November 5, 2026

Consolidated Financial Results for the First Half of the Fiscal Year Ending March 31, 2027 (Under IFRS)

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Scheduled date to file semi-annual securities report: November 12, 2026
Scheduled date to commence dividend payments: December 2, 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 to millions, unless otherwise noted.)

1. Consolidated financial results for the First Half of the Fiscal Year Ending March 31, 2027 ("FY2026") (from April 1, 2026 to September 30, 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	
Six months ended		%		%		%		%		%		%
September 30, 2026	2,037,094	13.2	202,848	60.9	199,677	130.9	137,025	(3.9)	90,173	(18.1)	117,199	(39.8)
September 30, 2025	1,799,124	(10.5)	126,110	(2.6)	86,489	(19.6)	142,526	100.3	110,132	169.1	194,584	—

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	66.37	66.33
September 30, 2025	79.66	79.63

Reference: Income before taxes
Six months ended September 30, 2026: ¥182,398 million (165.4%)
Six months ended September 30, 2025: ¥68,735 million ((16.1)%)

Note: Core operating income is calculated as operating income excluding certain gains and expenses attributable to non-recurring factors.

(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
As of				%
September 30, 2026	5,802,105	2,501,112	1,819,737	31.4
March 31, 2026	5,876,609	2,414,680	1,761,675	30.0

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2026	—	16.00	—	16.00	32.00
March 31, 2027	—	16.00			
March 31, 2027 (Forecast)			—	16.00	32.00

Note:
Revisions to the forecast of cash dividends most recently announced: None

3. Forecast for the Current 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
FY2026	4,060,000	9.6	340,000	51.1	328,000	990.5	222,000	183.1	145,000	—	106.72

Reference: Income before taxes

FY2026: ¥296,000 million (—%)

Note:

Revisions to the forecast for the current fiscal year most recently announced: Yes

Details are described in "1. Qualitative Information on Financial Results for the Term (3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information" on page 4 hereof.

* Notes

(1) Significant changes in the scope of consolidation during the period : None

Newly included: - Excluded: -

(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 September 30, 2026	1,441,467,207 Shares	As of March 31, 2026	1,441,467,207 Shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2026	82,713,687 Shares	As of March 31, 2026	82,919,774 Shares

(iii) Weighted-average number of shares outstanding during the period

Six months ended September 30, 2026	1,358,693,235 Shares	Six months ended September 30, 2025	1,382,466,073 Shares

*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 the Company's shares in executive compensation BIP trust:

September 30, 2026	2,169,637 Shares
March 31, 2026	1,490,207 Shares

Disclosure regarding quarterly review procedures

Consolidated financial results for the first half are exempt from review conducted by certified public accountants or an audit firm.

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.

*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 accounting period (April 1, 2026 to September 30, 2026; the same hereinafter), the economic outlook remained uncertain as inflationary pressures continued to spread globally against the backdrop of the situation in the Middle East. In this environment, the global economy was supported by robust personal spending and capital investment driven by AI-related demand in the United States, as well as by a recovery in consumer spending resulting from improvements in employment and income conditions and capital investment backed by solid corporate earnings in Japan. However, amid concerns over an economic slowdown in China and the lack of momentum in the European economy, the overall pace of global economic growth has been slowing.

Against this backdrop, compared to the same period of the previous consolidated fiscal year (April 1, 2025 to September 30, 2025; the same hereafter), sales revenue of the MCG Group increased ¥238.0 billion, or 13.2%, to ¥2,037.1 billion. In terms of profits, core operating income increased ¥76.7 billion, or 60.9%, to ¥202.8 billion. Operating income increased ¥113.2 billion, or 130.9%, to ¥199.7 billion. Income before taxes increased ¥113.7 billion, or 165.4%, to ¥182.4 billion. Meanwhile, net income attributable to owners of the parent decreased ¥19.9 billion, or 18.1%, to ¥90.2 billion.

Overview of Business Segments

The overview of financial results by business segment for the consolidated first half of the fiscal year ending March 31, 2027, is shown below. The MCG Group has revised its reporting segments from the first half of the current fiscal year. For details, please refer to "2. (6) Notes to Condensed Consolidated Financial Statements (Segment Information)".

Segment profit (loss) is presented 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 same period of the previous consolidated fiscal year, sales revenue increased ¥74.6 billion, to ¥653.5 billion and core operating income increased ¥30.7 billion, to ¥70.4 billion.

In Films & Performance Materials, despite the transfer of shares of J-Film Corporation in the previous fiscal year, sales revenue increased due to higher sales volumes of various products, mainly films for barrier packaging applications and films for MLCC, as well as improved selling prices and the positive impact of foreign exchange rates.

In Composites & Shapes, sales revenue increased due mainly to higher sales volumes of carbon fiber composite parts, particularly for robotaxi applications, increased demand for high-performance engineering plastics mainly for semiconductor manufacturing equipment applications, and improved selling prices as well as the impact of foreign exchange rates.

In Information Electronics, sales revenue increased due to improved selling prices across various products, higher sales volumes driven by increasing demand for semiconductor-related products and services, and the impact of foreign exchange rates.

In Polymer Compounds, sales revenue increased due to improved selling prices and favorable trends in sales volumes of various products for automotive applications, and the impact of foreign exchange rates.

In Water & Infrastructure, despite improved selling prices across various products, sales revenue decreased primarily due to the absence of large-scale equipment projects in the same period of the previous fiscal year.

Core operating income in this segment increased year on year despite higher costs associated with inflation, due mainly, in addition to an improved price-cost spread primarily reflecting overall improvements in selling prices, to increased demand for high-performance engineering plastics, particularly for semiconductor manufacturing equipment applications, higher sales volumes of carbon fiber composite parts, etc., mainly for robotaxi applications, cost reductions, and the impact of foreign exchange rates.

MMA & Derivatives Segment

In comparison with the same period of the previous consolidated fiscal year, sales revenue increased ¥25.5 billion, to ¥200.2 billion and core operating income increased ¥5.3 billion, to ¥9.0 billion.

In MMA, although sales volumes decreased due to the impact of the situation in the Middle East on manufacturing and supply systems, sales revenue increased due to higher market prices for MMA monomers and other products, as well as the impact of foreign exchange rates.
In Functional Chemicals, sales revenue increased due to improved selling prices for various products.
Although the volume effect deteriorated due mainly to the impact of the situation in the Middle East, core operating income in this segment increased year on year due to higher market prices for MMA monomers and other products and improvements in the price-cost spread resulting from improved selling prices for various products.

Basic Materials Segment

In comparison with the same period of the previous consolidated fiscal year, sales revenue increased ¥56.7 billion, to ¥388.3 billion and core operating income increased ¥22.7 billion, to ¥14.1 billion.

In Basic Chemicals, although sales volumes decreased due to the expanded impact of scheduled maintenance and repairs at the ethylene production facility and the situation in the Middle East, sales revenue increased due to improved selling prices driven by rising raw material prices, as well as the impact of foreign exchange rates.
In Carbon Products, sales revenue increased due mainly to improved selling prices for cokes reflecting higher raw material prices, as well as the impact of foreign exchange rates.
Although the price spread between raw materials and products mainly for polyolefins narrowed particularly in the first quarter, core operating income in this segment increased due mainly to an overall improvement in inventory valuation gains/losses.

Industrial Gases Segment

In comparison with the same period of the previous consolidated fiscal year, sales revenue increased ¥86.2 billion, to ¥733.2 billion and core operating income increased ¥14.7 billion, to ¥107.7 billion.

Sales revenue increased year on year due to price management efforts in each region, the acquisition and consolidation of the industrial gas business and other businesses in Australia and New Zealand, as well as the impact of foreign exchange rates.
Core operating income in this segment increased, driven by price management efforts, cost reductions, and the impact of foreign exchange rates, despite a deterioration of the price-cost spread due to higher electricity prices and other factors.

Others

In comparison with the same period in the previous consolidated fiscal year, sales revenue decreased ¥5.0 billion, to ¥61.9 billion and core operating income decreased ¥0.2 billion, to ¥4.7 billion.

(2) Financial Position

Total assets at the end of the interim consolidated accounting period totaled ¥5,802.1 billion, a decrease of ¥74.5 billion compared with the end of the previous fiscal year. The decrease in total assets was primarily attributable to a decline in cash and cash equivalents due to the repayment of interest-bearing debt and other factors and a decrease in the yen equivalent of assets of overseas consolidated subsidiaries due to the appreciation of the yen, despite an increase in inventories resulting from higher raw material prices.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

In light of recent performance trends, the Company has revised the consolidated financial results forecast for the full year of the fiscal year ending March 31, 2027, previously announced on May 13, 2026, as follows. Also, please refer to the Notice of Revision to Full-year Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027, announced today (November 5, 2026).

(ⅰ) Revision to consolidated financial results forecast for the full year of the fiscal year ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(Billions of yen; unless otherwise noted)

	Sales revenue	Core operating income	Operating income	Net income	Net income attributable to owners of the parent	Basic earnings per share (yen)
Previous forecast (A) (announced on May 13, 2026)	3,800.0	305.0	300.0	200.0	127.0	93.48
Revised forecast (B)	4,060.0	340.0	328.0	222.0	145.0	106.72
Difference (B－A)	260.0	35.0	28.0	22.0	18.0	
Difference (%)	6.8	11.5	9.3	11.0	14.2	
Reference: Results for the fiscal year ended March 31, 2026	3,704.0	225.0	30.1	78.4	11.8	8.63

Notes:

*The forecast for income before taxes has been changed from ¥270.0 billion to ¥296.0 billion.

*Core operating income is operating income (loss) after excluding certain gains and expenses attributable to non-recurring factors.

(ⅱ) Reason for revision

We predict that core operating income for the fiscal year ending March 31, 2027 will increase 11.5% compared to the forecast announced on May 13 to ¥340.0 billion. In the Specialty Materials segment, while, in addition to the impact of the Kumamoto earthquake, we forecast a weakening of demand in the second half following the temporary increase in the first half due to growing instability in the Middle East, semiconductor-related business remains favorable, and income is expected to greatly exceed the initial forecast. In the MMA & Derivatives segment, despite a temporary recovery in market conditions in the first half, we expect core operating income to fall short of the initial forecast due to factors such as the ongoing uncertainty regarding the production and supply system in the Middle East. In the Basic Materials segment, while sales have declined due to the influx of low-priced products from overseas, income is expected to greatly exceed the initial forecast due to factors such as inventory valuation gains.

In light of this increase in core operating income, each level of profit from operating income onward is expected to exceed the figures presented in the forecast announced on May 13.

Forward-Looking Statements

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, including, without limitation, market conditions, and the effect of industry competition.

2. Condensed Consolidated Financial Statements and Notes Concerning Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Profit or Loss

Six months ended September 30, 2025 and 2026

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Continuing operations		
Sales revenue	1,799,124	2,037,094
Cost of sales	(1,280,997)	(1,413,356)
Gross profit	518,127	623,738
Selling, general and administrative expenses	(393,899)	(423,768)
Other operating income	17,117	23,153
Other operating expenses	(57,233)	(26,123)
Share of profit of associates and joint ventures	2,377	2,677
Operating income	86,489	199,677
Financial income	4,397	5,066
Financial expenses	(22,151)	(22,345)
Income before taxes	68,735	182,398
Income taxes	(21,100)	(45,373)
Net income from continuing operations	47,635	137,025
Discontinued operations		
Net income from discontinued operations	94,891	—
Net income	142,526	137,025
Net income attributable to		
Owners of the parent	110,132	90,173
Non-controlling interests	32,394	46,852
Net income	142,526	137,025
Earnings per share (Yen)		
Basic earnings per share attributable to owners of the parent		
Continuing operations	11.14	66.37
Discontinued operations	68.52	—
Total	79.66	66.37
Diluted earnings per share attributable to owners of the parent		
Continuing operations	11.14	66.33
Discontinued operations	68.49	—
Total	79.63	66.33

(2) Condensed Consolidated Statement of Comprehensive Income

Six months ended September 30, 2025 and 2026

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net income	142,526	137,025
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	8,958	7,671
Remeasurements of defined benefit plans	1,244	368
Share of other comprehensive income (loss) of associates and joint ventures for using the equity method	(44)	(187)
Total items that will not be reclassified to profit or loss	10,158	7,852
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	43,526	(31,813)
Net gain (loss) on derivatives designated as cash flow hedges	654	760
Share of other comprehensive income (loss) of associates and joint ventures for using the equity method	(2,280)	3,375
Total items that may be subsequently reclassified to profit or loss	41,900	(27,678)
Total other comprehensive income (net of tax)	52,058	(19,826)
Total comprehensive income	194,584	117,199
Total comprehensive income attributable to		
Owners of the parent	137,305	79,623
Non-controlling interests	57,279	37,576

(3) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	March 31, 2026	September 30, 2026
Assets		
Current assets		
Cash and cash equivalents	527,104	424,060
Trade receivables	671,912	684,406
Inventories	669,126	739,766
Other financial assets	94,504	98,263
Other current assets	95,050	94,662
Subtotal	2,057,696	2,041,157
Assets held for sale	37,551	61,383
Total current assets	2,095,247	2,102,540
Non-current assets		
Property, plant and equipment	2,096,630	2,062,632
Goodwill	891,032	878,783
Intangible assets	377,656	357,229
Investments accounted for using the equity method	150,396	149,143
Other financial assets	152,769	138,434
Other non-current assets	24,586	24,669
Deferred tax assets	88,293	88,675
Total non-current assets	3,781,362	3,699,565
Total assets	5,876,609	5,802,105

(Millions of yen)

	March 31, 2026	September 30, 2026
Liabilities		
Current liabilities		
Trade payables	383,664	397,052
Bonds and borrowings	387,064	319,306
Income tax payable	27,958	38,128
Other financial liabilities	344,290	285,030
Provisions	25,841	20,686
Other current liabilities	221,856	222,795
Subtotal	1,390,673	1,282,997
Liabilities directly associated with assets held for sale	10,228	32,787
Total current liabilities	1,400,901	1,315,784
Non-current liabilities		
Bonds and borrowings	1,503,457	1,447,567
Other financial liabilities	134,467	123,425
Retirement benefit liabilities	95,383	91,351
Provisions	90,535	90,326
Other non-current liabilities	36,175	37,200
Deferred tax liabilities	201,011	195,340
Total non-current liabilities	2,061,028	1,985,209
Total liabilities	3,461,929	3,300,993
Equity		
Common stock	50,000	50,000
Additional paid-in capital	116,789	116,797
Treasury stock	(67,538)	(67,370)
Retained earnings	1,339,150	1,422,009
Other components of equity	323,274	298,301
Equity attributable to owners of the parent	1,761,675	1,819,737
Non-controlling interests	653,005	681,375
Total equity	2,414,680	2,501,112
Total liabilities and equity	5,876,609	5,802,105

(4) Condensed Consolidated Statement of Changes in Equity

Six months ended September 30, 2025

(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	—	—	—	110,132
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	110,132
Purchase of treasury stock	—	—	(50,010)	—
Disposal of treasury stock	—	(69)	166	—
Cash dividends	—	—	—	(22,771)
Share-based payment transactions	—	31	—	—
Changes in interests in subsidiaries	—	706	—	—
Business combinations or business divestitures	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	843
Transfer from other components of equity to non-financial assets and others	—	—	—	—
Other changes	—	—	—	—
Total transactions with owners	—	668	(49,844)	(21,928)
Balance at September 30, 2025	50,000	160,782	(111,302)	1,451,893

	Other components of equity							
	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasure-ments 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	—	—	—	—	—	110,132	32,394	142,526
Other comprehensive income	6,838	1,236	18,291	808	27,173	27,173	24,885	52,058
Total comprehensive income	6,838	1,236	18,291	808	27,173	137,305	57,279	194,584
Purchase of treasury stock	—	—	—	—	—	(50,010)	—	(50,010)
Disposal of treasury stock	—	—	—	—	—	97	—	97
Cash dividends	—	—	—	—	—	(22,771)	(12,863)	(35,634)
Share-based payment transactions	—	—	—	—	—	31	—	31
Changes in interests in subsidiaries	—	—	—	—	—	706	(2,304)	(1,598)
Business combinations or business divestitures	—	—	—	—	—	—	(2,725)	(2,725)
Transfer from other components of equity to retained earnings	393	(1,236)	—	—	(843)	—	—	—
Transfer from other components of equity to non-financial assets and others	—	—	—	(1,618)	(1,618)	(1,618)	—	(1,618)
Other changes	—	—	—	—	—	—	987	987
Total transactions with owners	393	(1,236)	—	(1,618)	(2,461)	(73,565)	(16,905)	(90,470)
Balance at September 30, 2025	35,876	—	213,660	3,401	252,937	1,804,310	584,373	2,388,683

Six months ended September 30, 2026

(Millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2026	50,000	116,789	(67,538)	1,339,150
Net income	—	—	—	90,173
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	90,173
Purchase of treasury stock	—	—	(14)	—
Disposal of treasury stock	—	(78)	182	—
Cash dividends	—	—	—	(21,737)
Share-based payment transactions	—	70	—	—
Changes in interests in subsidiaries	—	16	—	—
Business combinations or business divestitures	—	—	—	—
Change in scope of consolidation	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	14,423
Other changes	—	—	—	—
Total transactions with owners	—	8	168	(7,314)
Balance at September 30, 2026	50,000	116,797	(67,370)	1,422,009

	Other components of equity							
	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasure-ments 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, 2026	22,653	—	296,444	4,177	323,274	1,761,675	653,005	2,414,680
Net income	—	—	—	—	—	90,173	46,852	137,025
Other comprehensive income	6,277	312	(18,011)	872	(10,550)	(10,550)	(9,276)	(19,826)
Total comprehensive income	6,277	312	(18,011)	872	(10,550)	79,623	37,576	117,199
Purchase of treasury stock	—	—	—	—	—	(14)	—	(14)
Disposal of treasury stock	—	—	—	—	—	104	—	104
Cash dividends	—	—	—	—	—	(21,737)	(11,353)	(33,090)
Share-based payment transactions	—	—	—	—	—	70	—	70
Changes in interests in subsidiaries	—	—	—	—	—	16	76	92
Business combinations or business divestitures	—	—	—	—	—	—	2,678	2,678
Change in scope of consolidation	—	—	—	—	—	—	(141)	(141)
Transfer from other components of equity to retained earnings	(14,111)	(312)	—	—	(14,423)	—	—	—
Other changes	—	—	—	—	—	—	(466)	(466)
Total transactions with owners	(14,111)	(312)	—	—	(14,423)	(21,561)	(9,206)	(30,767)
Balance at September 30, 2026	14,819	—	278,433	5,049	298,301	1,819,737	681,375	2,501,112

(5) Condensed Consolidated Statement of Cash Flow

Six months ended September 30, 2025 and 2026

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Income before taxes	68,735	182,398
Income before taxes from discontinued operations	134,480	—
Depreciation and amortization	134,374	140,067
Share of (profit) loss of associates and joint ventures	(2,460)	(2,677)
Interest and dividend income	(4,333)	(4,813)
Interest expense	18,659	19,480
(Increase) decrease in trade receivables	27,878	(20,117)
(Increase) decrease in inventories	(7,535)	(76,361)
Increase (decrease) in trade payables	(22,299)	17,758
Increase (decrease) in retirement benefit assets and liabilities, net	1,332	(688)
Increase (decrease) in employees' bonus liabilities	(32,139)	(15,813)
Others	(99,779)	(32,955)
Subtotal	216,913	206,279
Interest received	1,935	2,755
Dividends received	6,224	10,824
Interest paid	(19,092)	(17,576)
Income tax (paid) received, net	(44,341)	(44,484)
Net cash provided by (used in) operating activities	161,639	157,798
Cash flows from investing activities		
Purchase of property, plant and equipment	(127,876)	(138,149)
Proceeds from sales of property, plant and equipment	3,322	17,490
Purchase of intangible assets	(3,961)	(1,839)
Purchase of other financial assets	(444)	(4,677)
Proceeds from sales/redemption of other financial assets	9,287	28,465
Net cash outflow on acquisition of subsidiaries	(71,914)	(1,116)
Proceeds from sales of investments in subsidiaries	490,941	452
Payments for transfer of business	(7,796)	(236)
Proceeds from transfer of business	10,268	3,607
Net (Increase) decrease of time deposits	(135,971)	435
Others	8,151	666
Net cash provided by (used in) investing activities	174,007	(94,902)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(94,029)	(29,787)
Proceeds from long-term borrowings	12,875	26,828
Repayment of long-term borrowings	(67,026)	(51,180)
Redemption of bonds	(35,000)	(60,000)
Repayment of lease liabilities	(16,647)	(16,846)
Net (increase) decrease in treasury stock	(50,010)	(14)
Dividends paid to owners of the parent	(22,771)	(21,737)
Dividends paid to non-controlling interests	(14,523)	(11,353)
Others	(5,181)	69
Net cash provided by (used in) financing activities	(292,312)	(164,020)
Effect of exchange rate changes on cash and cash equivalents	4,585	(2,075)
Net increase (decrease) in cash and cash equivalents	47,919	(103,199)
Cash and cash equivalents at the beginning of the period	326,144	527,104
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	(209)	111
Net increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	44
Net increase in cash and cash equivalents resulting from merger and acquisition	35	—
Cash and cash equivalents at the end of the period	373,889	424,060

(6) Notes to Condensed Consolidated Financial Statements

(Applicable Financial Reporting Framework)

The MCG Group's condensed consolidated financial statements, which comprise the Condensed Consolidated Statement of Profit or Loss, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flow and Notes to Condensed Consolidated Financial Statements disclosed in this Consolidated Financial Results, have been prepared in accordance with Article 5, Paragraph 2 of the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements (the Standards), applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards, accordingly certain disclosures and notes required by IAS 34 are not given.

(Notes regarding assumption of a going concern)

Not applicable

(Segment Information)

1. Overview of Reporting Segments

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.

Under the management policy "KAITEKI Vision 35" and the "Medium-Term Management Plan 2029" announced in November 2024, the MCG Group has been working to enhance its corporate value by boosting its profitability and achieving business growth. In April 2026, the MCG Group reorganized its business divisions from the perspectives of market and business models in order to establish an organizational structure that enables each business division to operate its business with ownership and make decisions more swiftly. In line with this organizational restructuring, the MCG Group reviewed its reporting segments and, effective from the six months ended September 30, 2026, changed the segment classification from the previous four segments of "Specialty Materials", "MMA & Derivatives", "Basic Materials & Polymers", and "Industrial Gases" to four segments consisting of "Specialty Materials", "MMA & Derivatives", "Basic Materials", and "Industrial Gases".

Segment information for the six months ended September 30, 2025, has been prepared based on the revised reporting segment classification.

The businesses in each reporting segment are as follows.

Business Segments	Business Sub-Segments	Businesses
Specialty Materials	Films & Performance Materials	Soarnol, Gohsenol, Packaging & Barrier Films, Industrial & Medical Films, Acetyl & Optical Films, Polyester Films, and Food & Healthcare
	Composites & Shapes	Engineering Shapes, Carbon Fiber & Composite Engineering
	Information Electronics	Semiconductor, Electronics, and Battery Materials
	Polymer Compounds	Performance Polymers, Engineering Plastics, and Polypropylene Compounds
	Water & Infrastructure	Water & Environment Solutions, Infrastructure Solutions
MMA & Derivatives	MMA	MMA, PMMA
	Functional Chemicals	Coating Materials, Additives & Modifiers
Basic Materials	Basic Chemicals	Basic Petrochemicals, Polyolefins, and Basic Chemicals
	Carbon Products	Carbon Products
Industrial Gases	Industrial Gases	Industrial Gases

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

2. Segment Revenue and Results

The MCG Group's revenue and results by reporting segment are as follows. The MCG Group evaluates segment performance based on segment profit (loss).

Six months ended September 30, 2025

(Millions of yen)

	REPORTING SEGMENT					Others (Note 1)	Subtotal	Adjustment (Note 2)	Consolidated
	Specialty Materials	MMA & Derivatives	Basic Materials	Industrial Gases	Total				
Revenue									
External revenue	578,868	174,702	331,550	647,032	1,732,152	66,972	1,799,124	—	1,799,124
Inter-segment revenue	14,417	4,849	16,970	3,797	40,033	75,428	115,461	(115,461)	—
Total	593,285	179,551	348,520	650,829	1,772,185	142,400	1,914,585	(115,461)	1,799,124
Segment profit (loss) Core operating income (Note 3)	39,698	3,689	(8,550)	93,037	127,874	4,831	132,705	(6,595)	126,110

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 ¥ (6,455) million not allocated to reporting segments and inter-segment eliminations of ¥ (140) million. Corporate costs include expenditures on basic testing, research, and other activities not allocated to reporting segments.
3. Segment profit (loss) is operating profit after excluding earnings from non-recurring factors, such as losses from business withdrawals and downsizings, representing core operating income.
4. The Company has classified the operations of Mitsubishi Tanabe Pharma Corporation (current name: Tanabe Pharma Corporation) and its subsidiaries and affiliates as discontinued operations for the fiscal year ended March 31, 2026. Accordingly, the segment information presents amounts for continuing operations, excluding discontinued operations.

Six months ended September 30, 2026

(Millions of yen)

	REPORTING SEGMENT					Others (Note 1)	Subtotal	Adjustment (Note 2)	Consolidated
	Specialty Materials	MMA & Derivatives	Basic Materials	Industrial Gases	Total				
Revenue									
External revenue	653,501	200,152	388,275	733,187	1,975,115	61,979	2,037,094	—	2,037,094
Inter-segment revenue	13,357	4,244	17,501	3,961	39,063	62,816	101,879	(101,879)	—
Total	666,858	204,396	405,776	737,148	2,014,178	124,795	2,138,973	(101,879)	2,037,094
Segment profit (loss) Core operating income (Note 3)	70,359	8,986	14,130	107,675	201,150	4,668	205,818	(2,970)	202,848

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 ¥ (2,325) million not allocated to reporting segments and inter-segment eliminations of ¥ (645) million. Corporate costs include expenditures on basic testing, research, and other activities not allocated to reporting segments.
3. Segment profit (loss) is operating profit after excluding earnings from non-recurring factors, such as losses from business withdrawals and downsizings, representing core operating income.

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

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Segment profit (loss)	126,110	202,848
Gain on sale of property, plant and equipment (Note)	817	13,675
Reversal of impairment loss	—	2,050
Gain on business transfer	7,950	—
Impairment loss (Note)	(11,839)	(7,301)
Special retirement expenses	(32,317)	(3,165)
Share of loss of associates and joint ventures	(45)	(2,340)
Loss on sale and disposal of fixed assets	(264)	(1,904)
Disaster-related loss	—	(1,591)
Others	(3,923)	(2,595)
Operating income	86,489	199,677
Financial income	4,397	5,066
Financial expenses	(22,151)	(22,345)
Income before taxes	68,735	182,398

Note:

During the six months ended September 30, 2026, the MCG Group recorded a gain on sale of property, plant and equipment of ¥10,437 million and an impairment loss of ¥(1,891) million on the head office building of Nippon Sanso Holdings Corporation, in connection with the sale of land associated with the relocation of its head office.

(Discontinued Operations)

1. Outline of Discontinued Operations

At the Company'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 (current name: Tanabe Pharma Corporation, hereinafter "MTPC"), which had been the Company's consolidated subsidiary, to K.K. BCJ-94, a special purpose company indirectly owned by funds advised by Bain Capital Private Equity, LP. The transaction was completed on July 1, 2025.

Consequently, the operations of MTPC and its subsidiaries and affiliates were classified as discontinued operations in the six months ended September 30, 2025.

2. Profit or Loss from Discontinued Operations

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Revenue	244,321	—
Cost	(109,841)	—
Income before taxes from discontinued operations (Note 1)	134,480	—
Income taxes (Note 2)	(39,589)	—
Net income from discontinued operations	94,891	—

Note:

1. In the six months ended September 30, 2025, gains associated with the transfer of all shares and related assets of MTPC of ¥128,753 million are included.
2. In the six months ended September 30, 2025, income taxes on gains associated with the transfer of all shares and related assets of MTPC of ¥(36,782) million are included.

3. Cash Flows from Discontinued Operations

Cash flows relating to discontinued operations included in the condensed consolidated statement of cash flows are as follows:

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities	(266)	–
Cash flows from investing activities	491,163	–
Cash flows from financing activities	(3,693)	–
Total	487,204	–

4. Supplementary Information on Cash Flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash consideration	536,800	–
Accounts receivable-other	(21,539)	–
Cash and cash equivalents of subsidiary over which control was lost	(25,202)	–
Proceeds from sale of subsidiary	490,059	–

5. Assets and liabilities of subsidiaries

(Millions of yen)

	Date of loss of control (July 1, 2025)
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

(Material Subsequent Events)

(Continuation of the Carbon Materials Business)

In the "Notice of Withdrawal from the Coke and Carbon Materials Business" dated February 2, 2026, Mitsubishi Chemical Group Corporation (hereinafter, "the Company") announced that the Company will be withdrawing from the coke and carbon materials (needle coke, pitch coke) business, which belongs to the Basic Materials segment of the MCG Group, and proceed with the removal of equipment.

Subsequently, in light of the rapid expansion of AI data center-related businesses, the Company re-examined its pitch-based carbon fiber business, and as a result, at the Corporate Executive Officers' meeting held on November 5, 2026, the Company decided to continue its carbon materials (needle coke, pitch coke) business in order to ensure the availability and quality of carbon fiber raw materials.

Regarding the pitch-based carbon fiber business, the Company initially assumed that the Company would use raw materials sourced from other companies. However, after further consideration, the Company has found that it would be difficult to achieve the pitch-based carbon fiber performance that the Company was aiming for using raw materials sourced from other companies.

As such, in order to maintain and strengthen the competitiveness of its pitch-based carbon fiber, the Company determined that it would be essential that the Company maintain the raw material manufacturing technology and equipment in-house, and has decided to continue the carbon materials (needle coke, pitch coke) business at its Kagawa Plant, which the Company initially planned to withdraw from.

Details of the changes

(Before change)

- Withdraw from the coke and carbon materials (needle coke, pitch coke) business.
- After ceasing production in the second half of FY2027, related equipment will be removed, and sales will be gradually discontinued.

(After change)

- Maintain and renovate equipment necessary for the production of pitch-based carbon fiber raw materials.
- Continue to produce and sell carbon materials (needle coke, pitch coke). However, production will be temporarily suspended in the second half of FY2027 for facility renovation, and operations are expected to restart in the second half of FY2028. As such, the Company would like to consult with customers individually regarding future transactions.

Note: Please be aware that the Company will be withdrawing from the coke business in accordance with the plan announced in the "Notice of Withdrawal from the Coke and Carbon Materials Business" dated February 2, 2026. After ceasing production in the second half of FY2027, the Company plans to proceed with the removal of related equipment and gradually discontinue sales.

Future plans

With this decision, the Company aims to stabilize the quality of its pitch-based carbon fiber products and strengthen its supply system, and accelerate its growth in high-growth markets such as thermal management applications for 5G/6G communication infrastructure, AI servers, and data centers, as well as space-related applications that take advantage of high elastic modulus and excellent dimensional stability.

In addition, regarding carbon materials (needle coke, pitch coke), the Company would like to move forward by consulting with its customers individually regarding future transactions.

The MCG Group recorded a provision for restructuring costs of approximately ¥59.7 billion in the previous consolidated fiscal year. As a result of this development, it is expected that some of the originally expected equipment removal costs and special retirement benefits will no longer be needed. As such, the MCG Group expects to record a non-recurring profit of approximately ¥9.0 billion as a reversal of provision for restructuring costs in the third quarter of the fiscal year ending March 31, 2027, although the exact amount of the impact is still being evaluated and reviewed at this time.