



FY2022 1H
**Consolidated
Financial Results**

 **MITSUBISHI GAS CHEMICAL COMPANY, INC.**

November 8, 2022

TSE 4182



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FY2022 1H Results



- Both sales and profits increased due to the depreciation of the yen and strong sales of polyacetal, and other factors.

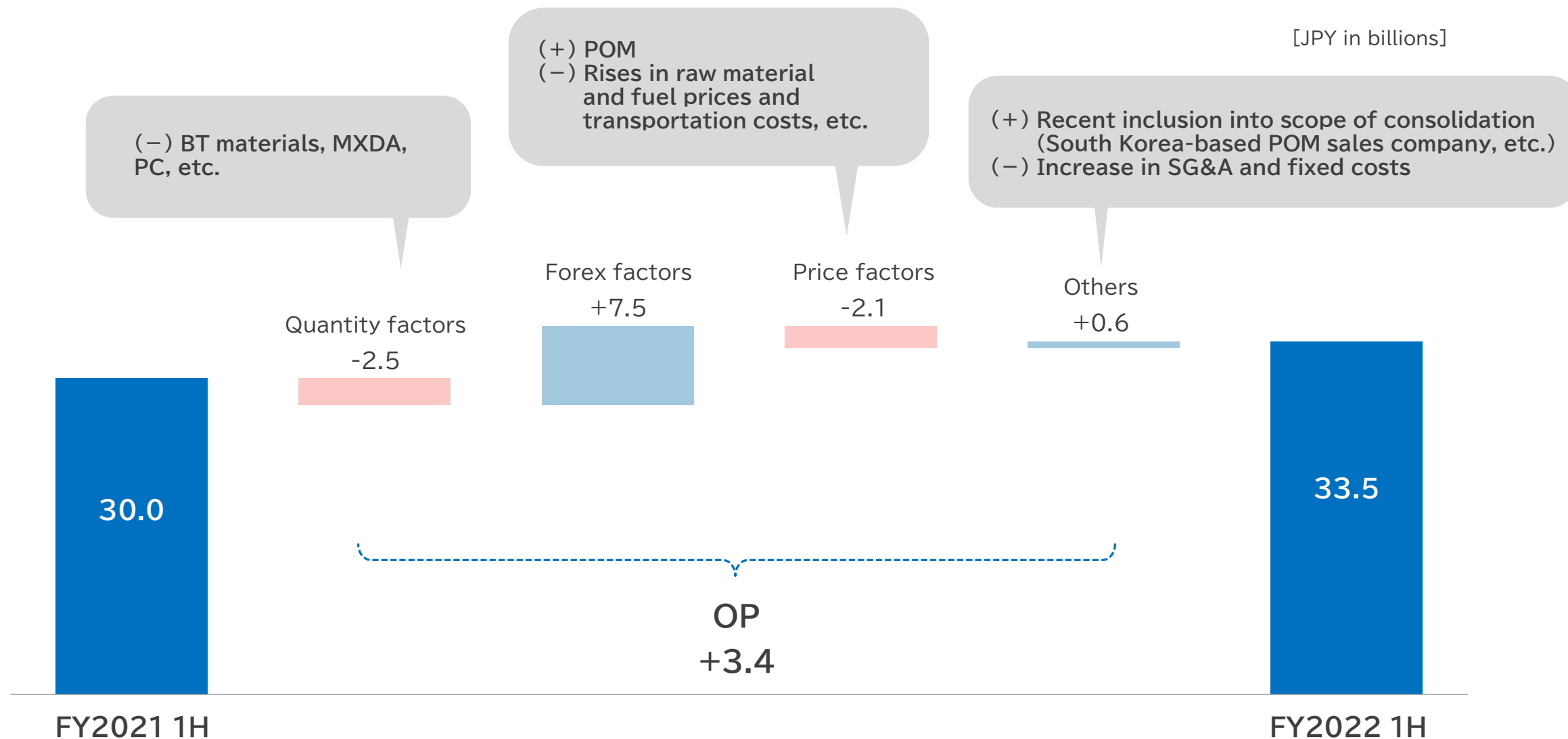
[JPY in billions]	FY2021 1H	FY2022 1H	Changes		FY2022 1H Previous Forecast*
			Amount	%	
Net Sales	335.8	394.9	59.0	17.6	400.0
Operating profit	30.0	33.5	3.4	11.6	31.0
Equity in earnings of affiliates	6.9	10.6	3.6	–	8.7
Ordinary profit	38.7	49.9	11.1	28.8	41.0
Profit attributable to owners of parent	28.1	34.2	6.0	21.6	30.0
*Announced on Aug. 5, 2022					
E P S (JPY)	135.50	166.33			
FX (JPY/USD)	110	134			

(Note) Figures shown on this and the following pages are rounded down to the closest 0.1 billion. Percentage figures, per-share indicators, and performance assumptions are rounded off to the closest whole number.

Sales and profits increased due to the depreciation of the yen and strong sales of polyacetal, and other factors.

- Net sales: Growth driven by the depreciation of the yen and upwardly revised sales prices aligned with higher raw material and fuel prices
- Operating profit: (+) Forex (+¥7.5bn)
 (+) Strong sales of polyacetal (POM)
 (–) Rises in transportation costs and raw material and fuel prices
- Equity in earnings of affiliates: Growth centered on overseas methanol producing affiliates' profits
- Variance from previous forecast: Despite lower sales in polycarbonate (PC) and BT materials, the depreciation of the yen and strong sales of POM led to an increase in profits compared to the previous forecast.
- Interim dividend: ¥40/share (in line with the previous forecast)

FY2022 1H Increase and Decrease Factors of Operating Profit (YoY)



FY2022 1H Non-Operating and Extraordinary Items



[JPY in billions]	FY2021 1H	FY2022 1H	Changes
Non-operating items	8.7	16.4	7.6
Equity in earnings of affiliates	6.9	10.6	3.6
Financial income or losses	1.8	1.5	(0.2)
Foreign exchange gains or losses	0.1	4.9	4.7
Others	(0.2)	(0.6)	(0.4)
Extraordinary income	2.1	0.5	(1.6)
Gains on step acquisitions	0.7	-	(0.7)
Insurance claim income	0.7	-	(0.7)
Gains on sales of investment securities	0.6	0.3	(0.2)
Others	-	0.1	0.1
Extraordinary losses	(2.4)	(0.8)	1.6
Impairment losses	(1.3)	(0.1)	1.1
Provision of allowance for doubtful accounts	(0.7)	(0.1)	0.6
Provisions of loss on business of subsidiaries and associates	(0.2)	-	0.2
Provision for land maintenance expenses	-	(0.2)	(0.2)
Others	(0.1)	(0.3)	(0.1)
Total extraordinary income and losses	(0.3)	(0.3)	(0.0)

- **Equity in earnings of affiliates**
 Basic Chemicals +2.9
 Specialty Chemicals +0.7 etc.

FY2022 1H Balance Sheets



[JPY in billions]	Mar. 31, 2022	Sep. 30, 2022	Changes	[JPY in billions]	Mar. 31, 2022	Sep. 30, 2022	Changes
Current assets	452.2	478.7	26.5	Liabilities	297.7	337.2	39.4
Cash and deposits	102.0	101.3	(0.6)	Trade note and accounts payable	92.3	90.2	(2.1)
Trade notes and Accounts receivable	176.5	182.2	5.7	Interest-bearing debt	117.6	144.2	26.5
Inventories	155.6	173.8	18.2	Others	87.7	102.7	14.9
Others	17.9	21.2	3.2				
Non-current assets	476.4	534.1	57.6	Net assets	630.8	675.6	44.7
Tangible assets	276.3	303.6	27.2	Shareholders' equity	547.2	566.8	19.5
Intangible assets	11.2	11.6	0.3	Accumulated other comprehensive income	21.5	41.2	19.7
Investments and other assets	188.7	218.8	30.0	Non controlling interest	62.1	67.5	5.4
Total assets	928.6	1,012.8	84.2	Total liabilities and net assets	928.6	1,012.8	84.2
				Equity ratio	61.2%	60.0%	

FY2022 1H Cash Flows



[JPY in billions]	FY2021 1H	FY2022 1H	Changes
Operating activity cash flows	23.4	13.3	(10.1)
Investing activity cash flows	(31.0)	(30.8)	0.2
Free cash flows	(7.5)	(17.4)	(9.8)
Financing activity cash flows	(15.6)	4.9	20.6
Effect of exchange rate change on cash and cash equivalents	1.6	9.9	8.3
Net increase (decrease) in cash and cash equivalents	(21.6)	(2.5)	19.1
Cash and cash equivalents at beginning of period	91.0	92.2	1.1
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	1.5	2.0	0.5
Cash and cash equivalents at end of period	70.9	91.7	20.8

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FY2022 Full-Year Forecast



- Despite the depreciation of the yen, full-year forecast is expected to be lower than the previous forecast due to a downturn in sales volume of semiconductor-related products and other factors.

[JPY in billions]	FY2022 Previous Forecast*	FY2022 Revised Forecast	Changes		FY2021
			Amount	%	
Net sales	810.0	810.0	0	0	705.6
Operating profit	62.5	60.0	-2.5	-4.0	55.3
Equity in earnings of affiliates	19.0	16.9	-2.1	-	14.8
Ordinary profit	83.5	80.0	-3.5	-4.2	74.1
Profit attributable to owners of parent	62.0	57.0	-5.0	-8.1	48.2
E P S (JPY)	302.05	277.63			232.15
R O E (%)	10.6	9.7			8.8
R O I C** (%)	10.7	10.3			10.4
FX (JPY/USD)	130	137			112

*Announced on Aug. 5, 2022

**ROIC=Ordinary profit/invested capital

Key Points of FY2022 Full-Year Forecast



Compared to the previous forecast, operating profit is expected to decrease by ¥2.5bn and ordinary profit by ¥3.5bn.

– Operating profit (vs. forecast)

(+) Forex (depreciation of yen*) +¥4.0bn

* Full-year USD/JPY forecast: revised from 130 to 137

(+) Strong sales of POM

(–) Sales volume down (products for semiconductors, MXDA, etc.),
deterioration in profitability of PC

– Equity in earnings of affiliates (vs. forecast): -¥2.1bn

While equity in earnings of affiliates in Basic Chemicals (overseas methanol producing affiliates) are expected to move up, Specialty Chemicals to move down.

– Year-end dividend: ¥40/share (in line with the previous forecast)

[Adjustment to elimination by consolidation in operating profit and equity in earnings of affiliates]

In Specialty Chemicals Segment, as a result of the adjustment to eliminations by consolidation, there is a mixture of approx. ¥3bn for the full fiscal year (¥1.5bn in 1H and ¥1.5bn in 2H) between the previous and the revised forecasts for operating profit and equity in earnings of affiliates. Accordingly, operating profit is expected to be approx. ¥3bn higher than the previous forecast, and equity in earnings of affiliates to be approx. ¥3bn lower than the previous forecast. (There is no impact on ordinary profit.)

■ Assumed exchange rates (2H): \$1=¥140 (¥10 depreciation from the previous forecast), €1=¥140 (¥5 depreciation from the previous forecast)

(Sensitivity (USD, rough estimate): with a depreciation (appreciation) of ¥1 against the USD, annual operating profit increases (falls) by ¥0.6bn, while annual ordinary profit increases (falls) by ¥0.5bn.)

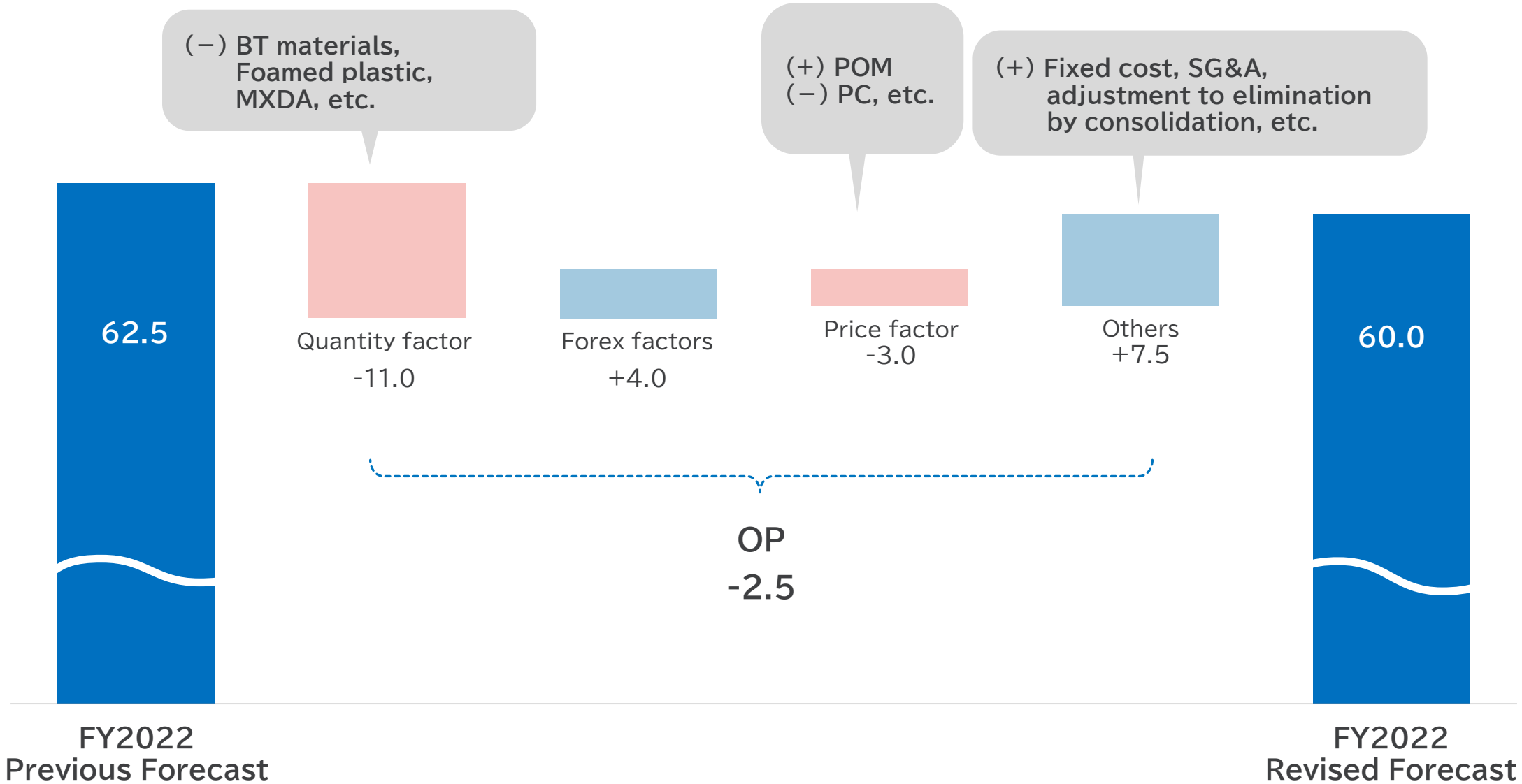
■ Assumed crude oil prices (2H): \$100/bbl. (\$10 down from the previous forecast)

(Sensitivity (USD, rough estimate): \$1/bbl. drop (increase) in crude oil raises (reduces) profit by ¥0.15bn, excluding methanol affect.)

FY2022(F) Increase and Decrease Factors of Operating Profit



[JPY in billions]



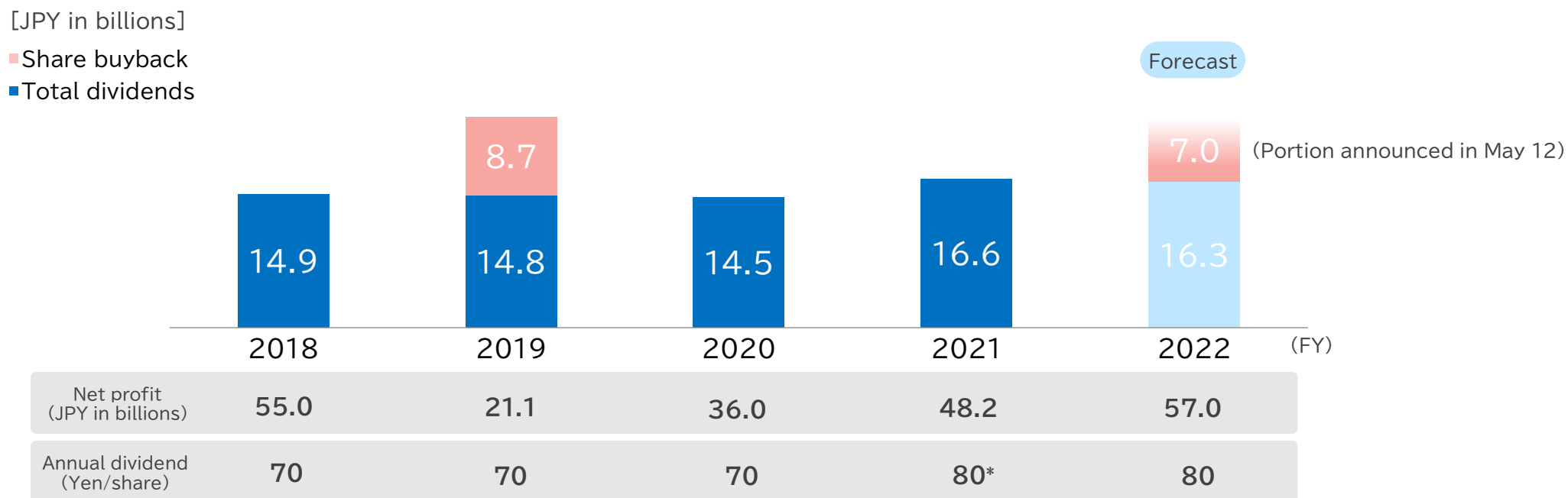
Shareholder Return Policy / Shareholder Return



- MGC places topmost management priority on enhancing corporate value. The Company will continuously provide stable dividends, while taking operating performance and other factors into account when determining the distribution amount.
- The Company's basic policy is to improve capital efficiency and enhance shareholder returns by flexibly purchasing treasury stock while considering the levels of internal reserves and returns to shareholders.
- Total payout ratio of 40% as a target for medium-term shareholder returns.



• Annual dividend for FY2022 expected to be ¥80 per share (¥10 increase on an ordinary dividend basis, same as the previous forecast)



*Interim ¥45 (commemorative ¥10), year-end ¥35

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Results and Forecast by Segment



[JPY in billions]	FY2021			FY2022 Previous Forecast*1			FY2022 Revised Forecast		
	1H	2H	FY	1H	2H	FY	1H	2H	FY
Net sales	335.8	369.7	705.6	400.0	410.0	810.0	394.9	415.0	810.0
Basic Chemicals	200.9	224.4	425.3	234.9	239.6	474.5	236.3	256.3	492.6
Specialty Chemicals	137.5	147.9	285.5	168.9	174.0	342.9	161.8	161.9	323.8
Other/Adjustment	(2.6)	(2.5)	(5.2)	(3.8)	(3.7)	(7.5)	(3.3)	(3.2)	(6.5)
Operating profit	30.0	25.3	55.3	31.0	31.5	62.5	33.5	26.4	60.0
Basic Chemicals	15.8	9.8	25.7	13.1	8.7	21.9	14.4	6.4	20.9
Specialty Chemicals*2	15.9	17.6	33.6	19.6	24.4	44.1	20.3	21.9	42.3
Other/Adjustment	(1.8)	(2.1)	(4.0)	(1.7)	(1.7)	(3.5)	(1.3)	(1.9)	(3.2)
Ordinary profit	38.7	35.3	74.1	41.0	42.5	83.5	49.9	30.0	80.0
Basic Chemicals	19.1	10.9	30.0	17.0	16.5	33.6	20.8	12.3	33.2
Specialty Chemicals	20.7	24.6	45.4	24.1	28.0	52.1	25.3	20.2	45.5
Other/Adjustment	(1.1)	(0.2)	(1.3)	(0.1)	(2.1)	(2.3)	3.7	(2.5)	1.1

Effective from the fiscal year ending March 31, 2022, the Company has changed the segments of some of its products. Segment information for the previous fiscal year has also been prepared based on the classification method after the change.

*1 Announced on Aug. 5, 2022

*2 Adjustment to elimination by consolidation in operating profit and equity in earnings of affiliates

In Specialty Chemicals Segment, as a result of the adjustment to elimination by consolidation, there is a mixture of approx. ¥3bn for the full fiscal year (¥1.5bn in 1H and ¥1.5bn in 2H) between the previous and the revised forecasts for operating profit and equity in earnings of affiliates. Accordingly, operating profit is expected to be approx. ¥3bn higher than the previous forecast, and equity in earnings of affiliates to be approx. ¥3bn lower than the previous forecast. (There is no impact on ordinary profit.)

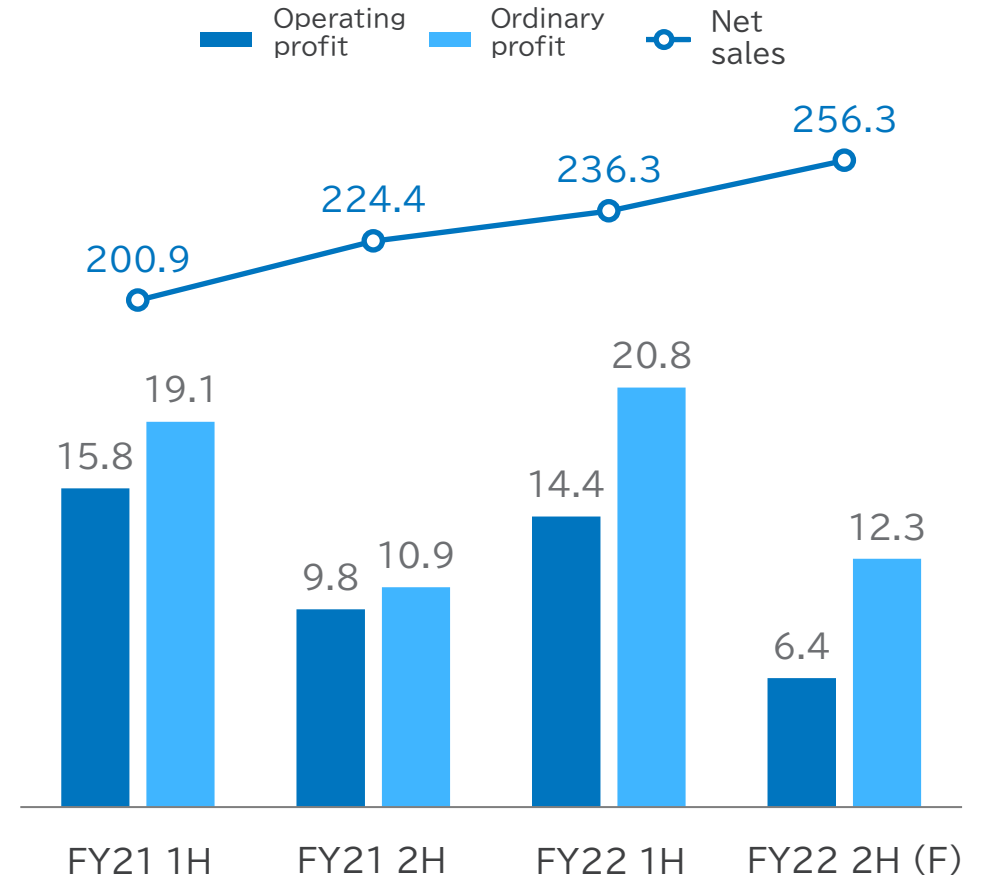
[JPY in billions]

1H results (vs. FY2021 1H)

Operating profit decreased due to surges in raw material and fuel prices, transportation costs, and other factors. On the other hand, ordinary profit increased due to an increase in equity in earnings of overseas methanol producing affiliates.

2H forecast (vs. 1H results)

We forecast a decrease in profit, largely as a result of higher repair expenses (scheduled maintenance at Niigata and Mizushima Plants every two years/impact: -¥4.0bn) and a general decline in sales volume.



Basic Chemicals: 1H Results and 2H Forecast



1H results (vs. FY2021 1H)

- **Methanol:** Market price was slightly higher than in the same period of the previous year (from \$370 in FY2021 1H to \$375 in FY2022 1H). Equity in earnings of affiliates increased. Foreign exchange losses were a negative factor, but were offset by a positive factor of the reversal of deferred tax liabilities, and earnings in 1H were generally in line with market conditions.
- **Methanol/ammonia chemical products:** Earnings were on par with earnings recorded in the same period of the previous fiscal year, with progress in profitability adjustments offsetting the negative impact of higher raw material prices.
- **High-performance products:** Earnings decreased due mainly to rises in raw material and fuel prices and transportation costs, despite the higher sales volume of aromatic aldehydes.
- **Xylene separators/derivatives:** Earnings decreased due mainly to rises in raw material and fuel prices, and resulting deterioration in profitability of purified isophthalic acid (PIA).
- **Foamed plastic (JSP):** Earnings decreased due mainly to rises in raw material and fuel prices outpacing the timing of product price revisions.

2H forecast (vs. 1H results)

- **Methanol:** The supply-demand balance is projected to tighten due to supply restrictions and increased demand for raw natural gas in winter, and market prices are expected to rise (from \$375 in 1H to \$390 in 2H). Equity in earnings of affiliates is expected to increase.
- **Methanol/ammonia chemical products:** Profit is forecast to decrease due to an increase in repair expenses (Niigata Plant: major scheduled maintenance every two years) and a decrease in sales volume resulting from the maintenance.
- **High-performance products:** Although demand for aromatic aldehydes is anticipated to remain strong, profit is forecast to decline due mainly to lower sales resulting from equipment trouble at MXDA (impact on profit: estimated decrease of just over ¥1.0bn).
- **Xylene separators/derivatives:** Low level spreads are expected to continue.
- **JSP:** Although raw material prices are forecast to remain high, profit is expected to increase due to price pass-through

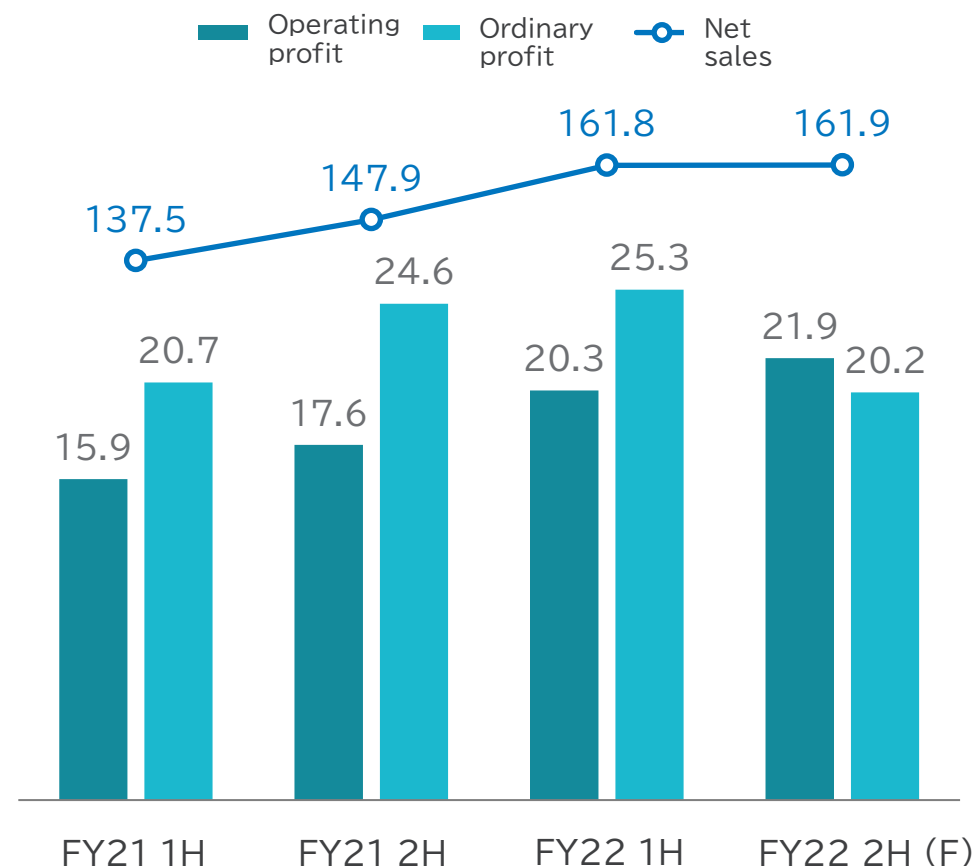
[JPY in billions]

1H results (vs. FY2021 1H)

Sales and profit increased due to the depreciation of the yen and strong sales of POM, despite lower sales of PC and BT materials than in the same period of the previous fiscal year.

2H forecast (vs. 1H results)

Although demand for ICT-related products is forecast to weaken, operating profit is anticipated to increase due to expected improvement in earnings from PC and other factors. Ordinary profit is expected to decrease due mainly to a decline in equity in earnings of affiliates.



Specialty Chemicals: 1H Results and 2H Forecast



1H results (vs. FY2021 1H)

- **Inorganic chemicals:** Earnings decreased despite growth in the sales volume of chemicals for use in semiconductor manufacturing, due mainly to rises in transportation costs and prices in raw material and fuel.
- **Engineering plastics:** Sales and earnings increased, despite deterioration in the profitability of polycarbonate, thanks to robust sales of POM and the recent inclusion of a South Korea-based POM sales company into the scope of consolidation.
- **Optical materials:** Earnings were on par with the same period of the previous fiscal year amid stagnant demand for smartphones, a primary application of optical polymers, even though earnings escaped the negative impact of inventory adjustments carried out by customers in the prior fiscal year.
- **Electronic materials:** Net sales and operating profit decreased reflecting such factors as declining demand for general-purpose materials for use in PC-related devices and home appliances. However, ordinary profit increased from the same period of the previous fiscal year thanks primarily to an increase in equity in earnings of affiliates.
- **Oxygen absorbers:** Earnings remained on par with the same period of the previous fiscal year, despite the ongoing robustness of overseas sales, especially in the food packaging field, due to rises in raw material prices and transportation costs.

2H forecast (vs. 1H results)

- **Inorganic chemicals:** While price adjustments are underway in some products, earnings are forecast to be at the same level as 1H, as the sales volume of chemicals for semiconductors is expected to weaken.
- **Engineering plastics:** Although POM has maintained relatively high sales prices, market conditions are expected to soften as the tight supply-demand balance eases. As for polycarbonate, a recovery in demand for automotive and other applications is expected, as well as an improvement in earnings at our Chinese bases, while the business environment will continue to be severe.
- **Optical materials:** Smartphone demand is forecast to remain sluggish as in 1H, and earnings are expected to be slightly lower than in 1H.
- **Electronic materials:** Recovery in demand for general-purpose materials and start of production for new smartphone models are anticipated in 4Q. Earnings are expected to be slightly lower than in 1H.

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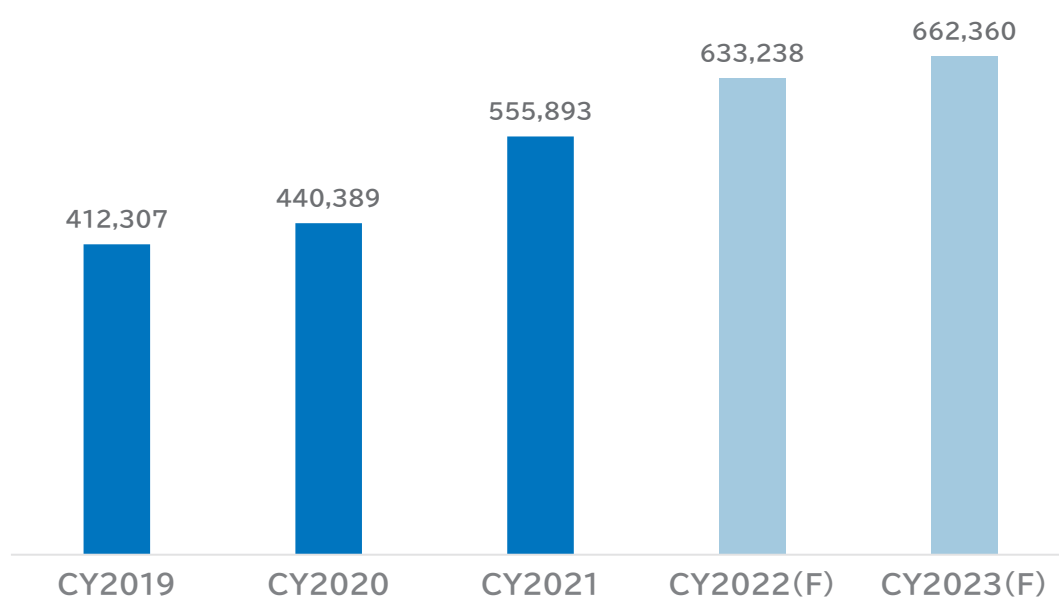
Investment for growth in competitively advantageous (“differentiating”) businesses: Electronics chemicals (EL)



Strengthening the production system of super-pure hydrogen peroxide for the semiconductor market, which is expected to grow further.

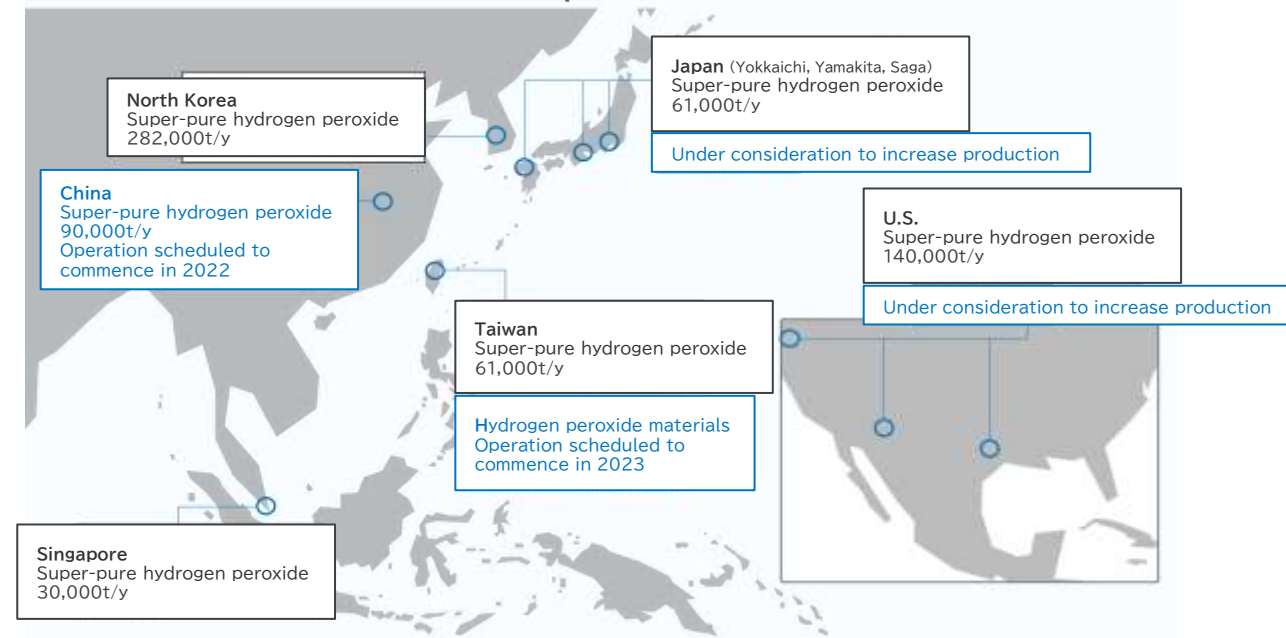
- North America: The expanded line at the Oregon plant is scheduled to start commercial operation in fiscal 2023. Expansion of the Texas and Arizona plants is also under consideration. Further capital expenditures will be considered to maintain the top market share in line with the market growth.
- Japan: The production line is scheduled to be expanded at the Saga Factory.
- Taiwan: A raw material hydrogen peroxide plant is under construction (scheduled to start operation in 2023), and an integrated production system for super-pure hydrogen peroxide is under development.
- China: Construction of a super-pure hydrogen peroxide plant was completed and is in the process of obtaining customer certification.

WSTS Semiconductor Market Forecasts US\$M



Source: WSTS (22 Aug. 2022)

EL Chemical production sites

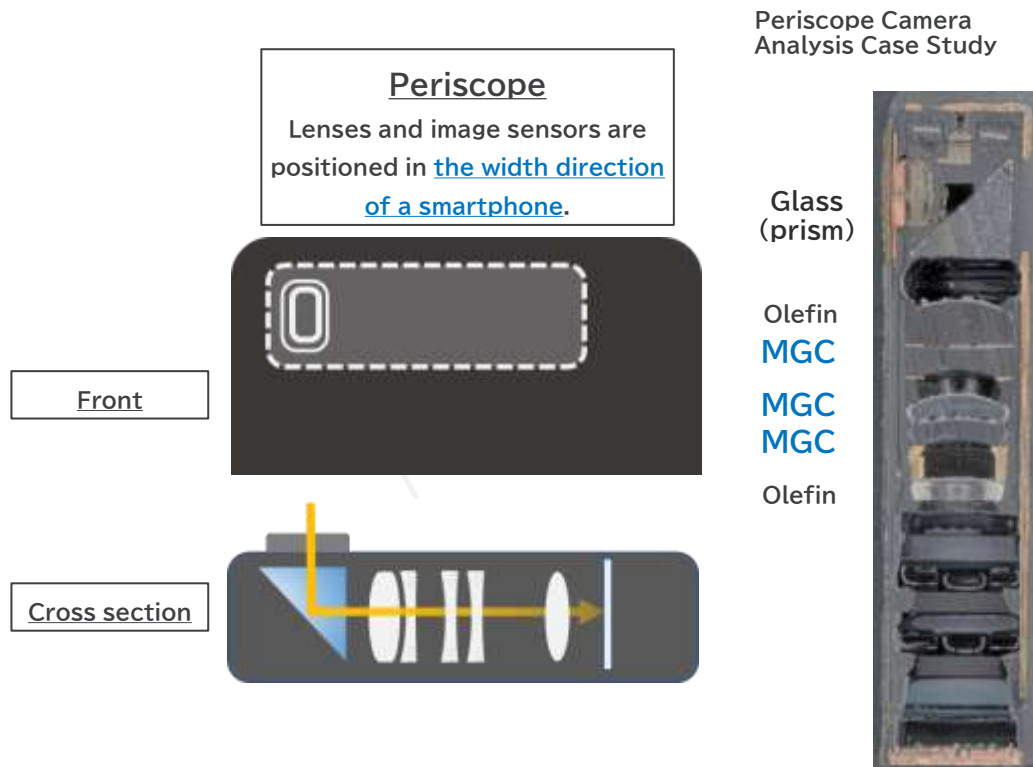


Expanding adoption in smartphone camera lenses, the main application, and entering new markets

- As smartphone cameras continue to become highly functional, further adoption of our materials will increase.
- Expansion in new market areas such as VR, in-vehicle (monitors, sensing), security cameras/web cameras, etc. is also in view.

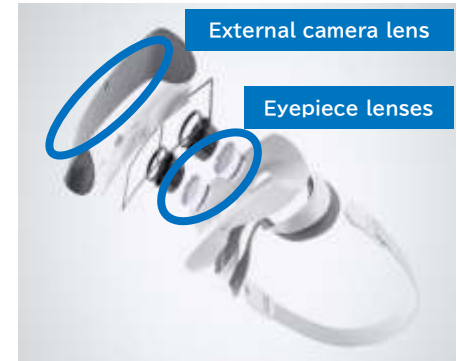
●Periscope camera

·Adopted for high-end model periscope cameras of some manufacturers.



●VR device

·Adopted for external camera lens and launched for eyepiece lenses.
·Contributing to lighter weight and thinner profile for easier use by general users.



●In-vehicle

·Adopted for in-vehicle use (monitors, sensing) with a high productivity by injection molding, high refractive index, and excellent heat resistance.

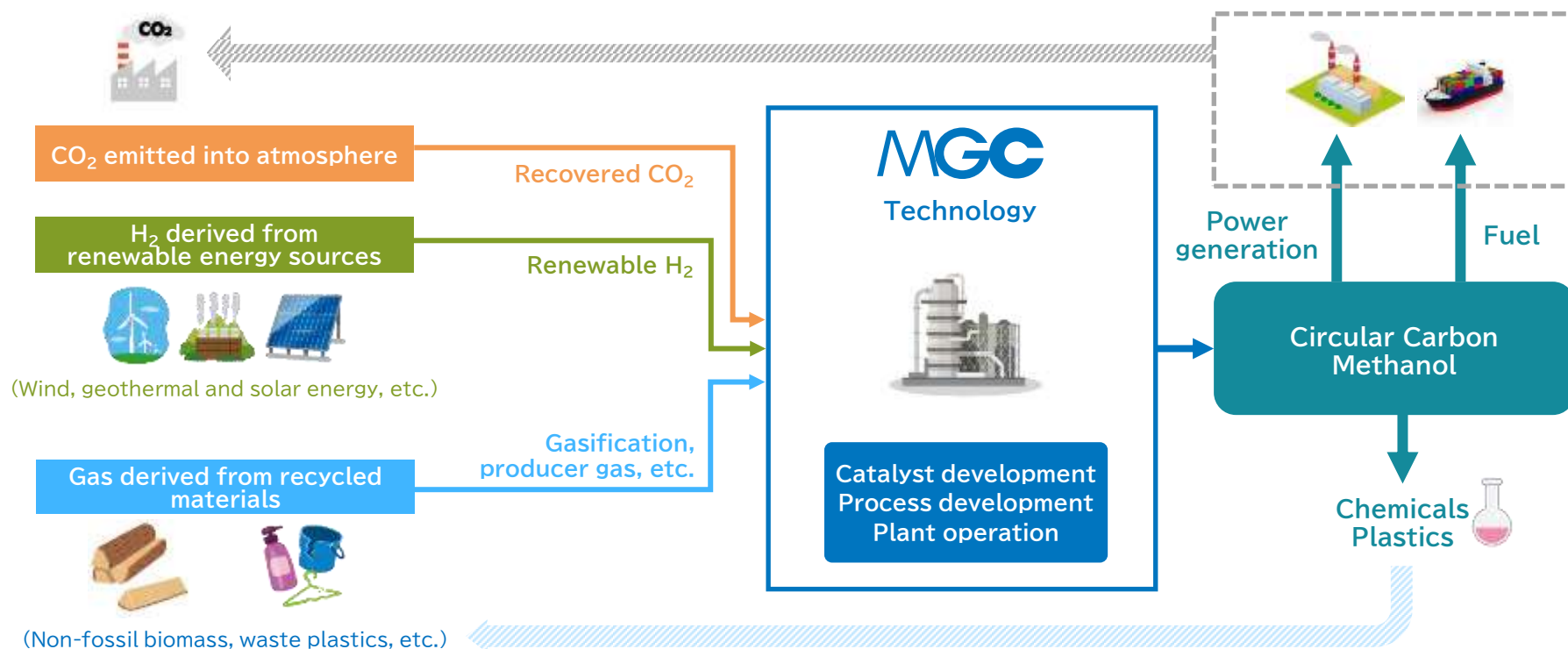


●Security camera/web camera

·Developed a special grade for security cameras and adopted by some customers.

Promotion of Circular Carbon Methanol (1)

Promoting Circular Carbon Methanol, an initiative to convert CO₂ emitted into atmosphere, waste plastics, non-fossil biomass, etc., into methanol and recycle it for use as chemicals, fuel, and power generation.



Carbopath™

We have named Circular Carbon Methanol concept “Carbopath™.”

The name is derived from “carbon” and “path-finder,” and is intended to be a pioneer who actively promotes this concept, as well as to realize carbon neutrality and a circular carbon society. We will guarantee the source and quality of Circular Carbon Methanol and develop the term to indicate the product name, related services, and the concept itself.

(Figure) Circular Carbon Methanol

1) Demonstration experiment in two steps using pilot facilities at Niigata Plant

- MGC started various tests and continuous operation (CO₂ throughput: approx. 1.5 tons/day) in August 2021, and has so far completed the first step, a demonstration experiment on methanol production from CO₂ and H₂, and technical licenses are currently available.
- From August 2022, MGC has been evaluating and studying technological issues regarding the optimization of methanol synthesis process from various feedstocks such as synthesis gas obtained by gasifying waste plastics, which is the second step of the project.



Methanol pilot facility at Niigata Plant

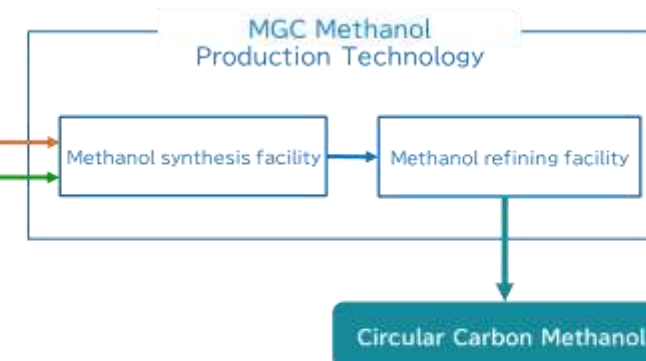
2) Started joint study on social deployment of circular carbon methanol utilizing CO₂, for the first time in Japan

In June 2022, MGC and Tokuyama Corporation started to conduct a feasibility study into the manufacture and sale of methanol made from CO₂ emitted and H₂ generated at Tokuyama's Tokuyama Factory, using MGC's newly developed methanol production technology.

(<https://www.mgc.co.jp/eng/corporate/news/files/220630e.pdf>)



Provided by Tokuyama

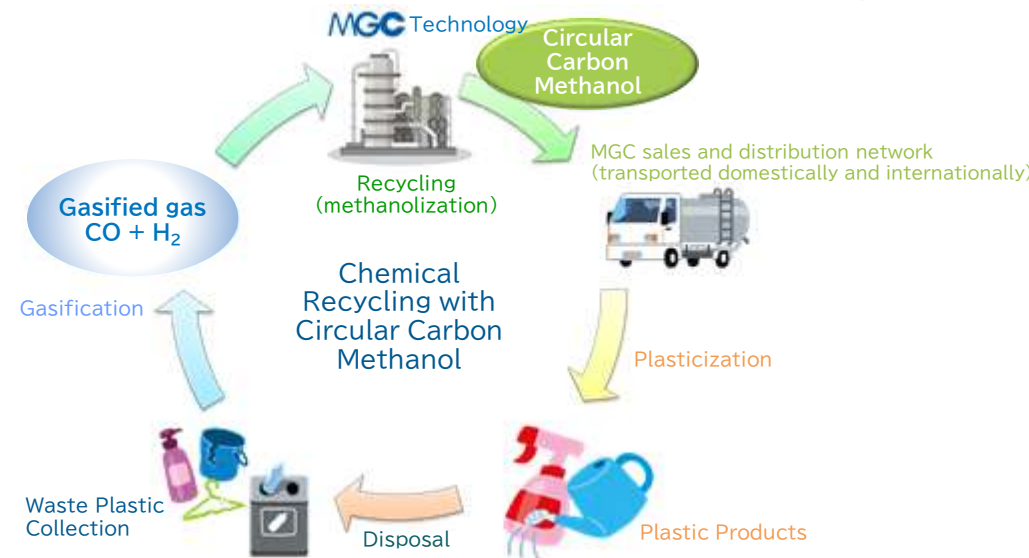


Used as a raw material for Tokuyama products
Sold by MGC as Carbopath™

Promotion of Circular Carbon Methanol (3)

3) Launched Japan's first demonstration project for gasification and methanol conversion of waste plastics

In August 2022, the “Demonstration Project for Gasification and Methanol Conversion of Waste Plastics” proposed by Kobelco Eco-Solutions Co., Ltd., Daiei Kankyo Co., Ltd., DINS Kansai Co., Ltd., Mitsubishi Kakoki Kaisha, Ltd., and MGC was adopted for the “FY2022 Grant for Carbon Dioxide Emission Control Measures Project, Demonstration Project for Establishment of Recycling System for Plastic Resources to Support a Decarbonized Society” by the Ministry of the Environment.



4) Cement Australia and MGC Begin joint study on the production of Circular Carbon Methanol using green hydrogen and CO₂

Cement Australia Pty Ltd (Head office: Queensland, Australia) and MGC have signed a memorandum of understanding to study the manufacture and sale of green methanol from CO₂ captured at Cement Australia's Gladstone Plant and green hydrogen using MGC's newly developed Circular Carbon Methanol (“Carbopath™”) production technology.

(<https://www.mgc.co.jp/eng/corporate/news/files/221028e.pdf>)



Map data ©2022 Google

Appendix

Appendix: Key Indicators (1)



[JPY in billions]	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (F)
Capital expenditure [1H]	25.4 [13.8]	22.2 [10.3]	30.5 [14.9]	35.0 [13.7]	30.9 [13.9]	39.2 [18.6]	42.3 [22.4]	40.2 [15.8]	54.7 [22.0]	82.0 [31.2]
Depreciation & amortization [1H]	23.5 [11.4]	23.7 [11.5]	26.7 [13.1]	25.6 [12.2]	27.0 [13.1]	27.4 [13.5]	29.5 [14.4]	30.6 [15.1]	31.9 [15.8]	33.0 [16.1]
R&D expenditure [1H]	16.1 [8.0]	16.8 [8.0]	18.9 [9.2]	19.2 [9.6]	18.9 [9.5]	18.6 [9.1]	19.6 [9.4]	19.9 [9.8]	21.0 [10.1]	23.5 [11.1]
Employees (as of Mar. 31)	5,445	8,254	8,176	8,034	8,009	8,276	8,954	8,998	9,888	10,408
EPS (Yen)*	66	192	154	222	281	257	101	173	232	277
ROA (%)	4.8	5.8	5.9	8.4	10.6	8.7	3.9	6.2	8.4	8.3
ROE (%)	5.0	12.6	9.0	12.0	13.6	11.3	4.3	7.1	8.8	9.7
ROIC (%)	6.1	7.2	7.3	10.4	13.2	10.9	4.9	7.7	10.4	10.3
Dividend (yen)* [of which, interim dividend]	24.0 [12.0]	28.0 [14.0]	32.0 [16.0]	38.0 [16.0]	59.0 [24.0]	70.0 [35.0]	70.0 [35.0]	70.0 [35.0]	80.0** [45.0**]	80.0 [40.0]

*The Company conducted a consolidation of shares at a ratio of one share for every two shares effective October 1, 2016. EPS and dividends have been calculated by retroactive adjustment applying the above share consolidation to preceding periods as well.

**Commemorative dividend 10.0 yen

Appendix: Key Indicators (2) Capex, Depreciation and Amortization by Segment



	2013	2014	2015	2016	2017	2018	2019		2020	2021	
Capex*	Natural Gas	4.5	5.7	5.3	9.0	6.0	5.7	7.2	Basic Chemicals	19.7	19.2
	Aromatic	2.3	4.0	10.6	10.5	11.3	14.6	15.0			
	Specialty	11.2	7.6	9.9	8.1	11.0	14.4	14.6	Specialty Chemicals	18.6	32.6
	Information & Advanced Materials	6.6	4.3	3.8	6.6	1.9	2.3	2.6			
	Other	0.5	0.3	0.7	0.5	0.6	2.1	2.7	Other	1.8	2.9
	Total	25.4	22.2	30.5	35.0	30.9	39.2	42.3	Total	40.2	54.7
Depreciation	Natural Gas	6.3	6.9	6.1	5.0	5.1	5.5	6.3	Basic Chemicals	16.4	17.1
	Aromatic	4.1	3.9	8.2	8.5	8.5	8.7	9.5			
	Specialty	9.5	9.2	8.8	8.6	9.1	8.7	8.7	Specialty Chemicals	13.0	13.0
	Information & Advanced Materials	3.1	3.3	3.0	3.0	3.5	3.6	3.8			
	Other	0.3	0.3	0.3	0.3	0.5	0.8	1.0	Other	1.1	1.7
	Total	23.5	23.7	26.7	25.6	27.0	27.4	29.5	Total	30.6	31.9

*Fixed assets recorded basis

Appendix: Key Indicators (3)

	FY2018		FY2019		FY2020		FY2021		FY2022	
	1H	2H	1H	2H	1H	2H	1H	2H	1H (F)	2H (F)
FX(JPY/USD)	110	112	109	109	107	105	110	115	134	140
FX(JPY/EUR)	130	127	121	120	121	126	131	130	139	140
Crude oil (Dubai) (USD/BBL)	73	65	64	56	37	52	69	87	102	100
Methanol (USD/MT)	408	335	277	245	194	319	370	428	375	390
Mixed xylene (USD/MT)	845	730	705	640	420	560	780	875	1,105	985
Bisphenol A (USD/MT)*	1,600 ~1,900	1,200 ~1,800	1,000 ~1,450	1,050 ~1,350	900 ~1,450	1,400 ~3,300	2,750 ~3,700	2,100 ~3,150	1,450 ~2,200	1,300 ~2,000
Polycarbonate (USD/MT)*	2,700 ~3,800	2,100 ~2,800	1,900 ~2,250	1,650 ~2,000	1,500 ~2,150	2,100 ~4,000	3,100 ~4,050	2,650 ~3,650	1,950 ~2,900	1,700 ~2,500

*Describe the minimum and maximum values during the period

Sensitivity (rough estimates)

FX (USD): with an appreciation (depreciation) of ¥1 against the USD, annual operating profit falls (increases) by ¥0.6bn, while annual ordinary profit falls (increases) by ¥0.5bn.

FX (EUR): with an appreciation (depreciation) of ¥1 against the EUR, annual operating profit falls (increases) by ¥0.1bn, while annual ordinary profit falls (increases) by ¥0.1bn.

Crude oil (Dubai): \$1/bbl. increase (drop) in crude oil reduces (raises) profit by ¥0.15bn (exclude methanol affect).

Methanol: \$1/MT increase (drop) in market price raises (reduces) equity in earnings of affiliates by ¥0.1bn.

Reference: Results and Forecast by Former Segment



	FY2021			FY2022 Previous Forecast *1			FY2022 Revised Forecast		
	1H	2H	FY	1H	2H	FY	1H	2H	FY
Net sales	335.8	369.7	705.6	400.0	410.0	810.0	394.9	415.0	810.0
Natural Gas	104.9	121.3	226.2	120.9	129.4	250.4	119.4	136.8	256.3
Aromatic	97.6	105.1	202.8	116.1	112.3	228.4	119.0	121.3	240.3
Specialty	102.3	111.8	214.1	132.5	139.3	271.8	126.1	129.5	255.7
Information & Advanced Materials	35.3	36.1	71.5	36.5	34.7	71.2	35.8	32.4	68.2
Other/Adjustment	(4.3)	(4.6)	(9.1)	(6.0)	(5.8)	(11.9)	(5.4)	(5.1)	(10.6)
Operating profit	30.0	25.3	55.3	31.0	31.5	62.5	33.5	26.4	60.0
Natural Gas	5.4	4.3	9.7	4.9	4.1	9.0	6.5	3.4	10.0
Aromatic	10.4	5.5	16.0	8.1	4.6	12.8	7.9	3.0	10.9
Specialty *2	7.8	9.5	17.4	11.6	16.1	27.7	12.9	15.1	28.1
Information & Advanced Materials	8.0	8.1	16.1	8.0	8.3	16.3	7.4	6.7	14.1
Other/Adjustment	(1.7)	(2.1)	(3.9)	(1.7)	(1.7)	(3.5)	(1.3)	(1.9)	(3.2)
Ordinary profit	38.7	35.3	74.1	41.0	42.5	83.5	49.9	30.0	80.0
Natural Gas	8.5	5.4	14.0	8.7	12.2	20.9	12.1	9.7	21.9
Aromatic	10.5	5.5	16.0	8.3	4.3	12.7	8.7	2.5	11.3
Specialty	12.0	15.5	27.6	14.8	18.4	33.3	16.4	13.1	29.6
Information & Advanced Materials	8.6	9.1	17.8	9.2	9.5	18.8	8.8	7.0	15.9
Other/Adjustment	(1.0)	(0.2)	(1.3)	(0.1)	(2.1)	(2.3)	3.7	(2.5)	1.1

(Note) The figures are reference figures that have been simply rearranged for comparison with the new segments.

*1 Announced on Aug. 5, 2022

*2 Adjustment to elimination by consolidation in operating profit and equity in earnings of affiliates

In Specialty Chemicals Segment, as a result of the adjustment to elimination by consolidation, there is a mixture of approx. ¥3bn for the full fiscal year (¥1.5bn in 1H and ¥1.5bn in 2H) between the previous and the revised forecasts for operating profit and equity in earnings of affiliates. Accordingly, operating profit is expected to be approx. ¥3bn higher than the previous forecast, and equity in earnings of affiliates to be approx. ¥3bn lower than the previous forecast. (There is no impact on ordinary profit.)

Reference: Main products of Each Reportable Segment



Reportable Segments	Former Segments	Main Products
Basic Chemicals	Natural Gas Chemicals	<ul style="list-style-type: none"> •Methanol •Methanol and ammonia-based chemicals (ammonia and amines, MMA products, formalin and polyol products, etc.) •Energy resources and environmental businesses
	Aromatic Chemicals	<ul style="list-style-type: none"> •High-performance products (MXDA, MX nylon, aromatic aldehydes, etc.) •Xylene separators and derivatives (Meta-xylene, purified isophthalic acid (PIA), etc.) •Foamed plastics (JSP)
Specialty Chemicals	Specialty Chemicals	<ul style="list-style-type: none"> •Inorganic chemicals (electronic chemicals (super-pure hydrogen peroxide, hybrid chemicals), hydrogen peroxide, etc.) •Engineering plastics (polycarbonate/sheet film, polyacetal, etc.) •Optical materials (optical polymers, ultra-high refractive lens monomer, etc.)
	Information and Advanced Materials	<ul style="list-style-type: none"> •Electronic materials (BT materials for IC plastic packaging, etc.) •Oxygen absorbers (AGELESS™, etc.)

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