

Operational Summary

for the First Quarter of the Fiscal Year Ending March 31, 2025

August 1, 2024
Mitsubishi Chemical Group Corporation

Table of Contents

Consolidated Financial Statements for FY2024 1Q		References 1	
Summary	3	Topics for FY2024	17
Statements of Operations	4	Statements of Operations [Quarterly Data]	18
Sales Revenue and Core Operating Income by Business Segment	5	Analysis of Core Operating Income	19
Analysis of Core Operating Income	6	EBITDA Margin by Business Segment	20
Overview of Business Segments	7	References 2	
Special Items	12	Pharma Segment Status of Research and Development etc.	22
Cash Flows	13	References 3	
Statements of Financial Positions	14	Specialty Materials Core Markets Trends	28
Sales Revenue and Core Operating Income by Business Segment [Quarterly Data]	15		

List of Abbreviations

FY2024	April 1, 2024 – March 31, 2025	MCG	Mitsubishi Chemical Group Corporation
FY2023	April 1, 2023 – March 31, 2024	MCC	Mitsubishi Chemical Corporation
		MTPC	Mitsubishi Tanabe Pharma Corporation
		NSHD	Nippon Sanso Holdings Corporation

FY2024 1Q Actual

- The business environment during the first quarter of fiscal 2024 generally remained stable, despite some different levels of strength in demand among regions and industries. Display-related sales remained brisk on the back of demand spurred by large-scale shopping events in China and international sporting events, and semiconductor-related sales recovered moderately, driven by demand related to generative AI. On the other hand, sales were sluggish in some regions and sectors, such as automotive and food-related markets.
- Compared to the same period of the previous fiscal year, price gap improved significantly as a result of the efforts to promote price management in each business and an increase in market prices for MMA monomer. In addition, our cost reduction efforts continued to bear results in the first quarter. On the other hand, Carbon Products continued to post a loss, and sales volume decreased in Specialty Materials and Industrial Gases. As a result, looking at the Group on the whole, sales revenue increased 6% year on year, and core operating income soared 63% year on year.
- Net income attributable to owners of the parent decreased 7% year on year due to a decline in special items, such as profit related to business divestiture, among other factors.

FY2024 Forecast

- Core operating income for the first quarter was 75% of the first half forecast announced at the beginning of the current fiscal year, making progress exceeding the initial forecast.
- In addition to the uncertain outlook for demand in displays and food-related products from the second quarter onward, there is a need for further review of several business restructure reform projects. Since it difficult to incorporate such impact on earnings at this time, we reiterate our initial forecast.

Consolidated Statements of Operations



Exchange Rate (¥/\$)	139.6	158.2	18.6	13%	150.0
Naphtha Price (¥/kl)	67,500	79,000	11,500	17%	75,000

			(Billions of Yen)		<Reference>	
	FY2023 1Q	FY2024 1Q	Difference	%	FY2024 1H Forecast (Announced on May 15)	% to 1H Forecast
Sales Revenue	1,061.2	1,129.4	68.2	6%	2,251.0	50%
Core Operating Income *1	50.8	82.6	31.8	63%	110.0	75%
Special Items	18.9	2.4	(16.5)		(26.0)	
Operating Income	69.7	85.0	15.3	22%	84.0	101%
Income before Taxes	68.8	77.0	8.2	12%	66.0	117%
Net Income	55.8	56.3	0.5		42.0	
Net Income Attributable to Owners of the Parent	42.5	39.7	(2.8)	(7%)	10.0	397%
Net Income Attributable to Non-Controlling Interests	13.3	16.6	3.3		32.0	
*1 Share of profit of associates and joint ventures included	2.7	1.9	(0.8)			

Core operating income is calculated as operating income (loss) excluding certain gains and expenses attributable to non-recurring factors (losses incurred by business withdrawal and streamlining, etc.).

Sales Revenue and Core Operating Income by Business Segment

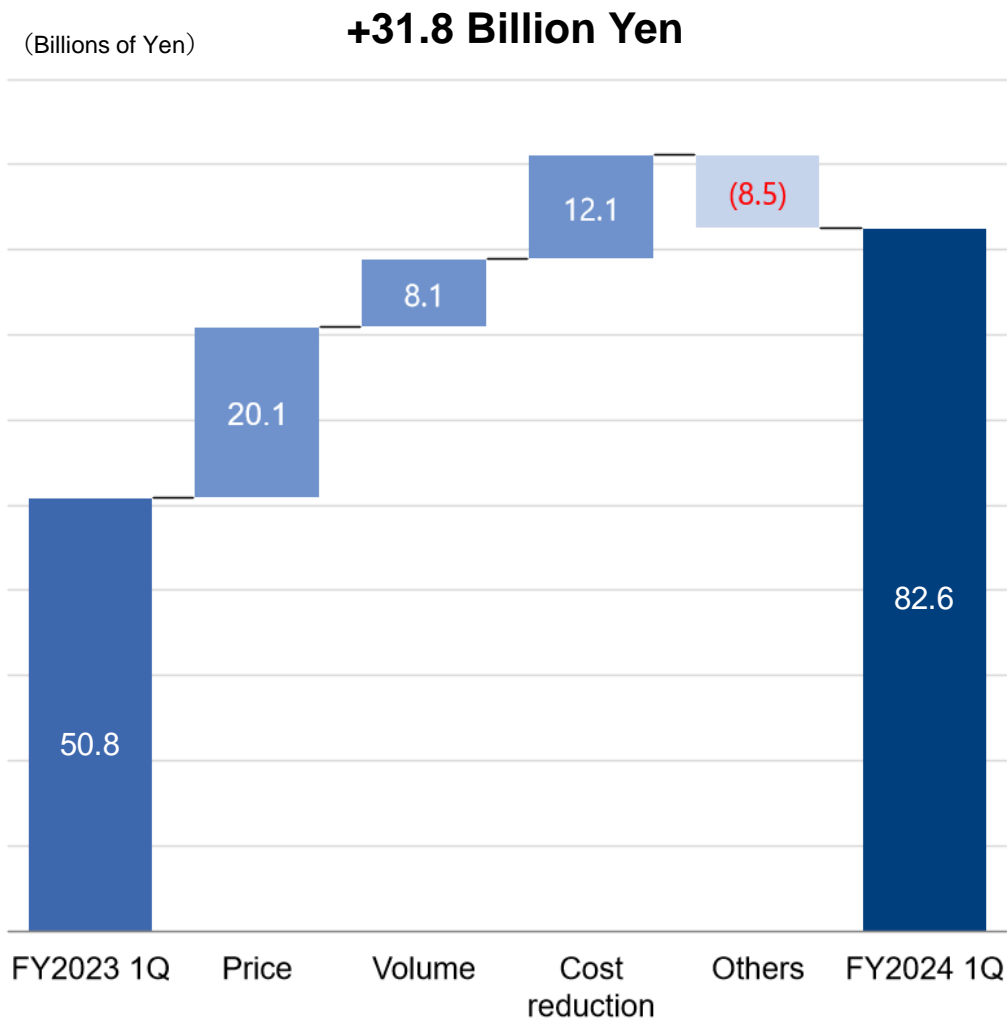
(Billions of Yen)

	FY2023 1Q		FY2024 1Q		Difference			
	Sales Revenue	Core Operating Income	Sales Revenue	Core Operating Income	Sales Revenue	%	Core Operating Income	%
Total Consolidated	1,061.2	50.8	1,129.4	82.6	68.2	6%	31.8	63%
Specialty Materials	262.6	9.9	276.9	11.5	14.3	5%	1.6	16%
Advanced Films & Polymers	118.1	8.6	120.4	9.2	2.3		0.6	
Advanced Solutions	88.7	0.5	88.3	3.1	(0.4)		2.6	
Advanced Composites & Shapes	55.8	0.8	68.2	(0.8)	12.4		(1.6)	
Industrial Gases	306.8	40.1	327.5	47.4	20.7	7%	7.3	18%
Pharma	101.9	10.0	112.5	18.5	10.6	10%	8.5	85%
MMA & Derivatives	90.1	(0.7)	114.8	10.5	24.7	27%	11.2	-
MMA	69.0	(0.9)	91.0	9.4	22.0		10.3	
Coating & Additives	21.1	0.2	23.8	1.1	2.7		0.9	
Basic Materials & Polymers	259.2	(8.8)	261.7	(6.8)	2.5	1%	2.0	-
Materials & Polymers	174.0	(5.2)	186.7	1.5	12.7		6.7	
Carbon Products	85.2	(3.6)	75.0	(8.3)	(10.2)		(4.7)	
Others	40.6	0.3	36.0	1.5	(4.6)	(11%)	1.2	400%

[Inventory valuation gain/loss]	FY2023 1Q	FY2024 1Q	Difference
Materials & Polymers	(0.4)	5.4	5.8
Carbon Products	(0.2)	(2.5)	(2.3)
Total	(0.6)	2.9	3.5

- From Q1 FY2024, the current financial reporting segments has been reclassified into Specialty Materials, Industrial Gases, Pharma, MMA & Derivatives, Basic Materials & Polymers, and Others. In addition, the company is reclassifying the managing segments for some of its businesses. Accordingly, for purposes of comparison, we are restated the results for FY2023.
- Breakdown figures of segment are approximation for reference purpose only.
- Based on careful examination of results for FY2023 of new business segment basis, the figures has been changed partially from those announced on May 15,2024.

Analysis of Core Operating Income



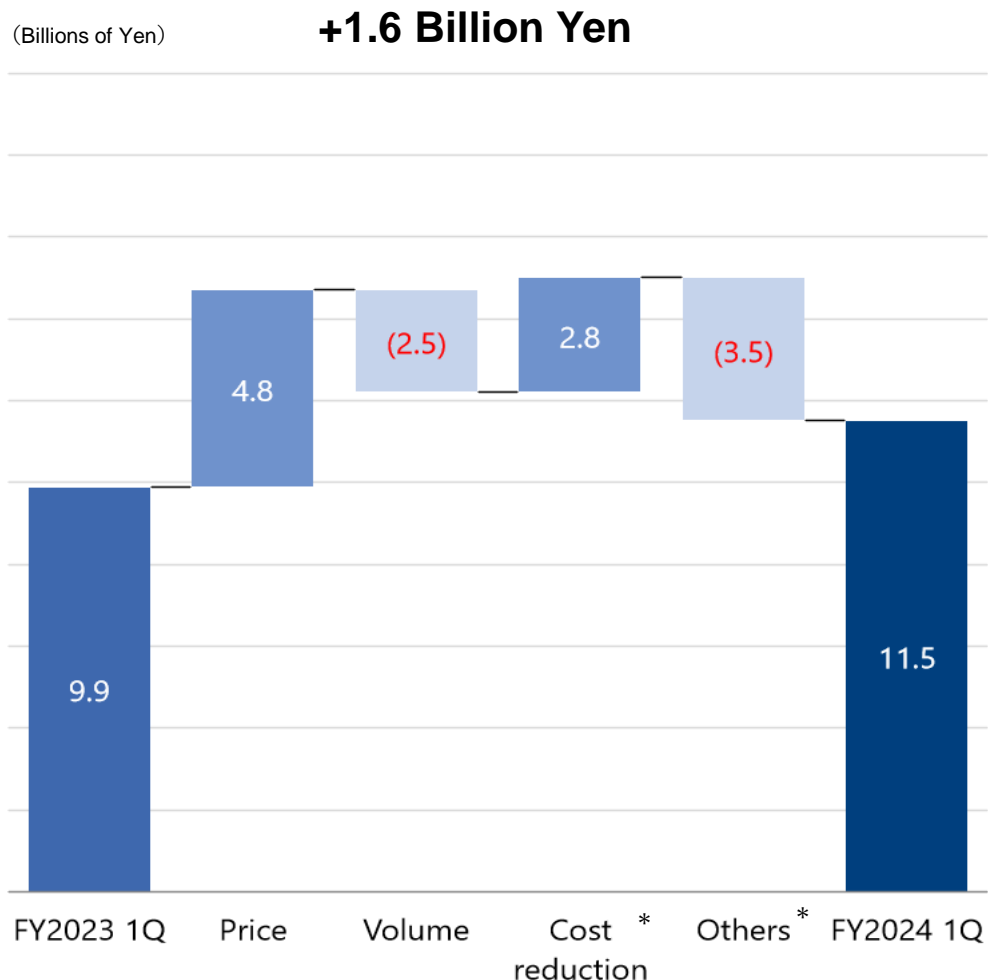
(Billions of Yen)

	FY2023 1Q	FY2024 1Q	Difference	Price	Volume	Cost reduction	Others *1
Total Consolidated	50.8	82.6	31.8	20.1	8.1	12.1	(8.5)
Specialty Materials	9.9	11.5	1.6	4.8	(2.5)	2.8	(3.5)
Industrial Gases	40.1	47.4	7.3	5.0	(1.3)	5.7	(2.1)
Pharma	10.0	18.5	8.5	0.8	10.4	0.3	(3.0)
MMA & Derivatives	(0.7)	10.5	11.2	10.7	0.7	0.9	(1.1)
Basic Materials & Polymers	(8.8)	(6.8)	2.0	(1.7)	0.3	1.5	1.9
Others	0.3	1.5	1.2	0.5	0.5	0.9	(0.7)

*1 Items included are impacts from differences of inventory valuation gain/loss 3.5 billion yen and differences of share of profit of associates and joint ventures (0.8) billion yen, etc.

Changes in exchange rates	6.8	8.4	0.0	-	(1.6)
Changes in foreign currency translation included in above	6.0				

Analysis of Core Operating Income Specialty Materials Segment



Advanced Films & Polymers +0.6

Price

(+) Improvement in price gap for various products as retaining and improving selling price

Volume (-)

(+) Increase in sales due to a rise in demand for displays and other applications

(-) Drop in sales reflecting retreating demand for barrier packaging, etc.

Advanced Solutions +2.6

Price

(+) Improvement in price gap for various products as retaining and improving selling price

Volume

(+) Increase in sales due to a rise in demand for displays and other applications and a moderate recovery in demand related to semiconductors

Advanced Composites & Shapes (1.6)

Price

(+) Improvement in price gap for various products as retaining and improving selling price

Volume (-)

(+) Increase in sales due to a moderate recovery in demand for high performance engineering plastics

(-) Decline in sales owing to retreating demand for some carbon fiber applications

(※)Cost reduction, Others

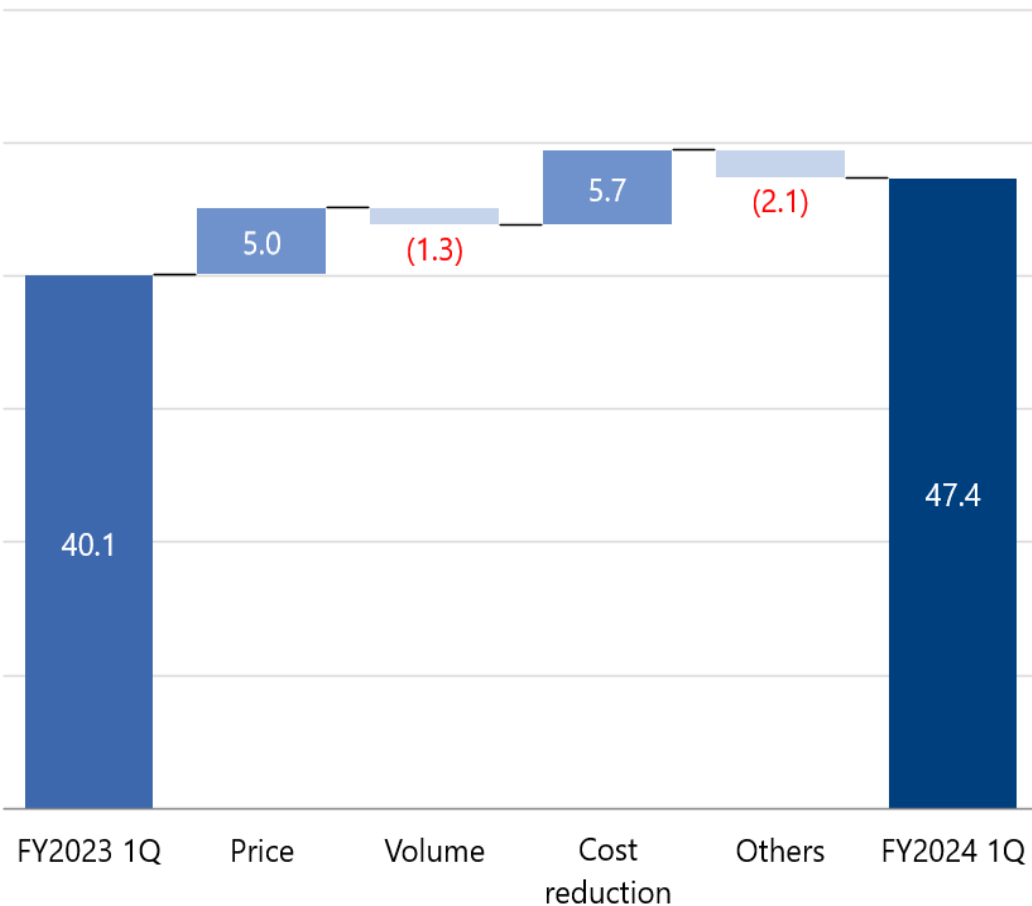
(+) Business structure reform, optimization of procurement, productivity enhancement, etc.

(-) Increase in labor cost and other fixed expenses, increase in amortization of intangible assets in tandem with acquisition of CPC as a consolidated subsidiary, etc.

Analysis of Core Operating Income Industrial Gases Segment

+7.3 Billion Yen

(Billions of Yen)



Industrial Gases +7.3

Price

(+) Price improvement owing to price management in each region

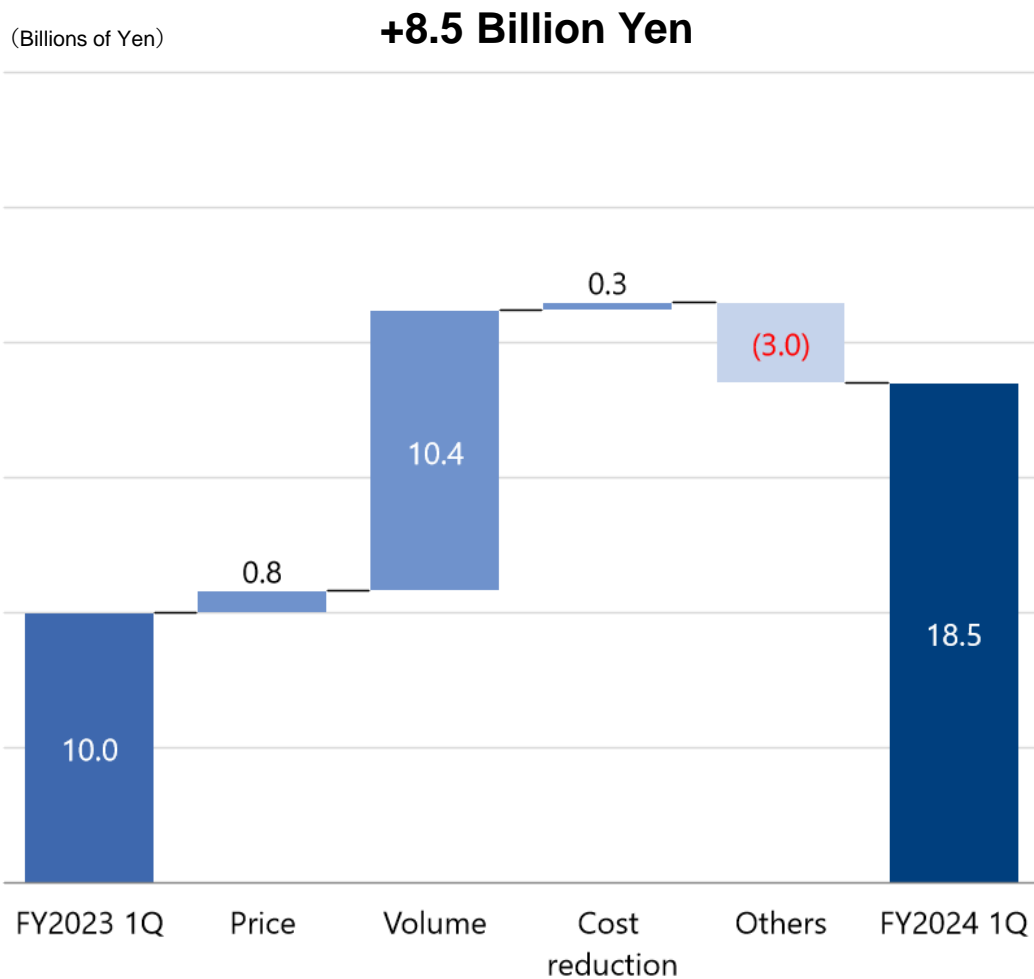
Cost
reduction

(+) Productivity improvement activities, include the use of DX and optimization of plant operations

Others

(-) Increase in expenses due to inflation

Analysis of Core Operating Income Pharma Segment



Pharma +8.5

Price

- (+) Forex impact on overseas ethical pharmaceuticals, etc.
- (-) National Health Insurance drug price revision for domestic ethical pharmaceuticals, etc.

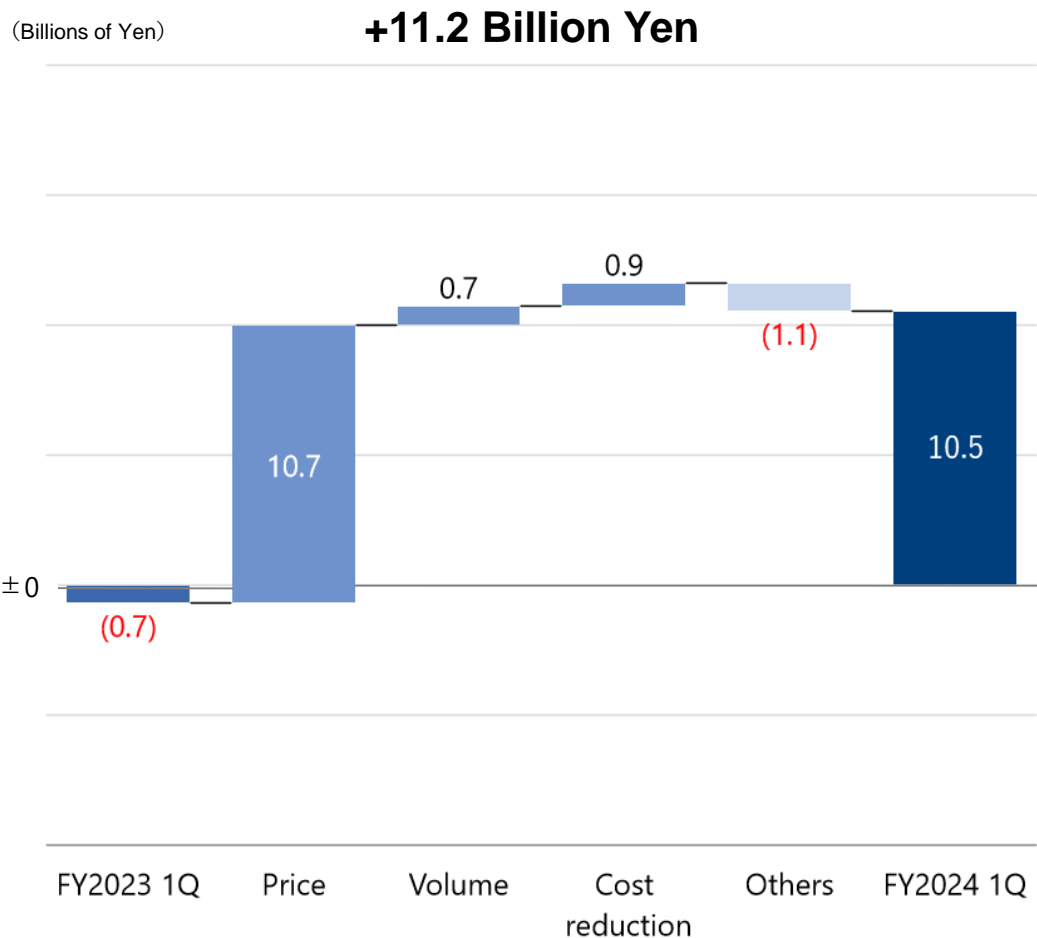
Volume

- (+) In North America, sales grew for RADICAVA ORS®, a therapy to treat ALS
- (+) Growth in sales of Mounjaro
- (+) Steady launch of GOBIK combination vaccine for five diseases

Others

- (-) Increase in labor cost and other fixed expenses

Analysis of Core Operating Income MMA & Derivatives Segment



MMA + 10.3

Price

(+) Improvement in price gap due to a rise in market prices chiefly for MMA monomer

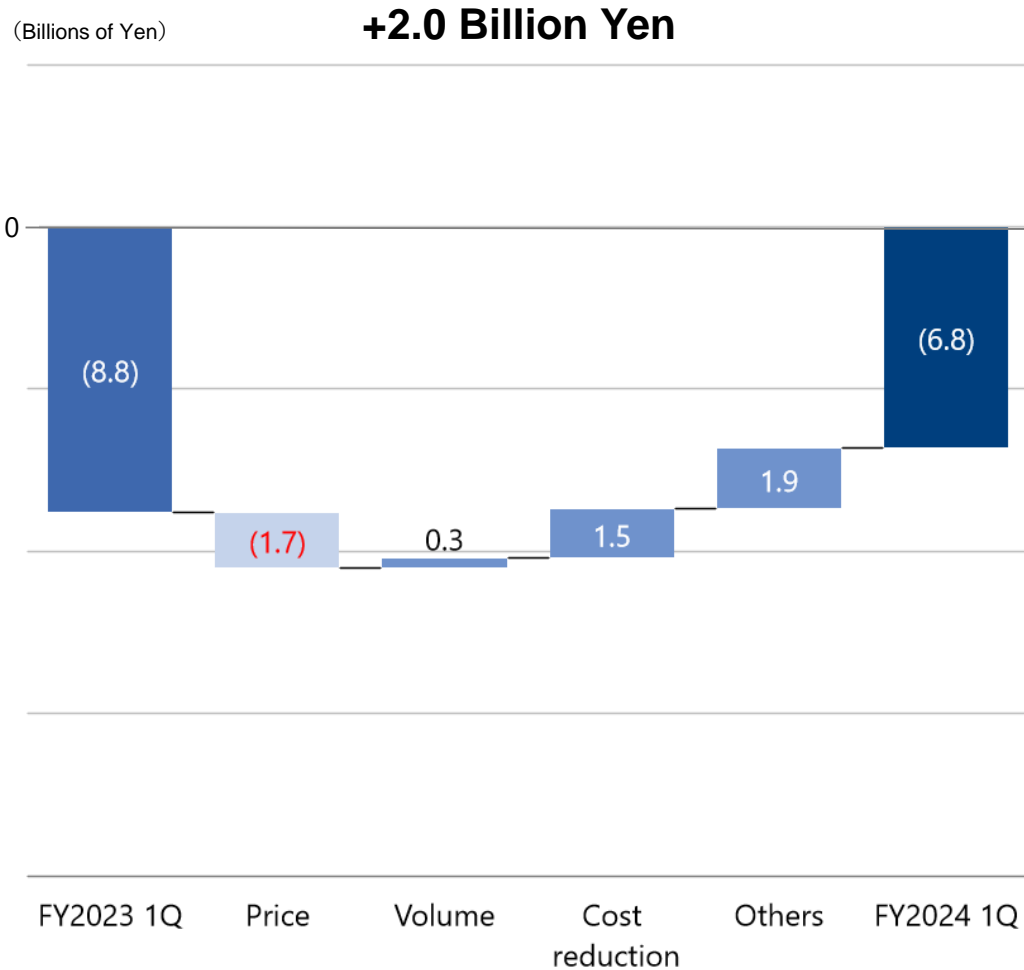
Coating & Additives + 0.9

Volume

(+) Increase in sales due to a moderate recovery in demand for adhesives / inks / additives

Analysis of Core Operating Income

Basic Materials & Polymers Segment



Materials & Polymers +6.7

Volume
(+)

(-) Expanded the scale of scheduled maintenance and repairs

(+) Diminished impact of one-off troubles during the previous fiscal year

Others

(+) Improvement in inventory valuation in tandem with a rise in raw material prices

Carbon Products (4.7)

Price

(-) Deterioration in price due to decline in cokes market price etc.

Others

(-) Deterioration in inventory valuation in tandem with a decline in raw material prices

Consolidated Special Items

(Billions of Yen)

	FY2023 1Q	FY2024 1Q	Difference
Total Special Items	18.9	2.4	(16.5)
Gain on sale of carbon credit	-	2.7	2.7
Gain on sale of property, plant and equipment	0.8	1.5	0.7
Reversal of provision for loss on plant closure	0.8	1.3	0.5
Loss on sale and disposal of fixed assets	(1.1)	(1.2)	(0.1)
Impairment loss	(0.0)	(0.8)	(0.8)
Loss on business liquidation	(2.0)	(0.3)	1.7
Gain on sales of shares of subsidiaries and associates	5.6	-	(5.6)
Others	14.8	(0.8)	(15.6)

Consolidated Cash Flows

	FY2023 1Q	FY2024 1Q
Net cash provided by (used in) operating activities	55.0	73.9
Income before taxes	68.8	77.0
Depreciation and amortization	67.9	71.2
Change in operating receivables/payables	19.0	30.2
Change in Inventories	(12.9)	(14.6)
Others	(87.8)	(89.9)
Net cash provided by (used in) investment activities	(57.3)	(80.5)
Capital expenditure	(63.2)	(86.5)
Sale of assets	18.8	4.4
Investment and loans receivable, etc.	(12.9)	1.6
Free cash flow	(2.3)	(6.6)

(Billions of Yen)

	FY2023 1Q	FY2024 1Q
Net cash provided by (used in) financing activities	0.5	(17.3)
Interest bearing debts	28.2	12.6
Dividends, etc.	(27.7)	(29.9)
Net increase (decrease) in cash and cash equivalents	(1.8)	(23.9)
Effect of exchange rate changes and changes in scope of consolidation	15.4	11.1
Total	13.6	(12.8)

Consolidated Statements of Financial Positions

(Billions of Yen)

	Mar.31.2024	Jun.30.2024	Difference
Cash & cash equivalents	294.9	282.1	(12.8)
Trade receivables	852.4	839.5	(12.9)
Inventories	799.2	828.7	29.5
Others	245.1	270.9	25.8
Current assets	2,191.6	2,221.2	29.6
Fixed assets	2,524.4	2,625.9	101.5
Goodwill	832.9	870.5	37.6
Investments & Other	555.6	573.5	17.9
Non-current assets	3,912.9	4,069.9	157.0
Total assets	6,104.5	6,291.1	186.6

(Billions of Yen)

	Mar.31.2024	Jun.30.2024	Difference
Interest-bearing debt	2,338.2	2,405.9	67.7
Trade payables	501.5	508.7	7.2
Others	989.3	963.1	(26.2)
Liabilities	3,829.0	3,877.7	48.7
Share capitals, Retained earnings, etc.,	1,502.9	1,521.2	18.3
Other components of equity	260.6	337.8	77.2
Equity attributable to owners of the parent	1,763.5	1,859.0	95.5
Non-controlling interests	512.0	554.4	42.4
Equity	2,275.5	2,413.4	137.9
Total liabilities & equity	6,104.5	6,291.1	186.6
Net Interest-bearing debt *1	2,043.3	2,123.8	80.5
Net D/E ratio	1.16	1.14	(0.02)
ROE *2	7.2%	-	-

*1 Net interest-bearing debt (End of Jun.30, 2024)

= interest-bearing debt (2,405.9billion yen)

- {cash and cash equivalents (282.1billion yen) + investments of surplus funds-}

Note : Interest-bearing debt includes lease obligations.

*2 Ratio of net income attributable to owners of the parent.

Sales Revenue and Core Operating Income by Business Segment [Quarterly Data]

(Billions of Yen)

		FY2023					FY2024			FY2024
		1Q	2Q	3Q	4Q	Total	1Q	1H	2H	Forecast
Total Consolidated	Sales Revenue	1,061.2	1,088.7	1,095.2	1,142.1	4,387.2	1,129.4	2,251.0	2,372.0	4,623.0
	Core Operating Income	50.8	68.8	64.3	24.2	208.1	82.6	110.0	140.0	250.0
Specialty Materials	Sales Revenue	262.6	257.6	256.7	266.9	1,043.8	276.9	551.0	578.0	1,129.0
	Core Operating Income	9.9	8.9	0.6	(12.0)	7.4	11.5	10.0	14.0	24.0
Advanced Films & Polymers	Sales Revenue	118.1	115.8	113.6	111.6	459.1	120.4	240.0	248.0	488.0
	Core Operating Income	8.6	8.0	4.2	(2.5)	18.3	9.2	10.0	10.0	20.0
Advanced Solutions	Sales Revenue	88.7	88.8	92.6	92.8	362.9	88.3	180.0	192.0	372.0
	Core Operating Income	0.5	2.3	0.4	(2.6)	0.6	3.1	1.0	3.0	4.0
Advanced Composites & Shapes	Sales Revenue	55.8	53.0	50.5	62.5	221.8	68.2	131.0	138.0	269.0
	Core Operating Income	0.8	(1.4)	(4.0)	(6.9)	(11.5)	(0.8)	(1.0)	1.0	0.0
Industrial Gases	Sales Revenue	306.8	301.4	314.2	324.5	1,246.9	327.5	646.0	646.0	1,292.0
	Core Operating Income	40.1	40.2	42.2	40.5	163.0	47.4	87.0	87.0	174.0
Pharma	Sales Revenue	101.9	117.4	118.6	99.3	437.2	112.5	220.0	229.0	449.0
	Core Operating Income	10.0	22.4	23.0	0.9	56.3	18.5	22.0	20.0	42.0
MMA & Derivatives	Sales Revenue	90.1	91.2	90.8	96.3	368.4	114.8	194.0	192.0	386.0
	Core Operating Income	(0.7)	2.9	(1.6)	1.5	2.1	10.5	7.0	9.0	16.0
MMA	Sales Revenue	69.0	69.4	68.7	74.5	281.6	91.0	149.0	145.0	294.0
	Core Operating Income	(0.9)	2.5	(1.9)	1.0	0.7	9.4	6.0	8.0	14.0
Coating & Additives	Sales Revenue	21.1	21.8	22.1	21.8	86.8	23.8	45.0	47.0	92.0
	Core Operating Income	0.2	0.4	0.3	0.5	1.4	1.1	1.0	1.0	2.0
Basic Materials & Polymers	Sales Revenue	259.2	269.5	278.1	279.3	1,086.1	261.7	552.0	621.0	1,173.0
	Core Operating Income	(8.8)	(5.9)	1.8	(9.1)	(22.0)	(6.8)	(13.0)	9.0	(4.0)
Materials & Polymers	Sales Revenue	174.0	198.1	206.7	203.6	782.4	186.7	399.0	432.0	831.0
	Core Operating Income	(5.2)	0.6	4.2	(2.2)	(2.6)	1.5	1.0	8.0	9.0
Carbon Products	Sales Revenue	85.2	71.4	71.4	75.7	303.7	75.0	153.0	189.0	342.0
	Core Operating Income	(3.6)	(6.5)	(2.4)	(6.9)	(19.4)	(8.3)	(14.0)	1.0	(13.0)
Others	Sales Revenue	40.6	51.6	36.8	75.8	204.8	36.0	88.0	106.0	194.0
	Core Operating Income	0.3	0.3	(1.7)	2.4	1.3	1.5	(3.0)	1.0	(2.0)

- From Q1 FY2024, the current financial reporting segments has been reclassified into Specialty Materials, Industrial Gases, Pharma, MMA & Derivatives, Basic Materials & Polymers, and Others. In addition, the company is reclassifying the managing segments for some of its businesses. Accordingly, for purposes of comparison, we are restated the results for FY2023.
- Breakdown figures of segment are approximation for reference purpose only.
- Based on careful examination of results for FY2023 of new business segment basis, the figures has been changed partially from those announced on May 15,2024.

References 1

Specialty Materials

- In response to an anticipated increase in demand for ArF and EUV photoresists in tandem with the miniaturization of semiconductor devices and to strengthen the supply chain, the MCG Group has decided to increase the production capacity of its Lithomax™ photosensitive polymers for photoresists at its Kyushu-Fukuoka Plant. This will more than double the production capacity of Lithomax™ for ArF photoresists, and also signal the start of mass production of Lithomax™ for EUV photoresists. The Plant is scheduled to commence operations in October 2025 for Lithomax™ for ArF photoresists and in September 2025 for Lithomax™ for EUV photoresists.

Industrial Gases

- In May 2024, a purchase and sale agreement was signed with Wesfarmers Kleenheat Gas Pty Ltd (hereinafter "Kleenheat"), which handles the LPG business of Wesfarmers Chemicals, Energy and Fertilisers in Australia, to acquire the LPG sales business in Western Australia and Northern Territory of Kleenheat.

Pharma

- In March 2024, the United States Food and Drug Administration (FDA) recognized seven years of orphan-drug exclusive approval for RADICAVA ORS® (edaravone) for treatment of amyotrophic lateral sclerosis (ALS). The period of exclusive approval is seven years from May 12, 2022, the date of approval of New Drug Application (NDA).

Basic Materials & Polymers

- It has been decided to perform a joint feasibility study with Asahi Kasei Corp. and Mitsui Chemicals, Inc on feedstock and fuel conversion etc. at the three companies' ethylene production facilities in western Japan in order to advance carbon neutrality and lead the decarbonization of society.

Statements of Operations [Quarterly Data]

Exchange Rate (¥/\$)	139.6	145.6	146.1	149.9	145.3	158.2
Naphtha Price (¥/kl)	67,500	63,600	72,800	72,500	69,100	79,000
	(Billions of Yen)					
	FY2023					FY2024
	1Q	2Q	3Q	4Q	Total	1Q
Sales Revenue	1,061.2	1,088.7	1,095.2	1,142.1	4,387.2	1,129.4
Core Operating Income *1	50.8	68.8	64.3	24.2	208.1	82.6
Special Items	18.9	0.1	9.6	25.1	53.7	2.4
Operating Income	69.7	68.9	73.9	49.3	261.8	85.0
Financial Income/Expenses	(0.9)	(7.5)	(12.3)	(0.6)	(21.3)	(8.0)
(Dividend included above)	[4.6]	[0.1]	[1.3]	[0.2]	[6.2]	[2.4]
(Foreign Exchange Gain/Loss included above)	[4.5]	[2.7]	[(4.2)]	[4.5]	[7.5]	[4.2]
Income before Taxes	68.8	61.4	61.6	48.7	240.5	77.0
Income Taxes	(13.0)	(23.1)	(11.4)	(14.6)	(62.1)	(20.7)
Net Income	55.8	38.3	50.2	34.1	178.4	56.3
Net Income Attributable to Owners of the Parent	42.5	24.7	36.7	15.7	119.6	39.7
Net Income Attributable to Non-Controlling Interests	13.3	13.6	13.5	18.4	58.8	16.6
*1 Share of profit of associates and joint ventures included	2.7	1.5	2.3	1.1	7.6	1.9

Analysis of Core Operating Income (FY2023/4Q → FY2024/1Q)

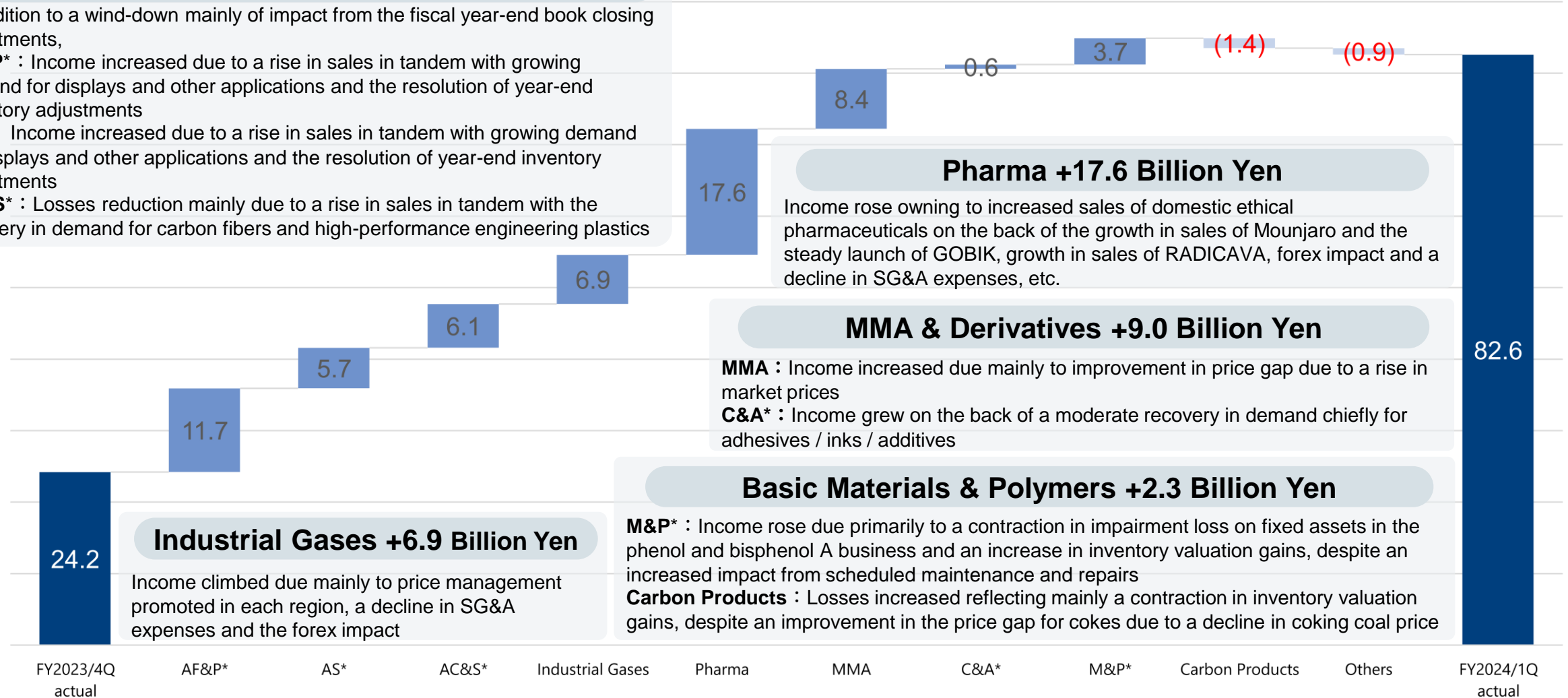
Specialty Materials +23.5 Billion Yen

In addition to a wind-down mainly of impact from the fiscal year-end book closing adjustments,

AF&P* : Income increased due to a rise in sales in tandem with growing demand for displays and other applications and the resolution of year-end inventory adjustments

AS* : Income increased due to a rise in sales in tandem with growing demand for displays and other applications and the resolution of year-end inventory adjustments

AC&S* : Losses reduction mainly due to a rise in sales in tandem with the recovery in demand for carbon fibers and high-performance engineering plastics



Pharma +17.6 Billion Yen

Income rose owing to increased sales of domestic ethical pharmaceuticals on the back of the growth in sales of Mounjaro and the steady launch of GOBIK, growth in sales of RADICAVA, forex impact and a decline in SG&A expenses, etc.

MMA & Derivatives +9.0 Billion Yen

MMA : Income increased due mainly to improvement in price gap due to a rise in market prices

C&A* : Income grew on the back of a moderate recovery in demand chiefly for adhesives / inks / additives

Basic Materials & Polymers +2.3 Billion Yen

M&P* : Income rose due primarily to a contraction in impairment loss on fixed assets in the phenol and bisphenol A business and an increase in inventory valuation gains, despite an increased impact from scheduled maintenance and repairs

Carbon Products : Losses increased reflecting mainly a contraction in inventory valuation gains, despite an improvement in the price gap for cokes due to a decline in coking coal price

Industrial Gases +6.9 Billion Yen

Income climbed due mainly to price management promoted in each region, a decline in SG&A expenses and the forex impact

FY2023/4Q
actual

AF&P*

AS*

AC&S*

Industrial Gases

Pharma

MMA

C&A*

M&P*

Carbon Products

Others

FY2024/1Q
actual

*AF&P= Advanced Films & Polymers, AS=Advanced Solutions, AC&S=Advanced Composites & Shapes, C&A=Coating & Additives, M&P=Materials & Polymers

+58.4 Billion Yen

EBITDA Margin by Business Segment

	FY2023 Actual	FY2024 1Q Actual	FY2024 Forecast
Total Consolidated	10.8%	13.4%	11.2%
Specialty Materials	6.6%	10.4%	8.0%
Industrial Gases	22.0%	23.4%	22.1%
Pharma	15.9%	19.5%	12.9%
MMA & Derivatives	7.4%	13.9%	10.4%
Basic Materials & Polymers	2.0%	1.5%	2.7%

EBITDA : Core Operating Income - Share of profit of associates and joint ventures (included in Core Operating Income) + Depreciation / Amortization

References 2

Pharma Segment, Status of Research and Development etc.

Major Development Pipeline List

As of Jul. 25, 2024

Areas	Development code	Region / Country	Indications/Description	P1	P2	P3	Filed	Approved
Central Nervous System	ND0612	Global	Parkinson's disease					
	MT-3921	Global	Spinal cord injury					
	MT-0551	Japan ^{*1}	Myasthenia gravis					
Immuno-inflammation	MT-7117	Global	Erythropoietic protoporphyria (EPP) X-linked protoporphyria (XLP)					
		Global	Systemic sclerosis					
	MT-2990	Global	Endometriosis					
	MT-0551	Japan ^{*1}	IgG4-related disease					
		Japan	Systemic sclerosis					
Oncology	MT-2111	Japan	Relapsed/Refractory Diffuse Large B-cell Lymphoma (Monotherapy)					
		Japan ^{*2}	Relapsed/Refractory Diffuse Large B-cell Lymphoma (with rituximab)					

^{*1} Co-development with Amgen

^{*2} Co-development with ADC Therapeutics

Launch Plan for Major Development Pipeline

	FY2024	FY2025	FY2026 and beyond
Central Nervous System	ND0612 Parkinson's disease (Global)		MT-0551 Myasthenia gravis (Japan ^{*1})
Immuno-inflammation			MT-0551 IgG4-related disease (Japan ^{*1})
			MT-7117 EPP, XLP (Global)
Diabetes and Kidney	CANAGLU OD tablets Type 2 diabetes mellitus, Chronic kidney disease complicated with type 2 diabetes mellitus ^{*2} (Japan)	CANALIA combination OD tablets Type 2 diabetes mellitus ^{*3} (Japan)	
Oncology			MT-2111 Relapsed/Refractory Diffuse Large B-cell Lymphoma (Monotherapy) (Japan)
			MT-2111 Relapsed/Refractory Diffuse Large B-cell Lymphoma (with rituximab) (Japan ^{*4})


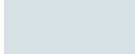

^{*1} Co-development with Amgen

^{*2} Chronic kidney disease complicated with type 2 diabetes mellitus, excluding patients with end-stage renal disease or undergoing dialysis

^{*3} Type 2 diabetes mellitus

However, The drug product should be used only in patients for whom treatment with concomitant teneligliptin hydrobromide hydrate and canagliflozin hydrate is considered appropriate

^{*4} Co-development with ADC Therapeutics

 : Global (US launch year)  : Japan  : Launched

“CANAGLU OD Tablets” launched in Japan (May 2024)

- **Improving treatment satisfaction and convenience for people living with type 2 diabetes**

- Disintegrates in the mouth with a small amount of water, such as saliva, and can be expected to be swallowed easily*¹
- Can be taken without water, which is expected to improve convenience and to continue taking the drug
- OD tablets following selective DPP-4 inhibitor “TENELIA Tablets”

- **PTP sheets*² with consideration for the environment.**

- Biomass-plastic PTP sheets manufactured by Mitsubishi Chemical Corporation
- Reduce carbon dioxide emissions by 30~70% compared to oil-based plastic blister sheets*³



*¹ Mitsubishi Tanabe Pharma Corporation: CANAGLU Tablets 100mg Pharmaceutical Interview Forms version 13 (Revised May 2024)

*² PTP (Press Through Pack) sheet: A sheet of tablets or capsules sandwiched between plastic and aluminum.

*³ Data source: Mitsubishi Chemical Corporation. Comparison between films which has equivalent moisture permeability. The number changes depending on the coefficient used.

Pharmaceuticals Business: Statements of Operations (FY2024 1Q Actual)



	(Billions of Yen)				<Reference>	
	FY2023 1Q	FY2024 1Q	Difference	%	FY2024 1H Forecast (Announced on May 15)	% to 1H Forecast
Revenue	101.9	112.5	10.6	10.4%	220	51.1%
Domestic	76.9	76.5	(0.4)	(0.5%)	158	48.4%
Overseas	25.0	36.0	11.0	43.8%	62	58.0%
Overseas sales ratio	24.5%	32.0%			28.2%	
Cost of sales	53.5	53.4	(0.2)	(0.3%)	110	48.5%
Sales cost ratio	52.5%	47.5%			50.0%	
Gross profit	48.4	59.1	10.7	22.2%	110	53.7%
SG&A expenses, etc.	38.3	41.1	2.8	7.4%	88	46.8%
R&D expenses	14.6	15.4	0.8	5.8%	31	49.8%
Core operating profit	10.1	18.0	7.9	78.1%	22	81.7%
Non-recurring items	13.1	(1.1)	(14.2)		4	
Operating profit	23.1	16.9	(6.3)	(27.2%)	26	66.1%
Net profit attributable to owners of the Company	23.8	14.1	(9.7)	(40.9%)	13	108.1%

Effect of fluctuations in exchange rate for FY2023: Revenue increased by ¥3.9 bn. and core operating profit increased by ¥1.2 bn.

Pharmaceuticals: Details of Revenue (FY2024 1Q Actual)

	(Billions of Yen)				<Reference>	
	FY2023 1Q	FY2024 1Q	Difference	%	FY2024 1H Forecast (Announced on May 15)	% to 1H Forecast
Domestic ethical drugs	74.3	73.9	(0.4)	(0.6%)	152.4	48.5%
Priority and New products	43.4	42.4	(1.1)	(2.5%)	80.9	52.4%
Stelara	16.9	15.3	(1.7)	(9.8%)	30.8	49.6%
Simponi	11.4	10.9	(0.4)	(3.9%)	21.5	50.9%
Tenelia	2.6	3.1	0.5	19.1%	4.1	75.3%
Canaglu	3.2	3.5	0.3	10.3%	5.9	59.3%
Canalia	2.9	1.1	(1.8)	(62.5%)	3.5	31.2%
Vafseo	0.6	0.6	0.0	4.7%	1.2	52.5%
Uplizna	1.4	2.3	0.9	63.5%	3.6	63.2%
Rupafin	2.0	2.0	0.1	2.8%	3.6	56.2%
Dysval	1.3	2.0	0.7	49.5%	3.6	54.9%
Radicut	1.2	1.6	0.4	30.4%	3.2	50.6%
Vaccines	6.7	7.9	1.2	17.3%	23.8	33.0%
Influenza vaccine	(0.0)	0.0	0.0	-	7.5	0.0%
GOBIK	-	2.7	2.7	-	6.8	40.7%
Tetrabik	2.7	1.0	(1.7)	(62.2%)	2.2	46.5%
JEBIK V	0.9	0.9	0.0	1.2%	2.0	48.2%
Mearubik	1.7	1.7	0.1	4.7%	2.6	66.3%
Varicella vaccine	1.1	1.0	(0.1)	(5.1%)	2.0	50.1%
Long-listed drugs, etc.	24.2	23.7	(0.5)	(2.0%)	47.8	49.6%
Remicade	8.1	6.4	(1.7)	(20.6%)	12.8	50.0%
Overseas ethical drugs	23.6	32.4	8.8	37.4%	55.4	58.5%
Radicava	15.9	24.2	8.2	51.4%	40.8	59.1%
Royalty revenue, etc.	1.8	3.9	2.1	121.6%	Undisclosed	
Royalty from INVOKANA	1.2	1.8	0.7	56.4%	Undisclosed	
Royalty from GILENYA	(0.7)	1.4	2.1	-	Undisclosed	

References 3

Specialty Materials Core Markets Trends

Specialty Materials Core Markets Trends

Core Markets		Key Products	1Q FY2024 Summary	Forecast for 2Q FY2024 Onward
EV/Mobility		Electrolytes Fiber reinforced plastics & composites Compounds	Sales remained brisk in North America and India, while sales were negatively affected by a decline in Auto production in Japan and Europe	In the medium/long-term, moderate growth to continue in general, despite some variances among regions
Digital	Semiconductors	Semicon cleaning Epoxy resins Semicon equipment components Photolithography materials	While AI-related sales were robust, sales related to consumer, industrial and automotive applications remained sluggish	Moderate recovery is anticipated in 2H FY2024 and thereafter In the medium/long-term, forecast ongoing market growth owing to further expansion in demand
	Electronics	Optical films Display related materials	Operations of panel manufacturers remained at a higher rate	Operations of panel manufacturers to slow down in 2Q FY2024 due to inventory adjustments Robust demand to continue in the medium to long term in tandem with the trend toward larger TVs
Medical		Resins / shapes for implant	Remained brisk globally	Market growth is expected to continue in the medium to long term due to the increase in the aging population and the prevalence of lifestyle-related diseases and chronic diseases
Food		Emulsifiers Packaging film Packaging Materials	Food packaging market remained sluggish globally due mainly to the impact of inflation	Demand in the food packaging material market to recover moderately in 2H FY2024, despite the lingering effects of inflation In the medium/long term, anticipate an expansion in demand underscored mainly by a reduction in food loss

Sales Revenue and EBITDA by Market of Specialty Materials

(Billions of Yen)

Specialty Materials	FY2023 Actual		FY2024 1Q Actual		FY2024 Forecast		FY2025 Target	
	Sales Revenue	EBITDA	Sales Revenue	EBITDA	Sales Revenue	EBITDA	Sales Revenue	EBITDA
Specialty Materials	1,170.0	72.0	320.0	31.0	1,290.0	88.0	1,370.0	225.0
EV / Mobility	210.0	11.0	55.0	5.0	240.0	16.0	250.0	34.0
Digital	240.0	28.0	70.0	12.0	270.0	28.0	350.0	75.0
Semiconductors	100.0	13.0	25.0	4.0	100.0	15.0	-	-
Electronics	140.0	15.0	45.0	8.0	170.0	13.0	-	-
Medical	60.0	6.0	20.0	2.0	70.0	9.0	160.0	30.0
Food	200.0	30.0	50.0	5.0	210.0	26.0	220.0	39.0
Industrial, Consumer goods, Building & Construction etc	460.0	(3.0)	125.0	7.0	500.0	9.0	390.0	47.0

* Breakdown figures by market are approximation for reference purpose only.

* The figures above are based on the Specialty Materials segment up to FY2023.

For the purpose of this notice, “statements” means this document, any oral presentation, any question and answer session and any written or oral material discussed or distributed by Mitsubishi Chemical Group.

The forward-looking statements are based largely on company expectations and information available as of the date hereof, and are subject to risks and uncertainties, which may be beyond company control.

Actual results could differ materially due to numerous factors, including without limitation, marketing conditions and the effects of industry competition.

It contains information about pharmaceuticals including products under development, but is not intended for advertising or medical advice.