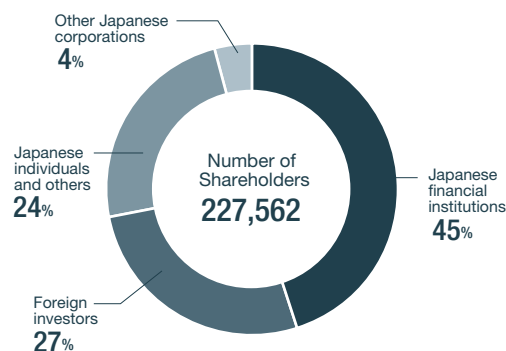


Corporate and Investor Information (As of March 31, 2023)

| | |
|--|---|
| Paid-in Capital | ¥89.8billion |
| Number of Employees | Non-consolidated: 6,637 Consolidated: 33,572 |
| Common Stock | Authorized: 5,000,000,000 shares Issued: 1,655,860,207 shares |
| Settlement Date | March 31 |
| Stock Transaction Units | 100-share units |
| Ordinary General Meeting of Shareholders | Within three months from the next day of the settlement date |
| Number of Shareholders | 227,562 |
| Listings | Tokyo Stock Exchange Prime Market |
| Transfer Agent and Registrar | Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Division, 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100- 8233, Japan |
| Independent Certified Public Accountants | KPMG AZSA LLC |

Distribution of Shareholders



Major Shareholders

| Major Shareholders | Number of Shares Held (1,000 shares) | Shareholding Ratio (%)* |
|---|--------------------------------------|-------------------------|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 244,390 | 14.94 |
| Custody Bank of Japan, Ltd. (Trust Account) | 104,771 | 6.40 |
| Sumitomo Life Insurance Company | 71,000 | 4.34 |
| Nippon Life Insurance Company | 41,031 | 2.50 |
| STATE STREET BANK WEST CLIENT - TREATY 505234 | 29,403 | 1.79 |
| Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Ltd. ReTrust Account / Sumitomo Life Insurance Company Employee Pension Trust Account) | 29,000 | 1.77 |
| Custody Bank of Japan, Ltd. (Trust Account No. 4) | 27,760 | 1.69 |
| Sumitomo Chemical Employee Stock Ownership Plan | 25,827 | 1.57 |
| JPMorgan Securities Japan Co., Ltd. | 24,793 | 1.51 |
| Sumitomo Mitsui Banking Corporation | 23,073 | 1.41 |

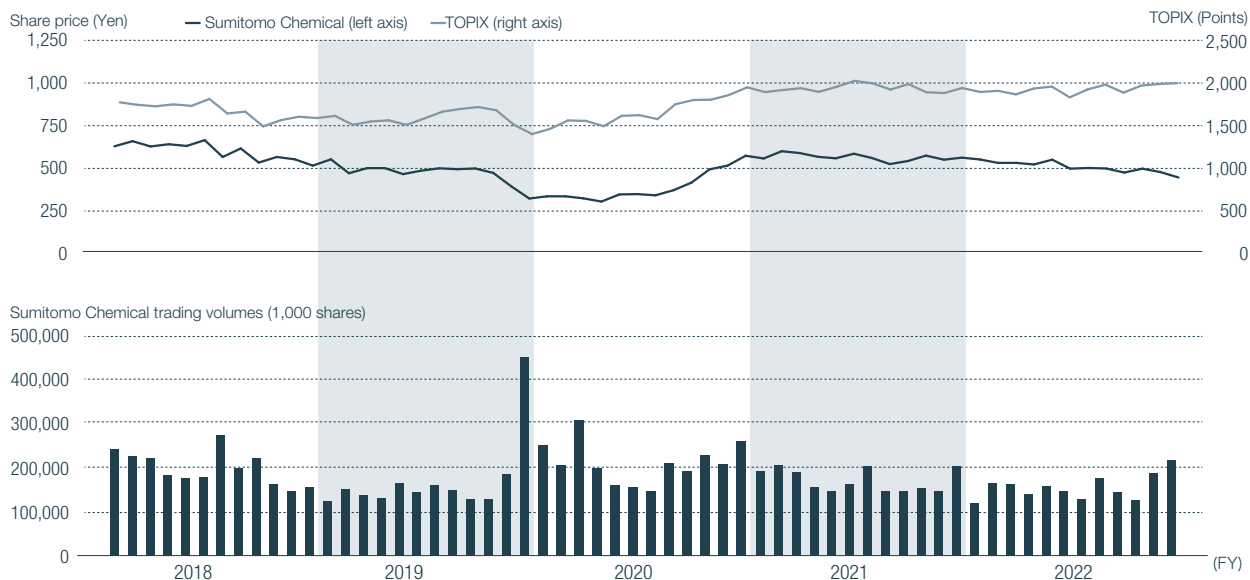
*% of Shares Held (excluding treasury shares)

Dividend Policy

We consider shareholder return as one of our priority management issues and have made it a policy to maintain stable dividend payment, giving due consideration to our business performance and a dividend payout ratio for each fiscal period, the level of retained earnings necessary for future growth, and other relevant factors. We aim to maintain a dividend payout ratio of around 30% over the medium to long term.

The full-year dividend for fiscal 2022 was ¥18 per share, a decrease of ¥6 per share from the previous fiscal year.

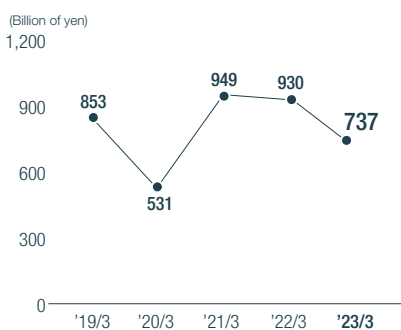
Stock Performance



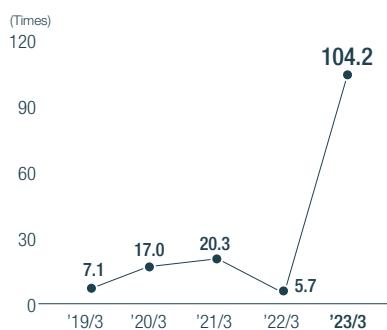
| Fiscal Year | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-----------|-----------|-----------|-----------|-----------|
| Share price high (yen) | 684 | 556 | 593 | 631 | 589 |
| Share price low (yen) | 485 | 267 | 285 | 488 | 426 |
| Share price at year-end (yen) | 515 | 321 | 573 | 562 | 445 |
| Cumulative trading volume (1,000 shares) | 2,369,928 | 2,038,948 | 2,508,242 | 2,038,226 | 1,855,984 |

| Fiscal Year | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-----------|-----------|-----------|-----------|-----------|
| Shares outstanding (1,000 shares) | 1,655,446 | 1,655,446 | 1,655,446 | 1,655,446 | 1,655,860 |
| Market capitalization (billions of yen) | 853 | 531 | 949 | 930 | 737 |
| Basic earnings per share (yen) | 72.17 | 18.91 | 28.16 | 99.16 | 4.27 |
| Equity attributable to owners of the parent per share (yen) | 610.82 | 565.13 | 623.39 | 745.03 | 716.26 |
| Price earnings ratio (PER) (times) | 7.1 | 17.0 | 20.3 | 5.7 | 104.2 |
| Price book-value ratio (PBR) (times) | 0.8 | 0.6 | 0.9 | 0.8 | 0.6 |
| Cash dividends per share (yen) | 22 | 17 | 15 | 24 | 18 |
| Dividend payout ratio (%) | 30.5 | 89.9 | 53.3 | 24.2 | 421.2 |
| Total shareholder return (TSR) (%) | 86.6 | 58.1 | 101.1 | 103.2 | 87.3 |
| Ratio of shares owned by foreign investors to shares outstanding (%) | 27.6 | 26.4 | 26.8 | 29.9 | 26.5 |

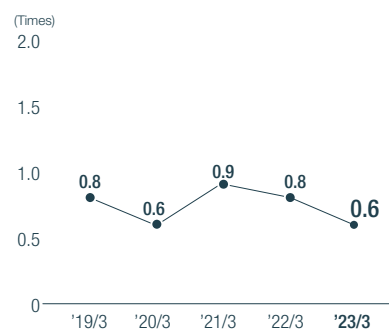
Market Capitalization



Price Earnings Ratio (PER)



Price Book-value Ratio (PBR)



Long-term Data Highlights

J-GAAP

| | '06/3 | '07/3 | '08/3 | '09/3 | '10/3 | '11/3 | '12/3 | '13/3 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Sales revenue ^{*1} | ¥ 1,556,606 | ¥ 1,790,026 | ¥ 1,896,539 | ¥ 1,788,223 | ¥ 1,620,915 | ¥ 1,982,435 | ¥ 1,947,884 | ¥ 1,952,492 |
| Core operating income | — | — | — | — | — | — | — | — |
| Operating income ^{Note 1} | 120,790 | 139,623 | 102,397 | 2,114 | 51,455 | 87,957 | 60,688 | 45,016 |
| Ordinary income (loss) | 141,127 | 157,981 | 92,790 | (32,624) | 34,957 | 84,091 | 50,714 | 50,252 |
| Net income (loss) attributable to owners of the parent | 90,665 | 93,860 | 63,083 | (59,164) | 14,723 | 24,434 | 5,587 | (51,076) |
| Total assets | 2,178,377 | 2,324,906 | 2,358,929 | 2,022,553 | 2,383,906 | 2,367,314 | 2,336,953 | 2,472,091 |
| Equity attributable to owners of the parent ^{*2} | 719,760 | 792,538 | 768,110 | 544,366 | 575,368 | 522,473 | 486,235 | 496,500 |
| Total equity ^{*3 Note 2} | 944,224 | 1,030,521 | 1,006,046 | 775,628 | 821,436 | 758,886 | 720,901 | 747,482 |
| Cash flows from operating activities | 122,783 | 142,917 | 156,578 | 78,428 | 132,872 | 176,228 | 124,491 | 171,595 |
| Cash flows from investing activities | (180,679) | (164,239) | (182,679) | (206,237) | (269,402) | (155,987) | (123,975) | (165,772) |
| Free cash flow | (57,896) | (21,322) | (26,101) | (127,809) | (136,530) | 20,241 | 516 | 5,823 |
| Cash flows from financing activities | 70,581 | 35,558 | 7,090 | 112,539 | 168,709 | 17,985 | 2,054 | (36,009) |
| Capital expenditures (billions of yen) | 124.9 | 159.8 | 142.5 | 134.1 | 103.2 | 98.7 | 155.1 | 116.1 |
| Depreciation and amortization expenses (billions of yen) | 104.9 | 113.9 | 125.0 | 140.7 | 116.1 | 147.0 | 114.9 | 115.5 |
| Research and development expenses (billions of yen) | 91.9 | 97.7 | 105.4 | 131.1 | 117.3 | 138.1 | 122.3 | 125.0 |
| Core operating income to sales revenue (%) ^{*4} | 7.8 | 7.8 | 5.4 | 0.1 | 3.2 | 4.4 | 3.1 | 2.3 |
| Net income to sales revenue (%) ^{*5} | 5.8 | 5.2 | 3.3 | (3.3) | 0.9 | 1.2 | 0.3 | (2.6) |
| Research and development expenses to sales revenue (%) ^{*6} | 5.9 | 5.5 | 5.6 | 7.3 | 7.2 | 7.0 | 6.3 | 6.4 |
| Interest-bearing liabilities (billions of yen) | 578.6 | 641.0 | 673.9 | 795.4 | 997.9 | 1,040.3 | 1,053.0 | 1,060.6 |
| D/E ratio (times) | 0.6 | 0.6 | 0.7 | 1.0 | 1.2 | 1.4 | 1.5 | 1.4 |
| Equity attributable to owners of the parent to total assets (%) ^{*7} | 33.0 | 34.1 | 32.6 | 26.9 | 24.1 | 22.1 | 20.8 | 20.1 |
| Ratio of interest-bearing debt to cash flow (times) | 4.7 | 4.5 | 4.3 | 10.1 | 7.5 | 5.9 | 8.5 | 6.2 |
| Interest coverage ratio (times) | 15.9 | 13.3 | 13.2 | 6.5 | 11.0 | 13.7 | 10.2 | 13.2 |
| Net interest expenses (billions of yen) | (2.2) | (3.9) | (2.8) | (2.7) | (5.0) | (6.3) | (4.7) | (5.4) |
| Return on equity (%) | 14.1 | 12.4 | 8.1 | (9.0) | 2.6 | 4.5 | 1.1 | (10.4) |
| Return on investment (%) | 8.3 | 7.6 | 5.4 | (2.6) | 2.1 | 2.6 | 1.2 | (1.9) |
| Return on assets (%) | 4.7 | 4.2 | 2.7 | (2.7) | 0.7 | 1.0 | 0.2 | (2.1) |
| Basic earnings per share (yen) ^{*8} | 54.80 | 56.82 | 38.20 | (35.84) | 8.92 | 14.86 | 3.42 | (31.25) |
| Equity attributable to owners of the parent per share (yen) ^{*9} | 435.51 | 479.87 | 465.21 | 329.74 | 348.52 | 319.61 | 297.45 | 303.74 |
| Cash dividends per share (yen) | 10.00 | 12.00 | 12.00 | 9.00 | 6.00 | 9.00 | 9.00 | 6.00 |
| Dividend payout ratio (%) | 18.2 | 21.1 | 31.4 | — | 67.3 | 60.6 | 263.3 | — |
| Price earnings ratio (times) | 17.5 | 15.7 | 16.7 | (9.3) | 51.2 | 27.9 | 102.9 | (9.4) |
| Price book-value ratio (times) | 2.2 | 1.9 | 1.4 | 1.0 | 1.3 | 1.3 | 1.2 | 1.0 |
| Number of employees | 24,160 | 24,691 | 25,588 | 26,902 | 27,828 | 29,382 | 29,839 | 30,396 |
| Number of research and development employees | 3,100 | 3,148 | 3,392 | 3,511 | 3,764 | 3,933 | 3,989 | 3,951 |
| Number of consolidated subsidiaries | 105 | 105 | 116 | 126 | 143 | 146 | 145 | 162 |
| Exchange rate (yen/\$) | 113.32 | 116.97 | 114.44 | 100.71 | 92.89 | 85.74 | 79.08 | 82.91 |
| Naphtha price (yen/KL) | 42,400 | 50,000 | 61,500 | 58,900 | 41,200 | 47,500 | 54,900 | 57,500 |
| Growth rate of the global economy (%) ^{Note 3} | 4.9 | 5.4 | 5.6 | 3.1 | (0.1) | 5.4 | 4.3 | 3.6 |
| Overseas sales revenue by region (billions of yen) ^{*10} | | | | | | | | |
| Asia | 444.0 | 543.3 | 591.7 | 550.5 | 539.5 | 744.3 | 716.3 | 736.4 |
| North America | 53.8 | 46.1 | 46.1 | 46.1 | 75.0 | 165.4 | 159.9 | 176.3 |
| Europe | 58.7 | 72.0 | 67.6 | 80.4 | 71.8 | 90.5 | 82.9 | 78.8 |
| Middle East and Africa | 15.8 | 43.0 | 44.1 | 37.3 | 21.8 | 33.2 | 25.7 | 24.2 |
| Central and South America | 12.7 | 14.9 | 17.1 | 18.2 | 12.3 | 13.6 | 14.4 | 18.8 |
| Oceania and others | 26.0 | 28.5 | 22.2 | 17.3 | 8.5 | 9.7 | 9.7 | 9.4 |
| Total | 611.0 | 747.8 | 788.8 | 749.8 | 728.9 | 1,056.7 | 1,009.0 | 1,043.8 |
| Overseas sales revenue ratio (%) ^{*11} | 39.2 | 41.8 | 41.6 | 41.9 | 45.0 | 53.3 | 51.8 | 53.5 |

Account titles of J-GAAP are as follows:

*1 Net sales; *2 Shareholders' equity; *3 Net assets; *4 Operating margin (%); *5 Net income ratio to net sales (%);

*6 Research and development expenses ratio to net sales (%); *7 Shareholders' equity ratio (%); *8 Net income (loss) per share (yen); *9 Net assets per share (yen);

*10 Overseas sales by region (billions of yen); *11 Overseas sales ratio (%)

(Notes) 1. Operating income had been presented under J-GAAP up to FY2015, and under IFRS from FY2016 onward.

2. In line with the change in accounting standards in FY2006, figures of FY2005 were restated; minority stakes were added to the total equity.

3. Figures for the growth rate of the global economy were created by Sumitomo Chemical based on the IMF World Economic Outlook, April 2023.

IFRS

Millions of yen

| '14/3 | '15/3 | '16/3 | '17/3 | '18/3 | '19/3 | '20/3 | '21/3 | '22/3 | '23/3 |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| ¥ 2,243,794 | ¥ 2,376,697 | ¥ 2,101,764 | ¥ 1,939,069 | ¥ 2,190,509 | ¥ 2,318,572 | ¥ 2,225,804 | ¥ 2,286,978 | ¥ 2,765,321 | ¥ 2,895,283 |
| — | — | — | 184,547 | 262,694 | 204,252 | 132,652 | 147,615 | 234,779 | 92,752 |
| 100,842 | 127,346 | 164,446 | 126,467 | 250,923 | 182,972 | 137,517 | 137,115 | 215,003 | (30,984) |
| 111,109 | 157,414 | 171,217 | — | — | — | — | — | — | — |
| 36,977 | 52,192 | 81,451 | 76,540 | 133,768 | 117,992 | 30,926 | 46,043 | 162,130 | 6,987 |
| 2,788,507 | 2,880,396 | 2,662,150 | 2,878,193 | 3,068,685 | 3,171,618 | 3,654,087 | 3,990,254 | 4,308,151 | 4,165,503 |
| 643,297 | 791,319 | 766,874 | 812,612 | 927,141 | 998,702 | 923,990 | 1,019,230 | 1,218,101 | 1,171,192 |
| 934,506 | 1,118,216 | 1,090,776 | 1,115,903 | 1,252,214 | 1,351,886 | 1,392,592 | 1,482,119 | 1,701,977 | 1,489,189 |
| 194,362 | 260,854 | 261,172 | 185,776 | 293,250 | 208,143 | 106,012 | 374,464 | 171,715 | 111,621 |
| (135,177) | (56,628) | (53,678) | (205,697) | (154,520) | (180,837) | (499,670) | (177,389) | (115,421) | (19,411) |
| 59,185 | 204,226 | 207,494 | (19,921) | 138,730 | 27,306 | (393,658) | 197,075 | 56,294 | 92,210 |
| (59,084) | (151,465) | (177,956) | (523) | (94,264) | (60,866) | 373,542 | (39,974) | (81,394) | (178,502) |
| 143.4 | 84.2 | 103.8 | 136.3 | 158.8 | 163.7 | 116.3 | 112.7 | 119.5 | 141.1 |
| 115.7 | 119.2 | 116.6 | 110.3 | 107.1 | 112.5 | 131.7 | 136.0 | 156.7 | 168.0 |
| 141.3 | 147.9 | 155.8 | 158.0 | 165.3 | 163.5 | 174.3 | 178.7 | 174.9 | 195.6 |
| 4.5 | 5.4 | 7.8 | 9.5 | 12.0 | 8.8 | 6.0 | 6.5 | 8.5 | 3.2 |
| 1.6 | 2.2 | 3.9 | 3.9 | 6.1 | 5.1 | 1.4 | 2.0 | 5.9 | 0.2 |
| 6.3 | 6.2 | 7.4 | 8.1 | 7.5 | 7.1 | 7.8 | 7.8 | 6.3 | 6.8 |
| 1,074.6 | 980.2 | 831.5 | 884.1 | 842.2 | 839.5 | 1,304.7 | 1,351.1 | 1,350.5 | 1,461.4 |
| 1.1 | 0.9 | 0.8 | 0.8 | 0.7 | 0.6 | 0.9 | 0.9 | 0.8 | 1.0 |
| 23.1 | 27.5 | 28.8 | 28.2 | 30.2 | 31.5 | 25.3 | 25.5 | 28.3 | 28.1 |
| 5.5 | 3.8 | 3.2 | 4.8 | 2.9 | 4.0 | 12.3 | 3.6 | 7.9 | 13.1 |
| 15.0 | 19.0 | 22.6 | 16.4 | 27.8 | 19.0 | 8.3 | 23.6 | 11.1 | 5.1 |
| (4.9) | 0.7 | (2.7) | (2.2) | (0.5) | 0.2 | (1.6) | (7.7) | (6.1) | (3.7) |
| 6.5 | 7.3 | 10.5 | 9.8 | 15.4 | 12.3 | 3.2 | 4.7 | 14.5 | 0.6 |
| 3.2 | 3.8 | 5.9 | 5.9 | 8.9 | 7.3 | 2.4 | 2.8 | 6.6 | (1.3) |
| 1.4 | 1.8 | 2.9 | 2.8 | 4.5 | 3.8 | 0.9 | 1.2 | 3.9 | 0.2 |
| 22.62 | 31.93 | 49.84 | 46.81 | 81.81 | 72.17 | 18.91 | 28.16 | 99.16 | 4.27 |
| 393.58 | 484.17 | 469.25 | 496.96 | 567.04 | 610.82 | 565.13 | 623.39 | 745.03 | 716.26 |
| 9.00 | 9.00 | 14.00 | 14.00 | 22.00 | 22.00 | 17.00 | 15.00 | 24.00 | 18.00 |
| 39.8 | 28.2 | 28.1 | 29.9 | 26.9 | 30.5 | 89.9 | 53.3 | 24.2 | 421.2 |
| 16.8 | 19.4 | 10.2 | 13.3 | 7.6 | 7.1 | 17.0 | 20.3 | 5.7 | 104.2 |
| 1.0 | 1.3 | 1.1 | 1.3 | 1.1 | 0.8 | 0.6 | 0.9 | 0.8 | 0.6 |
| 30,745 | 31,039 | 31,094 | 32,536 | 31,837 | 32,542 | 33,586 | 34,743 | 34,703 | 33,572 |
| 3,952 | 3,913 | 3,831 | 4,010 | 4,034 | 3,937 | 4,221 | 4,372 | 4,223 | 4,213 |
| 164 | 167 | 160 | 170 | 178 | 184 | 218 | 224 | 210 | 203 |
| 100.17 | 109.76 | 120.15 | 108.34 | 110.85 | 110.92 | 108.70 | 106.10 | 112.39 | 135.50 |
| 67,300 | 63,500 | 42,800 | 34,700 | 41,900 | 49,400 | 42,900 | 31,300 | 56,900 | 76,600 |
| 3.4 | 3.5 | 3.4 | 3.3 | 3.7 | 3.6 | 2.8 | (2.8) | 6.3 | 3.4 |
| 883.0 | 964.0 | 819.8 | 741.1 | 842.6 | 936.4 | 880.7 | 884.6 | 1,076.5 | 1,015.6 |
| 233.0 | 257.3 | 306.2 | 305.8 | 366.9 | 380.4 | 384.0 | 404.4 | 433.7 | 491.8 |
| 106.7 | 96.6 | 82.3 | 69.1 | 85.9 | 95.1 | 93.1 | 95.4 | 120.2 | 134.9 |
| 29.7 | 61.9 | 30.3 | 22.4 | 37.4 | 42.3 | 46.9 | 52.4 | 86.3 | 99.9 |
| 29.3 | 36.3 | 37.9 | 34.4 | 39.5 | 43.1 | 45.8 | 113.2 | 140.5 | 211.4 |
| 11.2 | 12.2 | 12.7 | 10.7 | 12.4 | 8.5 | 10.2 | 11.4 | 14.4 | 13.3 |
| 1,292.9 | 1,428.4 | 1,289.2 | 1,183.4 | 1,384.7 | 1,505.7 | 1,460.7 | 1,561.4 | 1,871.5 | 1,966.9 |
| 57.6 | 60.1 | 61.3 | 61.0 | 63.2 | 64.9 | 65.6 | 68.3 | 67.7 | 67.9 |

Consolidated Financial Statements

Consolidated Statement of Financial Position

March 31, 2023 and 2022

Millions of yen

| | FY2022 | FY2021 |
|---|-------------|-------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | ¥ 305,844 | ¥ 365,429 |
| Trade and other receivables | 603,161 | 720,422 |
| Other financial assets | 31,237 | 23,991 |
| Inventories | 744,474 | 651,358 |
| Other current assets | 70,670 | 51,442 |
| Subtotal | 1,755,386 | 1,812,642 |
| Assets held for sale | 7,498 | – |
| Total current assets | 1,762,884 | 1,812,642 |
| Non-current assets: | | |
| Property, plant and equipment | 829,355 | 823,022 |
| Goodwill | 266,868 | 244,517 |
| Intangible assets | 403,996 | 471,109 |
| Investments accounted for using the equity method | 402,980 | 289,968 |
| Other financial assets | 313,115 | 474,899 |
| Retirement benefit assets | 99,253 | 89,538 |
| Deferred tax assets | 39,492 | 49,121 |
| Other non-current assets | 47,560 | 53,335 |
| Total non-current assets | 2,402,619 | 2,495,509 |
| Total assets | ¥ 4,165,503 | ¥ 4,308,151 |
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities: | | |
| Bonds and borrowings | ¥ 396,903 | ¥ 261,280 |
| Trade and other payables | 515,865 | 551,583 |
| Other financial liabilities | 74,931 | 84,137 |
| Income taxes payable | 31,772 | 24,515 |
| Provisions | 129,030 | 129,709 |
| Other current liabilities | 128,060 | 122,267 |
| Subtotal | 1,276,561 | 1,173,491 |
| Liabilities directly associated with assets held for sale | 1,806 | – |
| Total current liabilities | 1,278,367 | 1,173,491 |
| Non-current liabilities: | | |
| Bonds and borrowings | 1,064,463 | 1,089,190 |
| Other financial liabilities | 98,594 | 101,718 |
| Retirement benefit liabilities | 26,427 | 33,091 |
| Provisions | 38,443 | 36,502 |
| Deferred tax liabilities | 101,164 | 101,299 |
| Other non-current liabilities | 68,856 | 70,883 |
| Total non-current liabilities | 1,397,947 | 1,432,683 |
| Total liabilities | 2,676,314 | 2,606,174 |
| Equity | | |
| Share capital | 89,810 | 89,699 |
| Capital surplus | – | 27,089 |
| Retained earnings | 891,552 | 974,382 |
| Treasury shares | (8,349) | (8,343) |
| Other components of equity | 197,830 | 135,274 |
| Other comprehensive income associated with assets held for sale | 349 | – |
| Equity attributable to owners of the parent | 1,171,192 | 1,218,101 |
| Non-controlling interests | 317,997 | 483,876 |
| Total equity | 1,489,189 | 1,701,977 |
| Total liabilities and equity | ¥ 4,165,503 | ¥ 4,308,151 |

Consolidated Statement of Income

Years ended March 31, 2023 and 2022

Millions of yen

| | FY2022 | FY2021 |
|--|-------------|-------------|
| Sales revenue | ¥ 2,895,283 | ¥ 2,765,321 |
| Cost of sales | (2,074,357) | (1,891,458) |
| Gross profit | 820,926 | 873,863 |
| Selling, general and administrative expenses | (878,261) | (690,860) |
| Other operating income | 69,227 | 10,533 |
| Other operating expenses | (36,079) | (20,713) |
| Share of profit or loss of investments accounted for using the equity method | (6,797) | 42,180 |
| Operating income (loss) | (30,984) | 215,003 |
| Finance income | 70,836 | 59,194 |
| Finance expenses | (39,621) | (23,061) |
| Income before taxes | 231 | 251,136 |
| Income tax expenses | (47,096) | (64,699) |
| Net income (loss) | (46,865) | 186,437 |
| Net income (loss) attributable to: | | |
| Owners of the parent | 6,987 | 162,130 |
| Non-controlling interests | (53,852) | 24,307 |
| Net income (loss) | ¥ (46,865) | ¥ 186,437 |
| Earnings per share: | | |
| Basic earnings per share (yen) | 4.27 | 99.16 |
| Diluted earnings per share (yen) | 4.27 | - |

Consolidated Statement of Comprehensive Income

Years ended March 31, 2023 and 2022

Millions of yen

| | FY2022 | FY2021 |
|--|------------|-----------|
| Net income (loss) | ¥ (46,865) | ¥ 186,437 |
| Other comprehensive income: | | |
| Items that will not be reclassified to profit or loss | | |
| Remeasurements of financial assets measured at fair value through other comprehensive income | 14,958 | (51,797) |
| Remeasurements of defined benefit plans | 8,670 | 7,549 |
| Share of other comprehensive income of investments accounted for using the equity method | 1,126 | (881) |
| Total items that will not be reclassified to profit or loss | 24,754 | (45,129) |
| Items that may be subsequently reclassified to profit or loss | | |
| Cash flow hedge | 8,163 | (5,904) |
| Exchange differences on conversion of foreign operations | 62,572 | 103,499 |
| Share of other comprehensive income of investments accounted for using the equity method | 17,003 | 15,964 |
| Total items that may be subsequently reclassified to profit or loss | 87,738 | 113,559 |
| Other comprehensive income, net of taxes | 112,492 | 68,430 |
| Total comprehensive income | 65,627 | 254,867 |
| Total comprehensive income attributable to: | | |
| Owners of the parent | 84,077 | 229,765 |
| Non-controlling interests | (18,450) | 25,102 |
| Total comprehensive income | ¥ 65,627 | ¥ 254,867 |

Consolidated Statement of Changes in Equity

Year ended March 31, 2023

Millions of yen

| | Equity attributable to owners of the parent | | | | | | | | | | | Non-controlling interests | Total equity | |
|--|---|-----------------|-------------------|-----------------|--|---|------------------|--|-----------|-------|---|---------------------------|--------------|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Other components of equity | | | | | Total | Other comprehensive income associated with assets held for sale | | | Equity attributable to owners of the parent |
| | | | | | Remeasurements of financial assets measured at fair value through other comprehensive income | Remeasurements of defined benefit plans | Cash flow hedges | Exchange differences on conversion of foreign operations | | | | | | |
| Balance as of April 1, 2022 | ¥ 89,699 | ¥ 27,089 | ¥ 974,382 | ¥ (8,343) | ¥ 82,682 | ¥ - | ¥ (8,735) | ¥ 61,327 | ¥ 135,274 | ¥ - | ¥ 1,218,101 | ¥ 483,876 | ¥ 1,701,977 | |
| Net income (loss) | - | - | 6,987 | - | - | - | - | - | - | - | 6,987 | (53,852) | (46,865) | |
| Other comprehensive income | - | - | - | - | 4,550 | 9,163 | 8,204 | 55,173 | 77,090 | - | 77,090 | 35,402 | 112,492 | |
| Total comprehensive income | - | - | 6,987 | - | 4,550 | 9,163 | 8,204 | 55,173 | 77,090 | - | 84,077 | (18,450) | 65,627 | |
| Issuance of new shares | 111 | 111 | - | - | - | - | - | - | - | - | 222 | - | 222 | |
| Purchase of treasury shares | - | - | - | (6) | - | - | - | - | - | - | (6) | - | (6) | |
| Disposal of treasury shares | - | 0 | - | 0 | - | - | - | - | - | - | 0 | - | 0 | |
| Dividends | - | - | (42,514) | - | - | - | - | - | - | - | (42,514) | (13,962) | (56,476) | |
| Changes resulting from additions to consolidation | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Changes resulting from loss of control of subsidiaries | - | - | 513 | - | (505) | - | (8) | - | (513) | - | - | - | - | |
| Change in interest due to transactions with non-controlling interests | - | (88,037) | - | - | - | - | - | - | - | - | (88,037) | (133,467) | (221,504) | |
| Transfer from other components of equity to retained earnings | - | - | 13,672 | - | (4,509) | (9,163) | - | - | (13,672) | - | - | - | - | |
| Others, net | - | (603) | (48) | - | - | - | - | - | - | - | (651) | - | (651) | |
| Transfers to other comprehensive income associated with assets held for sale | - | - | - | - | (349) | - | - | - | (349) | 349 | - | - | - | |
| Transfer of negative balance of other capital surplus | - | 61,440 | (61,440) | - | - | - | - | - | - | - | - | - | - | |
| Total transactions with owners | 111 | (27,089) | (89,817) | (6) | (5,363) | (9,163) | (8) | - | (14,534) | 349 | (130,986) | (147,429) | (278,415) | |
| Balance as of March 31, 2023 | ¥ 89,810 | ¥ - | ¥ 891,552 | ¥ (8,349) | ¥ 81,869 | ¥ - | ¥ (539) | ¥ 116,500 | ¥ 197,830 | ¥ 349 | ¥ 1,171,192 | ¥ 317,997 | ¥ 1,489,189 | |

Year ended March 31, 2022

Millions of yen

| | Equity attributable to owners of the parent | | | | | | | | | | | Non-controlling interests | Total equity | |
|--|---|-----------------|-------------------|-----------------|--|---|------------------|--|-----------|-------|---|---------------------------|--------------|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Other components of equity | | | | | Total | Other comprehensive income associated with assets held for sale | | | Equity attributable to owners of the parent |
| | | | | | Remeasurements of financial assets measured at fair value through other comprehensive income | Remeasurements of defined benefit plans | Cash flow hedges | Exchange differences on conversion of foreign operations | | | | | | |
| Balance as of April 1, 2021 | ¥ 89,699 | ¥ 26,882 | ¥ 854,538 | ¥ (8,334) | ¥ 90,590 | ¥ - | ¥ (2,866) | ¥ (31,279) | ¥ 56,445 | ¥ - | ¥ 1,019,230 | ¥ 462,889 | ¥ 1,482,119 | |
| Net income | - | - | 162,130 | - | - | - | - | - | - | - | 162,130 | 24,307 | 186,437 | |
| Other comprehensive income | - | - | - | - | (26,231) | 7,129 | (5,869) | 92,606 | 67,635 | - | 67,635 | 795 | 68,430 | |
| Total comprehensive income | - | - | 162,130 | - | (26,231) | 7,129 | (5,869) | 92,606 | 67,635 | - | 229,765 | 25,102 | 254,867 | |
| Issuance of new shares | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Purchase of treasury shares | - | - | - | (9) | - | - | - | - | - | - | (9) | - | (9) | |
| Disposal of treasury shares | - | 0 | - | 0 | - | - | - | - | - | - | 0 | - | 0 | |
| Dividends | - | - | (31,065) | - | - | - | - | - | - | - | (31,065) | (11,192) | (42,257) | |
| Changes resulting from additions to consolidation | - | - | (22) | - | (5) | - | - | - | (5) | - | (27) | (25) | (52) | |
| Changes resulting from loss of control of subsidiaries | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Change in interest due to transactions with non-controlling interests | - | 207 | - | - | - | - | - | - | - | - | 207 | 7,102 | 7,309 | |
| Transfer from other components of equity to retained earnings | - | - | (11,199) | - | 18,328 | (7,129) | - | - | 11,199 | - | - | - | - | |
| Others, net | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Transfers to other comprehensive income associated with assets held for sale | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Transfer of negative balance of other capital surplus | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total transactions with owners | - | 207 | (42,286) | (9) | 18,323 | (7,129) | - | - | 11,194 | - | (30,894) | (4,115) | (35,009) | |
| Balance as of March 31, 2022 | ¥ 89,699 | ¥ 27,089 | ¥ 974,382 | ¥ (8,343) | ¥ 82,682 | ¥ - | ¥ (8,735) | ¥ 61,327 | ¥ 135,274 | ¥ - | ¥ 1,218,101 | ¥ 483,876 | ¥ 1,701,977 | |

Consolidated Statement of Cash Flows

Years ended March 31, 2023 and 2022

Millions of yen

| | FY2022 | FY2021 |
|--|-----------|-----------|
| Cash flows from operating activities: | | |
| Income before taxes | ¥ 231 | ¥ 251,136 |
| Depreciation and amortization | 167,957 | 156,667 |
| Impairment losses | 109,417 | 8,111 |
| Share of (profit) loss of investments accounted for using the equity method | 6,797 | (42,180) |
| Interest and dividend income | (18,730) | (9,976) |
| Interest expenses | 22,468 | 16,111 |
| Restructuring costs | 22,021 | 10,572 |
| Changes in fair value of contingent consideration | (3,388) | (3,282) |
| (Gain) loss on sale of property, plant and equipment | (5,226) | (718) |
| (Increase) decrease in trade receivables | 134,499 | (19,465) |
| (Increase) decrease in inventories | (79,887) | (98,247) |
| Increase (decrease) in trade payables | (63,628) | (39,188) |
| Increase (decrease) in unearned revenue | (13,717) | 565 |
| Increase (decrease) in provisions | (13,373) | 15,559 |
| Others, net | (88,340) | (9,620) |
| Subtotal | 177,101 | 236,045 |
| Interest and dividends received | 25,265 | 22,258 |
| Interest paid | (21,768) | (15,404) |
| Income taxes paid | (65,529) | (68,323) |
| Restructuring costs paid | (3,448) | (2,861) |
| Net cash provided by operating activities | 111,621 | 171,715 |
| Cash flows from investing activities: | | |
| Net (increase) decrease in securities | 6,546 | (7,529) |
| Purchase of property, plant and equipment, and intangible assets | (143,581) | (107,467) |
| Proceeds from sale of property, plant and equipment, and intangible assets | 18,231 | 2,537 |
| Purchase of investments in subsidiaries | (17,174) | — |
| Purchase of other financial assets | (7,692) | (15,768) |
| Proceeds from sales and redemption of other financial assets | 42,974 | 16,540 |
| Proceeds from collection of loan receivables | 63,199 | 1,296 |
| Proceeds from sale of subsidiaries | 30,092 | 153 |
| Others, net | (12,006) | (5,183) |
| Net cash used in investing activities | (19,411) | (115,421) |
| Cash flows from financing activities: | | |
| Net increase (decrease) in short-term borrowings | 100,959 | (3,158) |
| Net increase (decrease) in commercial paper | 35,000 | 10,000 |
| Proceeds from long-term borrowings | 66,141 | 46,154 |
| Repayments of long-term borrowings | (109,130) | (77,132) |
| Proceeds from issuance of bonds | — | 34,808 |
| Redemption of bonds | — | (34,259) |
| Repayments of finance lease liabilities | (16,668) | (15,984) |
| Cash dividends paid | (42,484) | (31,068) |
| Cash dividends paid to non-controlling interests | (13,982) | (11,195) |
| Payments for acquisition of subsidiaries' interests from non-controlling interests | (199,073) | (3,999) |
| Others, net | 735 | 4,439 |
| Net cash provided by (used in) financing activities | (178,502) | (81,394) |
| Effect of exchange rate changes on cash and cash equivalents | 27,842 | 29,611 |
| Net increase (decrease) in cash and cash equivalents | (58,450) | 4,511 |
| Cash and cash equivalents at the beginning of the year | 365,429 | 360,918 |
| Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale | (1,135) | — |
| Cash and cash equivalents at the end of the year | ¥ 305,844 | ¥ 365,429 |