

Consolidated Financial Results

Second Quarter, 2023



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August 8, 2023

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- 2023 1H sales figures were 616.1 billion yen, a 39.9 billion yen decrease from 2022 1H
 - Semiconductor & Electronic Materials segment impacted from correction in semiconductor manufacturing and slowdown in data center demand
 - Chemicals segment, which had a scheduled shutdown of olefins & derivatives last year, saw an increase in sales
- 2023 1H operating income was 13.2 billion yen in loss, a 51.1 billion yen decrease from 2022 1H
 - Main reasons for the income drop are decreased sales in Semiconductor & Electronic Materials segment and the inventory valuation difference in Chemicals segment
 - In comparison with the earlier forecast, operating loss in 2023 1H was reduced by 6.8 billion yen, driven by the recovery in semiconductor back-end materials

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- For 2023 full-year forecast, sales figures expect to shrink to 1,270 billion yen, a 70 billion yen decrease compared to the earlier forecast, as lower oil price decreases Chemical segment sales
 - As for operating income, expected full-year figures are 20 billion yen in loss, unchanged from the earlier forecast; while there are changes in segment breakdown
- 2023 dividend payout expects to be 65 yen per share

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1. Consolidated Financial Statements for 2023 1H
2. 2023 Full-year Performance Forecast

Summary (2022 1H vs. 2023 1H)

(Unit: Billions of Yen)

	2022 1H*1	2023 1H	Increase/ Decrease
Net sales	656.0	616.1	(39.9)
Operating income	38.0	(13.2)	(51.1)
Non-operating income and expenses, net	9.8	1.8	(7.9)
Ordinary income	47.7	(11.4)	(59.1)
Extraordinary profit/loss	(2.8)	(3.6)	(0.9)
Income before income taxes	44.9	(15.0)	(59.9)
Net Income	38.4	(18.7)	(57.0)
Net income attributable to owners of the parent	32.6	(19.8)	(52.4)
EBITDA*3	91.5	41.0	(50.4)
EBITDA margin%	13.9%	6.7%	(7.3p)

Reference

Based on ongoing businesses *2
(Unit: Billions of Yen)

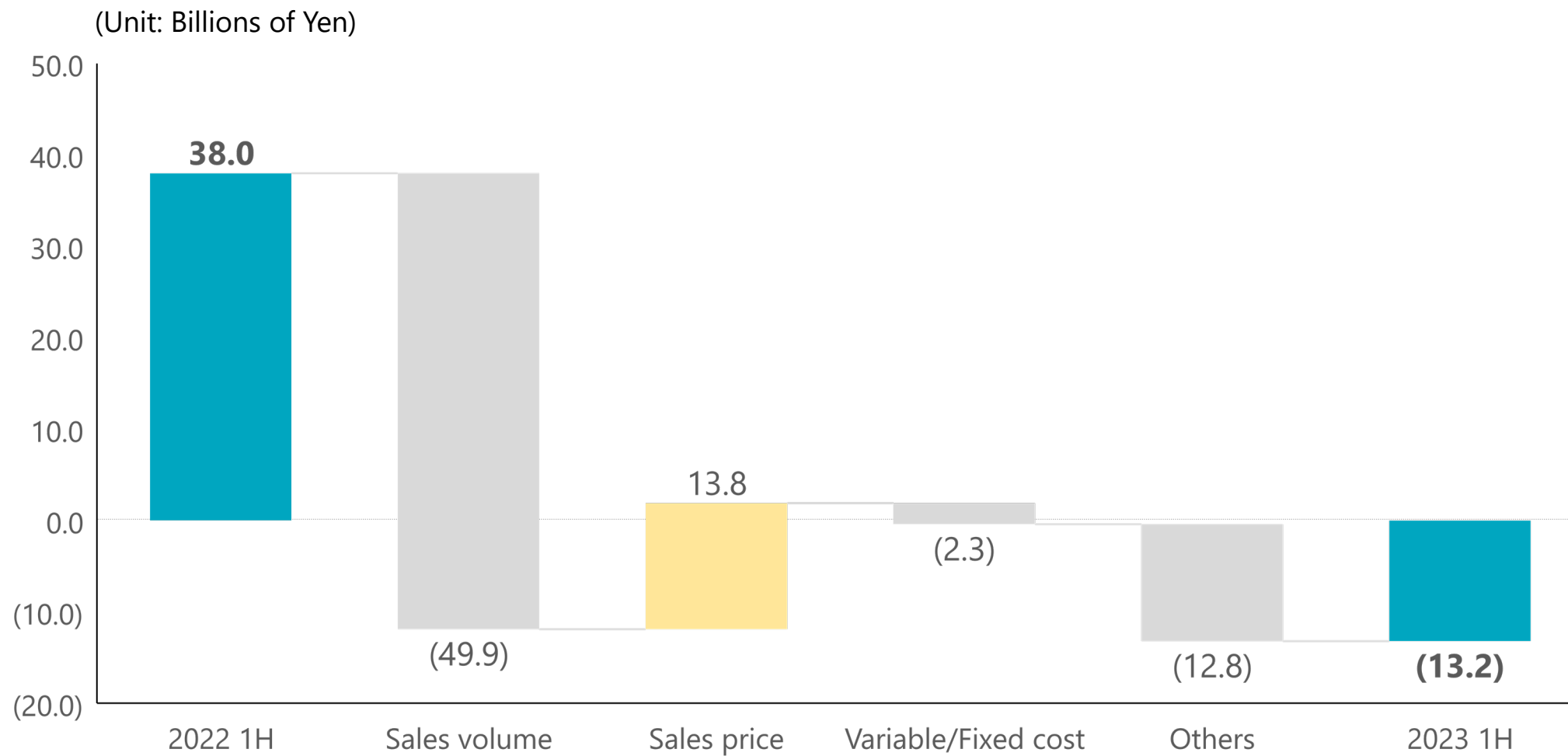
	2022 1H	2023 1H	Increase/ Decrease
Net sales	649.4	616.1	(33.3)
Operating income	38.0	(13.2)	(51.2)
EBITDA	91.5	41.0	(50.5)
EBITDA margin%	14.1%	6.7%	(7.4p)

*1 Change in accounting policy applied retroactively to 2022 figures; same for other pages

*2 Unaudited figures for reference purposes. Excluding results of businesses divested during 2022: ISOLITE GmbH

*3 EBITDA=Operating income + Depreciation + Amortization of goodwill

Breakdown of Operating Income Changes (2022 1H vs. 2023 1H)



Sales, Operating Income and EBITDA: Segment Breakdown (2022 1H vs. 2023 1H)

(Unit: Billions of Yen)

Segment		2022 1H	2023 1H	Increase/ Decrease	
Semiconductor and Electronic Materials	Sales	220.4	153.4	(67.0)	(30%)
	Operating Income	27.3	(13.1)	(40.4)	-
	EBITDA	52.1	13.3	(38.9)	(75%)
Mobility	Sales	86.7	85.6	(1.1)	(1%)
	Operating Income	(0.9)	(0.8)	0.2	-
	EBITDA	8.5	8.4	(0.1)	(1%)
Innovation Enabling Materials	Sales	70.0	61.9	(8.1)	(12%)
	Operating Income	5.5	4.3	(1.2)	(22%)
	EBITDA	9.7	8.6	(1.2)	(12%)
Chemicals	Sales	224.5	254.9	30.4	14%
	Operating Income	13.1	4.8	(8.3)	(64%)
	EBITDA	21.5	13.4	(8.2)	(38%)
Others/ Adjustments	Sales	54.5	60.3	5.8	11%
	Operating Income	(7.0)	(8.3)	(1.3)	-
	EBITDA	(0.4)	(2.6)	(2.2)	-
Total	Sales	656.0	616.1	(39.9)	(6%)
	Operating Income	38.0	(13.2)	(51.1)	-
	EBITDA	91.5	41.0	(50.4)	(55%)

Segment Summary (2022 1H vs. 2023 1H)

Semiconductor and Electronic Materials

(Unit: Billions of Yen)

	2022 1H	2023 1H	Increase/ Decrease		Performance Overview
Sales	220.4	153.4	(67.0)	(30%)	Sales dropped significantly as weakened demand, began 2nd half of the previous year, lingered on. Decreased sales, combined with inventory write-downs and loss of disposal of inventories in HD media business, resulted in an operating loss. - Front-end Semiconductor Materials: As the trend of production adjustment affected front-end this year, sales of both high-purity gases for electronics and CMP slurry decreased. - Back-end Semiconductor Materials: All major products saw decreases in sales as production adjustment continued in back-end semiconductors. - Device Solutions: HD media sales decreased significantly due to continued weak demand from data centers while sales of SiC epitaxial wafers increased due to higher shipment volumes.
Front-end Semiconductor Materials	47.9	39.5	(8.3)	(17%)	
Back-end Semiconductor Materials	98.1	72.7	(25.4)	(26%)	
Device Solutions	57.0	25.8	(31.2)	(55%)	
Others	17.4	15.4	(2.0)	(12%)	
Operating Income	27.3	(13.1)	(40.4)	-	
EBITDA	52.1	13.3	(38.9)	(75%)	
EBITDA margin%	23.6%	8.6%	(15.0p)	-	

Main Products

- Front-end Semiconductor Materials: High-purity gases for electronics, CMP slurry
- Back-end Semiconductor Materials: Epoxy molding compounds, Die bonding materials, Copper clad laminates, Photosensitive dry films, Photosensitive solder resists
- Device Solutions: HD media, SiC epitaxial wafers, Compound semiconductors

Segment Summary (2022 1H vs. 2023 1H)

Mobility

RESONAC

(Unit: Billions of Yen)

	2022 1H*	2023 1H	Increase/ Decrease		Performance Overview
Sales	86.7	85.6	(1.1)	(1%)	Automotive Products saw an increase in sales as products for new model vehicles have launched, while sales of Lithium-ion Battery Materials decreased as some products faced weak consumer demand.
Automotive Products	69.3	70.8	1.5	2%	
Lithium-ion Battery Materials	16.6	14.7	(2.0)	(12%)	
Others	0.8	0.2	(0.6)	(72%)	
Operating Income	(0.9)	(0.8)	0.2	-	- Automotive Products: Product launch for new model vehicles and recovery of automobile production in North American region enabled increased sales in every major product category. - Lithium-ion Battery Materials: Sales of Carbon nanofiber additives for cathodes and anodes of LIBs and anodes materials increased, while sales of aluminum laminate film (SPALF) decreased due to weak consumer demand.
EBITDA	8.5	8.4	(0.1)	(1%)	
EBITDA margin%	9.8%	9.8%	0.1p	-	

*Includes ISOLITE GmbH, a business divested during 2022

Main Products

- Automotive Products: Plastic molded products, Friction materials, Powder metal products
- Lithium-ion Battery Materials: Aluminum laminate film (SPALF), Carbon nanofiber additives for cathodes and anodes of LIBs, Anode materials

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(Unit: Billions of Yen)

	2022 1H	2023 1H	Increase/ Decrease		Performance Overview
Sales	70.0	61.9	(8.1)	(12%)	Both sales and operating income decreased as sales volume went down, despite raised sales price reflecting the increase of material cost.
Operating Income	5.5	4.3	(1.2)	(22%)	
EBITDA	9.7	8.6	(1.2)	(12%)	
EBITDA margin%	13.9%	13.8%	(0.1p)	-	

Main Products

- Functional resins, Functional chemicals, Coating materials, Ceramics, Aluminum specialty components

(Unit: Billions of Yen)

	2022 1H	2023 1H	Increase/ Decrease		Performance Overview
Sales	224.5	254.9	30.4	14%	- Olefins & Derivatives: Although sales increased significantly due to the absence of 4-year cycle large scale shutdown took place last year, operating income decreased due to the negative impact of the inventory valuation difference. - Basic Chemicals: Both sales and operating income increased as a result of progress in passing on higher raw material and fuel prices. - Graphite Electrodes: Despite decreased shipment volume, sales increased due to higher sales price reflecting increased cost. Operating income decreased due to the negative impact of the inventory valuation difference.
Olefins & Derivatives	132.5	153.5	21.0	16%	
Basic Chemicals	37.2	40.7	3.4	9%	
Graphite Electrodes	54.6	59.9	5.3	10%	
Others	0.1	0.8	0.7	593%	
Operating Income	13.1	4.8	(8.3)	(64%)	
EBITDA	21.5	13.4	(8.2)	(38%)	
EBITDA margin%	9.6%	5.2%	(4.3p)	-	

Main Products

- Olefins & Derivatives: Olefins, Organic chemicals

Non-operating Income/Expenses

(Unit: Billions of Yen)

	2022 1H	2023 1H	Increase/ Decrease
Interest/Dividends income and expenses	(3.3)	(5.6)	(2.3)
Equity in earnings of affiliates	2.3	1.9	(0.4)
Foreign exchange gains	12.5	7.2	(5.3)
Other	(1.7)	(1.7)	0.0
Net	9.8	1.8	(7.9)

Extraordinary Profit/Loss

(Unit: Billions of Yen)

	2022 1H	2023 1H	Increase/ Decrease
Gains on sale of noncurrent assets	0.3	1.5	1.2
Losses on sale and retirement of noncurrent assets	(1.8)	(2.2)	(0.3)
Impairment losses	(0.2)	(3.0)	(2.8)
Other	(1.1)	0.0	1.1
Net	(2.8)	(3.6)	(0.9)

Consolidated Balance Sheet

(Unit: Billions of Yen)

Assets	Dec. 31, 2022* ¹	Jun. 30, 2023	Increase/ Decrease	Liabilities and net assets	Dec. 31, 2022* ¹	Jun. 30, 2023	Increase/ Decrease
Cash and deposits	187.3	176.8	(10.5)	Notes and accounts payable	194.1	171.4	(22.7)
Notes and accounts receivable	265.3	251.9	(13.4)	Interest-bearing debt	1,062.6	1,055.2	(7.4)
Inventories	250.5	249.0	(1.4)	Other liabilities	262.3	244.5	(17.8)
Other current assets	84.0	61.4	(22.6)	Total liabilities	1,519.0	1,471.1	(47.9)
Total current assets	787.0	739.2	(47.9)	Total shareholders' equity	444.6	412.7	(31.9)
Total tangible fixed assets	678.1	693.4	15.3	incl. Retained earnings	165.9	134.0	(31.9)
Total intangible fixed assets	493.7	479.6	(14.0)	Total accumulated other comprehensive income	105.7	136.0	30.2
incl. Goodwill	295.4	287.3	(8.1)	incl. Valuation difference on available-for-sale securities	0.4	0.2	(0.1)
incl. Other intangible fixed assets	198.3	192.3	(6.0)	incl. Foreign currency translation adjustment	72.0	103.9	31.9
Investments and other assets	135.0	133.2	(1.7)	Non-controlling interests	24.4	25.7	1.3
Total fixed assets	1,306.7	1,306.2	(0.5)	Total net assets	574.7	574.3	(0.4)
Total assets	2,093.7	2,045.4	(48.3)	Total liabilities and net assets	2,093.7	2,045.4	(48.3)

Major Indicators

Adjusted net D/E ratio* ² (Times)	1.07	1.08	0.01	Equity ratio* ³ (%)	26.3	26.8	0.5p
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*1 Change in accounting policy applied retroactively to 2022 figures; same for other pages

*2 {(Loans payable + Commercial papers + Bonds payable + Lease liabilities) - Cash and deposits - 50% of subordinated loan} / (Total shareholders' equity + 50% of subordinated loan); evaluates 50% of subordinated loan as equity capital, based on the credit rating given by Japan Credit Rating Agency, Ltd. on April 27, 2020

*3 (Total net assets - Non-controlling interests) / Total liabilities and net assets) x 100

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1. Consolidated Financial Statements for 2023 1H
2. 2023 Full-year Performance Forecast

2023 Consolidated Forecast

(Unit: Billions of Yen except Cash dividends per Share and Net income per Share)

	2022 Full-year Results* ¹	2023 Full-year Forecast* ²	Increase/ Decrease	2023		2023 Earlier Forecast* ³
				1H Results	2H Forecast* ²	
Net sales	1,392.6	1,270.0	(122.6)	616.1	653.9	1,340.0
Operating income	61.7	(20.0)	(81.7)	(13.2)	(6.8)	(20.0)
Non-operating income and expenses, net	(0.0)	(6.0)	(6.0)	1.8	(7.8)	(11.0)
Ordinary income	61.7	(26.0)	(87.7)	(11.4)	(14.6)	(31.0)
Extraordinary profit/loss	(10.8)	(10.0)	0.8	(3.6)	(6.4)	(17.0)
Income before income taxes	50.9	(36.0)	(86.9)	(15.0)	(21.0)	(48.0)
Net Income	39.7	(35.0)	(74.7)	(18.7)	(16.3)	(43.0)
Net income attributable to owners of the parent	32.4	(37.0)	(69.4)	(19.8)	(17.2)	(46.0)
EBITDA* ⁴	170.5	88.2	(82.3)			
EBITDA margin%	12.2%	6.9%	(5.3p)			
ROIC* ⁵	3.3%	(1.1%)	(4.4p)			
Net income attributable to owners of the parent per share	¥179.02	(¥204.27)	(¥383.30)			
Cash dividends per share	¥65	¥65	-			

*1 Change in accounting policy applied retroactively to 2022 figures; same for other pages

*2 Released Aug. 8, 2023

*3 Released May 15, 2023

*4 EBITDA=Operating income + Depreciation + Amortization of goodwill

*5 ROIC=(Operating income +Equity in earnings of affiliates - Income taxes) / (Interest bearing debt + Total net assets)

Sales and Operating Income 2023: Segment Breakdown (Consolidated)

(Unit: Billions of Yen)

Segment		2023 Forecast*					2022 Results			
		1Q Results	2Q Results	1H Results	2H Forecast	Full-year Forecast	2H Results	Increase/Decrease	Full-year Results	Increase/Decrease
Semiconductor and Electronic Materials	Sales	69.4	84.0	153.4	171.6	325.0	206.8	(35.2)	427.2	(102.2)
	Operating Income	(10.4)	(2.7)	(13.1)	(6.9)	(20.0)	18.2	(25.1)	45.5	(65.5)
Mobility	Sales	42.5	43.1	85.6	94.4	180.0	93.9	0.4	180.6	(0.6)
	Operating Income	(0.5)	(0.3)	(0.8)	(0.2)	(1.0)	0.2	(0.4)	(0.7)	(0.3)
Innovation Enabling Materials	Sales	30.0	31.9	61.9	68.1	130.0	71.1	(3.0)	141.1	(11.1)
	Operating Income	2.0	2.3	4.3	4.7	9.0	4.6	0.1	10.1	(1.1)
Chemicals	Sales	127.1	127.8	254.9	260.1	515.0	303.3	(43.2)	527.8	(12.8)
	Operating Income	3.9	0.9	4.8	9.2	14.0	11.8	(2.6)	24.9	(10.9)
Others/ Adjustments	Sales	29.9	30.4	60.3	59.7	120.0	61.5	(1.8)	115.9	4.1
	Operating Income	(4.3)	(4.1)	(8.3)	(13.7)	(22.0)	(11.1)	(2.6)	(18.1)	(3.9)
Total	Sales	298.9	317.2	616.1	653.9	1,270.0	736.6	(82.7)	1,392.6	(122.6)
	Operating Income	(9.2)	(4.0)	(13.2)	(6.8)	(20.0)	23.8	(30.6)	61.7	(81.7)

*Released Aug. 8, 2023

Sales and Operating Income 2023: Segment Breakdown (Consolidated)

(Unit: Billions of Yen)

Segment		2023 Forecast* ¹			2023 Earlier Forecast* ²					
		1H Results	2H Forecast	Full-year Forecast	1H Forecast	Increase/Decrease	2H Forecast	Increase/Decrease	Full-year Forecast	Increase/Decrease
Semiconductor and Electronic Materials	Sales	153.4	171.6	325.0	150.0	3.4	200.0	(28.4)	350.0	(25.0)
	Operating Income	(13.1)	(6.9)	(20.0)	(20.0)	6.9	(2.0)	(4.9)	(22.0)	2.0
Mobility	Sales	85.6	94.4	180.0	90.0	(4.4)	90.0	4.4	180.0	-
	Operating Income	(0.8)	(0.2)	(1.0)	(1.5)	0.7	(1.0)	0.8	(2.5)	1.5
Innovation Enabling Materials	Sales	61.9	68.1	130.0	70.0	(8.1)	70.0	(1.9)	140.0	(10.0)
	Operating Income	4.3	4.7	9.0	4.0	0.3	4.0	0.7	8.0	1.0
Chemicals	Sales	254.9	260.1	515.0	270.0	(15.1)	280.0	(19.9)	550.0	(35.0)
	Operating Income	4.8	9.2	14.0	8.0	(3.2)	11.0	(1.8)	19.0	(5.0)
Others/ Adjustments	Sales	60.3	59.7	120.0	60.0	0.3	60.0	(0.3)	120.0	-
	Operating Income	(8.3)	(13.7)	(22.0)	(10.5)	2.2	(12.0)	(1.7)	(22.5)	0.5
Total	Sales	616.1	653.9	1,270.0	640.0	(23.9)	700.0	(46.1)	1,340.0	(70.0)
	Operating Income	(13.2)	(6.8)	(20.0)	(20.0)	6.8	0.0	(6.8)	(20.0)	-

*1 Released Aug. 8, 2023, *2 Released May 15, 2023

For Mobility business, overall plan and timeframe strategized

Mobility

1. Business portfolio assessed by the designated team

- ▶ Clarified its portfolio position for each products, defining where to focus to improve profitability

2. Base/Plant consolidation

- ▶ Close & integrate a plastic molded products plant in Kansai region to lower fixed cost and reduce assets; possible consolidation of overseas production bases under consideration

3. Price increase/Exit unprofitable product/customer

- ▶ Specified 47 loss-making products to particularly concentrate on. Negotiate with customers for price increase or exit during 2023, determined to improve profitability as of 2024

Structural reforms underway to drastically improve profitability

HD Media

- Production capacity/workforce optimization
 - ▶ In addition to the 20% cut in production capacity by the end of the year, additional measures in case of further demand decrease under consideration
- Disposal of piled-up inventories
 - ▶ Got rid of piled-up inventories by disposing up to 4 billion yen in 1H

Company-wide

Getting rid of products making losses

- Profit improvement actions on combinations of a product and a customer (mainly domestic) making losses
 - ▶ Progress by the end of 2023 2Q for listed combinations*

Actions Underway	28% (of which 79% planned to be done by the end of 2023)
Actions Taken	52%

*Petrochemical business not counted in figures to rule out the market price fluctuations; Mobility and HD Media also not included as they require individual focus

Appendix

Consolidated Companies

Consolidated subsidiaries: 104 (-4 from Dec. 31, 2022)

-3: Integration of regional HQs

-1: Absorption and merger of HC Holdings K.K., an SPC to acquire former Hitachi Chemical

Equity method applied: 12 (-1 from Dec. 31, 2022)

Key Outside Factors

(Average)

Items	2022		2023		
	1H Results	Full-year Results	1H Results	2H Forecast	Full-year Forecast
Exchange rates					
(¥/US\$)	122.9	131.4	134.9	135.0	135.0
	<i>At Jun. 30, 2022:</i> 136.7	<i>At Dec. 31, 2022:</i> 132.7	<i>At Jun. 30, 2023:</i> 145.0		
(¥/€)	134.3	138.0	145.8	140.0	142.9
Domestic naphtha price (¥/KL)	75,350	76,150	67,000	64,000	65,500

(Unit: Billions of Yen)

	2022 1H Results [*]	2023 1H Results	Increase/ Decrease	2022 Full-year Results [*]	2023 Full-year Forecast	Increase/ Decrease
CF from operating activities	21.6	48.1	26.5	99.8	93.0	(6.8)
CF from investing activities	(36.6)	(45.1)	(8.5)	(54.7)	(101.0)	(46.3)
Free CF	(15.1)	2.9	18.0	45.1	(8.0)	(53.1)
CF from financing activities	(17.9)	(23.5)	(5.6)	(103.3)	(14.0)	89.3
Others	20.2	10.0	(10.2)	10.0	(10.0)	(20.0)
Increase/decrease of cash and cash equivalents	(12.8)	(10.6)	2.2	(48.1)	(32.0)	16.1

* Change in accounting policy applied retroactively to 2022 figures; same for other pages

(Unit: Billions of Yen)

Segment	2022 1H Results [*]	2023 1H Results	Increase/ Decrease	2022 Full-year Results [*]	2023 Full-year Forecast	Increase/ Decrease
Semiconductor and Electronic Materials	23.1	18.9	(4.2)	44.3	50.1	5.8
Mobility	4.1	4.2	0.0	8.9	12.1	3.2
Innovation Enabling Materials	3.4	2.6	(0.8)	7.6	7.9	0.4
Chemicals	9.6	8.0	(1.5)	19.5	18.2	(1.3)
Others	12.2	5.3	(6.8)	26.8	19.6	(7.2)
Total	52.4	39.1	(13.3)	107.1	107.9	0.9

^{*} Change in accounting policy applied retroactively to 2022 figures; same for other pages

(Unit: Billions of Yen)

	2022 1H Results* ¹	2023 1H Results	Increase/ Decrease	2022 Full-year Results* ¹	2023 Full-year Forecast	Increase/ Decrease
Capital expenditures	52.4	39.1	(13.3)	107.1	107.9	0.9
Depreciation and amortization (excluding PPA & goodwill amortization)	37.2	37.8	0.6	76.1	75.3	(0.8)
PPA amortization	7.9	7.9	0.0	15.9	15.9	0.0
Goodwill amortization	8.4	8.4	0.0	16.8	17.0	0.2
R&D expenditures	22.9	20.9	(2.0)	47.1	44.2	(2.9)
Interest/dividend income less interest expenses	(3.3)	(5.6)	(2.3)	(13.9)	(11.8)	2.1
Preferred stock dividends	(5.4)	-	5.4	(5.4)	-	5.4
Adjusted net D/E ratio* ² (Times)	1.07	1.08	0.01	1.07	1.25	0.18

*1 Change in accounting policy applied retroactively to 2022 figures; same for other pages

*2 {(Loans payable + Commercial papers + Bonds payable + Lease liabilities) - Cash and deposits - 50% of subordinated loan} / (Total shareholders' equity + 50% of subordinated loan); evaluates 50% of subordinated loan as equity capital, based on the credit rating given by Japan Credit Rating Agency, Ltd. on April 27, 2020

(Unit: Billions of Yen)

Segment		2022 1H Results* ¹	2023 1H Results	Increase/ Decrease	2022 Full-year Results* ¹	2023 Full-year Forecast	Increase/ Decrease
Semiconductor and Electronic Materials	Depreciation (excl. PPA)	12.0	13.5	1.6	24.9	27.8	2.9
	PPA depreciation	6.2	6.2	-	12.4	12.4	(0.0)
	Goodwill amortization	6.6	6.6	-	13.3	13.3	0.0
Mobility	Depreciation (excl. PPA)	7.3	7.1	(0.2)	15.0	13.5	(1.5)
	PPA depreciation	1.1	1.1	-	2.1	2.1	0.0
	Goodwill amortization	1.1	1.1	-	2.1	2.1	(0.0)
Innovation Enabling Materials	Depreciation (excl. PPA)	3.4	3.4	(0.0)	6.9	6.5	(0.4)
	PPA depreciation	0.4	0.5	0.0	0.9	0.9	0.0
	Goodwill amortization	0.4	0.4	0.0	0.8	0.8	0.0
Chemicals	Depreciation (excl. PPA)	8.3	8.4	0.2	17.0	16.6	(0.4)
	PPA depreciation	0.1	0.1	0.0	0.3	0.3	0.0
	Goodwill amortization	0.0	0.0	0.0	0.0	0.2	0.2
Others	Depreciation (excl. PPA)	6.2	5.4	(0.9)	12.3	10.8	(1.5)
	PPA depreciation	0.1	0.1	-	0.2	0.2	0.0
	Goodwill amortization	0.3	0.3	0.0	0.6	0.6	0.0
Based on ongoing businesses* ² Total	Depreciation (excl. PPA)	37.2	37.8	0.6	76.1	75.3	(0.8)
	PPA depreciation	7.9	7.9	0.0	15.9	15.9	0.0
	Goodwill amortization	8.4	8.4	0.0	16.8	17.0	0.2
Discontinued businesses	Depreciation (excl. PPA)	-	-	-	-	-	-
	PPA depreciation	-	-	-	-	-	-
	Goodwill amortization	-	-	-	-	-	-
Total	Depreciation (excl. PPA)	37.2	37.8	0.6	76.1	75.3	(0.8)
	PPA depreciation	7.9	7.9	0.0	15.9	15.9	0.0
	Goodwill amortization	8.4	8.4	0.0	16.8	17.0	0.2

*1 Change in accounting policy applied retroactively to 2022 figures; same for other pages

*2 Unaudited figures for reference purposes. Excluding results of businesses divested during 2022: ISOLITE GmbH

(Unit: Billions of Yen)

	2023 1Q	2023 2Q	Increase/ Decrease
Net sales	298.9	317.2	18.3
Operating income	(9.2)	(4.0)	5.2
Non-operating income and expenses, net	(1.7)	3.5	5.2
Ordinary income	(10.9)	(0.4)	10.5
Extraordinary profit/loss	(3.8)	0.2	4.0
Income before income taxes	(14.7)	(0.2)	14.5
Net Income	(11.2)	(7.4)	3.8
Net income attributable to owners of the parent	(12.3)	(7.6)	4.7
EBITDA (Operating income + Depreciation + Amortization of goodwill, etc.)	17.9	23.2	5.3
EBITDA margin%	6.0%	7.3%	1.3p

Sales and Operating Income 2022: Segment Breakdown (Consolidated)

(Unit: Billions of Yen)

Segment		2022 ^{*1}				
		1Q	2Q	3Q	4Q	Full Year
Semiconductor and Electronic Materials	Sales	107.3	113.0	112.0	94.8	427.2
	Operating Income	13.2	14.1	13.2	5.0	45.5
Mobility	Sales	41.2	38.9	45.0	45.7	170.8
	Operating Income	0.3	(1.2)	0.1	0.7	(0.1)
Innovation Enabling Materials	Sales	34.3	35.7	35.6	35.5	141.1
	Operating Income	2.9	2.6	2.1	2.5	10.1
Chemicals	Sales	95.1	129.5	152.5	150.8	527.8
	Operating Income	2.2	10.9	6.2	5.6	24.9
Others/ Adjustments	Sales	26.9	27.6	29.9	31.5	115.9
	Operating Income	(3.0)	(4.0)	(4.2)	(6.8)	(18.1)
Based on ongoing businesses ^{*2} Total	Sales	304.8	344.6	374.9	358.5	1,382.8
	Operating Income	15.6	22.4	17.4	7.0	62.4
Discontinued businesses	Sales	3.2	3.4	3.2	0.0	9.8
	Operating Income	0.2	(0.2)	(0.6)	0.0	(0.7)
Total	Sales	308.0	348.0	378.1	358.5	1,392.6
	Operating Income	15.8	22.2	16.8	7.0	61.7

*1 Change in accounting policy applied retroactively to 2022 figures; same for other pages

*2 Unaudited figures for reference purposes. Excluding results of businesses divested during 2022: ISOLITE GmbH

Segment	Topics
General	Resonac Group to Integrate and Relocate Head Offices
Semiconductor and Electronic Materials	Resonac Increases Production Capacity for Adhesive Film for Semiconductor Packaging by 60%
	"JOINT2" Consortium Enhances Its Proposal Capability for the Development of Next-Generation Semiconductor Packaging Technologies With joining of ORC Manufacturing, a manufacturer of lithography equipment, JOINT2 reinforces leading-edge semiconductor manufacturing technologies for back-end processes
Mobility	TOYOTA Adopts Resonac's Foamed Moldings for Use as Exterior Parts of "LEXUS RZ"
Chemical	Resonac Acquires 100% Shares in AMI Automation
	Resonac Increases Production Capacity for Sodium Hypochlorite, an Essential Substance for Water Supply

News Release

Please refer to our news releases for details

<https://www.resonac.com/news>

Note

Performance forecast and other statements pertaining to the future as contained in this presentation are based on the information available as of today and assumptions as of today regarding risk factors that could affect our future performance. Actual results may differ materially from the forecast due to a variety of risk factors, including, but not limited to, the international situation, costs of naphtha and other raw materials, demand or market conditions for our products such as graphite electrodes and other commodities and foreign exchange rates. We undertake no obligation to update the forward-looking statements unless required by law.