable to:</b>		
Owners of the parent	¥268,003	¥150,984
Non-controlling interests	64,831	59,509

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### Consolidated Statement of Financial Position

Mitsubishi Chemical Group Corporation and Consolidated Subsidiaries

Assets	Millions of yen	
	March 31, 2022	March 31, 2023
<b>Current assets:</b>		
Cash and cash equivalents	¥ 245,789	¥ 297,224
Trade receivables	825,996	808,787
Inventories	745,248	797,877
Other financial assets	51,085	74,469
Other current assets	106,556	141,020
Subtotal	1,974,674	2,119,377
Assets held for sale	11,442	30,241
Total current assets	1,986,116	2,149,618
<b>Non-current assets:</b>		
Property, plant and equipment	1,899,695	1,907,898
Goodwill	705,412	727,655
Intangible assets	448,805	459,213
Investments accounted for using the equity method	174,791	170,736
Other financial assets	233,533	203,270
Other non-current assets	60,923	61,425
Deferred tax assets	64,596	94,088
Total non-current assets	3,587,755	3,624,285
<b>Total assets</b>	<b>¥5,573,871</b>	<b>¥5,773,903</b>

Liabilities and Equity	Millions of yen	
	March 31, 2022	March 31, 2023
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Trade payables	¥ 486,874	¥ 476,311
Bonds and borrowings	411,213	601,443
Income tax payable	34,875	29,127
Other financial liabilities	291,237	316,379
Provisions	15,601	47,274
Other current liabilities	178,613	184,272
Subtotal	1,418,413	1,654,806
Liabilities directly associated with assets held for sale	880	9,024
Total current liabilities	1,419,293	1,663,830
<b>Non-current liabilities:</b>		
Bonds and borrowings	1,748,756	1,642,325
Other financial liabilities	112,554	118,527
Retirement benefit liabilities	103,941	102,292
Provisions	22,673	39,476
Other non-current liabilities	147,212	39,936
Deferred tax liabilities	175,123	179,380
Total non-current liabilities	2,310,259	2,121,936
<b>Total liabilities</b>	<b>3,729,552</b>	<b>3,785,766</b>
<b>Equity</b>		
Common stock:	50,000	50,000
Additional paid-in capital	170,600	167,917
Treasury stock	(62,870)	(62,231)
Retained earnings	1,213,677	1,270,245
Other components of equity	86,670	138,435
Equity attributable to owners of the parent	1,458,077	1,564,366
Non-controlling interests	386,242	423,771
<b>Total equity</b>	<b>1,844,319</b>	<b>1,988,137</b>
<b>Total liabilities and equity</b>	<b>¥5,573,871</b>	<b>¥5,773,903</b>

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## Consolidated Financial Statements

### Consolidated Statement of Changes in Equity

Mitsubishi Chemical Group Corporation and Consolidated Subsidiaries

Fiscal year ended March 31, 2022

	Millions of yen			
	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2021	¥50,000	¥179,716	¥(63,244)	¥1,060,069
Net income	—	—	—	177,162
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	177,162
Purchase of treasury stock	—	—	(31)	—
Disposal of treasury stock	—	(403)	405	—
Cash dividends	—	—	—	(38,367)
Share-based payment transactions	—	533	—	—
Forfeiture of share acquisition rights	—	(1,106)	—	823
Changes in interests in subsidiaries	—	(8,140)	—	—
Business combinations or business divestitures	—	—	—	—
Changes in scope of consolidation	—	—	—	21
Transfer from other components of equity to retained earnings	—	—	—	13,969
Total transactions with owners	—	(9,116)	374	(23,554)
Balance at March 31, 2022	¥50,000	¥170,600	¥(62,870)	¥1,213,677

	Other components of equity				Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit pensions plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges				
Balance at April 1, 2021	¥56,707	¥ —	¥(47,077)	¥ 168	¥ 9,798	¥1,236,339	¥334,809	¥1,571,148
Net income	—	—	—	—	—	177,162	32,243	209,405
Other comprehensive income	1,063	7,155	80,395	2,228	90,841	90,841	32,588	123,429
Total comprehensive income	1,063	7,155	80,395	2,228	90,841	268,003	64,831	332,834
Purchase of treasury stock	—	—	—	—	—	(31)	—	(31)
Disposal of treasury stock	—	—	—	—	—	2	—	2
Cash dividends	—	—	—	—	—	(38,367)	(15,963)	(54,330)
Share-based payment transactions	—	—	—	—	—	533	—	533
Forfeiture of share acquisition right	—	—	—	—	—	(283)	—	(283)
Changes in interests in subsidiaries	—	—	—	—	—	(8,140)	2,553	(5,587)
Business combinations or business divestitures	—	—	—	—	—	—	(9)	(9)
Changes in scope of consolidation	—	—	—	—	—	21	21	42
Transfer from other components of equity to retained earnings	(6,814)	(7,155)	—	—	(13,969)	—	—	—
Total transactions with owners	(6,814)	(7,155)	—	—	(13,969)	(46,265)	(13,398)	(59,663)
Balance at March 31, 2022	¥50,956	¥ —	¥33,318	¥2,396	¥86,670	¥1,458,077	¥386,242	¥1,844,319

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## Consolidated Financial Statements

### Consolidated Statement of Changes in Equity

Mitsubishi Chemical Group Corporation and Consolidated Subsidiaries

Fiscal year ended March 31, 2023

	Millions of yen			
	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2022	¥50,000	¥170,600	¥(62,870)	¥1,213,677
Net income	—	—	—	96,066
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	96,066
Purchase of treasury stock	—	—	(21)	—
Disposal of treasury stock	—	(651)	660	—
Cash dividends	—	—	—	(42,651)
Share-based payment transactions	—	463	—	—
Changes in interests in subsidiaries	—	(2,495)	—	—
Business combinations or business divestitures	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	3,153
Total transactions with owners	—	(2,683)	639	(39,498)
Balance at March 31, 2023	¥50,000	¥167,917	¥(62,231)	¥1,270,245

	Other components of equity				Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit pensions plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges				
Balance at April 1, 2022	¥50,956	¥ —	¥33,318	¥ 2,396	¥ 86,670	¥1,458,077	¥386,242	¥1,844,319
Net income	—	—	—	—	—	96,066	39,084	135,150
Other comprehensive income	(10,053)	(3,459)	66,570	1,860	54,918	54,918	20,425	75,343
Total comprehensive income	(10,053)	(3,459)	66,570	1,860	54,918	150,984	59,509	210,493
Purchase of treasury stock	—	—	—	—	—	(21)	—	(21)
Disposal of treasury stock	—	—	—	—	—	9	—	9
Cash dividends	—	—	—	—	—	(42,651)	(19,216)	(61,867)
Share-based payment transactions	—	—	—	—	—	463	—	463
Changes in interests in subsidiaries	—	—	—	—	—	(2,495)	(3,153)	(5,648)
Business combinations or business divestitures	—	—	—	—	—	—	389	389
Transfer from other components of equity to retained earnings	(6,612)	3,459	—	—	(3,153)	—	—	—
Total transactions with owners	(6,612)	3,459	—	—	(3,153)	(44,695)	(21,980)	(66,675)
Balance at March 31, 2023	¥34,291	¥ —	¥99,888	¥4,256	¥138,435	¥1,564,366	¥423,771	¥1,988,137

## Consolidated Financial Statements

### Consolidated Statement of Cash Flows

Mitsubishi Chemical Group Corporation and Consolidated Subsidiaries

Millions of yen

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Cash flows from operating activities:</b>		
Income before taxes	¥290,370	¥167,964
Depreciation and amortization	251,469	269,616
Share of (profit) loss of associates and joint ventures	(21,194)	(11,743)
Impairment loss	26,047	96,782
Provision for loss on plant closure	—	26,726
Loss on sale and disposal of fixed assets	14,407	10,979
Provision for loss on business liquidation	—	5,666
Provision for loss on litigation	615	3,550
Gain on sale of property, plant and equipment	(9,121)	(8,792)
Gain on sale of intercompany securities	(1,888)	(3,316)
Gain on reversal of environmental expenses	—	(3,149)
Gain on business transfer	(60,838)	—
Interest and dividend income	(5,875)	(14,616)
Interest expense	20,985	29,800
(Increase) decrease in trade receivables	(88,721)	20,438
(Increase) decrease in inventories	(152,599)	(45,166)
Increase (decrease) in trade payables	86,511	(14,611)
Increase (decrease) in retirement benefit assets and liabilities, net	9,222	4,184
Others	45,221	(66,344)
Subtotal	404,611	467,968
Interest received	1,134	2,039
Dividends received	14,204	26,338
Interest paid	(20,250)	(25,335)
Income tax (paid) received, net	(52,828)	(115,821)
Net cash provided by (used in) operating activities	346,871	355,189
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(244,851)	(259,026)
Proceeds from sales of property, plant and equipment	24,707	5,793
Purchase of intangible assets	(12,814)	(21,969)
Purchase of other financial assets	(4,070)	(5,184)
Proceeds from sales/redemption of other financial assets	38,988	26,944
Purchase of investments in subsidiaries	(6,501)	(122)
Proceeds from sales of investments in subsidiaries	0	9,832
Payments for transfer of businesses	(700)	—
Proceeds from transfer of businesses	81,901	1,934
Net (increase) decrease in time deposits	476	(636)
Others	(5,917)	(5,198)
Net cash provided by (used in) investing activities	(128,781)	(247,632)

<b>Cash flows from financing activities:</b>		
Net increase (decrease) in short-term borrowings	(89,129)	(9,167)
Net increase (decrease) in commercial papers	(60,000)	69,000
Proceeds from long-term borrowings	66,162	81,270
Repayment of long-term borrowings	(130,246)	(128,728)
Proceeds from issuance of bonds	94,636	44,776
Redemption of bonds	(125,000)	(20,000)
Repayment of lease liabilities	(32,349)	(34,099)
Net (increase) decrease in treasury stock	(27)	(21)
Dividends paid to owners of the parent	(38,367)	(42,651)
Dividends paid to non-controlling interests	(15,810)	(19,113)
Repayments to non-controlling interests	(5,600)	—
Others	(553)	(2,050)
Net cash provided by (used in) financing activities	(336,283)	(60,783)
<b>Effect of exchange rate changes on cash and cash equivalents</b>		
	14,276	6,425
<b>Net increase (decrease) in cash and cash equivalents</b>	(103,917)	53,199
<b>Cash and cash equivalents at the beginning of the period</b>	349,577	245,789
<b>Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale</b>	(137)	(1,868)
<b>Net increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation</b>	266	—
<b>Net increase in cash and cash equivalents resulting from merger and acquisition</b>	—	104
<b>Cash and cash equivalents at the end of the period</b>	¥245,789	¥297,224

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