

# Consolidated Financial Statements

## Consolidated Statement of Income

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

	Millions of yen	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
<b>Continuing operations:</b>		
Sales revenue	¥ 3,257,535	¥ 3,976,948
Cost of sales	(2,331,286)	(2,862,224)
Gross profit	926,249	1,114,724
Selling, general and administrative expenses	(752,693)	(854,455)
Other operating income	30,713	81,692
Other operating expenses	(172,391)	(59,961)
Share of profit of associates and joint ventures	15,640	21,194
Operating income	47,518	303,194
Financial income	8,252	9,368
Financial expenses	(22,862)	(22,192)
Income before taxes	32,908	290,370
Income taxes	(10,186)	(80,965)
Net income from continuing operations	¥ 22,722	¥ 209,405
<b>Net income (loss) attributable to:</b>		
Owners of the parent	¥ (7,557)	¥ 177,162
Non-controlling interests	30,279	32,243
<b>Earnings per share:</b>		
		(Yen)
Basic earnings (loss) per share attributable to owners of the parent	¥ (5.32)	¥ 124.68
Diluted earnings (loss) per share attributable to owners of the parent	¥ (5.32)	¥ 115.03

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### Consolidated Statement of Comprehensive Income

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

	Millions of yen	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
<b>Net income</b>	¥ 22,722	<b>¥209,405</b>
<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	26,675	<b>4,471</b>
Remeasurements of defined benefit pensions plans	26,817	<b>7,328</b>
Share of other comprehensive income (loss) of associates and joint ventures for using the equity method	(191)	<b>(6)</b>
Total items that will not be reclassified to profit or loss	53,301	<b>11,793</b>
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	81,019	<b>104,596</b>
Net gain (loss) on derivatives designated as cash flow hedges	180	<b>2,384</b>
Share of other comprehensive income (loss) of associates and joint ventures for using the equity method	3,329	<b>4,656</b>
Total items that may be subsequently reclassified to profit or loss	84,528	<b>111,636</b>
Total other comprehensive income (net of tax)	137,829	<b>123,429</b>
<b>Total comprehensive income</b>	¥160,551	<b>¥332,834</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the parent	¥ 97,068	<b>¥268,003</b>
Non-controlling interests	63,483	<b>64,831</b>

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### Consolidated Statement of Financial Position

Mitsubishi Chemical Holdings Corporation and Consolidated Subsidiaries

		Millions of yen	
		March 31, 2021	March 31, 2022
<b>Assets</b>	<b>Current assets:</b>		
	Cash and cash equivalents	¥ 349,577	¥ 245,789
	Trade receivables	716,392	825,996
	Inventories	576,473	745,248
	Other financial assets	47,818	51,085
	Other current assets	83,462	106,556
	Subtotal	1,773,722	1,974,674
	Assets held for sale	23,812	11,442
	Total current assets	1,797,534	1,986,116
	<b>Non-current assets:</b>		
	Property, plant and equipment	1,813,838	1,899,695
	Goodwill	671,889	705,412
	Intangible assets	455,317	448,805
	Investments accounted for using the equity method	162,042	174,791
	Other financial assets	251,211	233,533
	Other non-current assets	68,051	60,923
	Deferred tax assets	67,346	64,596
	Total non-current assets	3,489,694	3,587,755
	<b>Total assets</b>	<b>¥5,287,228</b>	<b>¥5,573,871</b>

		Millions of yen	
		March 31, 2021	March 31, 2022
<b>Liabilities and Equity</b>			
<b>Liabilities</b>	<b>Current liabilities:</b>		
	Trade payables	¥ 382,272	¥ 486,874
	Bonds and borrowings	653,475	411,213
	Income tax payable	22,283	34,875
	Other financial liabilities	272,341	291,237
	Provisions	11,690	15,601
	Other current liabilities	147,911	178,613
	Subtotal	1,489,972	1,418,413
	Liabilities directly associated with assets held for sale	2,534	880
	Total current liabilities	1,492,506	1,419,293
	<b>Non-current liabilities:</b>		
	Bonds and borrowings	1,696,029	1,748,756
	Other financial liabilities	118,300	112,554
	Retirement benefit liabilities	112,272	103,941
	Provisions	27,398	22,673
	Other non-current liabilities	113,730	147,212
	Deferred tax liabilities	155,845	175,123
	Total non-current liabilities	2,223,574	2,310,259
	<b>Total liabilities</b>	<b>3,716,080</b>	<b>3,729,552</b>
<b>Equity</b>	Common stock	50,000	50,000
	Additional paid-in capital	179,716	170,600
	Treasury stock	(63,244)	(62,870)
	Retained earnings	1,060,069	1,213,677
	Other components of equity	9,798	86,670
	Equity attributable to owners of the parent	1,236,339	1,458,077
	Non-controlling interests	334,809	386,242
	<b>Total equity</b>	<b>1,571,148</b>	<b>1,844,319</b>
	<b>Total liabilities and equity</b>	<b>¥5,287,228</b>	<b>¥5,573,871</b>

## Consolidated Financial Statements

### Consolidated Statement of Changes in Equity

Mitsubishi Chemical Holdings Corporation and Consolidated Subsidiaries

Fiscal year ended March 31, 2021

	Millions of yen			
	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2020	¥50,000	¥176,715	¥(63,485)	¥1,071,260
Net income (loss)	—	—	—	(7,557)
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	(7,557)
Purchase of treasury stock	—	—	(20)	—
Disposal of treasury stock	—	(198)	261	—
Cash dividends	—	—	—	(34,091)
Share-based payment transactions	—	(13)	—	—
Changes in interests in subsidiaries	—	756	—	—
Business combinations or business divestitures	—	2,456	—	—
Changes in scope of consolidation	—	—	—	51
Transfer from other components of equity to retained earnings	—	—	—	30,406
Transfer from other components of equity to non-financial assets	—	—	—	—
Total transactions with owners	—	3,001	241	(3,634)
Balance at March 31, 2021	¥50,000	¥179,716	¥(63,244)	¥1,060,069

	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, 2020	¥38,335	¥ —	¥(102,773)	¥ 170	¥(64,268)	¥1,170,222	¥280,607	¥1,450,829
Net income (loss)	—	—	—	—	—	(7,557)	30,279	22,722
Other comprehensive income	22,523	26,255	55,696	151	104,625	104,625	33,204	137,829
Total comprehensive income	22,523	26,255	55,696	151	104,625	97,068	63,483	160,551
Purchase of treasury stock	—	—	—	—	—	(20)	—	(20)
Disposal of treasury stock	—	—	—	—	—	63	—	63
Cash dividends	—	—	—	—	—	(34,091)	(11,049)	(45,140)
Share-based payment transactions	—	—	—	—	—	(13)	—	(13)
Changes in interests in subsidiaries	—	—	—	—	—	756	361	1,117
Business combinations or business divestitures	—	—	—	—	—	2,456	1,488	3,944
Changes in scope of consolidation	—	—	—	—	—	51	(81)	(30)
Transfer from other components of equity to retained earnings	(4,151)	(26,255)	—	—	(30,406)	—	—	—
Transfer from other components of equity to non-financial assets	—	—	—	(153)	(153)	(153)	—	(153)
Total transactions with owners	(4,151)	(26,255)	—	(153)	(30,559)	(30,951)	(9,281)	(40,232)
Balance at March 31, 2021	¥56,707	¥ —	¥ (47,077)	¥ 168	¥ 9,798	¥1,236,339	¥334,809	¥1,571,148

## Consolidated Financial Statements

### Consolidated Statement of Changes in Equity

Mitsubishi Chemical Holdings 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 (loss)	—	—	—	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							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	Total					
Balance at April 1, 2021	¥56,707	¥ —	¥(47,077)	¥ 168	¥ 9,798	¥1,236,339	¥334,809	¥1,571,148		
Net income (loss)	—	—	—	—	—	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		

## Consolidated Financial Statements

### Consolidated Statement of Cash Flows

Mitsubishi Chemical Holdings Corporation and Consolidated Subsidiaries

Fiscal year ended March 31

	Millions of yen	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
<b>Cash flows from operating activities:</b>		
Income before taxes	¥ 32,908	¥ 290,370
Depreciation and amortization	243,793	251,469
Share of (profit) loss of associates and joint ventures	(15,640)	(21,194)
Impairment loss	127,193	26,047
Loss on sales and retirement of property, plant and equipment	11,458	14,407
Loss on liquidation of subsidiaries and associates	7,379	270
Provision for loss related to plant closure	3,318	—
Gain on transfer of businesses	(1,428)	(60,838)
Gain on sales of property, plant and equipment	(9,869)	(9,121)
Gain on sales of shares of subsidiaries and associates	(1,168)	(1,888)
Gain on step acquisitions	(1,295)	—
Interest and dividend income	(5,547)	(5,875)
Interest expense	21,404	20,985
(Increase) decrease in trade receivables	(237)	(88,721)
(Increase) decrease in inventories	44,629	(152,599)
Increase (decrease) in trade payables	(27,240)	86,511
Increase (decrease) in retirement benefit assets and liabilities, net	446	9,222
Others	71,695	45,566
Subtotal	501,799	404,611
Interest received	1,391	1,134
Dividends received	19,019	14,204
Interest paid	(19,891)	(20,250)
Income tax (paid) received, net	(35,185)	(52,828)
Net cash provided by (used in) operating activities	467,133	346,871
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(246,410)	(244,851)
Proceeds from sales of property, plant and equipment	15,843	24,707
Purchase of intangible assets	(10,606)	(12,814)
Purchase of other financial assets	(3,106)	(4,070)
Proceeds from sales/redemption of other financial assets	76,982	38,988
Purchase of investments in subsidiaries	(28,677)	(6,501)
Proceeds from sales of investments in subsidiaries	3,020	0
Payments for transfer of businesses	(983)	(700)
Proceeds from transfer of businesses	1,747	81,901
Net (increase) decrease in time deposits	5,708	476
Others	(30,528)	(5,917)
Net cash provided by (used in) investing activities	(217,010)	(128,781)

<b>Cash flows from financing activities:</b>		
Net increase (decrease) in short-term borrowings	(115,453)	(89,129)
Net increase (decrease) in commercial papers	(3,000)	(60,000)
Proceeds from long-term borrowings	301,531	66,162
Repayment of long-term borrowings	(171,789)	(130,246)
Proceeds from issuance of bonds	69,640	94,636
Redemption of bonds	(55,000)	(125,000)
Repayment of lease liabilities	(30,349)	(32,349)
Net (increase) decrease in treasury stock	(19)	(27)
Dividends paid to owners of the parent	(34,091)	(38,367)
Dividends paid to non-controlling interests	(11,007)	(15,810)
Payment for acquisition of subsidiaries' interests from non-controlling interests	(98,779)	(512)
Proceeds from stock issuance to non-controlling interests	4,404	1
Repayments to non-controlling interests	—	(5,600)
Others	1,139	(42)
Net cash provided by (used in) financing activities	(142,773)	(336,283)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	13,094	14,276
<b>Net increase (decrease) in cash and cash equivalents</b>	120,444	(103,917)
<b>Cash and cash equivalents at the beginning of the period</b>	228,211	349,577
<b>Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale</b>	49	(137)
<b>Net increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation</b>	854	266
<b>Net increase in cash and cash equivalents resulting from merger and acquisition</b>	19	—
<b>Cash and cash equivalents at the end of the period</b>	¥ 349,577	¥ 245,789