



May 13, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under IFRS)

Company name: Mitsubishi Chemical Group Corporation Listing: Tokyo Stock Exchange  
 Securities code: 4188 URL: <https://www.mcgc.com/english/>  
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 Scheduled date of annual general meeting of shareholders: June 24, 2026  
 Scheduled date to commence dividend payments: June 3, 2026  
 Scheduled date to file annual securities report: June 22, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for securities analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Results of Operations:

(Percentages indicate year-on-year changes.)

	Sales Revenue		Core Operating Income		Operating income		Net income		Net income attributable to owners of the parent		Comprehensive Income	
		%		%		%		%		%		%
Fiscal year ended March 31, 2026	3,703,988	(6.2)	225,002	(1.7)	30,078	(78.8)	78,425	(25.8)	11,829	(73.7)	251,905	225.2
March 31, 2025	3,947,566	(10.0)	228,839	10.0	141,550	(45.9)	105,636	(40.8)	45,020	(62.4)	77,464	(78.7)

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent	Ratio of income before tax to total assets	Ratio of core operating income to sales revenue
Fiscal year ended March 31, 2026	Yen 8.63	Yen 8.63	% 0.7	% 0.0	% 6.1
March 31, 2025	31.64	31.64	2.6	1.7	5.8

Reference: Share of profit (loss) of associates and joint ventures

Fiscal year ended March 31, 2026: ¥ (2,255) million

Fiscal year ended March 31, 2025: ¥7,836 million

Income before taxes

Fiscal year ended March 31, 2026: ¥711 million ((99.3)%)

Fiscal year ended March 31, 2025: ¥99,248 million ((58.7)%)

(Note1) Core operating income is calculated as operating income excluding certain gains and expenses attributable to non-recurring factors.

(Note2) Upon the approval at MCG's Ordinary General Meeting of Shareholders held on June 25, 2025 with regard to the absorption-type split agreement to transfer all shares and related assets of Mitsubishi Tanabe Pharma Corporation (hereinafter "MTPC"), which had been MCG's consolidated subsidiary, MTPC and its subsidiaries and affiliates have been transferred on July 1, 2025. MTPC and its subsidiaries and affiliates have been classified as discontinued operations, and sales revenue, core operating income, operating income, share of profit (loss) of associates and joint ventures, and income before taxes for the current fiscal year and the previous fiscal year represent the amounts of continued operations excluding discontinued operations.

Mitsubishi Tanabe Pharma Corporation changed its corporate name to Tanabe Pharma Corporation as of December 1, 2025.

#### (2) Financial Position:

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of the parent per share
Fiscal year ended March 31, 2026	5,876,609	2,414,680	1,761,675	% 30.0	Yen 1,296.73
March 31, 2025	5,894,619	2,284,569	1,740,570	29.5	1,223.01

#### (3) Cash Flows:

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of the period
Fiscal year ended March 31, 2026	436,287	124,470	(375,207)	527,104
March 31, 2025	552,847	(275,434)	(246,654)	326,144

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen		%	%
March 31, 2025	—	16.00	—	16.00	32.00	45,595	101.2	2.6
March 31, 2026	—	16.00	—	16.00	32.00	43,521	370.8	2.5
March 31, 2027 (Forecast)	—	16.00	—	16.00	32.00		34.2	

## 3. Prospects for the Following Fiscal Year

(Percentages indicate changes in comparison with the same period of the previous fiscal year)

	Sales Revenue		Core Operating Income		Operating income		Net income		Net income attributable to owners of the parent		Basic earnings per share
		%		%		%		%		%	Yen
First Half of FY2026	1,861,000	3.4	139,000	10.2	143,000	65.3	98,000	(31.2)	59,000	(46.4)	43.43
FY2026	3,800,000	2.6	305,000	35.6	300,000	897.4	200,000	155.0	127,000	973.6	93.48

Reference: Income before taxes

First Half of FY2026: ¥129,000 million(87.7%), FY2026: ¥270,000 million(—%)

## \* Notes

(1) Significant changes in the scope of consolidation during the period : Yes

Newly included: 2 (Company Name) Coregas Pty Ltd, Esteve Teijin Healthcare, S.L. (current name: Nippon Sanso Homecare Espana, S.L.U.)

Excluded: 7 (Company Name) Mitsubishi Tanabe Pharma Corporation (current name: Tanabe Pharma Corporation), Mitsubishi Tanabe Pharma Factory Ltd. (current name: Tanabe Pharma Factory Co., Ltd.), Mitsubishi Tanabe Pharma America, Inc. (current name: Tanabe Pharma America, Inc.), Alpha Therapeutic Corporation, Welfide International Corporation, Medicago Inc., J-Flim Corporation

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS : None

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	1,441,467,207 Shares	As of March 31, 2025	1,506,288,107 Shares
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(ii) Number of treasury shares at the end of the period

As of March 31, 2026	82,919,774 Shares	As of March 31, 2025	83,102,073 Shares
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(iii) Weighted-average number of shares outstanding during the period

Fiscal year ended March 31, 2026	1,370,507,092 Shares	Fiscal year ended March 31, 2025	1,423,070,908 Shares
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\*Mitsubishi Chemical Group Corporation adopted a performance-based share compensation plan that uses executive compensation Board Incentive Plan (BIP) trusts. Mitsubishi Chemical Group Corporation stocks held by BIP trust are included in treasury shares.

(Reference)

Number of Company's shares in executive compensation BIP trust:

March 31, 2026	1,490,207 Shares
March 31, 2025	1,670,494 Shares

### Disclosure regarding audit procedures

Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

### Proper use of earnings forecasts, and other special matters

\*The forward-looking statements are based largely on the Company's expectations and information available as of the date hereof, and are subject to risks and uncertainties which may be beyond the Company's control. Actual results could differ materially due to numerous factors. The Company's stance on forward-looking statements is described on pages [5] hereof.

\*This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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## 1. Qualitative Information on Financial Results for the Term

### (1) Business Performance

#### Performance Overview

During the consolidated fiscal year under review (April 1, 2025 to March 31, 2026; the same applies hereinafter), the global economy saw the impact of US trade policies spread to various regions worldwide. The global economy nevertheless maintained generally solid growth, buoyed by robust US consumer spending, capital investment stemming from AI-related demand, and capital investment driven by improving corporate earnings and a recovery in personal consumption due to the improving employment and income environment in Japan, as well as by China's economic stimulus measures and stable personal consumption supported by a robust employment environment in Europe. Since March 2026, however, the outlook has remained uncertain due to rising geopolitical risks in the Middle East and elsewhere that have led to surging prices for certain raw materials and fuels.

Against this backdrop, compared to the previous consolidated fiscal year (April 1, 2024 - March 31, 2025; same hereafter), sales revenue of the Mitsubishi Chemical Group (the MCG Group) decreased ¥243.6 billion, or 6.2% to ¥3,704.0 billion. In the profit front, core operating income declined ¥3.8 billion, or 1.7%, to ¥225.0 billion. Meanwhile, operating income was down ¥111.5 billion, or 78.8%, to ¥30.1 billion. Income before taxes decreased ¥98.5 billion, or 99.3%, to ¥0.7 billion. Net income attributable to owners of the parent dropped ¥33.2 billion, or 73.7% to ¥11.8 billion.

#### Overview of Business Segments

The overview of financial results by business segment for the consolidated fiscal year ended 2025 is shown below. Segment gains or losses are stated as core operating income, which excludes gains or losses from non-recurring factors such as losses from business withdrawals, streamlining, and other factors.

#### Specialty Materials Segment

In comparison with the previous fiscal year, sales revenue decreased ¥11.7 billion, to ¥1,059.6 billion and core operating income rose ¥8.4 billion, to ¥32.3 billion.

In the Advanced Films & Polymers sub-segment, selling prices were maintained or increased, but revenue declined due to the transfer of shares in J-Film Corporation and the transfer of the triacetate fiber and other businesses, as well as the impact of customer inventory adjustments reflecting a decline in demand for display applications from the strong demand seen in the previous fiscal year.

In the Advanced Solutions sub-segment, too, selling prices for a variety of products were maintained or raised, but revenue fell due to the transfer of shares in certain subsidiaries, a decrease in sales volume resulting from waning demand for EV applications in Europe and the United States, and a decline in sales volume for housing and construction materials, primarily in the domestic market.

In the Advanced Composites & Shapes sub-segment, sales volume dropped due to the partial suspension of general-purpose firing lines in the carbon fiber business, but revenue was up due to rising demand for high-performance engineering plastics—primarily for semiconductor manufacturing equipment—as well as expanded sales of carbon fiber composite parts and favorable foreign exchange effects.

Core operating income in this segment increased despite the recognition of an impairment loss on Soarnol-related fixed assets in the UK and cost increases due to inflation and other factors. This increase was due to the absence of the impairment losses on production facilities and intangible assets at Gelest, Inc. in the current fiscal year, an improvement in gross margins resulting from higher selling prices across semiconductor-related and other businesses, greater demand for high-performance engineering plastics—primarily for use in semiconductor manufacturing equipment—and higher sales of carbon fiber composite parts, and rationalization effects resulting from the revamping of production sites across numerous businesses.

### **MMA & Derivatives Segment**

In comparison with the previous fiscal year, sales revenue decreased ¥65.7 billion, to ¥351.9 billion and core operating income dropped ¥37.2 billion, to a loss of ¥1.5 billion.

In the MMA sub-segment, revenue dropped primarily due to a downturn in market conditions for MMA monomers and other products.

In the Coatings & Additives sub-segment, selling prices were maintained or increased, but revenue declined due to a decrease in sales volume resulting from weaker demand for applications such as paints, adhesives, inks, and additives.

Core operating income in this segment declined due to a narrowing of trading margins caused by falling market prices for MMA monomers and other products, as well as to a decrease in sales volume resulting from a general decline in demand.

### **Basic Materials & Polymers Segment**

In comparison with the previous fiscal year, sales revenue decreased ¥195.9 billion, to ¥790.7 billion and core operating income rose ¥10.4 billion, to a loss of ¥4.2 billion.

In the Materials & Polymers sub-segment, revenue declined due to the impact of the sale of shares in a specific subsidiary within the high-purity terephthalic acid business, as well as lower selling prices resulting from a decline in raw material prices, a decrease in sales volume of polyolefins and other products, and foreign exchange effects.

In the Carbon sub-segment, revenue dropped due to the impact of the sale of shares in a specific subsidiary within the coke business, a decrease in sales volume resulting from the reduction in coke production capacity, and a decline in coke sales prices caused by falling raw material prices and sluggish demand.

Core operating income in this segment improved, despite a deterioration in inventory valuation gains and losses in the Materials & Polymers sub-segment, cost increases due to inflation and other factors, and the recognition of impairment losses on ethylene oxide and ethylene glycols production facilities. This improvement was driven by a widening spread between raw material and product prices in the polyolefin and other businesses, as well as an improvement in inventory valuation gains and losses in the carbon business, along with improved trading margins resulting from structural reforms in that business and cost reductions.

### **Industrial Gases Segment**

In comparison with the previous fiscal year, sales revenue increased ¥51.4 billion, to ¥1,352.5 billion and core operating income rose ¥14.6 billion, to ¥200.7 billion.

Sales revenue increased year on year due to the effect of the acquisition and consolidation of a plant engineering company in Europe and the industrial gas business and other businesses in Australia and New Zealand on top of the forex impact and the positive effect of price management efforts in each region, despite a decline in sales as domestic and overseas demand remained sluggish overall.

Core operating income in this segment rose year on year on the back of the positive effects of price management efforts and cost reduction, despite the rising price of electricity in the United States and a deterioration in sales volume mainly in Europe and the United States.

### **Others**

In comparison with the previous fiscal year, sales revenue decreased ¥21.7 billion, to ¥149.3 billion and core operating income increased ¥1.5 billion, to ¥13.5 billion.

## (2) Financial Position

Total assets at the end of the fiscal year totaled ¥5,876.6 billion, a decrease of ¥18.0 billion compared with the end of the previous fiscal year. The decrease in total assets was primarily attributable to a decline in assets as a result of the transfer of Mitsubishi Tanabe Pharma Corporation (hereinafter "MTPC"; current name: Tanabe Pharma Corporation), despite an increase in the value of assets translated into yen at overseas consolidated subsidiaries in tandem with the further depreciation of the yen and an increase in cash on hand due to receipt of proceeds from the transfer of MTPC.

Total liabilities at the end of the fiscal year totaled ¥3,461.9 billion, a decrease of ¥148.1 billion in comparison with the end of the previous fiscal year due mainly to decreases in bonds and borrowings.

Note that interest-bearing debt, which included lease liabilities at the end of the fiscal year came to ¥2,021.9 billion, a decrease of ¥156.6 billion versus the end of the previous fiscal year.

Total equity at the end of the fiscal year was ¥2,414.7 billion, up ¥130.1 billion from the end of the previous fiscal year. Although equity shrank mainly reflecting the payout of dividends and the purchase of treasury stock, equity rose owing to an increase in exchange differences on translation of foreign operations and the posting of net income attributable to non-controlling interests.

As a result of these factors, the ratio of equity attributable to owners of the parent was up 0.5 points, to 30.0%. The net debt-to-equity ratio was down 0.23, to 0.83.

Notes:

Net debt-to-equity ratio = Net interest-bearing debt ÷ Equity attributable to owners of the parent

Net interest-bearing debt = Interest-bearing debt - (cash and cash equivalents + cash reserves)

## (3) Cash Flow Analysis

Net cash provided by operating activities decreased ¥116.5 billion from the previous fiscal year, to ¥436.3 billion. This was mainly attributable to income before taxes and depreciation and amortization, as well as the payment of income taxes.

Net cash provided by investing activities increased ¥399.9 billion from the previous fiscal year, to ¥124.5 billion. This was chiefly attributable to proceeds of ¥517.5 billion from the sale of Mitsubishi Tanabe Pharma Corporation (current name: Tanabe Pharma Corporation) and other subsidiaries, which more than offset the purchase of property, plant and equipment and intangible assets. Consequently, free cash flow (cash flow from operating and investing activities) increased ¥283.4 billion, to ¥560.8 billion.

Net cash used in financing activities increased ¥128.5 billion from the previous fiscal year, to ¥375.2 billion. This was primarily attributable to an outflow of ¥250.7 billion yen for the repayment of interest-bearing debt, dividend payments of ¥67.3 billion, and the purchase of treasury stock amounting to ¥50.0 billion.

As a result of these factors, cash and cash equivalents at the end of the fiscal year totaled ¥527.1 billion, an increase of ¥201.0 billion compared with the end of the previous fiscal year.

#### (4) Financial Results Forecasts for Fiscal 2026

Although the global economy surrounding our Group is being underpinned by capital investment driven by demand for AI-related technologies and various countries' economic stimulus measures, the outlook remains uncertain due to such factors as rising prices for certain raw materials and fuels resulting from heightened geopolitical risks, particularly in the Middle East. We must therefore remain fully aware of the downside risks.

As for the consolidated financial results for the fiscal year ending March 31, 2027, due to an increase in sales of products and reduced costs in the Specialty Materials segment as well as higher income owing to such factors as the rebound of the bottomed-out MMA monomer market, we forecast ¥3,800.0 billion in sales revenue, ¥305.0 billion in core operating income, ¥300.0 billion in operating income, ¥270.0 billion in income before taxes, ¥200.0 billion in net income, and ¥127.0 billion in net income attributable to owners of the parent. The forecast figures do not take into account the impact of the situation in the Middle East, including the effective closure of the Strait of Hormuz. However, in the event that the current situation continues until the end of September 2026, we expect core operating income to fall short of the ¥305.0 billion forecast for the fiscal year ending March 31, 2027, by approximately ¥18.0 billion.

The following are estimates for major indicators for the above forecasts.

	(Billions of yen)	
	Fiscal year ended March 31, 2026	Fiscal year ending March 31, 2027
Capital Expenditure	308.8	339.1
Depreciation & Amortization	267.8	279.4
R&D Expenses	58.7	56.2
Exchange rate (Yen/USD) (Note)	151.1	150.0
Naphtha price (Yen/KL) (Note)	65,200	63,000

Note : These are the averages for April 1, 2025 - March 31, 2026 and April 1, 2026 - March 31, 2027.

## 2. Basic Approach to the Selection of Accounting Standards

The company has voluntarily applied IFRS from the fiscal year ended March 31, 2017 for its consolidated financial statements for the purpose of enhancing its reporting's international comparability and unifying accounting treatment within the Group.

### 3. Consolidated Financial Statements and Notes Concerning Consolidated Financial Statements

#### (1) Consolidated Statement of Profit or Loss

Fiscal year ended March 31, 2025 and 2026

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Continuing operations</b>		
Sales revenue	3,947,566	3,703,988
Cost of sales	(2,908,249)	(2,632,886)
Gross profit	1,039,317	1,071,102
Selling, general and administrative expenses	(796,039)	(813,877)
Other operating income	37,161	31,651
Other operating expenses	(146,725)	(256,543)
Share of profit (loss) of associates and joint ventures	7,836	(2,255)
Operating income	141,550	30,078
Financial income	8,134	9,220
Financial expenses	(50,436)	(38,587)
Income before taxes	99,248	711
Income taxes	(41,179)	(17,066)
Net income from continuing operations	58,069	(16,355)
<b>Discontinued operations</b>		
Net income from discontinued operations	47,567	94,780
Net income	105,636	78,425
<b>Net income attributable to</b>		
Owners of the parent	45,020	11,829
Non-controlling interests	60,616	66,596
Net income	105,636	78,425
<b>Earnings per share (Yen)</b>		
Basic earnings per share attributable to owners of the parent		
Continuing operations	(1.30)	(60.41)
Discontinued operations	32.94	69.04
Total	31.64	8.63
Diluted earnings per share attributable to owners of the parent		
Continuing operations	(1.30)	(60.41)
Discontinued operations	32.94	69.04
Total	31.64	8.63

**(2) Consolidated Statement of Comprehensive Income**

Fiscal year ended March 31, 2025 and 2026

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net income	105,636	78,425
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	(7,818)	(404)
Remeasurements of defined benefit plans	6,091	6,435
Share of other comprehensive income(loss) of associates and joint ventures for using the equity method	95	136
Total items that will not be reclassified to profit or loss	(1,632)	6,167
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	(27,682)	164,263
Net gain (loss) on derivatives designated as cash flow hedges	(1,115)	1,891
Share of other comprehensive income(loss) of associates and joint ventures for using the equity method	2,257	1,159
Total items that may be subsequently reclassified to profit or loss	(26,540)	167,313
Total other comprehensive income (net of tax)	(28,172)	173,480
Total comprehensive income	77,464	251,905
Total comprehensive income attributable to		
Owners of the parent	21,774	116,616
Non-controlling interests	55,690	135,289

**(3) Consolidated Statement of Financial Position**

(Millions of yen)

	March 31, 2025	March 31, 2026
<b>Assets</b>		
Current assets		
Cash and cash equivalents	326,144	527,104
Trade receivables	764,814	671,912
Inventories	759,423	669,126
Other financial assets	66,103	94,504
Other current assets	128,973	95,050
Subtotal	2,045,457	2,057,696
Assets held for sale	16,103	37,551
Total current assets	2,061,560	2,095,247
Non-current assets		
Property, plant and equipment	2,004,447	2,096,630
Goodwill	827,604	891,032
Intangible assets	442,039	377,656
Investments accounted for using the equity method	166,753	150,396
Other financial assets	203,645	152,769
Other non-current assets	70,324	24,586
Deferred tax assets	118,247	88,293
Total non-current assets	3,833,059	3,781,362
Total assets	5,894,619	5,876,609

(Millions of yen)

	March 31, 2025	March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Trade payables	424,635	383,664
Bonds and borrowings	428,067	387,064
Income tax payable	39,441	27,958
Other financial liabilities	351,480	344,290
Provisions	38,227	25,841
Other current liabilities	217,563	221,856
Subtotal	1,499,413	1,390,673
Liabilities directly associated with assets held for sale	745	10,228
Total current liabilities	1,500,158	1,400,901
Non-current liabilities		
Bonds and borrowings	1,612,920	1,503,457
Other financial liabilities	135,356	134,467
Retirement benefit liabilities	99,050	95,383
Provisions	25,160	90,535
Other non-current liabilities	37,287	36,175
Deferred tax liabilities	200,119	201,011
Total non-current liabilities	2,109,892	2,061,028
Total liabilities	3,610,050	3,461,929
<b>Equity</b>		
Common stock	50,000	50,000
Additional paid-in capital	160,114	116,789
Treasury stock	(61,458)	(67,538)
Retained earnings	1,363,689	1,339,150
Other components of equity	228,225	323,274
Equity attributable to owners of the parent	1,740,570	1,761,675
Non-controlling interests	543,999	653,005
Total equity	2,284,569	2,414,680
Total liabilities and equity	5,894,619	5,876,609

#### (4) Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2024	50,000	159,602	(61,857)	1,355,131
Net income	—	—	—	45,020
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	45,020
Purchase of treasury stock	—	—	(26)	—
Disposal of treasury stock	—	(144)	425	—
Cash dividends	—	—	—	(45,533)
Share-based payment transactions	—	(13)	—	—
Changes in interests in subsidiaries	—	669	—	—
Business combinations or business divestitures	—	—	—	—
Changes in scope of consolidation	—	—	—	(29)
Transfer from other components of equity to retained earnings	—	—	—	9,100
Total transactions with owners	—	512	399	(36,462)
Balance at March 31, 2025	50,000	160,114	(61,458)	1,363,689

	Other components of equity				Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges				
Balance at April 1, 2024	37,941	—	217,484	5,146	260,571	1,763,447	512,048	2,275,495
Net income	—	—	—	—	—	45,020	60,616	105,636
Other comprehensive income	(5,840)	5,644	(22,115)	(935)	(23,246)	(23,246)	(4,926)	(28,172)
Total comprehensive income	(5,840)	5,644	(22,115)	(935)	(23,246)	21,774	55,690	77,464
Purchase of treasury stock	—	—	—	—	—	(26)	—	(26)
Disposal of treasury stock	—	—	—	—	—	281	—	281
Cash dividends	—	—	—	—	—	(45,533)	(18,866)	(64,399)
Share-based payment transactions	—	—	—	—	—	(13)	—	(13)
Changes in interests in subsidiaries	—	—	—	—	—	669	(1,265)	(596)
Business combinations or business divestitures	—	—	—	—	—	—	(3,579)	(3,579)
Changes in scope of consolidation	—	—	—	—	—	(29)	(29)	(58)
Transfer from other components of equity to retained earnings	(3,456)	(5,644)	—	—	(9,100)	—	—	—
Total transactions with owners	(3,456)	(5,644)	—	—	(9,100)	(44,651)	(23,739)	(68,390)
Balance at March 31, 2025	28,645	—	195,369	4,211	228,225	1,740,570	543,999	2,284,569

Fiscal year ended March 31, 2026

(Millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2025	50,000	160,114	(61,458)	1,363,689
Net income	—	—	—	11,829
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	11,829
Purchase of treasury stock	—	—	(50,025)	—
Disposal of treasury stock	—	(52)	173	—
Cancellation of treasury stock	—	(43,772)	43,772	—
Cash dividends	—	—	—	(44,508)
Share-based payment transactions	—	60	—	—
Changes in interests in subsidiaries	—	439	—	—
Business combinations or business divestitures	—	—	—	—
Changes in scope of consolidation	—	—	—	20
Transfer from other components of equity to retained earnings	—	—	—	8,120
Transfer from other components of equity to non-financial assets and others	—	—	—	—
Other changes	—	—	—	—
Total transactions with owners	—	(43,325)	(6,080)	(36,368)
Balance at March 31, 2026	50,000	116,789	(67,538)	1,339,150

Other components of equity

	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges	Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at April 1, 2025	28,645	—	195,369	4,211	228,225	1,740,570	543,999	2,284,569
Net income	—	—	—	—	—	11,829	66,596	78,425
Other comprehensive income	(3,640)	5,768	101,075	1,584	104,787	104,787	68,693	173,480
Total comprehensive income	(3,640)	5,768	101,075	1,584	104,787	116,616	135,289	251,905
Purchase of treasury stock	—	—	—	—	—	(50,025)	—	(50,025)
Disposal of treasury stock	—	—	—	—	—	121	—	121
Cancellation of treasury stock	—	—	—	—	—	—	—	—
Cash dividends	—	—	—	—	—	(44,508)	(21,676)	(66,184)
Share-based payment transactions	—	—	—	—	—	60	—	60
Changes in interests in subsidiaries	—	—	—	—	—	439	(3,704)	(3,265)
Business combinations or business divestitures	—	—	—	—	—	—	(2,725)	(2,725)
Changes in scope of consolidation	—	—	—	—	—	20	58	78
Transfer from other components of equity to retained earnings	(2,352)	(5,768)	—	—	(8,120)	—	—	—
Transfer from other components of equity to non-financial assets and others	—	—	—	(1,618)	(1,618)	(1,618)	—	(1,618)
Other changes	—	—	—	—	—	—	1,764	1,764
Total transactions with owners	(2,352)	(5,768)	—	(1,618)	(9,738)	(95,511)	(26,283)	(121,794)
Balance at March 31, 2026	22,653	—	296,444	4,177	323,274	1,761,675	653,005	2,414,680

**(5) Consolidated Statement of Cash Flow**

Fiscal year ended March 31, 2025 and 2026

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Income before taxes	99,248	711
Income before taxes from discontinued operations	51,447	134,327
Depreciation and amortization	275,933	271,157
Share of (profit) loss of associates and joint ventures	(8,067)	2,172
Interest and dividend income	(8,426)	(7,839)
Interest expense	41,114	36,447
(Increase) decrease in trade receivables	53,118	955
(Increase) decrease in inventories	13,436	(445)
Increase (decrease) in trade payables	(22,457)	(17,224)
Increase (decrease) in retirement benefit assets and liabilities, net	2,746	1,033
Increase (decrease) in employees' bonus liabilities	7,179	(13,519)
Others	125,661	126,711
Subtotal	630,932	534,486
Interest received	4,887	4,663
Dividends received	14,650	9,121
Interest paid	(41,399)	(36,718)
Income tax (paid) received, net	(56,223)	(75,265)
Net cash provided by (used in) operating activities	552,847	436,287
Cash flows from investing activities		
Purchase of property, plant and equipment	(314,533)	(284,089)
Proceeds from sales of property, plant and equipment	21,058	7,941
Purchase of intangible assets	(10,439)	(8,044)
Purchase of other financial assets	(2,291)	(3,295)
Proceeds from sales/redemption of other financial assets	13,734	15,991
Net cash outflow on acquisition of subsidiaries	(781)	(98,479)
Proceeds from sales of investments in subsidiaries	16,391	517,510
Payments for transfer of business	(5,646)	(8,529)
Proceeds from transfer of business	5,292	10,268
Net (Increase) decrease of time deposits	(284)	(33,990)
Others	2,065	9,186
Net cash provided by (used in) investing activities	(275,434)	124,470

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(23,425)	(121,718)
Net increase (decrease) in commercial papers	(97,000)	—
Proceeds from long-term borrowings	253,118	58,155
Repayment of long-term borrowings	(266,241)	(139,241)
Proceeds from issuance of bonds	19,899	29,695
Redemption of bonds	(35,000)	(45,000)
Repayment of lease liabilities	(34,203)	(32,588)
Net (increase) decrease in treasury stock	(25)	(50,025)
Dividends paid to owners of the parent	(45,533)	(44,508)
Dividends paid to non-controlling interests	(17,753)	(22,768)
Others	(491)	(7,209)
Net cash provided by (used in) financing activities	(246,654)	(375,207)
Effect of exchange rate changes on cash and cash equivalents	(2,698)	18,357
Net increase (decrease) in cash and cash equivalents	28,061	203,907
Cash and cash equivalents at the beginning of the period	294,924	326,144
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	3,040	(3,130)
Net increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	17	99
Net increase in cash and cash equivalents resulting from merger	102	84
Cash and cash equivalents at the end of the period	326,144	527,104

## (6) Notes to Consolidated Financial Statements

### (Applicable Financial Reporting Framework)

The MCG Group's consolidated financial statements disclosed in this Consolidated Financial Results, which comprise the Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flow, and Notes to Consolidated Financial Statements, omit certain disclosures and notes required by IFRS.

### (Notes regarding assumption of a going concern)

Not applicable

### (Segment Information)

The MCG Group's reporting segments are the components for which separate financial information is available, and the chief operating decision maker regularly assesses this information in deciding how to allocate resources and evaluate results. No operating segments or components have been aggregated in preparing the reporting segment information.

The MCG Group conventionally had five reporting segments (Specialty Materials, MMA & Derivatives, Basic Materials & Polymers, Pharma and Industrial Gases). Following the classification of the operations of MTPC and its subsidiaries and affiliates as discontinued operations, the MCG Group has four reporting segments (Specialty Materials, MMA & Derivatives, Basic Materials & Polymers and Industrial Gases) from the three months ended June 30, 2025.

The segment revenue and operating results for the fiscal year ended March 31, 2026, and the fiscal year ended March 31, 2025 represent the amounts of continued operations excluding discontinued operations. The details of discontinued operations are included in the notes on "Discontinued Operations."

The businesses in each reporting segment are as follows.

Business Segments	Business Sub-Segments	
		Businesses
Specialty Materials	Advanced Films & Polymers	Performance Polymers, Soarnol, Gohsenol Packaging & Barrier Films, Industrial & Medical Films, Acetyl & Optical Films, and Polyester Films
	Advanced Solutions	Aqua Solution, Life Solution, Infrastructure Solution, Semiconductor, Electronics, and Battery Materials
	Advanced Composites & Shapes	Engineering Shapes & Solutions, Carbon Fiber and Composite Materials
MMA & Derivatives	MMA	MMA, PMMA
	Coating & Additives	Coating Material, Additives & Modifiers
Basic Materials & Polymers	Materials & Polymers	Basic Petrochemicals, Polyolefins, Basic Chemical Derivatives, Sustainable Polymers, and Engineering Plastic
	Carbon Products	Carbon Products
Industrial Gases		Industrial Gases

Accounting policies for reportable segments are identical to those Group accounting policies adopted to consolidated financial statements. Inter-segment sales and transfers are based mainly on prevailing market prices.

	REPORTING SEGMENT					Others (Note 1)	Subtotal	Adjustment (Note 2)	Consolidated
	Specialty Materials	MMA & Derivatives	Basic Materials & Polymers	Industrial Gases	Total				
Revenue									
External revenue	1,071,255	417,594	986,555	1,301,105	3,776,509	171,057	3,947,566	—	3,947,566
Inter-segment revenue	19,956	28,092	74,340	6,920	129,308	142,910	272,218	(272,218)	—
Total	1,091,211	445,686	1,060,895	1,308,025	3,905,817	313,967	4,219,784	(272,218)	3,947,566
Segment profit (loss)									
Core operating income (Note 3)	23,872	35,701	(14,647)	186,069	230,995	11,972	242,967	(14,128)	228,839
Segment assets	1,339,686	535,750	688,431	2,461,545	5,025,412	235,944	5,261,356	633,263	5,894,619
Other items									
Depreciation and amortization	68,862	25,558	36,249	118,632	249,301	6,194	255,495	6,934	262,429
Share of profit of associates and joint ventures	1,609	2,447	(1,360)	5,014	7,710	126	7,836	—	7,836
Investments accounted for using the equity method	15,776	26,728	45,879	61,055	149,438	828	150,266	16,487	166,753
Capital expenditures	115,935	23,943	44,830	142,427	327,135	2,243	329,378	9,849	339,227

## Notes:

- The Others category consists of businesses not included in reporting segments and mainly includes engineering, transportation, and warehousing operations.
- The segment profit (loss) adjustment includes corporate costs of ¥ (14,323) million not allocated to reporting segments and inter-segment eliminations of ¥195 million. Corporate costs include expenditures on basic testing, research, and other activities not allocated to reporting segments.  
The adjustment amount for segment assets includes corporate assets of ¥170,932 million not allocated to each reporting segment, inter-segment eliminations of ¥ (500,701) million, and assets related to discontinued operations of ¥963,032 million. Corporate assets include financial assets not allocated to reporting segments.
- Segment profit (loss) is Operating profit in accordance with IFRS after excluding earnings from non-recurring factors, such as losses from business withdrawals and downsizings, representing core operating income.

Fiscal year ended March 31, 2026

(Millions of yen)

	REPORTING SEGMENT					Others (Note 1)	Subtotal	Adjustment (Note 2)	Consolidated
	Specialty Materials	MMA & Derivatives	Basic Materials & Polymers	Industrial Gases	Total				
Revenue									
External revenue	1,059,646	351,931	790,684	1,352,498	3,554,759	149,229	3,703,988	—	3,703,988
Inter-segment revenue	14,804	12,572	30,860	7,113	65,349	162,760	228,109	(228,109)	—
Total	1,074,450	364,503	821,544	1,359,611	3,620,108	311,989	3,932,097	(228,109)	3,703,988
Segment profit (loss)									
Core operating income (Note 3)	32,309	(1,538)	(4,159)	200,706	227,318	13,505	240,823	(15,821)	225,002
Segment assets	1,414,912	501,799	699,948	2,804,028	5,420,687	203,339	5,624,026	252,583	5,876,609
Other items									
Depreciation and amortization	66,653	23,388	35,927	129,347	255,315	5,604	260,919	6,867	267,786
Share of profit of associates and joint ventures	3,044	176	(10,176)	4,554	(2,402)	147	(2,255)	—	(2,255)
Investments accounted for using the equity method	17,034	27,047	38,212	67,198	149,491	905	150,396	—	150,396
Capital expenditures	131,574	23,178	35,744	113,245	303,741	2,590	306,331	2,513	308,844

Notes:

1. The Others category consists of businesses not included in reporting segments and mainly includes engineering, transportation, and warehousing operations.
2. The segment profit (loss) adjustment includes corporate costs of ¥ (13,543) million not allocated to reporting segments and inter-segment eliminations of ¥ (2,278) million. Corporate costs include expenditures on basic testing, research, and other activities not allocated to reporting segments.  
The adjustment amount for segment assets includes corporate assets of ¥417,111 million yen not allocated to each reporting segment and inter-segment eliminations of ¥ (164,528) million yen among other factors. Corporate assets include financial assets not allocated to reporting segments.
3. Segment profit (loss) is Operating profit in accordance with IFRS after excluding earnings from non-recurring factors, such as losses from business withdrawals and downsizings, representing core operating income.
4. In the fiscal year ended March 31, 2026, the MCG Group reclassified segments for some businesses and subsidiaries. The MCG Group used new classifications to present segment information for the fiscal year ended March 31, 2025.

Adjustments to income before taxes from segment profit (loss) are as follows:

	(Millions of yen)	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Segment profit (loss)	228,839	225,002
Gain on business transfer	982	7,950
Gain on sales of shares of subsidiaries and associates	5,593	2,382
Reversal of provision for restructuring costs (Note 1)	1,838	1,507
Gain on sales of property, plant and equipment	9,739	1,393
Gain on sale of carbon credit	2,718	—
Impairment loss (Note 2)	(74,846)	(61,405)
Provision for restructuring costs (Note 2)	—	(59,249)
Special retirement expense (Note 2) (Note 3)	(5,419)	(53,091)
Share of loss of associates and joint ventures	—	(9,264)
Loss on sales and disposal of fixed assets	(15,178)	(6,863)
Loss on disposal of inventories (Note 2)	(1,169)	(4,761)
Provision for loss on business liquidation	(1,850)	(2,758)
Loss on liquidation of subsidiaries and associates	(228)	(1,410)
Disaster-related loss	—	(1,144)
Loss on sales of shares of subsidiaries and associates	(3,220)	(242)
Cancellation penalty	(3,480)	—
Others	(2,769)	(7,969)
Operating income	141,550	30,078
Financial income	8,134	9,220
Financial expenses	(50,436)	(38,587)
Income before taxes	99,248	711

Notes:

1. In the fiscal year ended March 31, 2026, the MCG Group recorded a new restructuring provision and have therefore reclassified a portion of the amount previously presented as a reversal of provision for loss on plant closure for the prior consolidated fiscal year and the first three quarters of the consolidated fiscal year, presenting it now as a reclassification of reversal of provision for restructuring costs.
2. In the fiscal year ended March 31, 2026, with respect to the decision to withdraw from the cokes and carbon materials businesses, the MCG Group recorded provision for restructuring costs of ¥ (54,085) million, impairment loss of ¥ (16,300) million, special retirement expense of ¥ (7,186) million, loss on disposal of inventories of ¥ (2,584) million and other associated losses of ¥ (13) million.
3. In the fiscal year ended March 31, 2026, with respect to the decision to implement the Next-stage Support Program for employees of Mitsubishi Chemical Corporation, the MCG Group recorded special retirement expense of ¥ (31,885) million and other associated losses of ¥ (666) million.

## (Discontinued Operations)

### 1. Outline of Discontinued Operations

At the MCG's annual shareholders' meeting held on June 25, 2025, an absorption-type split agreement was approved to transfer all shares and related assets of Mitsubishi Tanabe Pharma Corporation (hereinafter "MTPC"), which had been MCG's consolidated subsidiary, to K.K. BCJ-94, a special purpose company indirectly owned by funds advised by Bain Capital Private Equity, LP. The transfer was completed on July 1, 2025.

Consequently, the operations of MTPC and its subsidiaries and affiliates have been classified as discontinued operations. They have been classified as discontinued operations for the fiscal year ended March 31, 2026, and their results for the fiscal year ended March 31, 2025, have been separately represented as discontinued operations.

MTPC changed its corporate name to Tanabe Pharma Corporation as of December 1, 2025.

### 2. Profit or Loss from Discontinued Operations

	(Millions of yen)	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Revenue	472,155	244,321
Cost	(420,708)	(109,994)
Income before taxes from discontinued operations (Note 1)	51,447	134,327
Income taxes (Note 2)	(3,880)	(39,547)
Net Income from discontinued operations	47,567	94,780

Note:

1. In the fiscal year ended March 31, 2026, gains associated with to the transfer of all shares and related assets of MTPC of ¥128,600 million are included.
2. In the fiscal year ended March 31, 2026, income taxes on gains associated with to the transfer of all shares and related assets of MTPC of ¥ (36,740) million are included.

### 3. Cash Flows from Discontinued Operations

Cash flows related to discontinued operations included in the Condensed Consolidated Statement of Cash Flow are as follows.

	(Millions of yen)	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities	48,602	(419)
Cash flows from investing activities	10,371	512,702
Cash flows from financing activities	(12,635)	(3,693)
Total	46,338	508,590

### 4. Supplementary Information on Cash Flows

	(Millions of yen)
Cash consideration	536,800
Cash and cash equivalents of subsidiary over which control was lost	(25,202)
Proceeds from sale of subsidiary	511,598

### 5. Assets and liabilities of subsidiaries

	(Millions of yen)
Current assets (including cash and cash equivalents)	273,304
Non-current assets	327,787
Total assets	601,091
Current liabilities	133,895
Non-current liabilities	33,798
Total liabilities	167,693

**(Per Share Information)**

The bases for calculating basic and diluted earnings per share attributable to owners of the parent were as follows:

## (1) Basic earnings per share attributable to owners of the parent

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net income used to calculate basic earnings per share		(Millions of yen)
Net income (loss) from continuing operations attributable to owners of the parent	(1,850)	(82,789)
Net income from discontinued operations attributable to owners of the parent	46,870	94,618
Net income attributable to owners of the parent	45,020	11,829
		(Thousands of shares)
Weighted-average number of ordinary shares during period	1,423,071	1,370,507
Basic earnings per share attributable to owners of the parent		(Yen)
Continuing operations	(1.30)	(60.41)
Discontinued operations	32.94	69.04
Basic earnings per share attributable to owners of the parent	31.64	8.63

## (2) Diluted earnings per share attributable to owners of the parent

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net income used to calculate diluted earnings per share		(Millions of yen)
Net income (loss) from continuing operations used to calculate basic earnings per share	(1,850)	(82,789)
Adjustment	—	—
Net income (loss) from continuing operations used to calculate diluted earnings per share	(1,850)	(82,789)
Net income from discontinued operations used to calculate diluted earnings per share	46,870	94,618
Net income used to calculate diluted earnings per share	45,020	11,829
Weighted-average number of diluted ordinary shares during period		(Thousands of shares)
Weighted-average number of ordinary shares during period	1,423,071	1,370,507
Impact of potentially dilutive ordinary shares		
Subscription rights to shares	390	429
Weighted-average number of diluted ordinary shares during period	1,423,461	1,370,936
Diluted earnings per share attributable to owners of the parent		(Yen)
Continuing operations	(1.30)	(60.41)
Discontinued operations	32.94	69.04
Diluted earnings per share attributable to owners of the parent	31.64	8.63

Note:

1. In the calculation of basic and diluted net income per share attributable to owners of the parent, the Company stocks held by Board Incentive Plan trust are included in shares of treasury stock deducted in calculating the weighted-average number of shares during the period.
2. For the previous consolidated fiscal year and the consolidated fiscal year, the potential common shares related to share-based compensation have no dilutive effect because they reduce net loss per share; the presence or absence of a dilutive effect is determined based on net income (loss) from continuing operations.

**(Business Combination)**

(Acquisition (conversion into a subsidiary) of the industrial gas business by Australian subsidiary)

On July 1, 2025, the MCG Group acquired a business conducted by Coregas Pty Ltd in Australia and New Zealand through NSC (Australia) Pty Ltd, the MCG Group's subsidiary in Australia in the Industrial Gases segment.

**(1) Overview of the business acquisition**

## ① Name of the acquired company and the content of its business

Name of the acquired company: Coregas Pty Ltd, and three others

Business description: Industrial gas businesses in Australia and New Zealand under the umbrella of Wesfarmers

## ② Main reasons for the business acquisition

Supagas, business subsidiary in Australia, operates a stable business supplying a wide range of industrial gases, primarily LPG. The acquired companies, Coregas Pty Ltd, Blacksmith Jacks Pty Ltd, and Coregas NZ Limited (collectively referred to as the "Coregas Group"), have an extensive sales network across Australia and New Zealand. They are engaged in the manufacture and sale of industrial gases, medical gases, specialty gases, and other industrial gases, as well as related services, in addition to welding-related businesses. Through the acquisition of Coregas Group, which has a different customer base and product portfolio than Supagas, the MCG Group will strive to create further value for its customers between its LPG business and industrial gas business, and enhance its presence in Australia and New Zealand.

## ③ Acquisition date

July 1, 2025

## ④ Method of acquiring control of the acquired company

Acquisition of shares for cash consideration

## ⑤ Percentage of acquired voting equity interest

100%

**(2) Fair value of acquisition consideration**

	(Millions of yen)
	Acquisition date (July 1, 2025)
Cash	71,521
Total acquisition amount	<u>71,521</u>

**(3) Acquired assets, assumed liabilities, and goodwill**

	(Millions of yen)
	Acquisition date (July 1, 2025)
Current assets	
Cash and cash equivalents	89
Trade receivables (Note 1)	3,741
Other	3,516
Non-current assets	
Property, plant and equipment (Note 2)	37,314
Intangible assets (Note 3)	13,524
Other	788
Acquired assets	<u>58,975</u>
Current liabilities	
Other financial liabilities	6,318
Other	1,795
Non-current liabilities	
Deferred tax liabilities	5,596
Other	1,229
Assumed liabilities	<u>14,940</u>
Acquired assets and assumed liabilities (net amount)	<u>44,035</u>
Goodwill (Note 4) (Note 5)	<u>27,485</u>

During the third quarter of the current consolidated fiscal year, the Company applied provisional accounting for the business combination; however, during the fourth quarter, the initial accounting for the business combination was completed. The impact of these adjustments is not material.

Notes:

1. Fair value of acquired receivables, contractually unpaid amounts, and estimated uncollectible amounts  
The fair value of the acquired claims and the contractually unrecovered amount are approximately the same. There are no outstanding contract receivables that are expected to be uncollectible.
2. Breakdown of property, plant and equipment  
The breakdown of tangible fixed assets mainly consists of tools, instruments and equipment of ¥19,810 million.
3. Breakdown of intangible assets  
The composition of intangible assets mainly consists of intangible assets related to customers amounting to ¥12,929 million.
4. Goodwill  
The main content of goodwill is the synergy effects and excess earning power expected to arise from the acquisition with existing businesses that individually do not meet the recognition criteria. Additionally, goodwill cannot be included as a deductible expense for tax purposes.
5. Basis adjustment  
To hedge the foreign exchange risk related to investments in the acquired company, we executed a foreign exchange forward contract. The scheduled transaction in question is subject to hedge accounting as a cash flow hedge, and the fair value of the hedging instrument on the acquisition date of ¥1,618 million was adjusted as a basis adjustment to the initial recognition amount of goodwill arising from the business combination, resulting in a decrease of the same amount in the initial recognition amount of goodwill.

#### (4) Acquisition-related expenses

The acquisition-related expenses amount to ¥1,222 million and were recorded under "selling, general and administrative expenses". Among these, the acquisition-related expenses incurred in the previous consolidated fiscal year were ¥410 million and ¥812 million were recorded as the acquisition-related expenses during the fiscal year ended March 31, 2026.

#### (5) Impact on the performance of the MCG Group

Profit and loss information after the acquisition date and pro forma information on the assumption that the business combination was carried out on April 1, 2025, the beginning of the current consolidated fiscal year, are not disclosed because their impact on the consolidated financial statements is not material. The pro forma information has not been audited.

(Acquisition (conversion into a subsidiary) of the homecare medical services business by European subsidiary)

On March 3, 2026, the MCG Group acquired homecare medical services business conducted by Esteve Teijin Healthcare, S.L. (hereinafter "ETH", which was renamed to Nippon Sanso Homecare Espana, S.L.U., concurrent with the business combination) in Spain through Oximesa S.L.U (hereinafter "Oximesa"), the MCG Group's subsidiary in Europe in the Industrial Gases segment.

#### (1) Overview of the business acquisition

- ① Name of the acquired company and the content of its business  
Name of the acquired company: Esteve Teijin Healthcare, S.L. (current name: Nippon Sanso Homecare Espana, S.L.U.)  
Business description: Homecare and respiratory services in Spain
- ② Main reasons for the business acquisition  
Oximesa, the Group's operating company in Europe in the Industrial Gases segment, provides homecare and respiratory services in Spain.  
The acquisition target, ETH, provides excellent homecare and innovative home medical services in Spain. Through the acquisition of ETH, which has a business platform and services highly compatible with Oximesa, the Group will strive to further strengthen its business base in Spain, enhance its presence in the homecare and respiratory market and expand its service network.
- ③ Acquisition date  
March 3, 2026
- ④ Method of acquiring control of the acquired company  
Acquisition of shares for cash consideration
- ⑤ Percentage of acquired voting equity interest  
100%

(2) Fair value of acquisition consideration

	(Millions of yen)
	Acquisition date (March 3, 2026)
Cash	22,432
Total acquisition amount	22,432

(3) Acquired assets, assumed liabilities, and goodwill

	(Millions of yen)
	Acquisition date (March 3, 2026)
Current assets	
Cash and cash equivalents	414
Trade receivables (Note 1)	1,145
Other	1,055
Non-current assets	
Property, plant and equipment (Note 2)	6,649
Intangible assets (Note 3)	7,425
Other	48
Acquired assets	16,739
Current liabilities	2,974
Non-current liabilities	2,162
Assumed liabilities	5,136
Acquired assets and assumed liabilities (net amount)	11,602
Goodwill (Note 4)	10,830

Because the accounting treatment for the business combination at the time of acquisition has not been completed, the above amount is a provisional fair value based on the best estimate at the present time, and if additional information regarding facts and circumstances existing as of the acquisition date is obtained and evaluated, the above amount may be adjusted within one year from the acquisition date.

Notes:

1. Fair value of acquired receivables, contractually unpaid amounts, and estimated uncollectible amounts  
The fair value of the acquired claims and the contractually unrecovered amount are approximately the same.  
There are no outstanding contract receivables that are expected to be uncollectible.
2. Breakdown of property, plant and equipment  
The breakdown of property, plant and equipment mainly consists of machinery and vehicles of ¥6,457 million.
3. Breakdown of intangible assets  
The composition of intangible assets mainly consists of intangible assets related to customers amounting to ¥7,252 million.
4. Goodwill  
The main content of goodwill is the synergy effects and excess earning power expected to arise from the acquisition with existing businesses that individually do not meet the recognition criteria. Additionally, goodwill cannot be included as a deductible expense for tax purposes.

(4) Acquisition-related expenses

The acquisition-related expenses amount to ¥199 million and were recorded under "selling, general and administrative expenses".

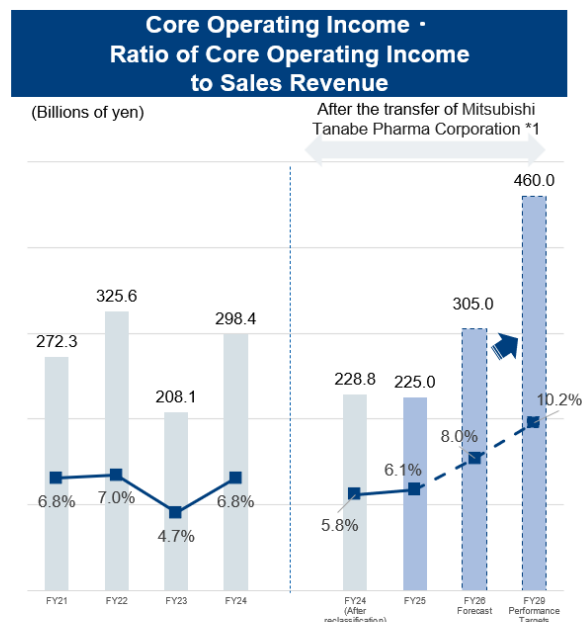
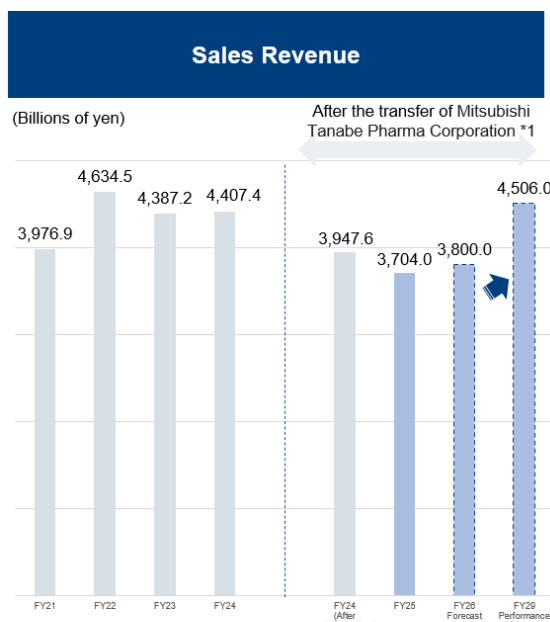
(5) Impact on the performance of the MCG Group

Profit and loss information after the acquisition date and pro forma information on the assumption that the business combination was carried out on April 1, 2025, the beginning of the current consolidated fiscal year, are not disclosed because their impact on the consolidated financial statements is not material. The pro forma information has not been audited.

# Supplemental materials for the Fiscal Year Ended March 31, 2026

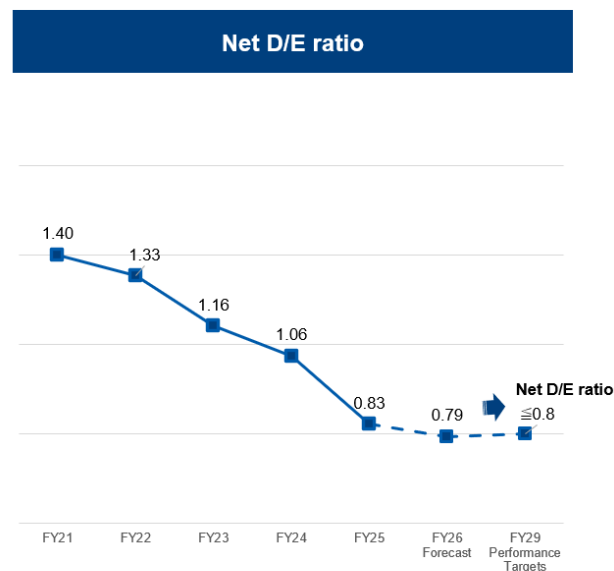
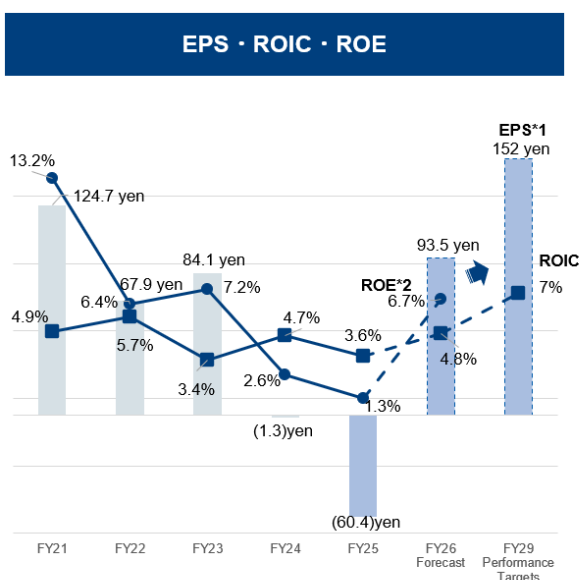
## 【Trends in Management Indicators】

### Trends in Sales Revenue and Core Operating



\*1 Upon the approval at MCG's Ordinary General Meeting of Shareholders held on June 25, 2025 with regard to the absorption-type split agreement to transfer all shares and related assets of Mitsubishi Tanabe Pharma Corporation (hereinafter "MTPC"; currently Tanabe Pharma Corporation) which had been MCG's consolidated subsidiary, MTPC and its subsidiaries and affiliates have been transferred on July 1, 2025. MTPC and its subsidiaries and affiliates have been classified as discontinued operations, and sales revenue and core operating income represent the amounts of continued operations excluding discontinued operations.

### Trends in Indicators for Profitability and Stability



\*1 EPS calculation excludes the profit of discontinued operations. MTPC (currently Tanabe Pharma Corporation) and its subsidiaries and affiliates have been classified as discontinued operations, and profit attributable to discontinued operations are excluded for FY2024 and FY2025.

\*2 FY29 performance targets for ROE are not disclosed.

## Calculation formula of indicators

Indicators	Calculation formula
ROIC	<p>NOPAT(*1) / Invested Capital (averages of beginning and end of fiscal years) (*2)</p> <p>(*1) NOPAT = (Core Operating Income - Share of profit of associates and joint ventures (included in Core Operating Income) X (1 - Tax rate) + Share of profit of associates and joint ventures (included in Core Operating Income) + Dividend Income</p> <p>(*2) Invested Capital = Total Equity + Interest-bearing debt</p>
ROE	<p>Net income attributable to owners of the parent / Equity attributable to owners of the parents (averages of beginning and end of fiscal years)</p>
Net D/E ratio	<p>Net interest-bearing debt(*3) / Equity attributable to owners of the parent</p> <p>(*3) Net interest-bearing debt = Interest-bearing debt - (cash and cash equivalents + cash reserves(*4))</p> <p>(*4) Cash reserves comprise certificates of deposits, securities, and other instruments other than cash equivalents that the Group holds to manage surplus funds.</p>