Fiscal 2024 1st Quarter
Financial Results

Supplementary Financial Summary

July 31, 2024

Asahi Kasei Corporation

AsahiKASEI

Creating for Tomorrow

Disclaimer

The forecasts and estimates shown in this document are dependent on a variety of assumptions and economic conditions. Plans and figures depicting the future do not imply a guarantee of actual outcomes.

Focus of Q1 2024 results and H1 2024 forecast

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Q1 2024 results	• **Year-on-year operating income increase in all segments;** significant improvement in Material with recovery of electronics and semiconductor markets and improved petrochemical market prices while Homes and Health Care continued to perform well
H1 2024 forecast and policy	• **Year-on-year operating income increase forecasted in all segments;** improved performance in Material with recovery of electronics and semiconductor markets and improved petrochemical market prices, in addition to firm growth expected in Homes and Health Care • **Upward revision of previous forecast (May 2024);** Material and Health Care forecasted to perform better than expected; full-year forecast to be reviewed at Q2 announcement • Uncertain operating environment outlook continuing; ongoing efforts to enhance earnings structure by appropriate pricing based on feedstock costs, and reduction of manufacturing costs and SG&A expenses • Accelerating studies on structural transformation of petrochemical chain-related businesses centered on Basic Materials and advancing investment in growth businesses with more exacting scrutiny on profitability while reaping the fruits of past investments
Shareholder returns	• FY 2024 interim dividend forecast unchanged at ¥18 per share based on shareholder returns policy
Progress of MTP	• Decision to make tender offer for Calliditas Therapeutics AB, a Swedish pharmaceutical manufacturer • Selected as “DX Stock” for 4th consecutive year in recognition of digital transformation initiatives

1. Consolidated results for Q1 2024

Q1 2024 consolidated financial results

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Consolidated net sales increased year-on-year in all segments; significant improvement in Material with recovery of electronics and semiconductor markets and improved petrochemical market prices, in addition to firm sales in Homes and Health Care, and positive impact of weaker yen

Operating income also increased year-on-year in all segments; significant improvement in Material and firm performance in Homes and Health Care

Net income attributable to owners of the parent increased year-on-year mainly due to higher operating income

		Q1 2023	Q1 2024	Increase (decrease)	% change
Net sales	(¥ billion)	650.7	735.9	85.2	+13.1%
Operating income	(¥ billion)	21.8	49.9	28.1	+128.9%
Operating margin		3.3%	6.8%		
Operating income before goodwill amortization	(¥ billion)	28.8	57.8	29.0	+100.6%
EBITDA	(¥ billion)	65.5	94.1	28.7	+43.8%
EBITDA margin		10.1%	12.8%		
Net income attributable to owners of the parent	(¥ billion)	9.6	34.1	24.5	+255.5%

¥/US$ exchange rate (market average)	137	156
¥/€ exchange rate (market average)	149	168
Naphtha price (¥/kL, domestic)	67,500	79,000

Q1 2024 results by segment

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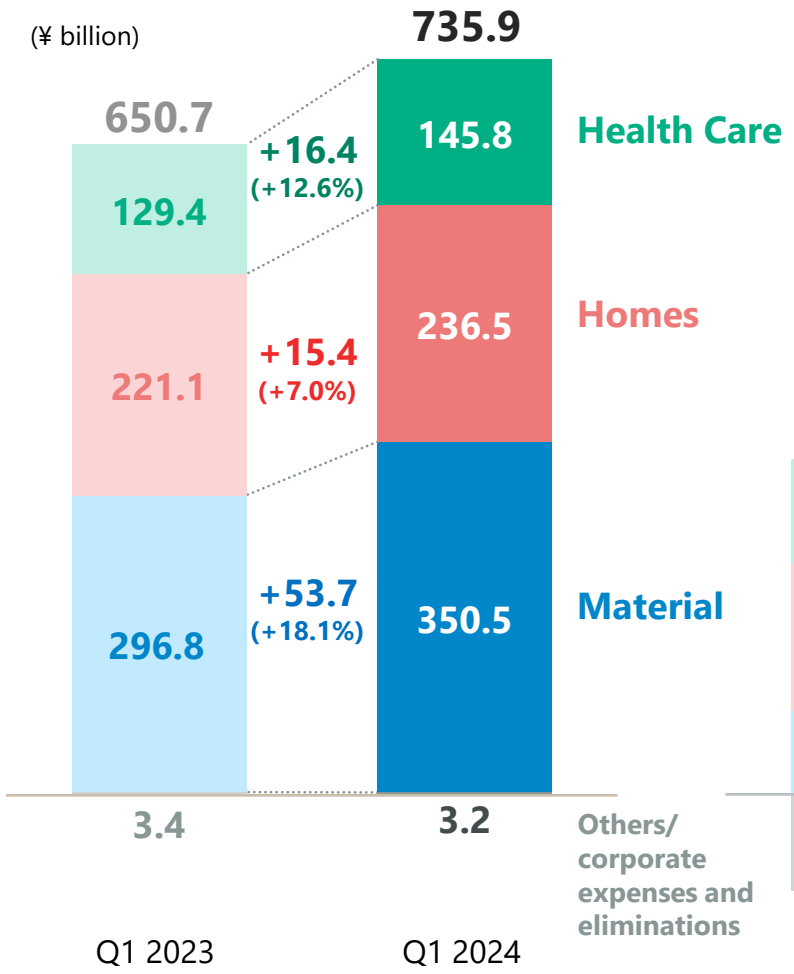
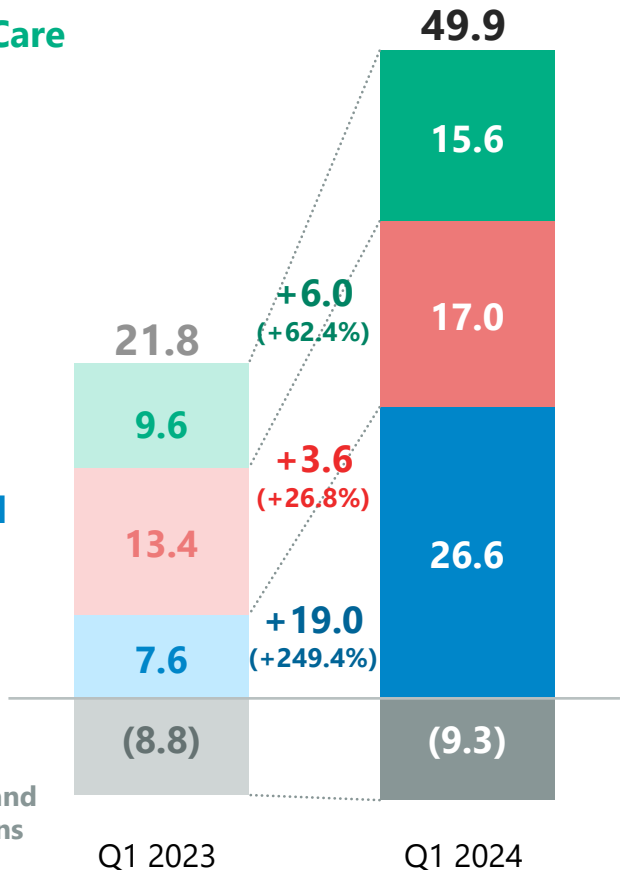
Sales (YoY)

+¥85.2 billion (+13.1%)



Operating income (YoY)

+¥28.1 billion (+128.9%)



Health Care — Sales and operating income increase

- **Health Care business category +¥2.3 billion;** Increased income with growth of mainstay products and, in Medical, positive effect of foreign exchange due to weaker yen
- **Critical Care +¥3.7 billion;** Increased income with higher sales prices for defibrillators, increased shipments of LifeVest, and positive impact of foreign exchange due to weaker yen

Homes — Sales and operating income increase

- **Homes business category +¥3.9 billion;** Lower volume of work in order-built homes, but increased income with expansion of real estate and overseas business

Material — Sales and operating income increase

- **Environmental Solutions +¥10.6 billion;** Increased income with improved terms of trade and positive effect of inventory valuation with higher petrochemical market prices in Basic Materials
- **Mobility & Industrial +¥2.6 billion;** Increased income with higher sales prices for car interior material, and greater shipments and improved terms of trade of engineering plastics
- **Life Innovation +¥7.8 billion;** Increased income with firm performance of mainstay products and improved terms of trade

Statements of income

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Year-on-year variations		
	SG&A	Increased with higher value of overseas expenses due to weaker yen, etc.
	Non-operating income/expenses	Increased with foreign exchange gains on foreign currency denominated deposits and increased interest income due to weaker yen
	Extraordinary income/loss	Worsened with business structure improvement expenses despite gain on sales of strategic shareholdings

(¥ billion)

	Q1 2023		Q1 2024		Increase (decrease)	% change
		% of sales		% of sales		
Net sales	650.7	100.0%	735.9	100.0%	85.2	+13.1%
Cost of sales	464.3	71.3%	504.3	68.5%	40.0	+8.6%
Gross profit	186.4	28.7%	231.6	31.5%	45.2	+24.2%
Selling, general and administrative expenses	164.7	25.3%	181.7	24.7%	17.1	+10.4%
Operating income	21.8	3.3%	49.9	6.8%	28.1	+128.9%
Net non-operating income (expenses)	(0.4)		3.8		4.3	
of which, net equity in earnings (losses) of affiliates	(0.3)		1.0		1.3	
Ordinary income	21.4	3.3%	53.7	7.3%	32.3	+151.3%
Net extraordinary income (loss)	(2.4)		(4.3)		(1.9)	
Income before income taxes	19.0	2.9%	49.4	6.7%	30.4	+160.2%
Income taxes	(8.8)		(14.4)		(5.6)	
Net income attributable to non-controlling interests	(0.6)		(0.9)		(0.3)	
Net income attributable to owners of the parent	9.6	1.5%	34.1	4.6%	24.5	+255.5%

Extraordinary income and loss

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Increased gain on sales of strategic shareholdings, but worsening with business structure improvement expenses for consolidation of production facilities, etc.

(¥ billion)

	Q1 2023	Q1 2024	Increase (decrease)
Gain on sales of investment securities	0.7	5.8	5.1
Gain on sales of noncurrent assets	0.1	0.2	0.1
Insurance income	–	1.2	1.2
Total extraordinary income	0.8	7.3	6.4
Loss on valuation of investment securities	–	0.6	0.6
Loss on disposal of noncurrent assets	1.3	1.6	0.3
Impairment loss	0.0	0.3	0.3
Loss on product compensation	–	1.8	1.8
Business structure improvement expenses	1.9	7.4	5.4
Total extraordinary loss	3.2	11.6	8.4
Net extraordinary income (loss)	(2.4)	(4.3)	(1.9)

Balance sheets

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Total assets	Increased cash and deposits due to firm performance of overseas subsidiaries in addition to increased yen value of assets of overseas subsidiaries due to weaker yen
Liabilities	Increased value of overseas liabilities due to weaker yen in addition to increased interest-bearing debt
Net assets	Increased accumulated other comprehensive income due to weaker yen

(¥ billion)

	At end of Mar. 2024	At end of Jun. 2024	Increase (decrease)
Current assets	1,650.0	1,724.7	74.7
Cash and deposits	338.1	364.1	26.0
Notes, accounts receivable–trade, and contract assets	485.9	503.5	17.5
Inventories	678.8	708.2	29.3
Other current assets	147.2	149.0	1.8
Noncurrent assets	2,012.7	2,082.2	69.5
Property, plant and equipment	853.3	878.7	25.4
Intangible assets	754.7	778.9	24.2
Investments and other assets	404.7	424.6	19.9
Total assets	3,662.7	3,806.9	144.2
Goodwill	360.7	375.6	14.9
Interest-bearing debt[1]	917.0	971.1	54.1
D/E ratio	0.51	0.51	0.00

	At end of Mar. 2024	At end of Jun. 2024	Increase (decrease)
Liabilities	1,814.1	1,860.9	46.8
Current liabilities	914.6	1,021.4	106.9
Notes and accounts payable–trade	213.3	221.2	7.9
Other current liabilities	701.3	800.2	98.9
Noncurrent liabilities	899.5	839.4	(60.1)
Net assets	1,848.6	1,946.0	97.4
Shareholders' equity	1,311.9	1,320.8	8.9
Capital stock	103.4	103.4	–
Capital surplus	80.3	80.4	0.1
Retained earnings	1,135.5	1,144.4	8.8
Treasury stock	(7.3)	(7.3)	(0.0)
Accumulated other comprehensive income	501.5	588.5	87.0
Non-controlling interests	35.2	36.7	1.5
Total liabilities and net assets	3,662.7	3,806.9	144.2

[1] Excluding lease obligations

Cash flows

Operating	Greater cash provided with increased income before income taxes, etc.
Investing	Gain on sales of strategic shareholdings, but greater cash used with advance purchase of shares in Calliditas prior to tender offer
Financing	Less cash provided with decreased amount of fundraising

(¥ billion)

	Q1 2023	Q1 2024	Increase (decrease)
a. Net cash provided by (used in) operating activities	30.2	41.6	11.4
b. Net cash provided by (used in) investing activities	(55.1)	(56.8)	(1.7)
Outlays for capital expenditure	(54.0)	(46.4)	7.6
Outlays for M&A	–	–	–
Others	(1.1)	(10.4)	(9.3)
c. Free cash flows [a+b]	(24.9)	(15.3)	9.7
d. Net cash provided by (used in) financing activities	64.8	22.6	(42.1)
e. Others	16.8	18.5	1.7
Net increase (decrease) in cash and cash equivalents [c+d+e]	56.6	25.9	(30.7)

2. Forecast for H1 2024

H1 2024 forecast (consolidated)

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Increased net sales and operating income forecasted in all segments; improved results in Material with recovery of electronics and semiconductor markets and improved petrochemical market prices, in addition to firm growth in Homes and Health Care; net sales and operating income forecast revised upward in Material and Health Care compared with the previous forecast (May 2024)

Increased net income attributable to owners of the parent year-on-year with higher operating income; forecast revised upward

		Q1	Q2	H1 2023	Q1	Q2 forecast	H1 2024 forecast	Increase (decrease)	% change	H1 2024 forecast in May
Net sales	(¥ billion)	650.7	695.2	1,345.9	735.9	765.1	1,501.0	155.1	+11.5%	1,428.0
Operating income	(¥ billion)	21.8	34.1	55.9	49.9	45.1	95.0	39.1	+70.0%	80.0
Operating margin		3.3%	4.9%	4.2%	6.8%	5.9%	6.3%			5.6%
Operating income before goodwill amortization		28.8	41.5	70.3	57.8	53.2	111.0	40.7	+57.8%	94.3
EBITDA	(¥ billion)	65.5	79.2	144.7	94.1	88.9	183.0	38.3	+26.5%	166.5
EBITDA margin		10.1%	11.4%	10.7%	12.8%	11.6%	12.2%			11.7%
Net income attributable to owners of the parent	(¥ billion)	9.6	21.3	30.8	34.1	18.9	53.0	22.2	+71.8%	40.0
¥/US$ exchange rate (market average)		137	145	141	156	150	153			145
¥/€ exchange rate (market average)		149	157	153	168	160	164			155
Naphtha price (¥/kL, domestic)		67,500	63,600	65,600	79,000	76,000	77,500			74,000
Dividends per share (¥)		-	-	18	-	-	18 (forecast)			18 (forecast)

H1 2024 forecast by segment (year-on-year)

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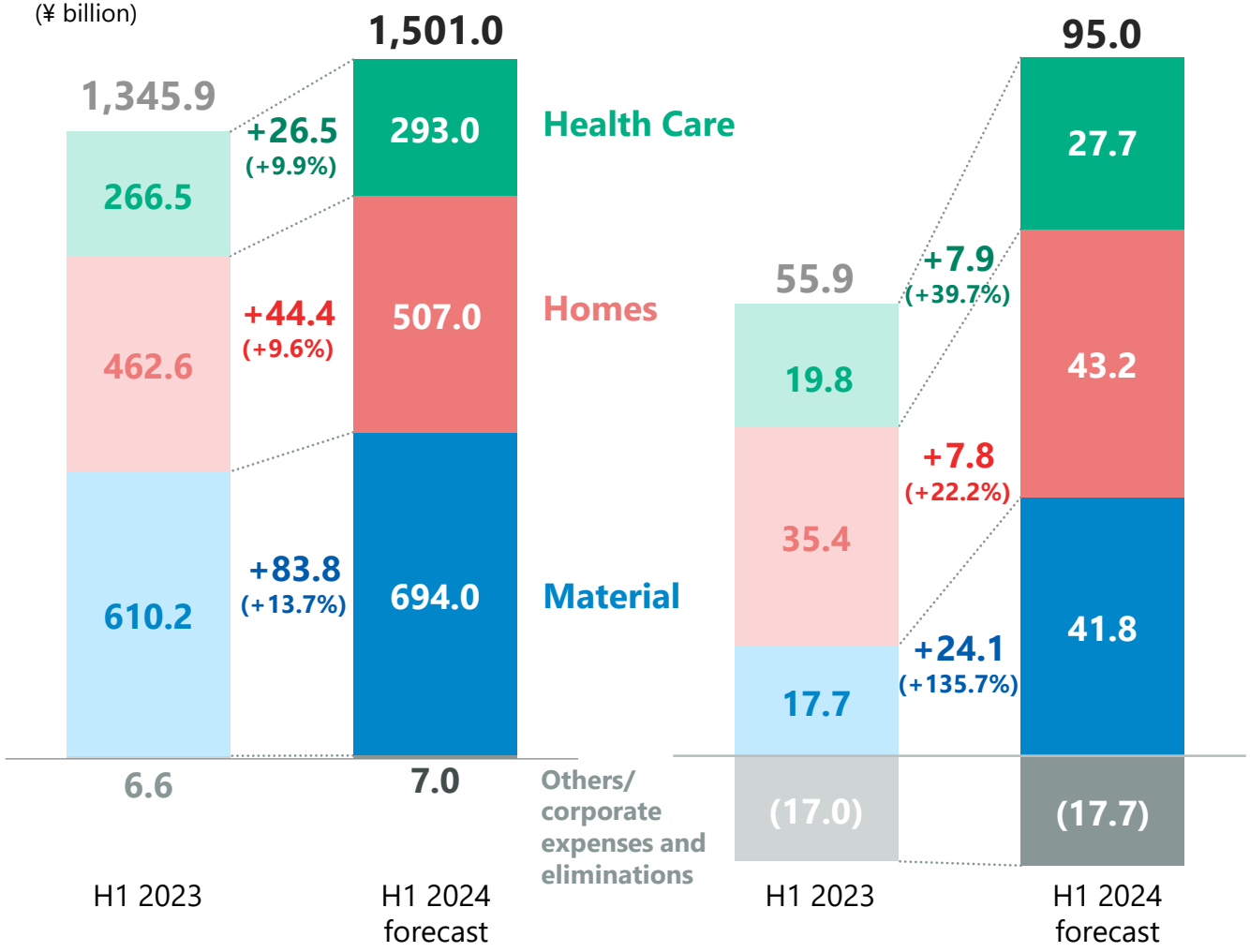
Sales (YoY)

+¥155.1 billion (+11.5%)



Operating income (YoY)

+¥39.1 billion (+70.0%)

Health Care — Sales and operating income increase

- **Health Care business category +¥2.1 billion;** Increased expenses in relation to Calliditas acquisition, but increased income with growth of mainstay products and, in Medical, positive effect of foreign exchange due to weaker yen
- **Critical Care +¥5.8 billion;** Increased income with higher sales prices for defibrillators, increased shipments of LifeVest, and positive impact of foreign exchange due to weaker yen

Homes — Sales and operating income increase

- **Homes business category +¥8.7 billion;** Increased income with high performance in real estate and overseas business

Material — Sales and operating income increase

- **Environmental Solutions +¥15.7 billion;** Increased income with improved terms of trade and positive effect of inventory valuation with higher petrochemical market prices in Basic Materials
- **Mobility & Industrial +¥2.8 billion;** Increased income with higher sales prices for car interior material and greater shipments and improved terms of trade of engineering plastics
- **Life Innovation +¥9.1 billion;** Increased income with firm performance of mainstay products and improved terms of trade

H1 2024 forecast by segment (vs. forecast in May)

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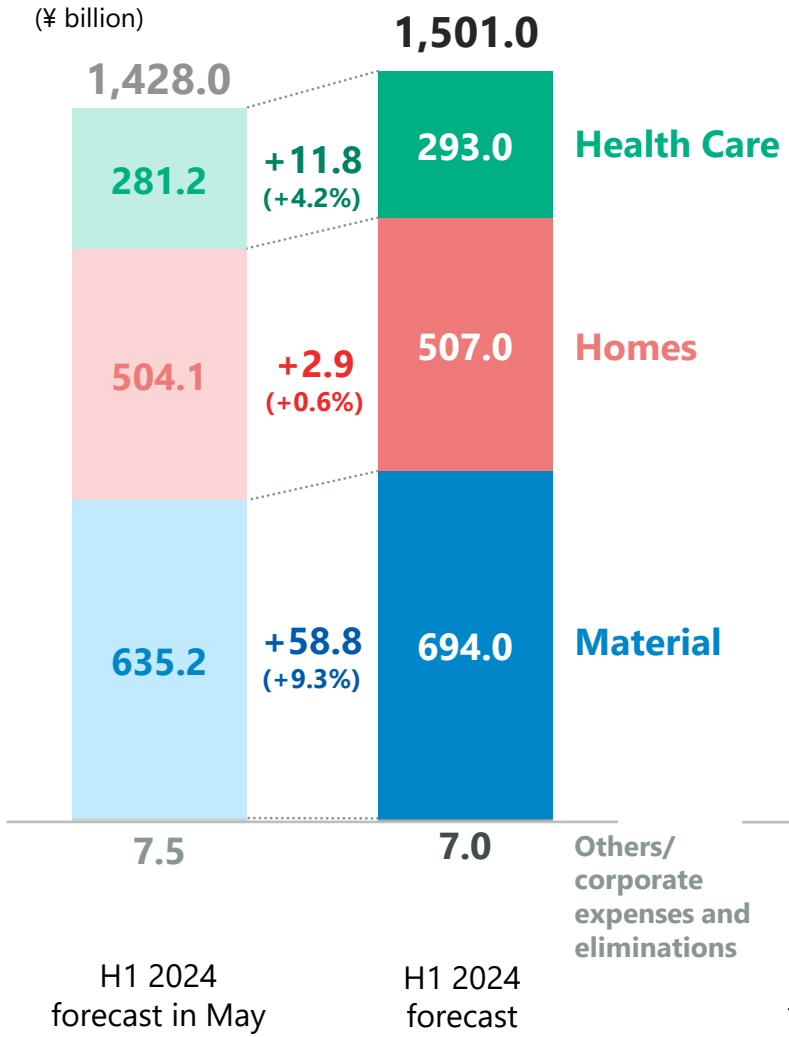
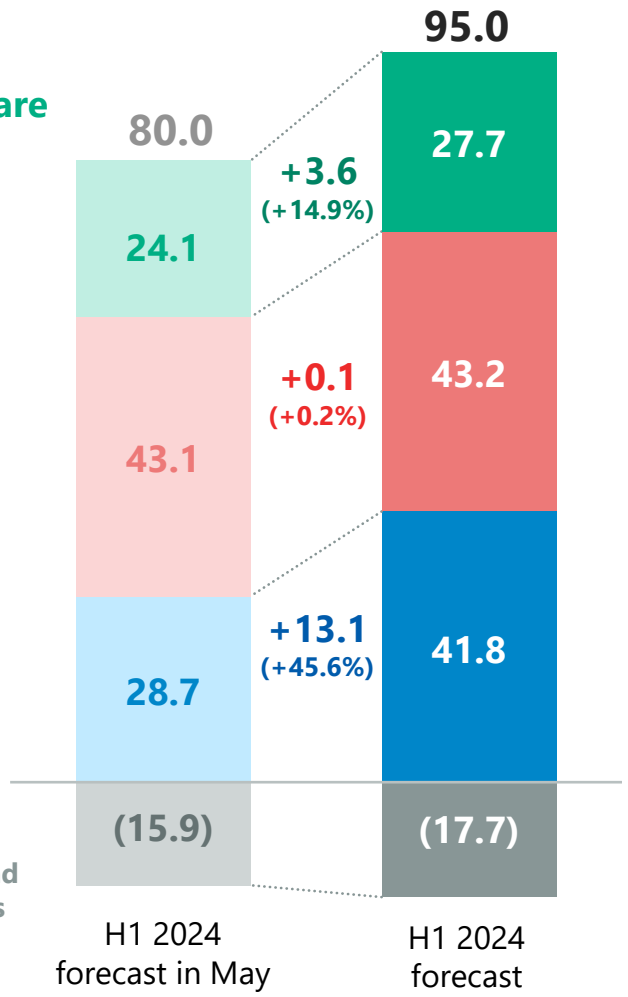
Sales (vs. forecast in May)

+¥73.0 billion (+5.1%)



Operating income (vs. forecast in May)

+¥15.0 billion (+18.8%)



Health Care — Sales and operating income revised upward

- **Critical Care +¥3.6 billion;**
  Income forecast revised upward with lower SG&A expenses and positive impact of foreign exchange due to weaker yen

Homes — Sales and operating income largely as expected

- **Basically in line with previous forecast**

Material — Sales and operating income revised upward

- **Environmental Solutions +¥7.7 billion;**
  Income forecast revised upward with greater than expected positive effect of inventory valuation with higher petrochemical market prices, reduced fixed costs, and positive effect of foreign exchange due to weaker yen
- **Mobility & Industrial +¥0.9 billion;**
  Income forecast revised upward with greater shipments of car interior material and positive effect of foreign exchange due to weaker yen
- **Life Innovation +¥5.9 billion;**
  Income forecast revised upward with firm sales of mainstay products and positive effect of foreign exchange due to weaker yen

3. Results by segment

Partial change in presentation from FY 2024

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Certain business was transferred from Mobility & Industrial to Environmental Solutions in fiscal 2024; for comparison purposes, results of fiscal 2023 are hereinafter recalculated in accordance with the new classifications

Sales	FY 2023 before transfer				FY 2023 recalculated			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Material segment	**296.8**	**313.4**	**328.9**	**322.6**	**296.8**	**313.4**	**328.9**	**322.6**
Environmental Solutions	114.6	120.1	132.8	127.4	116.2	121.8	134.8	129.2
of which, Basic Materials	66.2	72.1	80.8	74.4	66.2	72.1	80.8	74.4
Mobility & Industrial	91.8	96.0	96.0	98.0	90.1	94.3	94.1	96.2
Life Innovation	90.3	97.3	100.0	97.2	90.3	97.3	100.0	97.2
of which, Digital Solutions	29.4	31.7	33.1	34.3	29.4	31.7	33.1	34.3
Others in Material	0.2	0.0	0.0	0.0	0.2	0.0	0.0	0.0

Operating Income	FY 2023 before transfer				FY 2023 recalculated			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Material segment	**7.6**	**10.1**	**13.0**	**11.8**	**7.6**	**10.1**	**13.0**	**11.8**
Environmental Solutions	(0.7)	(1.1)	2.0	1.6	(0.7)	(0.9)	2.2	1.7
of which, Basic Materials	(5.1)	(2.9)	(0.3)	0.0	(5.1)	(2.9)	(0.3)	0.0
Mobility & Industrial	3.0	3.9	1.6	4.5	3.0	3.7	1.4	4.5
Life Innovation	4.5	7.2	9.8	6.9	4.5	7.2	9.8	6.9
of which, Digital Solutions	2.0	3.3	4.0	3.3	2.0	3.3	4.0	3.3
Others in Material	0.8	0.2	(0.4)	(1.2)	0.8	0.2	(0.4)	(1.2)

Material Sales and operating income increase/decrease

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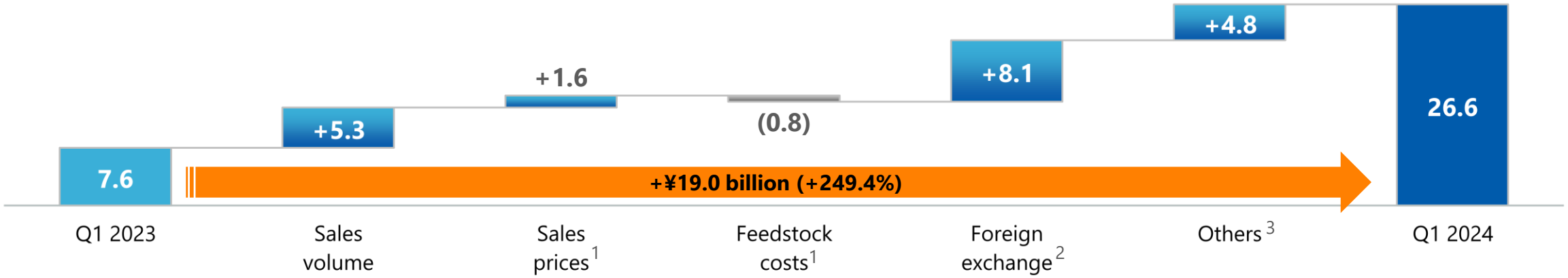
Operating income increased with positive effects in sales volume factor due to demand recovery centered on Life Innovation, in foreign exchange factor due to weaker yen, and in others factor due to inventory valuation with higher petrochemical market prices

Operating income increase/decrease

(¥ billion)



	Sales				Operating income								
									Increase (decrease) due to:				
	Q1 2023 (recalculated)	**Q1 2024**	Increase (decrease)	% change	Q1 2023 (recalculated)	**Q1 2024**	Increase (decrease)	% change	Sales Volume	Sales prices[1]	Feedstock cost[1]	Foreign exchange[2]	Others[3]
Material Segment	296.8	**350.5**	53.7	+18.1%	7.6	**26.6**	19.0	+249.4%	5.3	1.6	(0.8)	8.1	4.8
Environmental Solutions	116.2	**146.9**	30.7	+26.4%	(0.7)	**9.9**	10.6	-	0.8	(0.1)	(1.2)	3.6	7.5[4]
of which, Basic Materials	66.2	**88.0**	21.8	+32.9%	(5.1)	**6.1**	11.2	-					
Mobillity & Industrial	90.1	**104.2**	14.1	+15.6%	3.0	**5.6**	2.6	+85.5%	(0.0)	1.6	(0.1)	1.9	(0.9)
Life Innovation	90.3	**99.4**	9.2	+10.1%	4.5	**12.4**	7.8	+173.6%	4.6	0.0	1.1	2.6	(0.5)
of which, Digital Solutions	29.4	**35.7**	6.3	+21.6%	2.0	**6.2**	4.2	+214.2%					
Others in Material	0.2	**(0.0)**	(0.2)	-	0.8	**(1.2)**	(2.0)	-	-	-	(0.6)[4]	-	(1.4)

[1] Excluding effect of foreign exchange. [2] Effect of foreign exchange associated with sales prices and feedstock costs. [3] Foreign currency translation adjustment, fixed costs, inventory valuation, etc.
[4] "Others" in operating income of Environmental Solutions includes increase/decrease related to internal sales price which correlates with "Feedstock cost" for the segment; to compensate, corresponding positive and negative figures are shown as "Feedstock cost" and "Others" of Others in Material.

Overview by business

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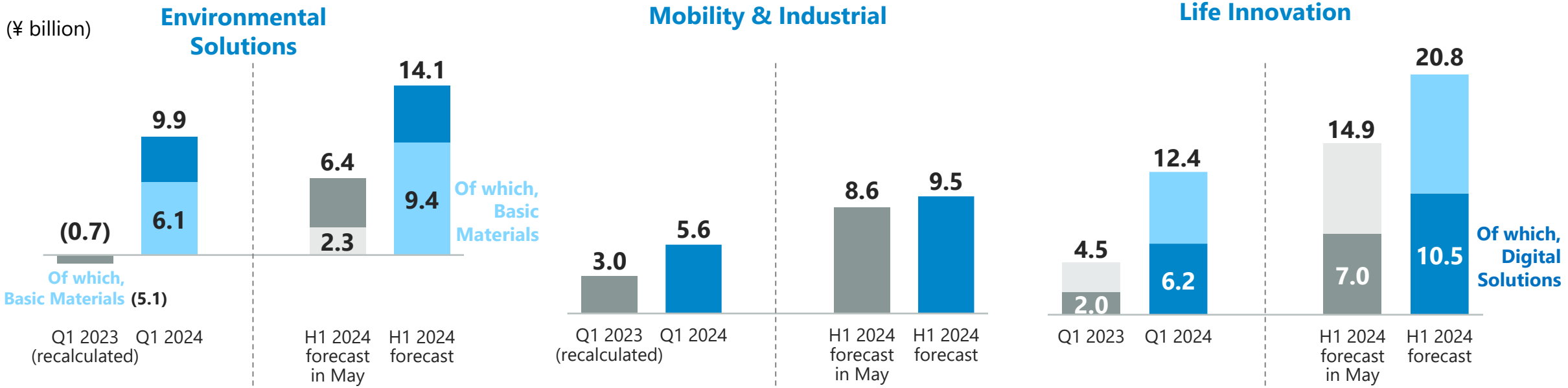
Operating income

(¥ billion)



Main businesses		Q1 2024 vs Q1 2023 (YoY)	H1 2024 forecast vs H1 2024 forecast in May
Environmental Solutions	Separators	Effect of increased shipments, but operating income decrease with inventory valuation due to previous year's low operating rates and increased SG&A expenses	Income forecast revised downward due to lower than expected shipments of LIB separator by impact of demand slowdown of EV and operating rate adjustments
	Basic Materials	Operating income increase with improved terms of trade, positive effect of inventory valuation with higher petrochemical market prices, etc.	Income forecast revised upward due to greater than expected positive effect of inventory valuation with higher petrochemical market prices, reduced fixed costs, and positive effect of foreign exchange due to weaker yen
Mobility & Industrial	Car interior material	Impact of decreased shipments year-on-year due to transitory factors in the previous year, but operating income increase with progress in passing on increased costs, and improved terms of trade due to weaker yen	Income forecast revised upward due to higher shipments for North American and Chinese markets, and better than expected improvement in terms of trade due to weaker yen
	Engineering plastics & others	Operating income increase with greater shipments in solar power applications, and improved terms of trade due to weaker yen	Impact of lower than expected shipments centered on automotive, but operating income in line with previous forecast with improved terms of trade due to weaker yen
Life Innovation	Digital Solutions	Operating income increase with firm performance of electronic materials for AI servers and high-end smartphones, and electronic components for camera modules, as well as improved terms of trade due to weaker yen	Income forecast revised upward due to higher than expected shipments of mainstay products, and improved terms of trade due to weaker yen

Performance trend

(¥ billion)

Sales	(recalculated) Q1	(recalculated) Q2	(recalculated) H1 2023	Q1	Q2 forecast	H1 2024 forecast	Q1 2024 vs Q1 2023 Increase (decrease)	Q1 2024 vs Q1 2023 % change	H1 2024 vs H1 2023 Increase (decrease)	H1 2024 vs H1 2023 % change	H1 2024 forecast in May
Material Segment	**296.8**	**313.4**	**610.2**	**350.5**	**343.5**	**694.0**	**53.7**	**+18.1%**	**83.8**	**+13.7%**	**635.2**
Environmental Solutions	116.2	121.8	238.0	146.9	139.1	286.0	30.7	+26.4%	48.0	+20.1%	251.8
of which, Basic Materials	66.2	72.1	138.3	88.0	86.0	174.0	21.8	+32.9%	35.7	+25.8%	151.9
Mobility & Industrial	90.1	94.3	184.4	104.2	104.8	209.0	14.1	+15.6%	24.6	+13.3%	195.0
Life Innovation	90.3	97.3	187.5	99.4	99.6	199.0	9.2	+10.1%	11.5	+6.1%	188.4
of which, Digital Solutions	29.4	31.7	61.0	35.7	35.3	71.0	6.3	+21.6%	10.0	+16.3%	65.4
Others in Material	0.2	0.0	0.3	(0.0)	0.0	-	(0.2)	-	(0.3)	-	-

Operating Income	(recalculated) Q1	(recalculated) Q2	(recalculated) H1 2023	Q1	Q2 forecast	H1 2024 forecast	Q1 2024 vs Q1 2023 Increase (decrease)	Q1 2024 vs Q1 2023 % change	H1 2024 vs H1 2023 Increase (decrease)	H1 2024 vs H1 2023 % change	H1 2024 forecast in May
Material Segment	**7.6**	**10.1**	**17.7**	**26.6**	**15.2**	**41.8**	**19.0**	**+249.4%**	**24.1**	**+135.7%**	**28.7**
Environmental Solutions	(0.7)	(0.9)	(1.6)	9.9	4.2	14.1	10.6	-	15.7	-	6.4
of which, Basic Materials	(5.1)	(2.9)	(8.1)	6.1	3.3	9.4	11.2	-	17.5	-	2.3
Mobility & Industrial	3.0	3.7	6.7	5.6	3.9	9.5	2.6	+85.5%	2.8	+41.7%	8.6
Life Innovation	4.5	7.2	11.7	12.4	8.4	20.8	7.8	+173.6%	9.1	+77.8%	14.9
of which, Digital Solutions	2.0	3.3	5.3	6.2	4.3	10.5	4.2	+214.2%	5.2	+99.8%	7.0
Others in Material	0.8	0.2	1.0	(1.2)	(1.4)	(2.6)	(2.0)	-	(3.6)	-	(1.2)

Homes

Sales and operating income increase/decrease

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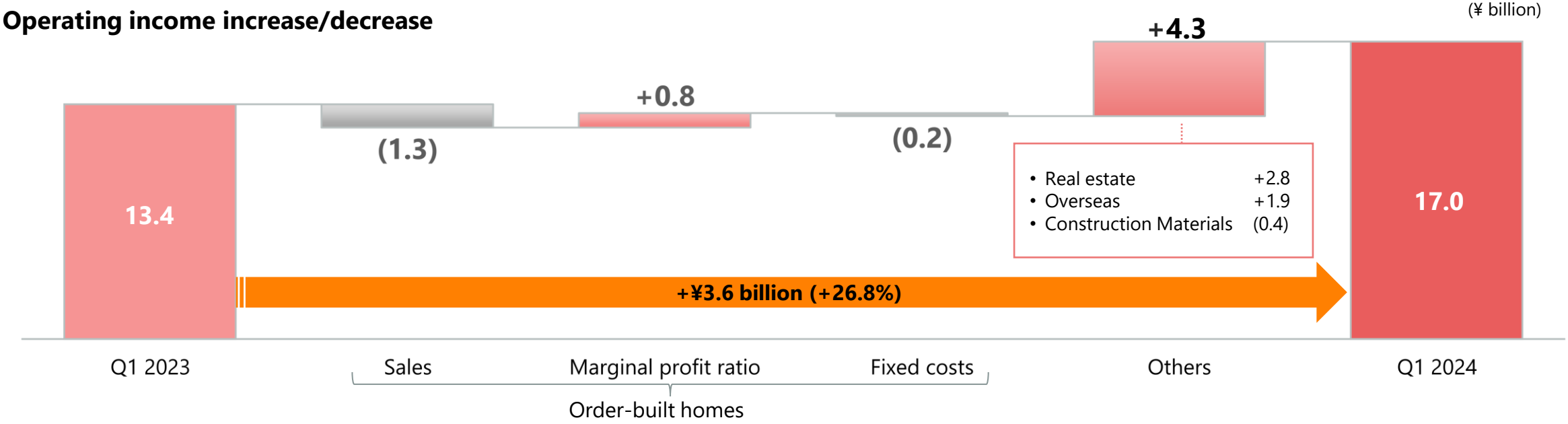
Effects of higher average unit prices exceeded by negative impacts in sales factor due to reduced volume of work in order-built homes, but operating income increased with firm performance in real estate and overseas business

Operating income increase/decrease

(¥ billion)



	Sales				Operating income							
									Increase (decrease) due to:			
									Order-built homes			Others
	Q1 2023	**Q1 2024**	Increase (decrease)	% change	Q1 2023	**Q1 2024**	Increase (decrease)	% change	Sales	Marginal Profit	Fixed cost	
Homes segment	221.1	236.5	15.4	+7.0%	13.4	17.0	3.6	+26.8%	(1.3)	0.8	(0.2)	4.3
Homes	210.5	226.4	15.9	+7.6%	12.5	16.5	3.9	+31.5%	(1.3)	0.8	(0.2)	4.6[1]
Construction Materials	10.6	10.1	(0.5)	-4.3%	0.9	0.5	(0.4)	-40.4%	-	-	-	(0.4)

[1] Real estate, Remodeling, Overseas, etc.

Overview by business

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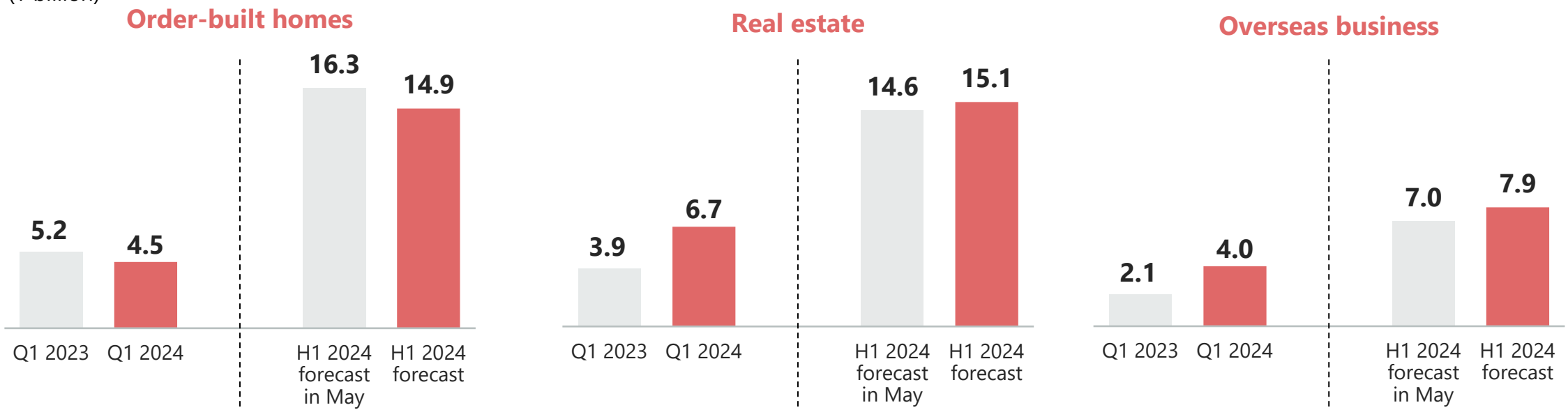
Operating income

(¥ billion)



Main businesses		Q1 2024 vs Q1 2023 (YoY)	H1 2024 forecast vs H1 2024 forecast in May
Homes	Order-built homes	Increased average unit prices with larger and higher value-added units, but operating income decrease with decreased volume of work	Income forecast revised downward due to slower than expected progress in construction
	Real estate	Operating income increase with firm trend of number of units in rental management business and increase in number of condominium units sold	Income forecast revised upward due to lower SG&A expenses
	Overseas business	Operating income increase with recovery in volume of work in North American operations compared to previous year when demand stagnated, progress in passing on higher material costs in Australian operations, and positive effect of weaker yen	Income forecast revised upward due to positive impact of foreign exchange due to weaker yen

Performance trend

AsahiKASEI

(¥ billion)

Sales	Q1	Q2	H1 2023	Q1	Q2 forecast	H1 2024 forecast	Q1 2024 vs Q1 2023 Increase (decrease)	Q1 2024 vs Q1 2023 % change	H1 2024 vs H1 2023 Increase (decrease)	H1 2024 vs H1 2023 % change	H1 2024 forecast in May
Homes Segment	**221.1**	**241.6**	**462.6**	**236.5**	**270.5**	**507.0**	**15.4**	**+7.0%**	**44.4**	**+9.6%**	**504.1**
Homes	210.5	230.2	440.6	226.4	259.6	486.0	15.9	+7.6%	45.4	+10.3%	482.0
Order-built homes	94.2	101.4	195.6	91.1	105.9	197.0	(3.1)	-3.3%	1.4	+0.7%	205.5
Real estate	40.3	46.8	87.1	49.7	65.3	115.0	9.4	+23.3%	27.9	+32.1%	115.0
Remodeling	12.6	15.3	27.9	12.6	15.9	28.5	0.0	+0.2%	0.6	+2.0%	28.5
Overseas business	63.1	66.3	129.4	72.2	72.8	145.0	9.1	+14.5%	15.6	+12.0%	132.0
Others	0.2	0.4	0.6	0.8	(0.3)	0.5	0.5	+216.4%	(0.1)	-18.7%	1.0
Construction Materials	10.6	11.4	22.0	10.1	10.9	21.0	(0.5)	-4.3%	(1.0)	-4.5%	22.1

Operating income	Q1	Q2	H1 2023	Q1	Q2 forecast	H1 2024 forecast	Q1 2024 vs Q1 2023 Increase (decrease)	Q1 2024 vs Q1 2023 % change	H1 2024 vs H1 2023 Increase (decrease)	H1 2024 vs H1 2023 % change	H1 2024 forecast in May
Homes Segment	**13.4**	**21.9**	**35.4**	**17.0**	**26.2**	**43.2**	**3.6**	**+26.8%**	**7.8**	**+22.2%**	**43.1**
Homes	12.5	20.2	32.7	16.5	24.9	41.4	3.9	+31.5%	8.7	+26.5%	41.1
Order-built homes	5.2	9.7	14.9	4.5	10.4	14.9	(0.7)	-13.0%	0.0	+0.0%	16.3
Real estate	3.9	4.8	8.7	6.7	8.4	15.1	2.8	+72.3%	6.4	+73.1%	14.6
Remodeling	1.1	2.1	3.2	1.2	2.1	3.3	0.0	+2.7%	0.0	+1.1%	3.1
Overseas business	2.1	3.0	5.1	4.0	3.9	7.9	1.9	+90.2%	2.8	+55.5%	7.0
Others	0.2	0.5	0.8	0.1	0.1	0.2	(0.1)	-62.6%	(0.6)	-77.0%	0.2
Construction Materials	0.9	1.7	2.6	0.5	1.3	1.8	(0.4)	-40.4%	(0.8)	-31.3%	2.0

Homes

Breakdown of order-built homes and real estate

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Value of orders received in order-built homes for Q1 increased by 15% compared to year-ago period when marketing strategy was in transition; targeting 10% year-on-year increase in H1

Steady expansion of rental management business in real estate based on recent strong performance in multi-dwelling homes

(¥ billion, % indicates year-on-year comparison)

		Order-built homes							Real estate		
		Orders			Sales				Sales[1]		
		Value of new orders during the term		Order backlog	Unit homes	Multi-dwelling homes	Other	Total	Development	Rental/ brokerage	Total
FY 2022	H1	191.2	(-7.3%)	548.1	130.9	55.5	10.2	196.6	11.7	69.4	81.1
	H2	164.4	(-7.6%)	503.0	134.9	65.5	13.7	214.1	35.2	73.2	108.4
	annual	**355.6**	**(-7.5%)**		**265.8**	**121.0**	**23.9**	**410.7**	**46.9**	**142.6**	**189.5**
FY 2023	Q1	77.2	(-16.4%)	509.0	55.1	32.4	6.6	94.2	3.6	36.7	40.3
	Q2	109.3	(+10.7%)	525.0	58.6	36.9	5.9	101.4	9.1	37.7	46.8
	H1	186.5	(-2.4%)		113.7	69.3	12.5	195.6	12.7	74.4	87.1
	H2	207.4	(+26.2%)	520.4	116.6	74.0	14.7	205.4	34.2	80.4	114.5
	annual	**393.9**	**(+10.8%)**		**230.3**	**143.3**	**27.3**	**401.0**	**46.8**	**154.8**	**201.6**
FY 2024	Q1	88.8	(+15.0%)	542.6	50.1	32.8	8.2	91.1	10.9	38.8	49.7
	Q2 forecast	116.4	(+6.5%)	568.5				105.9	23.1	42.2	65.3
	H1 forecast	205.1	(+10.0%)					197.0	34.0	81.0	115.0

[1] Within real estate business, condominiums business is shown as "Development" while rental management and brokerage business are shown together as "Rental/brokerage" (FY 2022 revised accordingly)

Sales and operating income increase/decrease

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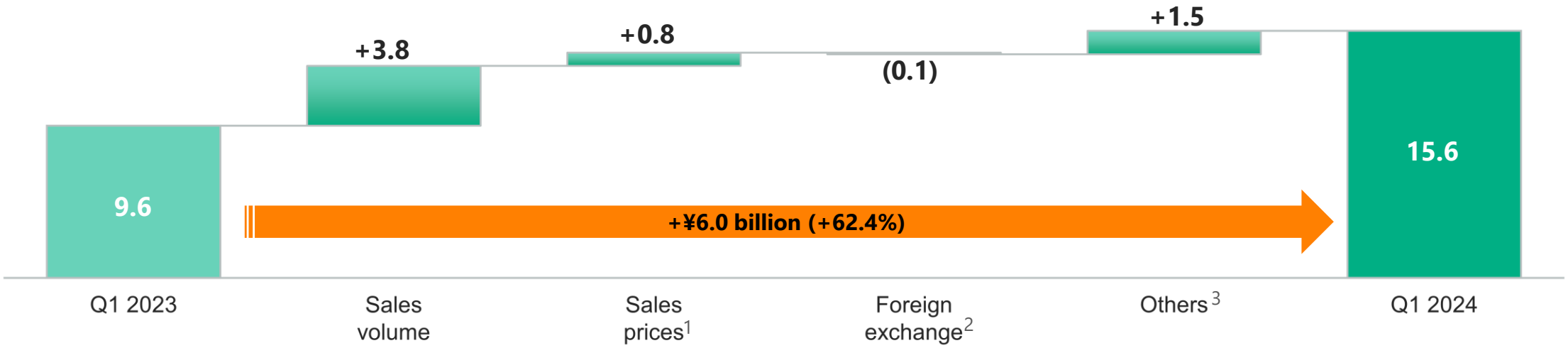
Operating income increased due to positive sales volume factor with steady expansion of mainstay products, others factor due to foreign currency translation adjustment, and, in Critical Care, positive sales prices factor for defibrillators

Operating income increase/decrease

(¥ billion)



	Sales				Operating income							
									Increase (decrease) due to:			
	Q1 2023	**Q1 2024**	Increase (decrease)	% change	Q1 2023	**Q1 2024**	Increase (decrease)	% change	Sales volume	Sales prices[1]	Foreign exchange[2]	Others[3]
Health Care Segment	129.4	**145.8**	16.4	+12.6%	9.6	**15.6**	6.0	+62.4%	3.8	0.8	(0.1)	1.5
Health Care	51.1	**56.3**	5.2	+10.3%	5.1	**7.4**	2.3	+44.1%	3.0	(1.5)	0.1	0.7
Critical Care	78.3	**89.4**	11.1	+14.2%	4.5	**8.2**	3.7	+83.4%	0.8	2.4	(0.2)	0.8

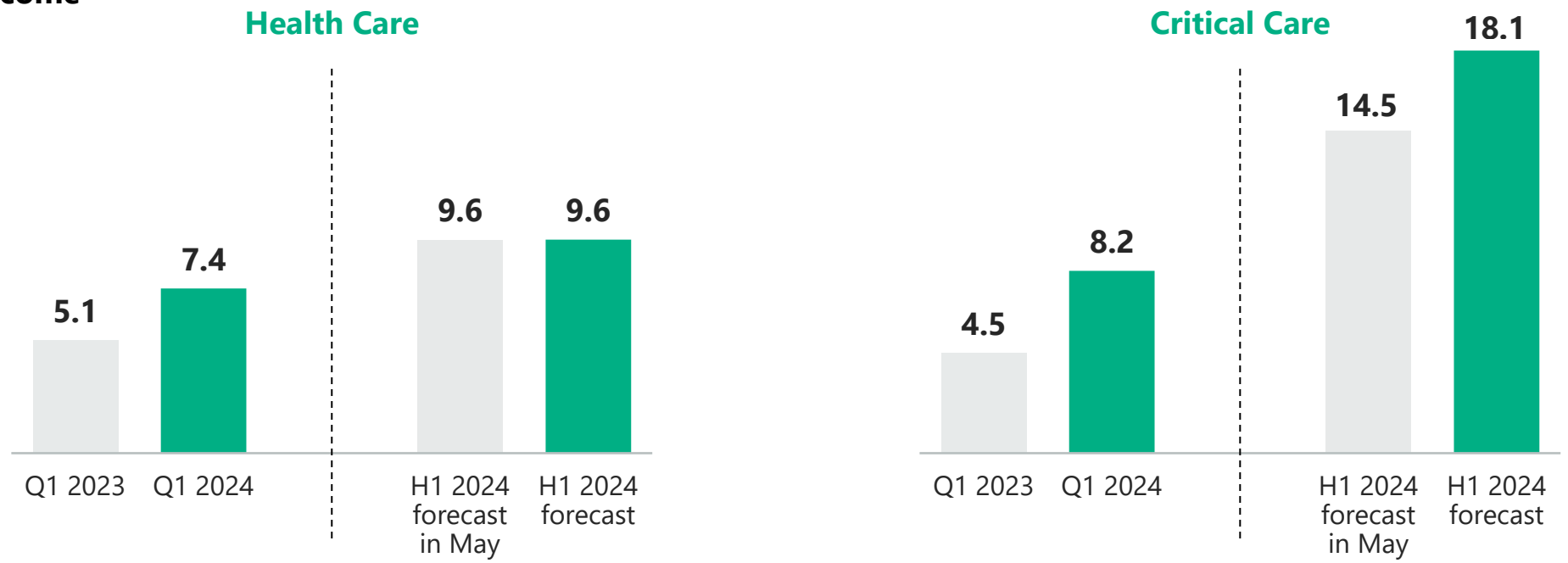
[1] Excluding effect of foreign exchange. [2] Effect of foreign exchange associated with sales prices.
[3] Including foreign currency translation adjustment, fixed cost variance, and nonrecurring income/expense related to licensing, new consolidations, etc.

Overview by business

AsahiKASEI

Operating income

(¥ billion)



Main businesses		Q1 2024 vs Q1 2023 (YoY)	H1 2024 forecast vs H1 2024 forecast in May
Health Care	Pharmaceuticals	Operating income increase with steady expansion of mainstay products	Income forecast revised downward due to transitory costs related to Calliditas acquisition and impact of restricted shipments of Kevzara
	Medical	Operating income increase with greater shipments of Planova and positive effect of foreign exchange due to weaker yen	Income forecast revised upward with firm sales of Planova and positive effect of foreign exchange due to weaker yen
Critical Care	LifeVest	Operating income increase with greater shipments and effect of currency translation due to weaker yen	Income forecast revised upward with lower SG&A expenses and effect of currency translation due to weaker yen
	Defibrillators	Operating income increase with higher sales prices and effect of currency translation due to weaker yen	Income forecast revised upward with effect of currency translation due to weaker yen

Performance trend

(¥ billion)

Sales	Q1	Q2	H1 2023	Q1	Q2 forecast	H1 2024 forecast	Q1 2024 vs Q1 2023 Increase (decrease)	Q1 2024 vs Q1 2023 % change	H1 2024 vs H1 2023 Increase (decrease)	H1 2024 vs H1 2023 % change	H1 2024 forecast in May
Health Care Segment	**129.4**	**137.1**	**266.5**	**145.8**	**147.2**	**293.0**	**16.4**	**+12.6%**	**26.5**	**+9.9%**	**281.2**
Health Care	51.1	49.8	100.9	56.3	55.7	112.0	5.2	+10.3%	11.1	+11.1%	111.9
Pharmaceuticals	28.8	27.5	56.3	32.2	31.8	64.0	3.4	+11.7%	7.7	+13.7%	65.7
Medical	22.2	22.3	44.5	24.1	23.9	48.0	1.9	+8.4%	3.5	+7.8%	46.2
Critical Care	78.3	87.3	165.7	89.4	91.6	181.0	11.1	+14.2%	15.3	+9.3%	169.3

Operating income	Q1	Q2	H1 2023	Q1	Q2 forecast	H1 2024 forecast	Q1 2024 vs Q1 2023 Increase (decrease)	Q1 2024 vs Q1 2023 % change	H1 2024 vs H1 2023 Increase (decrease)	H1 2024 vs H1 2023 % change	H1 2024 forecast in May
Health Care Segment	**9.6**	**10.3**	**19.8**	**15.6**	**12.1**	**27.7**	**6.0**	**+62.4%**	**7.9**	**+39.7%**	**24.1**
Health Care	5.1	2.4	7.5	7.4	2.2	9.6	2.3	+44.1%	2.1	+27.6%	9.6
Critical Care	4.5	7.9	12.3	8.2	9.9	18.1	3.7	+83.4%	5.8	+47.0%	14.5

EBITDA	Q1	Q2	H1 2023	Q1	Q2 forecast	H1 2024 forecast	Q1 2024 vs Q1 2023 Increase (decrease)	Q1 2024 vs Q1 2023 % change	H1 2024 vs H1 2023 Increase (decrease)	H1 2024 vs H1 2023 % change	H1 2024 forecast in May
Health Care Segment	**26.4**	**27.6**	**54.0**	**34.0**			**7.7**	**+29.0%**			**58.2**
Health Care	12.1	9.6	21.7	15.1			3.1	+25.3%			24.0
Critical Care	14.3	18.0	32.3	18.9			4.6	+32.1%			34.2

Main pharmaceuticals

(Sales region, monetary unit)		FY 2023 Q1	FY 2023 H1	FY 2024 Q1	Q1 2024 vs Q1 2023 Increase (decrease)	Q1 2024 vs Q1 2023 % change
Asahi Kasei Pharma						
Teribone	(Japan, ¥ billion)	9.6	19.4	10.4	0.8	+8.5%
Reclast	(Japan, ¥ billion)	0.3	0.6	0.3	0.0	+6.9%
Kevzara	(Japan, ¥ billion)	2.6	5.4	2.8	0.3	+10.4%
Plaquenil	(Japan, ¥ billion)	1.4	2.9	1.6	0.2	+14.2%
Recomodulin	(Japan, ¥ billion)	2.0	4.1	1.7	(0.3)	-15.0%
Cresemba	(Japan, ¥ billion)	0.2	0.3	0.6	0.5	+266.8%
Empaveli	(Japan, ¥ billion)	-	0.1	0.4	0.4	-
Veloxis Pharmaceuticals						
Envarsus XR	(US, $ million)	61	107	62	2	+2.7%

Product name	Generic name	Classification	Indication	Formulation
Teribone	Teriparatide acetate	Synthetic human parathyroid hormone (PTH)	Osteoporosis with high risk of fracture	Injection
Reclast	Zoledronic acid	Osteoporosis drug	Osteoporosis	Injection
Kevzara	Sarilumab (rDNA origin)	Interleukin-6 inhibitor	Rheumatoid arthritis not responding well to conventional treatments	Injection
Plaquenil	Hydroxychloroquine sulfate	Immunomodulator	Cutaneous lupus erythematosus, systemic lupus erythematosus	Tablet
Recomodulin	Recombinant thrombomodulin alfa	Anticoagulant	Disseminated intravascular coagulation	Injection
Cresemba	Isavuconazonium sulfate	Antifungal agent	Aspergillosis, Mucormycosis, Cryptococcosis	Capsule, Injection
Empaveli	Pegcetacoplan	Complement protein C3 inhibitor	Paroxysmal nocturnal hemoglobinuria	Injection
Envarsus XR	Tacrolimus extended-release tablets	Immunosuppressant drug	Kidney transplantation	Tablet

Pharmaceuticals pipeline

Development stage	Code name, generic name	Indication	Origin	Development	Region/remarks
Filed	AK1820, isavuconazonium sulfate	Aspergillosis, mucormycosis and cryptococcosis	Licenced	In-house	Additional formulation
Phase III	TA799, apraglutide	Short bowel syndrome	Licensed	Licensor	Phase I in Japan was conducted by Asahi Kasei Pharma
Phase II	ART-123, recombinant thrombomodulin alfa	Chemotherapy-induced peripheral neuropathy (CIPN)	In-house	In-house	Additional indication Joint U.S.-Japan Phase I study in progress
Phase II	AK1830	Pain associated with osteoarthritis	Licensed	In-house	
Phase II		Chronic low back pain			
Phase I	AK1910	Autoimmune diseases	Licensed	In-house	
Phase III (overseas)	ART-123, recombinant thrombomodulin alfa	Severe sepsis with coagulopathy	In-house	In-house	United States, Europe, etc.
Phase I (overseas)	ART-123, recombinant thrombomodulin alfa	Chemotherapy-induced peripheral neuropathy (CIPN)	In-house	In-house	United States
Phase I (overseas)	AK1320	Spinal fusion surgery	In-house	In-house	North America
Phase I (overseas)	VEL-101	SOT (solid organ transplant)	Licensed	In-house	United States, etc.
Phase II (licensed out)	LY3857210	Chronic pain	Co-development	Licensee	Global (Asahi Kasei Pharma has promotion rights in Japan and China)

4. Appendix

Overseas sales

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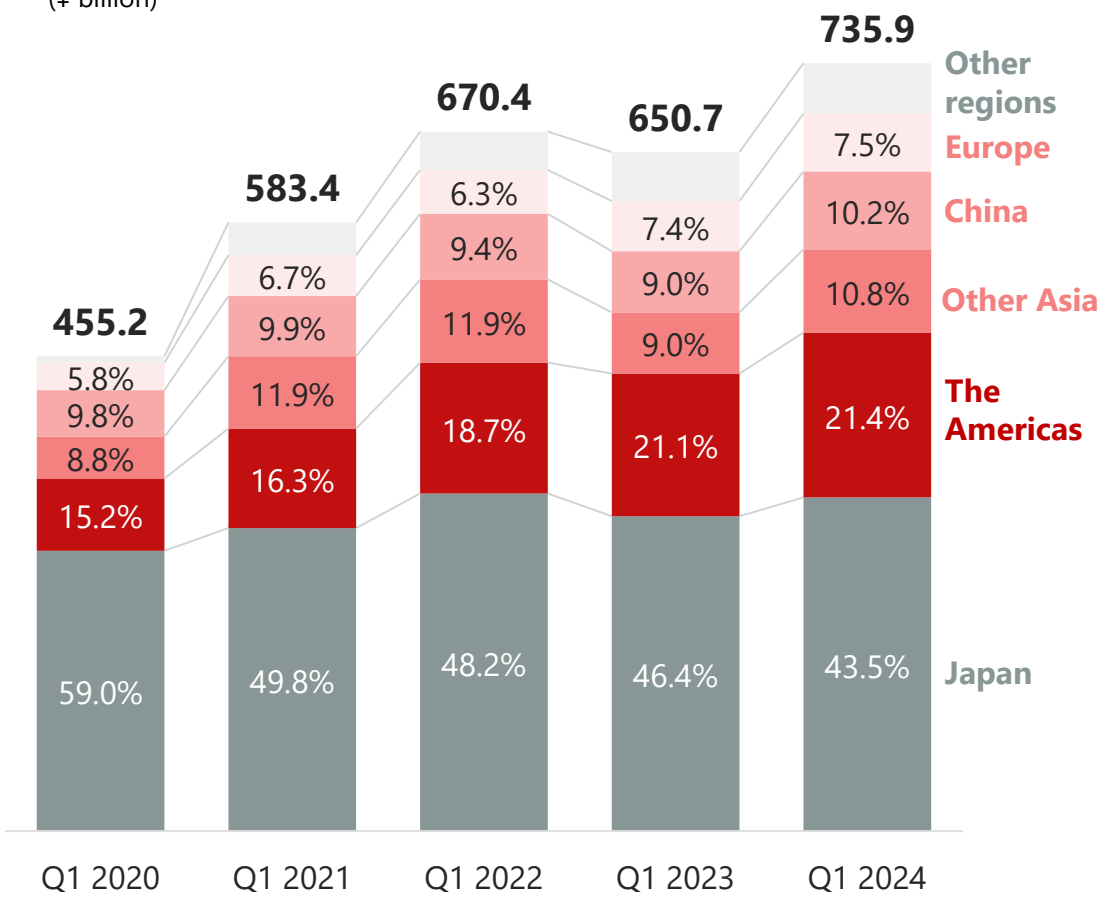
Higher portion of overseas sales year-on-year due to effect of weaker yen; sales in the Americas increasing with acquisitions in Health Care and Homes in the U.S.

Sales by region [1]

(¥ billion)



Overseas sales

(¥ billion)

	Q1 2023 (recalculated)		Q1 2024		Increase (decrease)	% change
	Overseas sales	% of total	Overseas sales	% of total		
Material Segment	**182.6**	**61.5%**	**225.9**	**64.4%**	**43.2**	**+23.7%**
Environmental Solutions	68.9	60.1%	86.2	58.7%	17.3	+25.1%
Mobility & Industrial	74.0	80.6%	87.6	84.1%	13.7	+18.5%
Life Innovation	39.5	43.8%	52.0	52.3%	12.5	+31.7%
Others in Material	0.2	99.2%	(0.0)	161.5%	(0.2)	-101.6%
Homes Segment	**63.1**	**28.6%**	**72.2**	**30.5%**	**9.1**	**+14.5%**
Homes	63.1	30.0%	72.2	31.9%	9.1	+14.5%
Construction Materials	-	-	-	-	-	-
Health Care Segment	**103.0**	**79.6%**	**117.5**	**80.6%**	**14.5**	**+14.1%**
Health Care	25.8	50.5%	29.1	51.7%	3.3	+12.9%
Critical Care	77.2	98.6%	88.4	98.9%	11.2	+14.5%
Others	0.3	9.1%	0.4	13.5%	0.1	+36.2%
Consolidated	**349.1**	**53.6%**	**416.1**	**56.5%**	**67.0**	**+19.2%**

[1] The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

Quarterly sales

AsahiKASEI

(¥ billion)

	FY 2021[1]				FY 2022				FY 2023 (recalculated)				FY 2024	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2 forecast
Material Segment	**279.6**	**296.3**	**315.2**	**318.9**	**339.4**	**339.4**	**327.0**	**310.8**	**296.8**	**313.4**	**328.9**	**322.6**	**350.5**	**343.5**
Environmental Solutions	119.1	129.0	137.3	137.2	149.9	141.4	136.8	131.8	116.2	121.8	134.8	129.2	146.9	139.1
of which, Basic Materials	72.4	82.3	90.2	90.0	100.1	87.3	88.7	85.9	66.2	72.1	80.8	74.4	88.0	86.0
Mobility & Industrial	75.4	76.5	80.7	89.6	92.5	99.7	94.0	92.3	90.1	94.3	94.1	96.2	104.2	104.8
Life Innovation	85.0	90.5	97.1	91.9	96.9	98.3	96.0	86.5	90.3	97.3	100.0	97.2	99.4	99.6
of which, Digital Solutions	28.6	30.6	31.3	30.9	34.2	32.3	29.9	26.1	29.4	31.7	33.1	34.3	35.7	35.3
Others in Material	0.0	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.0	0.0	0.0	(0.0)	0.0
Homes Segment	**195.1**	**197.9**	**218.3**	**211.2**	**206.6**	**213.8**	**230.1**	**248.4**	**221.1**	**241.6**	**240.0**	**251.7**	**236.5**	**270.5**
Homes	187.2	188.6	208.5	202.2	197.5	203.5	219.5	238.8	210.5	230.2	229.5	242.7	226.4	259.6
Construction Materials	7.9	9.3	9.8	9.0	9.2	10.3	10.7	9.6	10.6	11.4	10.5	9.0	10.1	10.9
Health Care Segment	**105.8**	**100.1**	**107.0**	**103.0**	**121.4**	**124.1**	**128.6**	**122.8**	**129.4**	**137.1**	**145.5**	**141.7**	**145.8**	**147.2**
Health Care	42.8	42.6	46.8	42.1	50.5	48.5	54.5	46.8	51.1	49.8	56.4	51.2	56.3	55.7
Critical Care	63.0	57.5	60.3	60.9	71.0	75.6	74.1	76.0	78.3	87.3	89.2	90.6	89.4	91.6
Others	3.0	3.3	3.2	3.5	3.0	3.5	3.4	4.1	3.4	3.1	3.8	4.6	3.2	3.8
Consolidated	**583.4**	**597.6**	**643.7**	**636.6**	**670.4**	**680.8**	**689.2**	**686.1**	**650.7**	**695.2**	**718.2**	**720.7**	**735.9**	**765.1**

[1] For comparison purposes, results of FY 2021 are recalculated in accordance with the new classifications from FY 2022.

Quarterly operating income

AsahiKASEI

(¥ billion)

	FY 2021[1]				FY 2022				FY 2023 (recalculated)				FY 2024	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3[2]	Q4[2]	Q1	Q2	Q3	Q4	Q1	Q2 forecast
Material Segment	**31.1**	**27.5**	**29.8**	**17.6**	**26.8**	**13.9**	**8.1**	**(7.7)**	**7.6**	**10.1**	**13.0**	**11.8**	**26.6**	**15.2**
Environmental Solutions	14.3	14.5	13.8	6.2	10.2	2.4	(2.6)	(12.2)	(0.7)	(0.9)	2.2	1.7	9.9	4.2
of which, Basic Materials	8.2	10.8	10.0	6.4	8.3	1.2	(4.2)	(8.5)	(5.1)	(2.9)	(0.3)	0.0	6.1	3.3
Mobility & Industrial	8.2	5.0	5.4	7.1	5.2	3.9	0.5	1.2	3.0	3.7	1.4	4.5	5.6	3.9
Life Innovation	10.2	8.9	10.8	4.9	12.1	7.5	7.7	0.6	4.5	7.2	9.8	6.9	12.4	8.4
of which, Digital Solutions	4.3	4.6	4.6	3.4	6.7	3.8	3.2	0.5	2.0	3.3	4.0	3.3	6.2	4.3
Others in Material	(1.6)	(1.1)	(0.2)	(0.6)	(0.6)	0.1	2.5	2.7	0.8	0.2	(0.4)	(1.2)	(1.2)	(1.4)
Homes Segment	**15.1**	**18.1**	**22.3**	**17.3**	**15.3**	**18.3**	**18.5**	**23.3**	**13.4**	**21.9**	**21.9**	**25.7**	**17.0**	**26.2**
Homes	14.7	17.3	21.3	17.3	15.0	17.9	17.9	23.1	12.5	20.2	21.2	25.6	16.5	24.9
Construction Materials	0.4	0.8	1.0	0.0	0.3	0.4	0.6	0.1	0.9	1.7	0.7	0.1	0.5	1.3
Health Care Segment	**20.5**	**13.8**	**15.9**	**2.0**	**14.8**	**11.0**	**11.4**	**4.6**	**9.6**	**10.3**	**15.8**	**12.9**	**15.6**	**12.1**
Health Care	7.6	5.9	9.0	(0.7)	10.0	4.5	7.9	0.5	5.1	2.4	8.0	3.4	7.4	2.2
Critical Care	12.9	7.8	6.9	2.7	4.8	6.5	3.5	4.1	4.5	7.9	7.8	9.5	8.2	9.9
Others	0.5	1.2	0.9	1.5	0.6	1.2	0.8	1.7	0.6	1.0	0.6	0.9	0.2	0.6
Corporate expenses and eliminations	(6.7)	(7.9)	(8.0)	(9.8)	(8.1)	(7.9)	(8.6)	(10.2)	(9.4)	(9.2)	(8.7)	(9.1)	(9.5)	(9.0)
Consolidated	**60.5**	**52.6**	**60.9**	**28.6**	**49.4**	**36.4**	**30.3**	**11.7**	**21.8**	**34.1**	**42.6**	**42.2**	**49.9**	**45.1**

[1] For comparison purposes, results of FY 2021 are recalculated in accordance with the new classifications from FY 2022.
[2] Figures for FY 2022 are retroactively revised to reflect result of PPA (purchase price allocation) completed in Q1 2023 related to Focus Companies acquired on October 31, 2022.

Business categories

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Segments	Business categories	Businesses
Material	Environmental Solutions	Separators
		Membrane solutions
		Synthetic rubber & elastomers
		Basic Materials: Petrochemical-related business
	Mobility & Industrial	Car interior material
		Engineering plastics
		Performance coating materials
	Life Innovation	Digital Solutions: Electronic materials
		Digital Solutions: Electronic devices
		Comfort Life: High-performance materials (functional additives, etc.)
		Comfort Life: Fibers (apparel, etc.)
		Comfort Life: Consumables
Homes	Homes	Order-built homes (unit homes, multi-dwelling homes)
		Real estate (condominiums, rental management)
		Remodeling
		Overseas business (North American, Australian)
	Construction Materials	Construction materials
Health Care	Health Care	Pharmaceuticals (therapeutic drugs)
		Medical (bioprocess, blood purification)
	Critical Care	Defibrillators
		LifeVest (wearable cardioverter defibrillator)

Notes and schedule

- Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.
- EBITDA = operating income, depreciation, and amortization (tangible, intangible, and goodwill)

Schedule for announcement of financial results for Q2 fiscal 2024

November 1, 2024 (JST)


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