

Financial Summary

Results for 1st Quarter of FY2024 & Outlook for 1st Half of FY2024

Mitsui Chemicals, Inc.

<Remarks>

FY2024 indicates the period from April 1, 2024 to March 31, 2025.

Aug 6, 2024

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.

1Q FY2024 Earnings Announcement: Key Takeaways

■ 1Q FY2024 Financial Results

- ✓ Sales revenue was up YoY. In addition, operating income before special items, operating income, income before taxes, and net income attributable to owners of the parent were also up YoY.
- ✓ In the growth domains, operating income before special items was up, driven by a recovery in sales volume and an improvement in terms of trade mainly from foreign exchange impact.
- ✓ In Basic & Green Materials, operating income before special items was up, driven by steady progress in sales price revision and business restructuring as well as by inventory valuation gains (including time-lag effects of sales price formula).

■ Financial Outlook

- ✓ We have discovered a failure in the steam supply system of an ethylene plant in Osaka, which has been undergoing scheduled maintenance since June 2024, and are working to resolve the problem. We currently expect that it will take approximately two or three months for production operations to resume.
 - We have not incorporated the impact of the loss at this point in our financial outlook due to the difficulty in estimating such impact.
 - In the event that the impact on our financial results is predicted to be significant, we will promptly disclose the information.
- ✓ The outlook for 1H FY2024 is as follows:
 - Sales revenue : We have reflected fluctuations in foreign exchange rates, domestic standard naphtha price, and other factors in our assumptions.
 - Operating income before special items : For the growth domains, we expect an increase from foreign exchange impact but have also factored in delayed recovery in some markets. For Basic & Green Materials, we have not revised the outlook figures announced on May 15 in light of the above circumstances.
- ✓ The FY2024 full-year outlook has not been not revised, but we will make revisions at the time of 1H FY2024 earnings announcement as appropriate.
- ✓ The FY2024 dividend outlook remains unchanged at 75 yen/share for the interim and 150 yen/share for the full year.

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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. Results for 1st Quarter of FY2024

(April 1, 2024 – June 30, 2024)

In accordance with the organizational reform implemented on April 1, 2024, we have revised the segments to which Honshu Chemical Industry Co., Ltd. and certain other consolidated subsidiaries and equity method affiliates in ICT Solutions and Basic & Green Materials belong. Additionally, the segments for FY2023 are disclosed based on the reportable segment classifications after the revisions.

1) Trends of Key Market Indicators

		FY2024			FY2024 1H (changes from FY2023 1H)	
		1Q	2Q	1Q→ 2Q		
Life & Healthcare Solutions	Ophthalmic lens materials market	Firm demand	Firm demand to continue	→	Firm demand	→
	Agrochemicals market	Firm demand; inventory level adjustments seen in some regions	Firm demand to continue; inventory level adjustments in some regions	→	Firm demand	→
Mobility Solutions	Automotive production (Global) *			→		→
	Japan	No significant change in global production volume, despite production slowdown in Japan and ASEAN	No significant change in global production volume expected, despite production increase in Japan	→	No significant change in global production volume expected, despite regional fluctuations	→
	North America			→		→
	China			→		→
	ASEAN			→		→
Europe	→			→		
ICT Solutions	Semiconductor market	Demand on a gradual recovery trend	Demand expected to be on a gradual recovery trend	→	Gradual recovery in demand	→
	Smartphone market	Demand on a gradual recovery trend	Demand expected to be on a gradual recovery trend	→	Gradual recovery in demand	→
Basic & Green Materials	Market conditions					
	TDI	Low level	Low level	→	Unchanged	→
	MDI	Market conditions remained stable	Market conditions expected to be stable	→	Unchanged	→
	Cracker operating rates	Low	Low	→	Continue to be low	→

* Estimated from data by external information services

2) Major Investment Projects, etc.

Major Investment projects		Date	Capacity	FY22	FY23	FY24	FY25~
Life & Healthcare Solutions	Acquisition of ophthalmic lens processing equipment maker	November.'22	-				
	Establishment of JV for nonwovens businesses @Japan	October.'23	-				
	Capacity expansion of MR™ High Refractive Index Ophthalmic Lens Material@Japan	January.'24	-				
Mobility Solutions	Establishment of new TAFMER™ plant@Singapore	FY24	120KT				
ICT Solutions	Capacity expansion of cyclic olefin copolymers APEL™ @Japan	June.'22	+50%				
	Acquisition of pellicle business	July.'23	-				
	Capacity expansion of ICROS™ Tape@Taiwan	June.'24	3.8MMm ²				
	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	FY24	-				
Basic & Green Materials	Capacity expansion of MDI, Kumho Mitsui Chemicals @Korea	July.'24	200Kt				
	New plant for high-performance PP@Japan	FY24	200Kt				
	Investment in Apeiron Bioenergy to increase procurement of biomass raw materials	June.'22	-				
	Establishment of limited liability partnership (LLP) for PPG production	May.'23	-				
New business /New products	Establishment of CVC fund	July.'22	-				

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	FY26	190Kt				Shutdown
	Joint deliberations on consolidation of Chiba ethylene complexes to optimize production	FY27	-				Begin deliberations Optimization
	Share transfer of phenols subsidiary@Singapore	March.'23	-	Share transfer			
	Share transfer of Mobility Solutions segment subsidiary @Japan (Industrial materials)	April.'25	-				Share transfer

Commercial operation launched in FY24

Investment decision made in FY24

3-1) Consolidated Financial Highlights

(Billions of Yen)

() Denotes a minus

Items	FY2023 1Q	FY2024 1Q	Increase (Decrease)	%
Sales revenue	407.9	449.5	41.6	10%
Operating income before special items	20.9	30.2	9.3	44%
(inc. Equity in earnings)	3.2	3.6	0.4	-
Non-recurring items	(7.0)	(3.0)	4.0	-
Operating income	13.9	27.2	13.3	96%
Financial incomes/expenses	0.3	2.1	1.8	-
Income before taxes	14.2	29.3	15.1	107%
Net income attributable to owners of the parent	9.6	17.9	8.3	87%

Exchange rate (Yen/US\$)

137

156

19

Domestic standard naphtha price (Yen/KL)

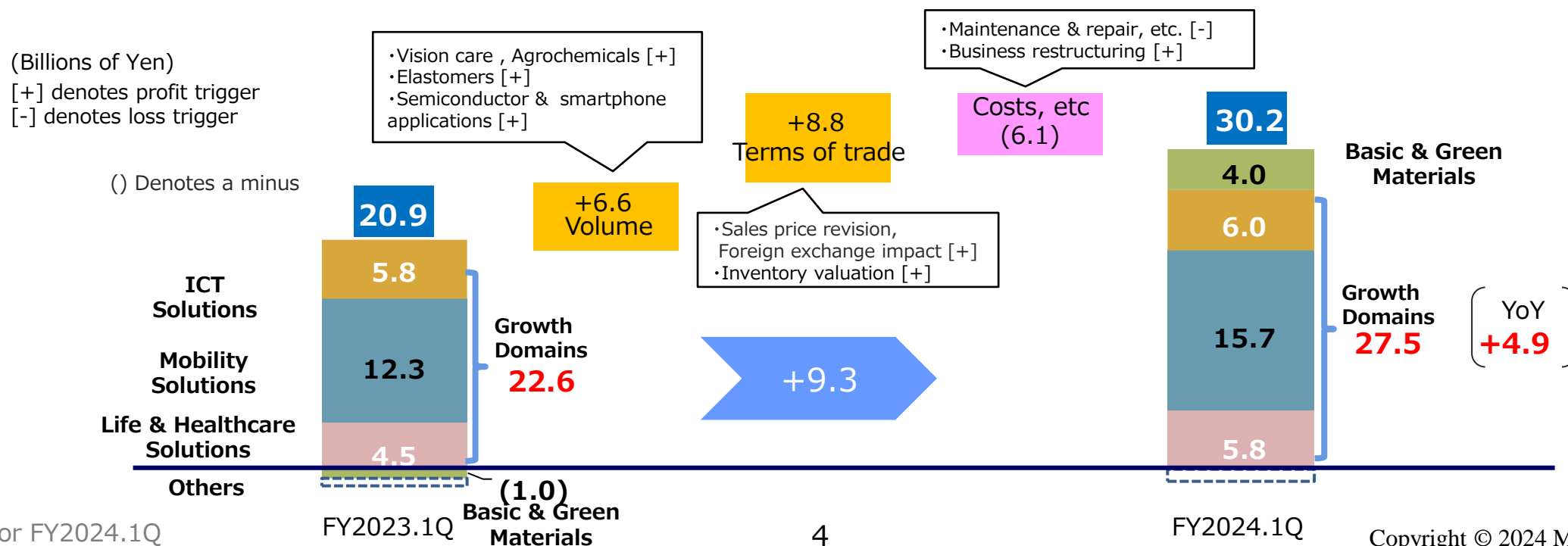
67,500

79,000

11,500

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

Factors	Comments	Profit/loss trigger
Volume	<ul style="list-style-type: none"> • Vision care materials increased due to elimination of negative impact from inventory level adjustments in some markets in FY23. • Agrochemicals increased in overseas markets. • Elastomers increased mainly in automotive applications. • Semiconductor applications increased due to recovery in semiconductor and smartphone markets. 	[+] [+] [+] [+]
Terms of trade	<ul style="list-style-type: none"> • Improvement in terms of trade driven by sales price revision and foreign exchange impact. • Inventory valuation gains (including time-lag effects of sales price formula) due to rise in raw material prices. 	[+] [+]
Costs, etc.	<ul style="list-style-type: none"> • Increase in costs driven by higher maintenance and repair expenses due to rise in labor costs and construction-related material costs, and by investment of resources in R&D and other initiatives. • Improvement in profitability from business restructuring. 	[-] [+]



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

(compared with corresponding period of FY2023 results)

(Billions of Yen)

() Denotes a minus

Segment	Sales revenue			Operating income before special items			Breakdown		
	FY2023 1Q	FY2024 1Q	Incr. (Decr.)	FY2023 1Q	FY2024 1Q	Incr. (Decr.)	Volume	Terms of trade	Costs
Life & Healthcare Solutions	57.1	67.5	10.4	4.5	5.8	1.3	2.6	1.2	(2.5)
Mobility Solutions	127.4	143.9	16.5	12.3	15.7	3.4	2.5	2.1	(1.2)
ICT Solutions	63.0	53.8	(9.2)	5.8	6.0	0.2	1.0	1.1	(1.9)
Basic & Green Materials	156.6	180.8	24.2	(1.0)	4.0	5.0	0.5	4.4	0.1
Others	3.8	3.5	(0.3)	(0.7)	(1.3)	(0.6)	-	-	(0.6)
Total	407.9	449.5	41.6	20.9	30.2	9.3	6.6	8.8	(6.1)
Growth Domains*	247.5	265.2	17.7	22.6	27.5	4.9			

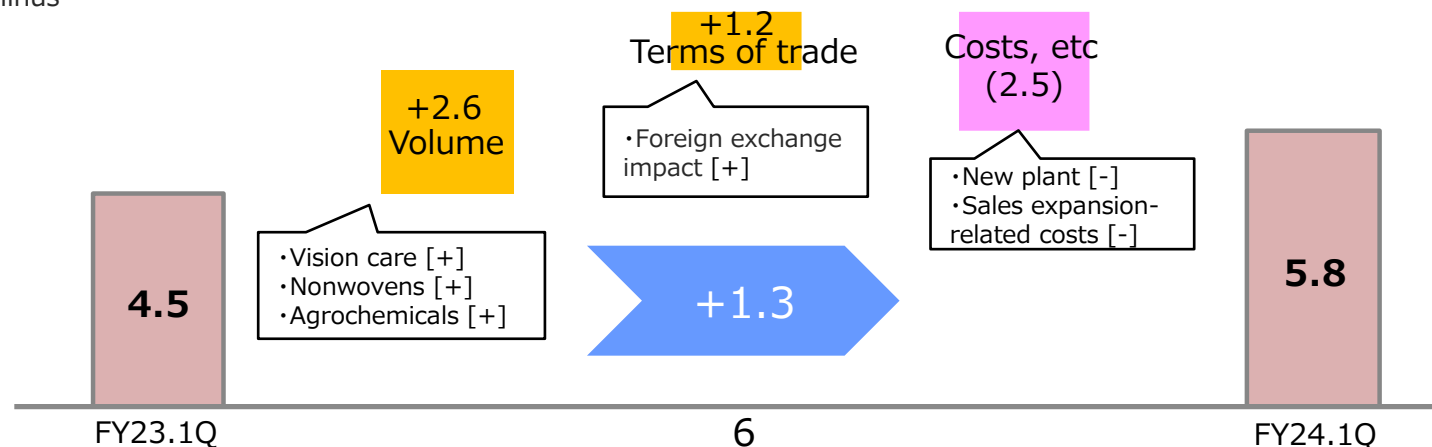
*Life & Healthcare, Mobility and ICT

5-1) Life & Healthcare Solutions: Operating Income before Special Items and Business Overview

	Business Overview of FY24.1Q Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Vision care	<ul style="list-style-type: none"> • Sales volume was up due to elimination of negative impact from inventory level adjustments in some markets in FY23 • Higher fixed costs due to operation of new plant (MR™) 	[+] Sales volume [-] Costs
Nonwovens	<ul style="list-style-type: none"> • Sales volume was up due to establishment of joint venture 	[+] Sales volume [-] Costs
Oral care	<ul style="list-style-type: none"> • Sales remained on par with the year-ago level 	—
Agrochemicals	<ul style="list-style-type: none"> • Sales remained firm despite movements to adjust inventory levels continuing in some regions • Improvement in terms of trade driven by foreign exchange impact • Increase in registration maintenance fees and research expenses such as laboratory costs, driven by sales growth 	[+] Sales volume [+] Terms of trade [-] Costs

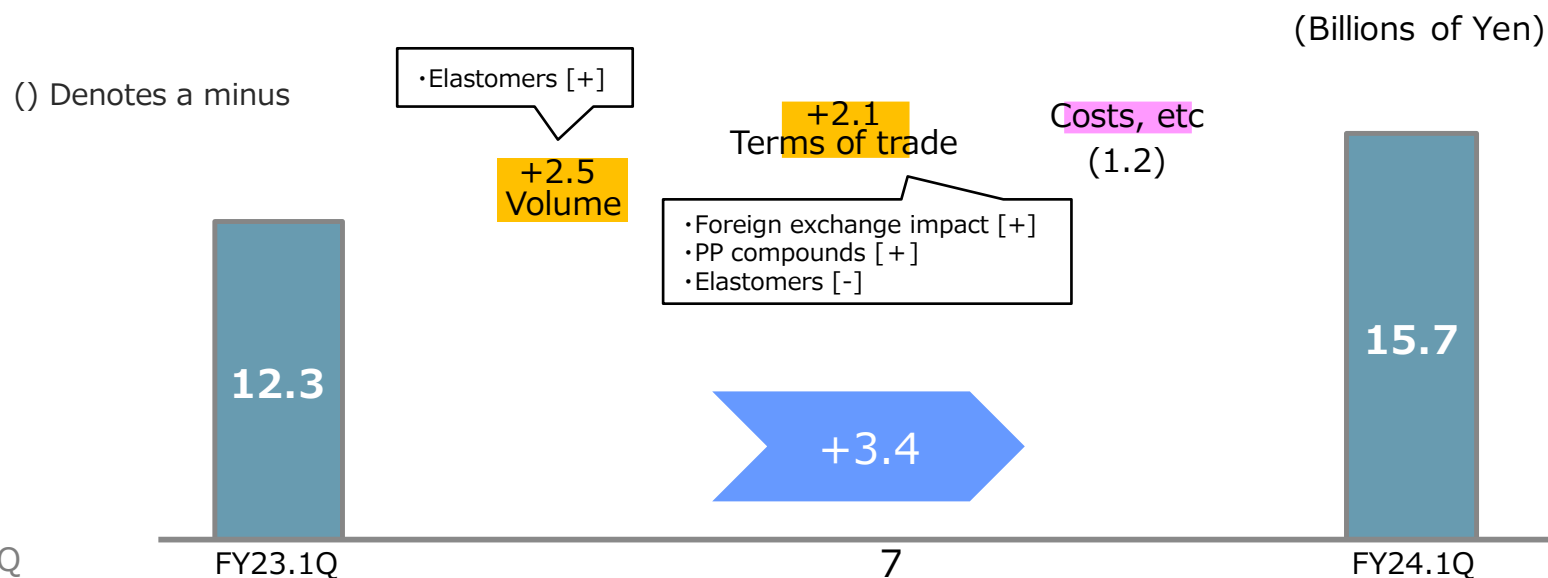
(-) Denotes a minus

(Billions of Yen)






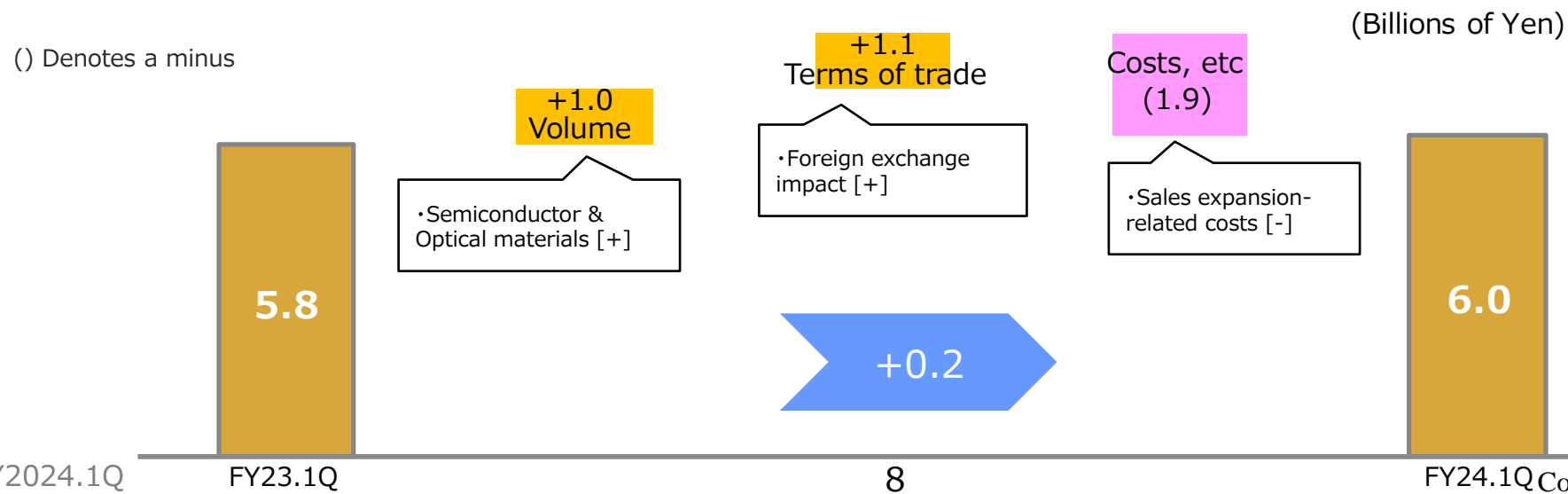
5-2) Mobility Solutions: Operating Income before Special Items and Business Overview

	Business Overview of FY24.1Q Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Elastomers	<ul style="list-style-type: none"> • Sales volume of was up, mainly in automotive applications • Improvement in terms of trade resulting from foreign exchange impact • Deterioration in terms of trade resulting from temporary easing of supply-demand balance • Increase in costs for sales expansion 	[+] Sales Volume [+] Foreign exchange impact [-] Terms of trade [-] Costs
Composite materials (PP compounds, Performance compounds)	<ul style="list-style-type: none"> • Sales volume of automotive applications remained on par with the year-ago level • Improvement in terms of trade resulting from sales price revision and foreign exchange impact 	[+] Foreign exchange impact [+] Terms of trade
Solutions business	<ul style="list-style-type: none"> • Sales remained on par with the year-ago level 	-



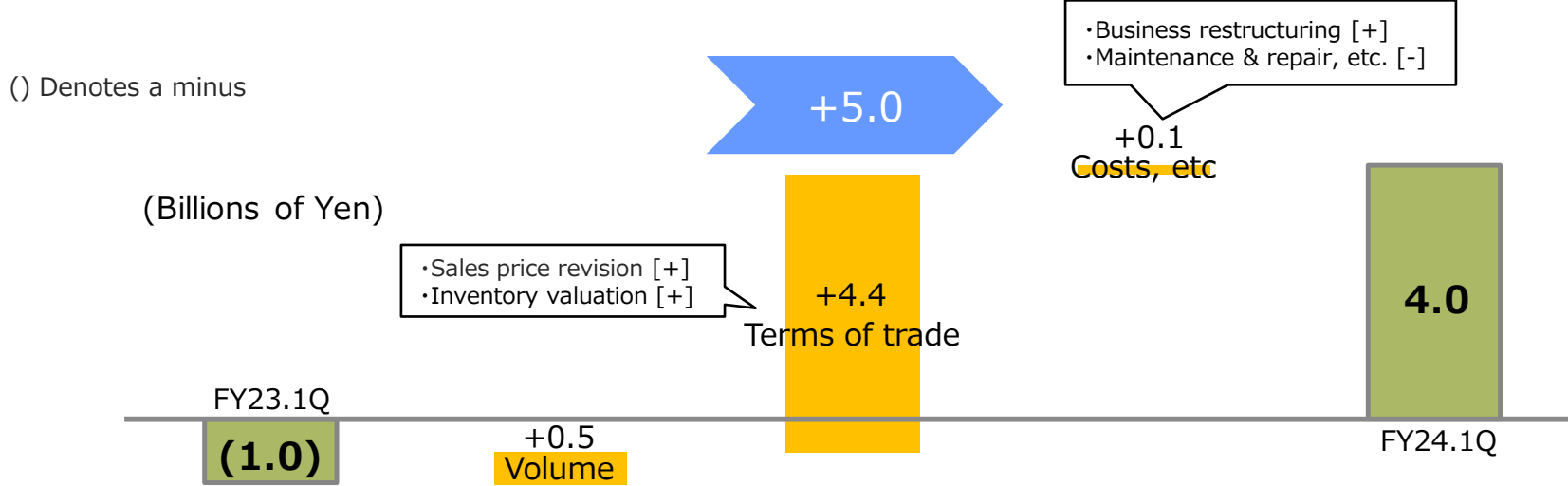
5-3) ICT Solutions: Operating Income before Special Items and Business Overview

	Business Overview of FY24.1Q Movement of Operating Income before Special Items		Comments [+] denotes profit trigger [-] denotes loss trigger
Semiconductor & Optical materials		<ul style="list-style-type: none"> • Overall sales volume was up due to recovery in semiconductor and smartphone markets • Improvement in terms of trade driven by foreign exchange impact 	[+] Sales volume [+] Terms of trade [-] Costs
Coating & engineering materials		<ul style="list-style-type: none"> • Sales remained on par with the year-ago level • Improvement in terms of trade driven by foreign exchange impact 	[+] Terms of trade
Industrial films		<ul style="list-style-type: none"> • Sales remained on par with the year-ago level • Improvement in terms of trade resulting from foreign exchange impact 	[+] Terms of trade



5-4) Basic & Green Materials: Operating Income before Special Items and Business Overview

	Business Overview of FY24.1Q Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Petrochemicals	<ul style="list-style-type: none"> Improvement in terms of trade driven by sales price revision Inventory valuation gains (including time-lag effects of sales price formula) due to rise in raw material prices 	[+]Terms of trade [+]Inventory valuation
Basic chemicals	<ul style="list-style-type: none"> Improvement in terms of trade driven by sales price revision Inventory valuation gains (including time-lag effects of sales price formula) due to rise in raw material prices Improvement in profitability from business restructuring Increase in costs driven by higher maintenance and repair expenses due to rise in labor costs and construction-related material costs 	[+]Terms of trade [+]Inventory valuation [+]Restructuring [-]Costs
Polyurethanes	<ul style="list-style-type: none"> Increase in costs driven by higher maintenance and repair expenses due to rise in labor costs and construction-related material costs 	[-]Costs



6) Non-recurring Items

(Billions of Yen)

() Denotes a minus

Items	FY2023 1Q	FY2024 1Q	Incr. (Decr.)
Loss (gain) on sales and disposal of non-current assets	0.0	(0.1)	(0.1)
Impairment loss	(9.2)	(3.1)	6.1
Others	2.2	0.2	(2.0)
Non-recurring items total	(7.0)	(3.0)	4.0

7) Consolidated Statement of Financial Position

(Billions of Yen)

() Denotes a minus

Items	End of Mar.2024	End of Jun.2024	Incr. (Decr.)	Items	End of Mar.2024	End of Jun.2024	Incr. (Decr.)
Current assets	1,150.6	1,131.1	(19.5)	Liabilities	1,231.0	1,209.6	(21.4)
Cash and cash equivalents	210.3	223.5	13.2	Operating payables	179.9	173.4	(6.5)
Operating receivables	365.9	361.1	(4.8)	Interest-bearing liabilities	811.5	822.8	11.3
Inventories	451.1	457.3	6.2	Other liabilities	239.6	213.4	(26.2)
Other current assets	123.3	89.2	(34.1)				
Non-current assets	1,065.2	1,086.7	21.5	Equity	984.8	1,008.2	23.4
Property, plant and equipment & right-of-use assets	652.1	654.0	1.9	Equity attributable to owners of the parent	862.9	885.2	22.3
Goodwill and Intangible assets	76.4	78.3	1.9	Non-controlling interests	121.9	123.0	1.1
Other non-current assets	336.7	354.4	17.7				
Total	2,215.8	2,217.8	2.0	Total	2,215.8	2,217.8	2.0

8) Consolidated Statement of Cash Flow

(Billions of Yen)

() Denotes a minus

Items	FY2023 1Q	FY2024 1Q	Incr. (Decr.)
I . Cash flows from operating activities (a)	(11.7)	39.8	51.5
(of which Working capital)	(17.2)	5.0	22.2
II . Cash flows from investing activities (b)	9.9	(23.9)	(33.8)
Free cash flows (a)+(b)	(1.8)	15.9	17.7
III . Cash flows from financing activities	(23.0)	(11.1)	11.9
IV . Others	7.5	8.4	0.9
Net incr.(decr.) in cash and cash equivalents	(17.3)	13.2	30.5

2. Outlook for 1st Half of FY2024 (April 1, 2024 – September 30, 2024)

- We have discovered a failure in the steam supply system of an ethylene plant in Osaka, which has been undergoing scheduled maintenance since June 2024, and are working to resolve the problem. We currently expect that it will take approximately two or three months for production operations to resume.
- We have not incorporated the impact of the loss at this point in our financial outlook due to the difficulty in estimating such impact.
- In accordance with the organizational reform implemented on April 1, 2024, we have revised the segments to which Honshu Chemical Industry Co., Ltd. and certain other consolidated subsidiaries and equity method affiliates in ICT Solutions and Basic & Green Materials belong. Additionally, the segments for FY2023 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	FY2023	FY2024 Outlook	Incr.(Decr.)		FY2024 Previous Outlook
	1st Half	1st Half	1st Half	%	1st Half
Sales revenue	823.7	910.0	86.3	10%	890.0
Operating income before special items	42.0	52.0	10.0	24%	52.0
Non-recurring items	(10.8)	(6.0)	4.8	—	(6.0)
Operating income	31.2	46.0	14.8	47%	46.0
Financial income/expenses	1.8	(3.0)	(4.8)	—	(3.0)
Income before taxes	33.0	43.0	10.0	30%	43.0
Net income attributable to owners of the parent	20.7	29.0	8.3	40%	29.0
Exchange rate (Yen/US\$)	141	156	15		145
Domestic standard naphtha price (Yen/KL)	65,550	79,000	13,450		75,000
	Interim	Interim	Incr.(Decr.)		Interim
Dividend (Yen/Share)	70	75	5		75

1-2) Highlights of Consolidated Financial Outlook

Operating Income before Special Items of Outlook by Business Segment (compared with previous outlook for FY2024)

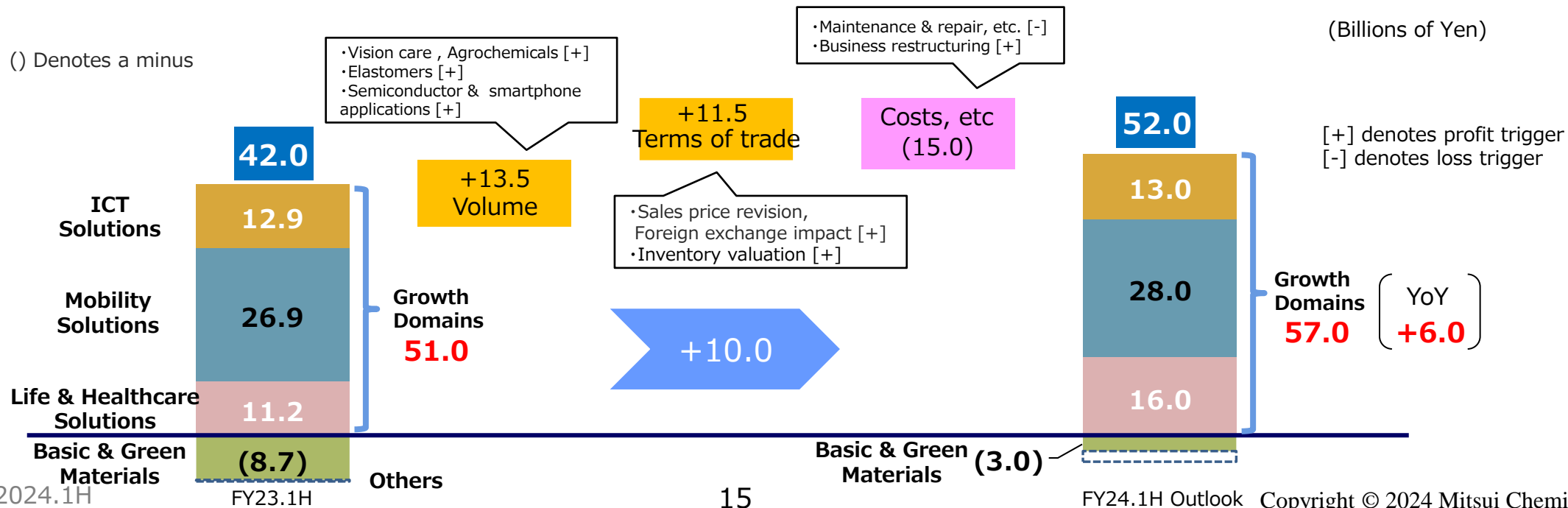
(Billions of Yen)

() Denotes a minus

Segment	Operating income before special items FY2024			Comments [+] denotes profit trigger [-] denotes loss trigger
	Previous Outlook (on May 15,2024)	Outlook (on Aug 6,2024)	Incr. (Decr.)	
Life & Healthcare Solutions	16.0	16.0	0.0	[-]Sales volume: Agrochemicals: Change in shipment schedule from 1H to 2H [+]Terms of trade: Foreign exchange impact
Mobility Solutions	28.0	28.0	0.0	[-]Sales volume: Impact of inventory adjustment in solar cell encapsulant applications [+]Terms of trade: Foreign exchange impact
ICT Solutions	13.0	13.0	0.0	[-]Sales volume: Delayed recovery of semiconductor markets [+]Terms of trade: Foreign exchange impact
Basic & Green Materials	(3.0)	(3.0)	0.0	-
Others	(2.0)	(2.0)	0.0	
Total	52.0	52.0	0.0	
Growth Domains *	57.0	57.0	0.0	
Exchange rate (Yen/US\$)	145	156	11	
Domestic standard naphtha price (Yen/KL)	75,000	79,000	4,000	

1-3) Highlights of Consolidated Financial Outlook (Operating Income before Special Items)

Factors	Comments	Profit/loss trigger
Volume	<ul style="list-style-type: none"> • Vision care materials expected to increase, due to elimination of negative impact from inventory level adjustments in some markets in FY23. • Agrochemicals expected to increase in overseas markets. • Elastomers expected to increase mainly in automotive applications. • Semiconductor applications expected to increase due to recovery in semiconductor and smartphone markets. 	[+] [+] [+] [+]
Terms of trade	<ul style="list-style-type: none"> • Expecting improvement in terms of trade driven by sales price revision and foreign exchange impact. • Expecting deterioration in terms of trade resulting from temporary easing of supply-demand balance. • Expecting inventory valuation gains (including time-lag effects of sales price formula) due to rise in raw material prices. 	[+] [-] [+]
Costs, etc.	<ul style="list-style-type: none"> • Costs expected to increase, driven by higher maintenance and repair expenses due to rise in labor costs and construction-related material costs, and by investment of resources in R&D and other initiatives. • Expecting improvement in profitability from business restructuring. 	[-] [+]



2) Sales Revenue and Operating Income before Special Items of Outlook by Business Segment (compared with corresponding period of FY2023 results)





(Billions of Yen)

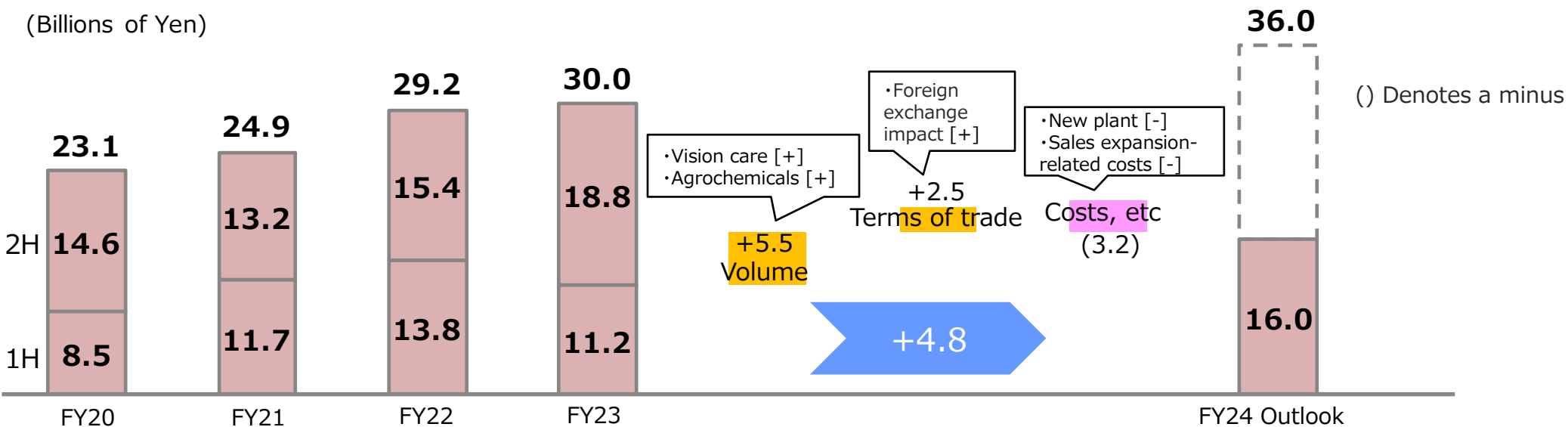
() Denotes a minus

Segment	Sales revenue			Operating income before special items			Breakdown		
	FY2023 1H	FY2024 1H Outlook	Incr.(Decr.)	FY2023 1H	FY2024 1H Outlook	Incr.(Decr.)	Volume	Terms of trade	Costs
Life & Healthcare Solutions	119.1	141.0	21.9	11.2	16.0	4.8	5.5	2.5	(3.2)
Mobility Solutions	261.3	297.0	35.7	26.9	28.0	1.1	5.5	(3.5)	(0.9)
ICT Solutions	124.9	110.0	(14.9)	12.9	13.0	0.1	2.0	2.0	(3.9)
Basic & Green Materials	310.6	355.0	44.4	(8.7)	(3.0)	5.7	0.5	10.5	(5.3)
Others	7.8	7.0	(0.8)	(0.3)	(2.0)	(1.7)	-	-	(1.7)
Total	823.7	910.0	86.3	42.0	52.0	10.0	13.5	11.5	(15.0)
Growth Domains *	505.3	548.0	42.7	51.0	57.0	6.0			

*Life & Healthcare, Mobility and ICT

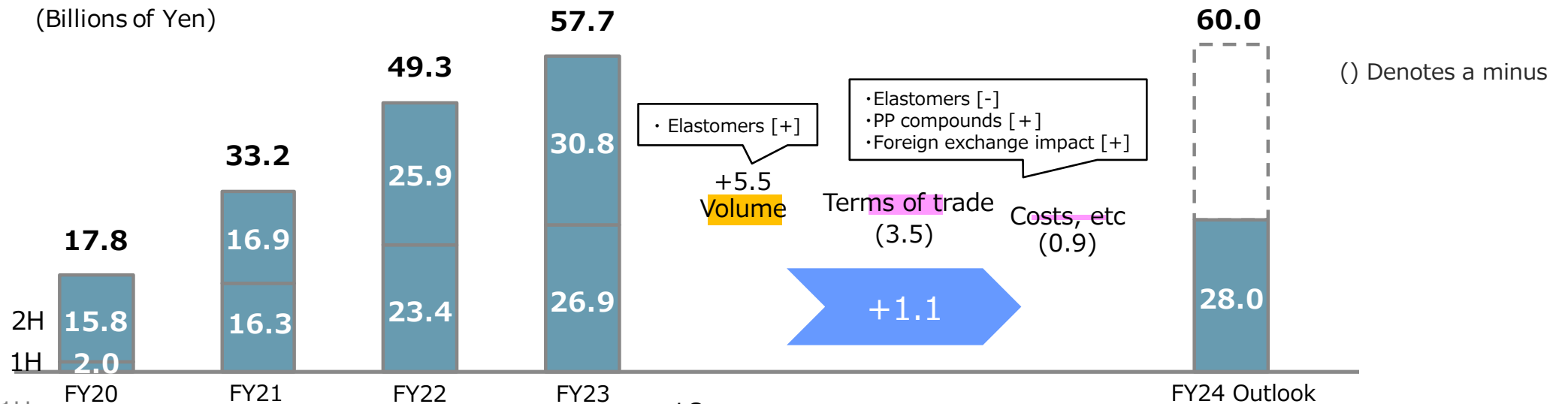
3-1) Life & Healthcare Solutions: Operating Income before Special Items and Business Overview

	Business Overview of FY24.1H (Outlook): Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Vision care	 <ul style="list-style-type: none"> • Sales volume expected to increase due to elimination of negative impact from inventory level adjustments seen in some markets in FY23 • Higher fixed costs due to operation of new plant (MR™) 	[+]Sales volume [-]Costs
Nonwovens	 <ul style="list-style-type: none"> • Sales volume expected to increase due to establishment of joint venture 	[+]Sales volume [-]Costs
Oral care	 <ul style="list-style-type: none"> • Sales staying on par with the year-ago level 	—
Agrochemicals	 <ul style="list-style-type: none"> • Sales staying firm despite movements to adjust inventory levels continuing in some regions • Improvement in terms of trade driven by foreign exchange impact • Increase in registration maintenance fees and research expenses such as laboratory costs, driven by sales growth 	[+]Sales volume [+]Terms of trade [-]Costs

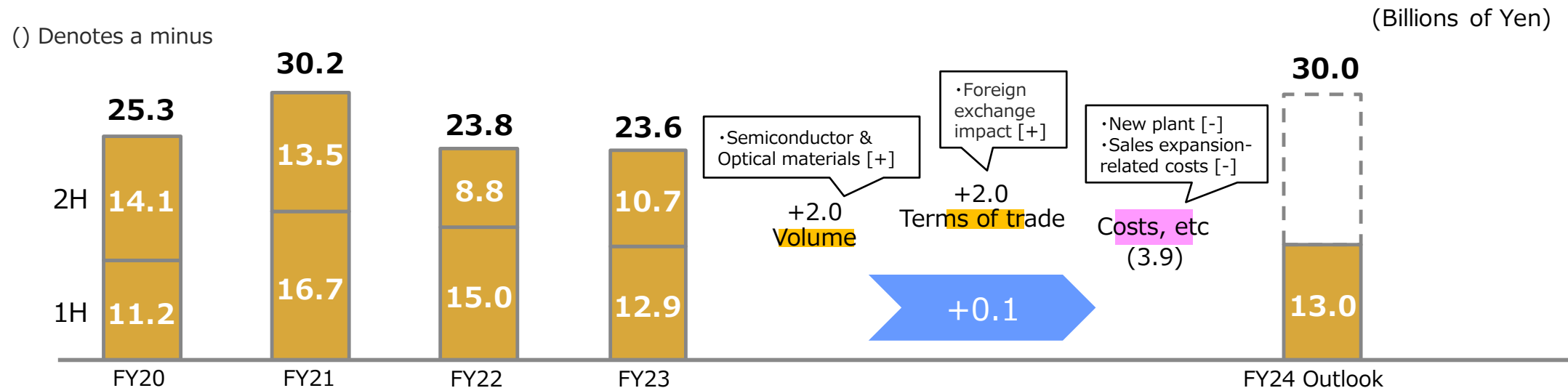


3-2) Mobility Solutions: Operating Income before Special Items and Business Overview

	Business Overview of FY24.1H (Outlook): Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Elastomers	<ul style="list-style-type: none"> • Sales volume increase mainly in automotive applications • Improvement in terms of trade resulting from foreign exchange impact • Deterioration in terms of trade resulting from temporary easing of supply-demand balance 	[+] Sales volume [+] Foreign exchange impact [-] Terms of trade [-] Costs
Composite materials (PP compounds, Performance compounds)	<ul style="list-style-type: none"> • Sales volume of automotive applications staying on par with the year-ago level • Improvement in terms of trade resulting from sales price revision and foreign exchange impact 	[+] Foreign exchange impact [+] Terms of trade [-] Costs
Solutions business	<ul style="list-style-type: none"> • Sales staying on par with the year-ago level 	-

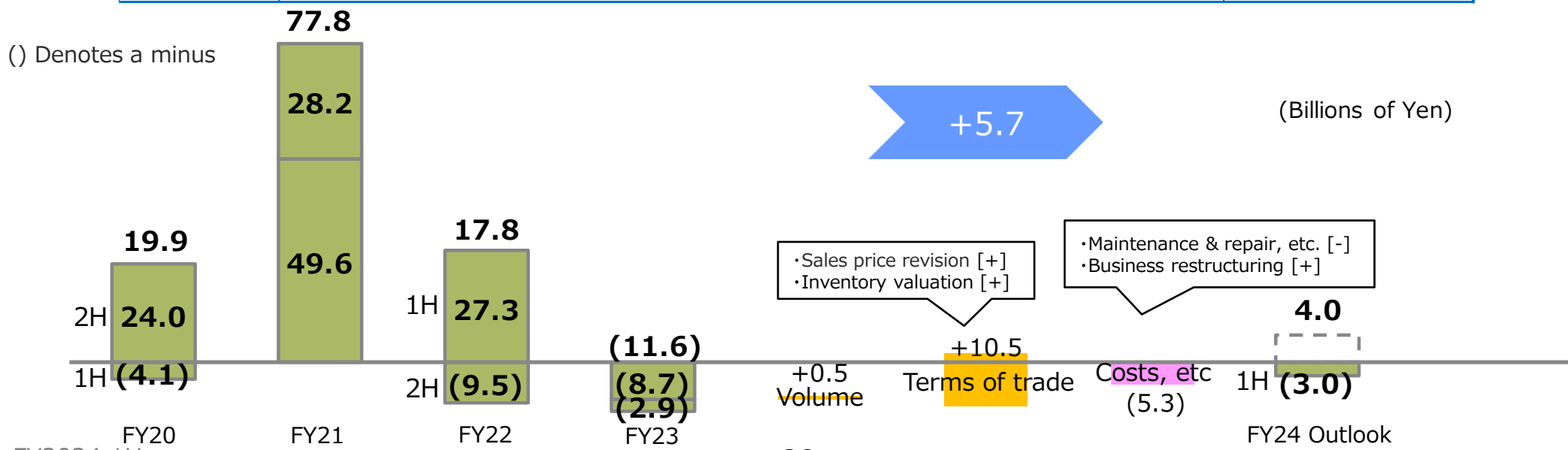


	Business Overview of FY24.1H (Outlook): Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Semiconductor & Optical materials	<ul style="list-style-type: none"> Overall sales volume expected to increase due to demand recovery in semiconductor and smartphone markets Improvement in terms of trade driven by foreign exchange impact Increase in costs for sales expansion 	[+] Sales volume [+] Terms of trade [-] Costs
Coating & engineering materials	<ul style="list-style-type: none"> Sales expected to remain firm Improvement in terms of trade driven by foreign exchange impact 	[+] Sales volume [+] Terms of trade
Industrial films	<ul style="list-style-type: none"> Improvement in terms of trade driven by foreign exchange impact Higher fixed costs due to operation of new plant (ICROS™ Tape) 	[+] Terms of trade [-] Costs



3-4) Basic & Green Materials: Operating Income before Special Items and Business Overview

	Business Overview of FY24.1H (Outlook): Movement of Operating Income before Special Items	Comments [+] denotes profit trigger [-] denotes loss trigger
Petrochemicals	<ul style="list-style-type: none"> Improvement in terms of trade driven by sales price revision Inventory valuation gains (including time-lag effects of sales price formula) due to rise in raw material prices Increase in costs driven by higher maintenance and repair expenses due to rise in labor costs and construction-related material costs 	[+] Terms of trade [+] Inventory valuation [-] Costs
Basic chemicals	<ul style="list-style-type: none"> Improvement in terms of trade driven by sales price revision Inventory valuation gains (including time-lag effects of sales price formula) due to rise in raw material prices Improvement in profitability from business restructuring Increase in costs driven by higher maintenance and repair expenses due to rise in labor costs and construction-related material costs 	[+] Terms of trade [+] Inventory valuation [+] Restructuring [-] Costs
Polyurethanes	<ul style="list-style-type: none"> Increase in costs driven by higher maintenance and repair expenses due to rise in labor costs and construction-related material costs 	[-] Costs



4) Operating Income before Special Items by Business Segment (2Q vs. 1Q of FY2024 Outlook)

(Billions of Yen)

() Denotes a minus

Segment	Operating income before special items FY2024			Comments [+] denotes profit trigger [-] denotes loss trigger
	1Q	2Q Outlook	Incr. (Decr.)	
Life & Healthcare Solutions	5.8	10.2	4.4	[+]Sales volume : Agrochemicals
Mobility Solutions	15.7	12.3	(3.4)	[-]Terms of trade : PP compounds [-]Costs : Maintenance & repair, etc.
ICT Solutions	6.0	7.0	1.0	[+]Sales volume : Semiconductor & smartphone applications [-]Costs : New plant
Basic & Green Materials	4.0	(7.0)	(11.0)	[-]Inventory valuation [-]Costs : Maintenance & repair, etc.
Others	(1.3)	(0.7)	0.6	
Total	30.2	21.8	(8.4)	
Growth Domains *	27.5	29.5	2.0	

*Life & Healthcare, Mobility and ICT

5) Consolidated Statement of Cash Flow

(Billions of Yen)

Items	FY2023	FY2024 Outlook	Incr.(Decr.)
	1st Half	1st Half	
I . Cash flows from operating activities (a)	85.8	56.0	(29.8)
II . Cash flows from investing activities (b)	(35.5)	(70.0)	(34.5)
Free cash flows (a)+(b)	50.3	(14.0)	(64.3)
III . Cash flows from financing activities	(45.2)	18.0	63.2
IV . Others	11.2	0.0	(11.2)
Net incr.(decr.) in cash and cash equivalents	16.3	4.0	(12.3)

3. 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 / BPA(China), PTA, TDI : Chinese Market Price)

(ACP) : Asian contract price

Year	2021		2022				2023				2024	
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)	53,500	60,700	64,600	86,100	81,400	72,500	66,500	67,500	63,600	72,800	72,500	79,000
PE (Yen/KG)	about +10	about +30	about +30	about +15	about (10)	about (15)	about (10)	about +8	about (6)	about +20	about (3)	about +22
PP (Yen/KG)	about +10	about +30	about +30	about +15	about (10)	about (15)	about (10)	about +8	about (6)	about +20	about (3)	about +22
PH (Formula Price) (Yen/KG)												→
BZ(ACP) (US\$/T)	\$1,030	\$970	\$1,030	\$1,230	\$1,120	\$880	\$930	\$940	\$870	\$950	\$995	\$1,085
BPA(Japan) (Yen/KG)	+35 From Sep.		+20 From Mar.	+32 From Apr. +38 From Jun.		(14) From Dec.	(17) From Mar.	+16 From Jun.				+19 From Jun.
negotiation based on BZ price and BPA market price												
BPA(China) (US\$/T)	\$3,320	\$2,480	\$2,340	\$2,060	\$1,580	\$1,450	\$1,300	\$1,250	\$1,260	\$1,280	\$1,260	\$1,310
PTA (US\$/T)	\$710	\$700	\$830	\$950	\$840	\$760	\$780	\$800	\$790	\$750	\$770	\$770
PX(ACP) (US\$/T)	\$920	\$890	\$1,090	\$1,260	\$1,090	\$980	\$1,030	\$1,030	\$1,070	\$1,010	\$1,030	\$1,040
TDI (US\$/T)	\$1,900	\$2,200	\$2,610	\$2,770	\$2,320	\$2,410	\$2,430	\$2,190	\$2,060	\$1,950	\$1,920	\$1,950

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

(Billions of Yen)

() Denotes a minus

Segment	Sales revenue			Breakdown		Comments
	FY2023 1Q	FY2024 1Q	Incr.(Decr.)	Volume	Prices	
Life & Healthcare Solutions	57.1	67.5	10.4	8.3	2.1	Volume) Sales of vision care and agrochemicals were firm. Prices) Foreign exchange impact, etc.
Mobility Solutions	127.4	143.9	16.5	8.0	8.5	Volume) Sales of elastomers were firm. Prices) Foreign exchange impact, etc.
ICT Solutions	63.0	53.8	(9.2)	(11.1)	1.9	Volume) Effects of splitting of Mitsui Chemicals Tohcello and transfer of a portion of its shares. Prices) Foreign exchange impact, etc.
Basic & Green Materials	156.6	180.8	24.2	1.7	22.5	Prices) Sales price increase and sales price revision in line with rise in raw material prices.
Others	3.8	3.5	(0.3)	-	(0.3)	
Total	407.9	449.5	41.6	6.9	34.7	
Growth Domains *	247.5	265.2	17.7			

*Life & Healthcare, Mobility and ICT

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

(Billions of Yen)

() Denotes a minus



Segment	Sales revenue					
	FY2023*				FY2024	
	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep Outlook
Life & Healthcare Solutions	57.1	62.0	69.5	83.1	67.5	73.5
Mobility Solutions	127.4	133.9	137.1	145.6	143.9	153.1
ICT Solutions	63.0	61.9	68.5	66.0	53.8	56.2
Basic & Green Materials	156.6	154.0	172.6	176.7	180.8	174.2
Others	3.8	4.0	3.1	3.8	3.5	3.5
Total	407.9	415.8	450.8	475.2	449.5	460.5

Segment	Operating income before special items					
	FY2023*				FY2024	
	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep Outlook
Life & Healthcare Solutions	4.5	6.7	7.3	11.5	5.8	10.2
Mobility Solutions	12.3	14.6	14.1	16.7	15.7	12.3
ICT Solutions	5.8	7.1	7.0	3.7	6.0	7.0
Basic & Green Materials	(1.0)	(7.7)	3.0	(5.9)	4.0	(7.0)
Others	(0.7)	0.4	(1.0)	(2.2)	(1.3)	(0.7)
Total	20.9	21.1	30.4	23.8	30.2	21.8

*In accordance with the organizational reform implemented on April 1, 2024, we have revised the segments to which certain consolidated subsidiaries and equity method affiliates in ICT Solutions and Basic & Green Materials belong.

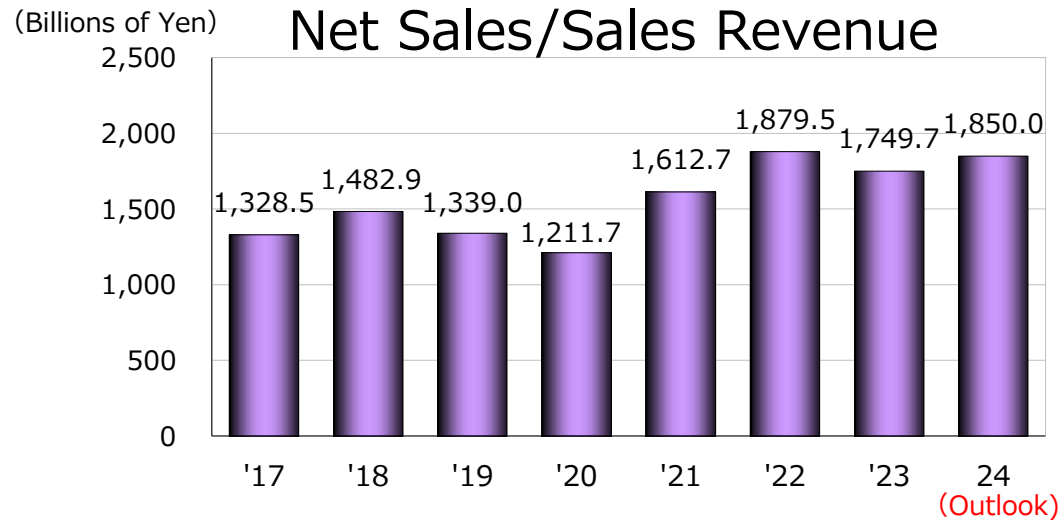
The quarterly sales revenue and operating income before special items for FY2023 denoted by an asterisk are disclosed based on the reportable segment classifications after the revisions.

4) Outline of Business Segments

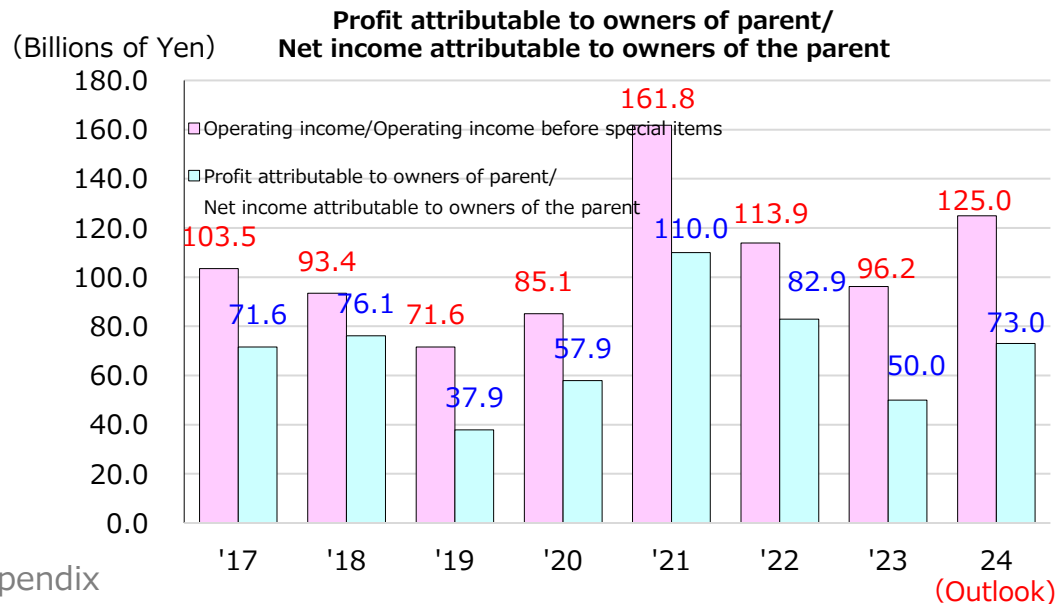
Segment	Businesses	Main Products
Life & Healthcare Solutions	Vision Care Materials, Personal Care Materials, Nonwovens, Oral Care, Agrochemicals and Medical Business Development	Ophthalmic lens materials (MR™, Do Green™), Medical materials (taurine), Nonwovens (hygiene materials, industrial materials), 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, Performance Films & Sheets and ICT Materials	Mitsui PELLICLE™ (DUV, EUV, FPD), APEL™, TPX™, Semiconductor gas, High-performance food packaging materials (sealants, adhesives, coating agents, eco-friendly packaging), Industrial films (ICROS™ Tape, SP-PET™)
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 <small>*AdBlue is a trademark of the VDA (Verband der Automobilindustrie).</small>

5-1) Data Highlights

~FY19 : J-GAAP / FY20~ : IFRS



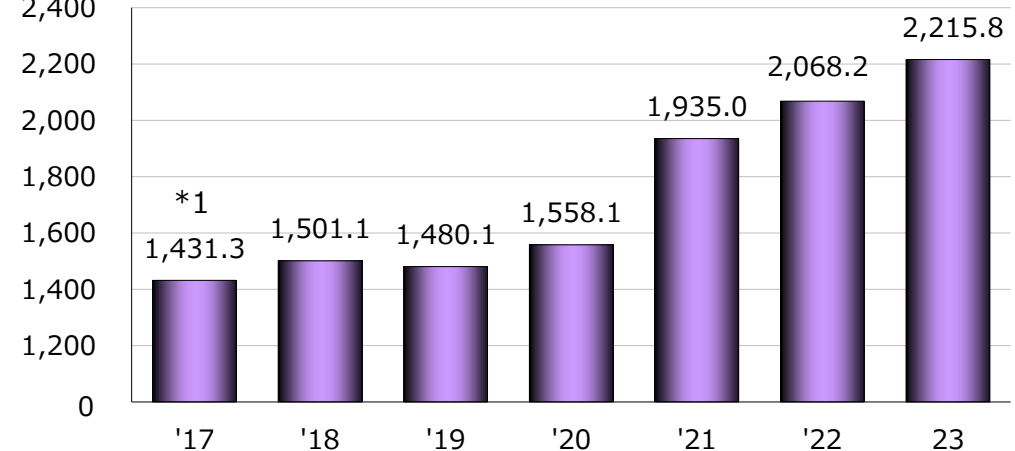
Operating income/Operating income before special items &



() Denotes a minus

Total Assets

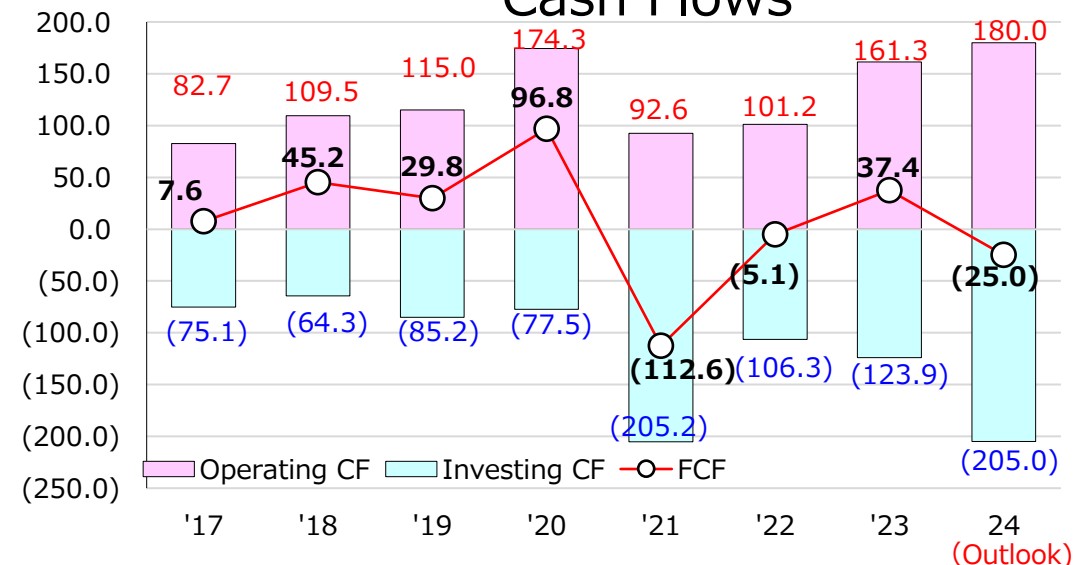
(Billions of Yen)



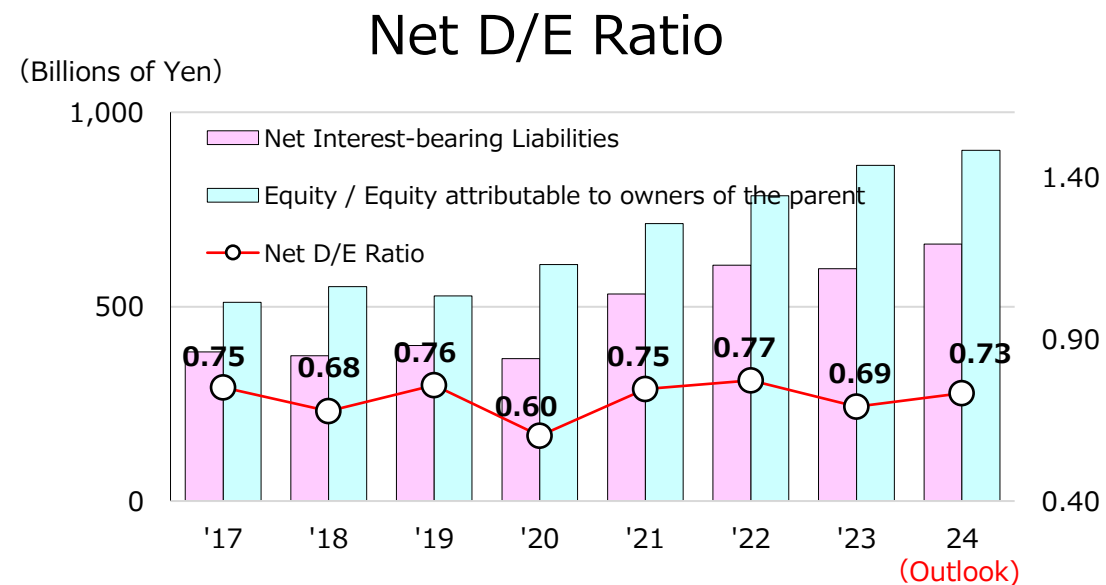
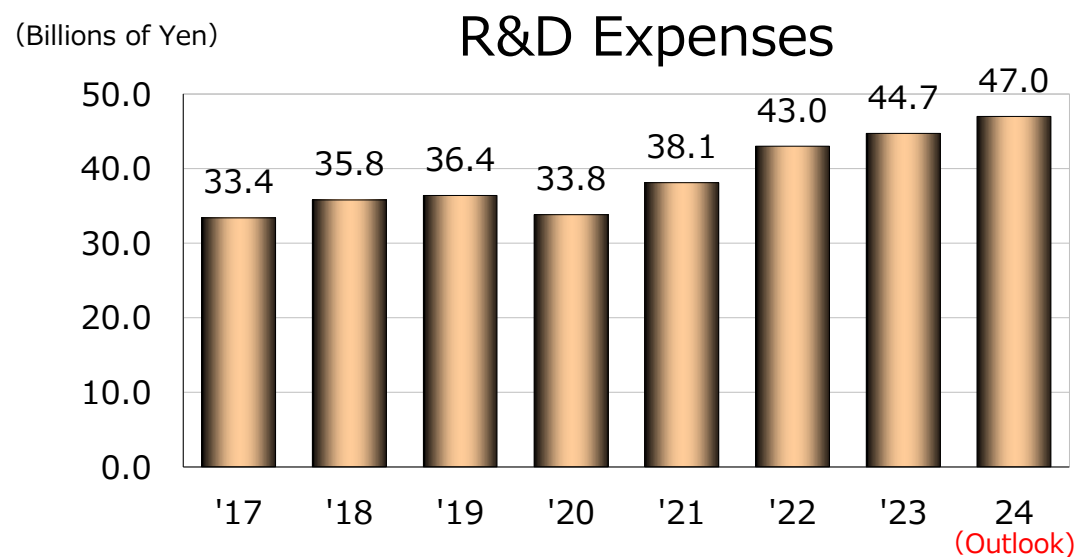
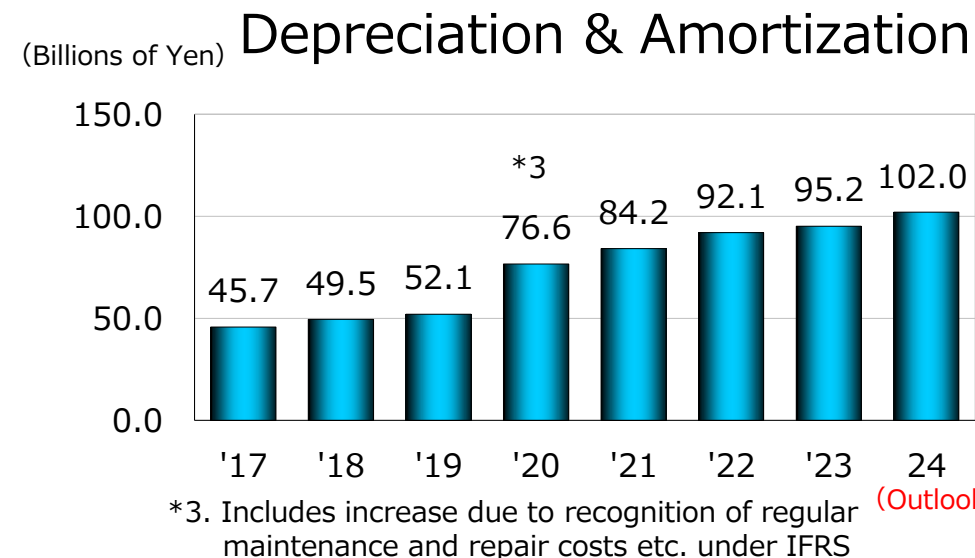
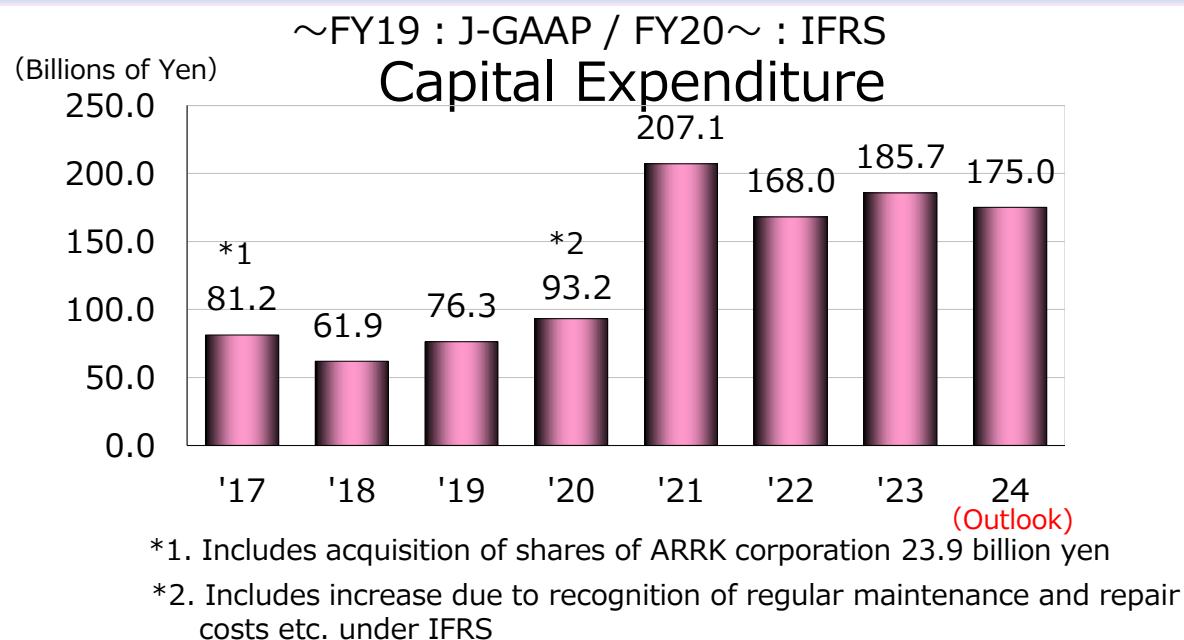
*1. Consolidated balance sheet as of FY2017 is restated to reflect changes in presentation from including an impact of "Partial Amendments to Accounting Standard for Tax Effect Accounting".

(Billions of Yen)

Cash Flows



5-2) Data Highlights



Chemistry for Sustainable World



Mitsui Chemicals

Challenge Diversity One Team