

# Consolidated Financial Report for the Fiscal Year Ended March 31, 2024

May 13, 2024

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(Amounts rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024

(From April 1, 2023 to March 31, 2024)

### (1) Consolidated Operating Results

(% indicates the rate of increase / decrease to the same period of previous year)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
April 2023 – March 2024	468,237 (5.4)%	22,456 38.5%	36,333 -	28,981 -
April 2022 – March 2023	494,738 (24.5)%	16,210 (63.2)%	(8,745) -	(7,034) -

(Note) Comprehensive Income: From April 1, 2023 to March 31, 2024: 58,633 Million Yen –  
 From April 1, 2022 to March 31, 2023: 1,810 Million Yen (94.3)%

	Net income per share (Yen)	Diluted net income per share (Yen)	Return on equity (%)	Ordinary profit to total assets (%)	Operating profit to net sales (%)
April 2023 – March 2024	298.59	298.45	7.5	4.8	4.8
April 2022 – March 2023	(72.54)	-	(1.9)	(1.1)	3.3

(Reference) Share of profit of entities accounted for using equity method: From April 1, 2023 to March 31, 2024: 12,343 Million Yen  
 From April 1, 2022 to March 31, 2023: (23,115) Million Yen

(Note) The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in the fiscal year ended March 2024. The finalized accounting treatment is being applied in each reported figure for the fiscal year ended March 2023.

### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (%)	Shareholders' equity per share (Yen)
March 31, 2024	789,034	429,355	51.8	4,210.11
March 31, 2023	732,681	381,631	49.4	3,726.39

(Reference) Shareholders' equity: As of March 31, 2024: 408,689 Million Yen  
 As of March 31, 2023: 361,611 Million Yen

[Shareholders' equity = Net assets – Share acquisition rights – Non-controlling interests]

(Note) The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in the fiscal year ended March 2024. The finalized accounting treatment is being applied in each reported figure for the fiscal year ended March 2023.

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
April 2023 – March 2024	52,960	(33,316)	(15,712)	35,859
April 2022 – March 2023	18,127	(26,019)	2,443	30,703

## 2. Cash Dividends

	Cash dividends per share (Yen)					Total dividends paid (Annual)	Dividend payout ratio (Consolidated) (%)	Dividend on net assets ratio (Consolidated) (%)
	First quarter	Second quarter	Third quarter	Year end	Annual			
April 2022 – March 2023	-	50.00	-	45.00	95.00	9,218	-	2.5
April 2023 – March 2024	-	50.00	-	55.00	105.00	10,193	35.2	2.6
April 2024 – March 2025 (Forecast)	-	55.00	-	55.00	110.00		36.2	

## 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025

(From April 1, 2024 to March 31, 2025)

(% indicates the rate of increase / decrease to the same period of previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share(Yen)
April 2024 – September 2024	238,000	9.1%	7,500	43.7%	11,500	1.7%	8,000	(11.3)%	82.41
April 2024 – March 2025	510,000	8.9%	27,000	20.2%	37,000	1.8%	29,500	1.8%	303.89

(Notes)

(1) Changes in significant subsidiaries during the fiscal year ended March 31, 2024: No

(2) Changes in accounting policies applied, changes in accounting estimates and retrospective restatement

Changes in accounting policies applied due to revisions of accounting standards: No

Changes in accounting policies other than the above: No

Changes in accounting estimates: No

Retrospective restatement: No

(3) Number of shares outstanding (common stock)

	March 31, 2024	March 31, 2023
Numbers of shares outstanding at period end	106,200,107	106,200,107
Numbers of shares of treasury stock at period end	9,126,797	9,159,538

  

	April 2023 – March 2024	April 2022 – March 2023
Weighted-average number of shares outstanding during period	97,060,978	96,970,744

(Reference) Overview of Non-Consolidated Financial Results

(Amounts rounded down to the nearest million yen)

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2024  
(From April 1, 2023 to March 31, 2024)

(1) Non-Consolidated Operating Results (% indicates the rate of increase / decrease to the same period of previous year)

	Net sales		Operating profit		Ordinary profit		Net income	
April 2023 – March 2024	164,040	(10.1)%	7,717	(27.4)%	20,472	(13.7)%	16,507	(13.6)%
April 2022 – March 2023	182,370	(33.6)%	10,635	(26.4)%	23,720	(15.5)%	19,107	(10.6)%

	Net income per share (Yen)	Diluted net income per share (Yen)
April 2023 – March 2024	170.08	170.00
April 2022 – March 2023	197.04	196.82

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (%)	Shareholders' equity per share (Yen)
March 31, 2024	463,599	203,181	43.8	2,092.43
March 31, 2023	450,561	193,824	43.0	1,996.63

(Reference) Shareholders' equity: As of March 31, 2024: 203,119 Million Yen

As of March 31, 2023: 193,754 Million Yen

[Shareholders' equity = Net assets – Share acquisition rights]

(Information regarding review procedures)

The financial information contained in this report is not subject to review procedures by independent auditors.

(Cautionary statement on forward-looking statements)

The description about the future in this document and the supplementary material, including the forecast of financial results, is based on certain assumptions that the Company Group considered reasonable as of the published date of this release and is not intended as a guarantee that the Company Group will achieve these targets. In addition, the actual results may differ materially from those projected herein depending on various factors. For assumptions used to project the financial results and instructions to use the projected financial results, please see the "(5) Forecast for the next Fiscal Year (April 1, 2024 to March 31, 2025)" on page 7.

#### 4. Qualitative Information on Operating Results

##### (1) Overview of Operating Results

###### Overview

During the consolidated fiscal year under review, net sales decreased due to the significant impact of the sluggish sales of nylon polymers and caprolactam in the Polymers & Chemicals segment, affected partly by the slowdown of the Chinese economy, despite the effect of the acquisition of a contract drug development and manufacturing organization (API Corporation) in December 2022.

Operating profit increased despite sluggish sales of fine chemicals and industrial chemicals in the Polymers & Chemicals segment, mainly due to stable sales of separation membranes in the Specialty Products segment and after-sales services in the Machinery segment, as well as an increase in royalty revenues in the Pharmaceutical Business.

Ordinary profit and profit attributable to owners of parent both increased due to the increase in operating profit, as well as the improvement in share of profit of entities accounted for using the equity method as a result of efforts to raise selling prices in the cement-related business (Mitsubishi UBE Cement Corporation, an equity-method affiliate) to reflect soaring coal and other energy prices.

As a result, the Company Group reports its consolidated results during the current term as follows:

Item	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
April 2023– March 2024 ①	468.2	22.5	36.3	29.0
April 2022– March 2023 ②	494.7	16.2	(8.7)	(7.0)
Difference ① - ②	(26.5)	6.2	45.1	36.0
Percentage change	(5.4)%	38.5%	—	—

(Note) The Company Group determined the provisional accounting treatment related to the business combination of a contract drug development and manufacturing organization in the fiscal year ended March 2024. The finalized accounting treatment is being applied in each reported figure for the fiscal year ended March 2023.

##### Overview by Segment

Net sales				
Segment	April 2023 – March 2024 ①	April 2022 – March 2023 ②	Difference ① – ②	Percentage Change
Specialty Products	63.8	62.2	1.6	2.6%
Polymers & Chemicals	257.2	293.4	(36.2)	(12.3)%
Machinery	96.9	96.9	(0.0)	(0.0)%
Others	80.5	73.1	7.4	10.1%
Adjustment	(30.1)	(30.8)	0.8	—
Total	468.2	494.7	(26.5)	(5.4)%

Operating profit				
Segment	April 2023 – March 2024 ①	April 2022 – March 2023 ②	Difference ① – ②	Percentage Change
Specialty Products	12.1	10.2	1.9	18.2%
Polymers & Chemicals	2.4	2.6	(0.2)	(6.4)%
Machinery	7.2	5.2	1.9	36.9%
Others	4.5	2.6	2.0	75.2%
Adjustment	(3.8)	(4.5)	0.7	—
Total	22.5	16.2	6.2	38.5%

(Note 1) The Company Group determined the provisional accounting treatment related to the business combination of a contract drug development and manufacturing organization in the fiscal year ended March 2024. The finalized accounting treatment is being applied in each reported figure for the fiscal year ended March 2023.

(Note 2) Adjustment for operating profit includes corporate expenses (general expenses that are not distributed to each reportable segment) and internal transactions between the segments.

#### Specialty Products – Increases in both net sales and operating profit

The Polyimide Business recorded a decrease in net sales due to sluggish demand for large displays and smartphones. The Separation Membrane Business recorded an increase in net sales thanks to the continued stable demand for CO<sub>2</sub> separation membranes for biomethane production.

The Ceramics Business recorded an increase in net sales thanks to strong demand for bearings and substrates for electric vehicles.

The Separators Business recorded a decrease in net sales due mainly to the impact of weak demand in the first half, although sales were strong in the second half in line with the recovery of automobile production.

The Specialty Products segment as a whole recorded increases in both net sales and operating profit thanks to strong performance in the Separation Membrane Business and the Ceramics Business.

#### Polymers & Chemicals – Decreases in both net sales and operating profit

##### ■ Performance Polymers & Chemicals Business

The Composite Business recorded an increase in net sales due to the recovery trend in automobile production.

The Nylon Polymer Business recorded a decrease in net sales despite stable demand in some overseas regions because demand for nylon film for food packaging was generally weak.

The Caprolactam & Ammonium Sulfate Business recorded a decrease in net sales because sales volume declined due to a drop in demand and selling prices also fell due to a decline in market prices of raw materials such as benzene and ammonium.

The Industrial Chemicals Business recorded a decrease in net sales due to weak shipments resulting from sluggish demand for ammonia in Japan and lower selling prices in line with declining international market prices.

The Fine Chemicals Business recorded a decrease in net sales due to intensifying competition associated with a decline in product market prices and sales volume.

■ Net sales of the Elastomer Business were at the same level as the previous fiscal year, despite weak domestic demand for automotive tires and other uses, because overseas shipments remained steady.

■ The Polymers & Chemicals segment as a whole recorded decreases in both net sales and operating profit due to the significant impact of sluggish sales of the Fine Chemicals Business and the Industrial Chemicals Business, although there was no biennial inspection of the ammonia product factory.

#### Machinery – Decrease in net sales and increase in operating profit

The Molding Machine Business recorded an increase in net sales, despite the impact of sluggish capital investment in the automobile industry in the first half, due to recovery in the second half and stable performance of after-sales services. The Industrial Machines Business recorded an increase in net sales due to an increase in sales of products and stable performance of after-sales services.

The Steel Products Business recorded a decrease in net sales due to a decrease in sales volume caused by declining demand both in Japan and overseas.

As for the Machinery segment as a whole, net sales remained at the same level as the preceding fiscal year due to the significant impact of the decline in sales in the Steel Products Business despite the steady performance of the Molding Machine Business and the Industrial Machines Business. However, operating profit increased due to solid performance of services in both the Molding Machine and Industrial Machines Businesses, as well as lower raw material and fuel prices in the Steel Products Business.

#### Others – Increases in both net sales and operating profit

The Pharmaceutical Business recorded an increase in net sales due to strong sales of our own pharmaceuticals and contract pharmaceuticals, as well as the effect of the acquisition of a contract drug development and manufacturing organization in December 2022. Royalty revenues also increased.

The Power Producer Business recorded a decrease in net sales due to a decline in the prices of electricity sold in line with the fall in coal prices.

The Others segment as a whole recorded increases both in net sales and operating profit due largely to the acquisition of a contract drug development and manufacturing organization and royalty income in the Pharmaceutical Business.

#### Cement-Related Business (Equity-Method Affiliate “Mitsubishi UBE Cement Corporation”)

Although sales volume of cement decreased in the domestic market, we adjusted selling prices to reflect the soaring coal and other energy prices and reduced costs. In the overseas (North American) market, profitability improved due to the shipment of ready-mixed concrete, which had been delayed by unreasonable weather during the January-March 2023 period, and the rise in selling prices. As a result, profitability of the Cement-Related Business improved significantly.

## (2) Overview of Financial Condition

### Total Assets

Total assets increased by 56.4 billion yen or 7.7% compared to the end of the previous fiscal year, to 789.0 billion yen.

Current assets increased by 12.6 billion yen or 4.4% to 295.7 billion yen mainly because cash and deposits, and inventories such as work in process increased respectively.

Non-current assets increased by 43.8 billion yen or 9.7% to 493.2 billion yen as property, plant and equipment, investment securities, and retirement benefit asset increased.

Deferred assets increased by 6 million yen or 4.0% to 155 million yen as bond issuance costs increased.

### Liabilities

Liabilities increased by 8.6 billion yen or 2.5% compared to the end of the previous fiscal year, to 359.7 billion yen. The balance of interest-bearing debt decreased by 4.7 billion yen or 2.2% to 213.4 billion yen.

Current liabilities increased by 26.0 billion yen or 15.1% to 198.2 billion yen mainly because short-term borrowings, current portion of bonds payable, and contract liabilities increased respectively.

Non-current liabilities decreased by 17.4 billion yen or 9.7% to 161.5 billion yen, resulted mainly from a decrease in long-term borrowings.

### Net assets

Net assets increased by 47.7 billion yen or 12.5% compared to the end of the previous fiscal year, to 429.4 billion yen.

Shareholders' equity increased by 18.5 billion yen or 5.5% to 353.6 billion yen due to profit attributable to owners of parent of 29.0 billion yen despite a decrease of 9.2 billion yen in retained earnings due to dividends paid.

Accumulated other comprehensive income increased by 28.5 billion yen or 107.6% to 55.1 billion yen mainly because of an increase in foreign currency translation adjustment.

Non-controlling interests increased by 655 million yen or 3.3% to 20.6 billion yen.

As a result, shareholders' equity ratio increased by 2.4 to 51.8% compared to the end of the previous fiscal year.

## (3) Overview of cash flow

### Cash flows from operating activities

Net cash provided by operating activities increased by 34.8 billion yen compared to the previous term, and totaled 53.0 billion yen. This is the result of deducting income taxes paid from profit before income taxes, depreciation and amortization, increase (decrease) in working capital, etc.

### Cash flows from investing activities

Net cash used in investment activities increased by 7.3 billion yen compared to the previous term, and totaled 33.3 billion yen. This is mainly due to expenditures for capital investment.

### Cash flows from financing activities

Net cash used in financing activities totaled 15.7 billion yen (2.4 billion yen of income in the previous term). This was mainly due to payment of dividends and repayment of interest-bearing debt.

As a result, cash and cash equivalents increased by 5.2 billion yen or 16.8% to 35.9 billion yen, including effect of exchange rate change on cash and cash equivalents, compared to the end of the previous fiscal year.

## (4) Basic policy on profit-sharing and dividends for the current and the next term

We have a basic policy to pay the dividends stably, while aiming to further enhance shareholder returns in the future by investing aggressively to increase profits and shareholders' equity. It is also important for us to accumulate sufficient internal reserves to strengthen our financial standings and expand our business further. Considering the above policy in a comprehensive manner, we develop the proposal for the stock dividends to be resolved at the general meeting of shareholders.

In the medium-term management plan "UBE Vision 2030 Transformation — 1st Stage," of which the term starts from FY2022, we set the goal to achieve DOE (dividend on equity ratio) of 2.5% or more. In addition, the target of consolidated total return ratio, which shows the ratio of the dividends and acquisition of treasury shares combined to profit attributable to owners of parent, is set at 30% or more on a three-year-average. The Company Group paid the interim dividends of 50 yen per share in the current term and is currently planning to pay the year-end dividends of 55 yen per share.

For the next term, we plan to pay total annual dividends of 110 yen per share, broken up into interim dividends of 55 yen per share and year-end dividends of 55 yen per share.

(5) Forecast for the next Fiscal Year (April 1, 2024 to March 31, 2025)

On the assumption that the dollar-yen exchange rate would hover at a level of 150 yen /dollar and the prices of domestic product naphtha and Australian coal would be respectively around 70,100 yen per 1kl and 168.0 dollar per ton, from April 1, 2024 through March 31, 2025, we forecast the earnings as follows.

Net sales and operating profit are expected to increase due to demand recovery in the Polymers & Chemicals segment, and continued stable performance in the Specialty Products segment and the Machinery segment. The Company Group expects that the increase in ordinary profit and profit attributable to owners of parent will not be as large as that in operating profit because of a decrease in profit in the Cement-Related Business (Mitsubishi UBE Cement Corporation, an equity-method affiliate).

(Billions of yen)

Item	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
April 2024 – March 2025 ①	510.0	27.0	37.0	29.5
April 2023 – March 2024 ②	468.2	22.5	36.3	29.0
Difference ① - ②	41.8	4.5	0.7	0.5
Percentage change	8.9%	20.2%	1.8%	1.8%

Overview by Segment

Net sales (Billions of yen)

Segment	April 2024 – March 2025 ①	April 2023 – March 2024 ②	Difference ① – ②	Percentage change
Specialty Products	70.0	63.8	6.3	9.8%
Polymers & Chemicals	288.0	258.6	29.4	11.4%
Machinery	104.0	96.9	7.1	7.3%
Others	72.0	74.5	(2.5)	(3.3)%
Adjustment	(24.0)	(25.4)	1.4	—
Total	510.0	468.2	41.8	8.9%

Operating profit (Billions of yen)

Segment	April 2024 – March 2025 ①	April 2023 – March 2024 ②	Difference ① – ②	Percentage change
Specialty Products	12.5	12.1	0.4	3.2%
Polymers & Chemicals	9.5	2.5	7.0	273.9%
Machinery	7.0	7.2	(0.2)	(2.3)%
Others	2.0	4.5	(2.5)	(55.2)%
Adjustment	(4.0)	(3.8)	(0.2)	—
Total	27.0	22.5	4.5	20.2%

(Note 1) UBE America Inc. and UBE CORPORATION AMERICA INC. will be reclassified from the “Others” segment to the “Polymers & Chemicals” segment from the fiscal year ending March 2025. The results for the fiscal year ended March 2024 are reference figures after the segment reclassification.

(Note 2) Adjustment includes corporate expenses (general expenses that are not distributed to each reportable segment) and internal transactions between the segments.

## 5. Management policy

### (1) Basic policy for management of the Company

In order to achieve our transformation goal in the future, which is defined in “UBE Vision 2030 Transformation,” the Company Group implemented a three-year medium-term management plan “UBE Vision 2030 Transformation—1st Stage,” a concrete action plan that will be in effect from FY2022 up through FY 2024 and set the following basic policy and numeric targets.

#### ◆Vision for 2030

A corporate group centered on specialty chemicals that contributes to the global environment, human health, and an enriched future society

Pursuing the achievement of the vision for the future, we will shift to a business structure focused on specialty chemical products that have a “low energy burden,” are “resistant to swings in market conditions,” and are “highly profitable.” Implementing the policies for transformation of business structure, promotion of energy saving activities, and process improvements, we will strive to achieve the goals about reduction of GHG emissions and contribute to the realization of a sustainable society by promoting the development and practical application of environmentally friendly products and technologies.

#### ◆Basic policy

- i ) Pursuing global profit growth driven by specialty chemicals
- ii ) Structural changes in response to global environmental issues
- iii ) Enhancing human capital for sustainable growth
- iv ) Enhancing corporate value and creating customer value by promoting DX
- v ) Further improving governance

#### ◆Numeric targets

< Key Figures >		< Key Indicators >	
	Target for FY 2024		Target for FY 2024
Operating profit	40.0 billion yen Of which, specialty business: 24.0 billion yen	Return on sales – ROS	8.0%
Ordinary profit	47.0 billion yen	Return on equity – ROE	8.0%

### (2) Challenges that the Company should address

During the period under review, although financial performance in the specialty businesses, such as Polyimide, Separation Membrane, Ceramics, High-performance Coating, and Pharmaceuticals, was stable, a severe situation continued for Nylon Polymer and Caprolactam of the basic businesses. In the performance forecast for the next fiscal year, we expect the business environment surrounding the basic businesses to improve. However, compared to the business environment assumed when the medium-term management plan was formulated, it is likely to be significantly worse, and therefore it is difficult to achieve the numerical targets of the aforementioned medium-term management plan (FY2024).

There is no change to the basic policy of the medium-term management plan. However, in light of this business environment, the Company Group will further accelerate the expansion of the specialty businesses and the structural reform of the basic businesses in order to reduce fluctuations in performance and put our business on a stable growth track. In the specialty business segment, we will gradually start operation of the manufacturing facilities, which are currently undergoing construction to increase production, for polyimide raw material monomer (BPDA), polyimide film, separation membranes, ceramics, etc., and will also steadily proceed with the construction of DMC and EMC manufacturing facilities in the U.S., which was decided in February 2024. On the other hand, of the basic businesses, we will further promote structural reform for Nylon Polymer and Caprolactam, which are subject to large fluctuations in profit and loss, following the reduction in caprolactam production in Japan in May 2024.

In addition, positioning diversity, equity, and inclusion as the top priority issue for the enhancement of our human capital, we will work to develop diverse human resources to drive growth through specialty businesses, improve employee work engagement, and foster an innovative corporate culture in which members are willing to take on challenges without following precedents. Furthermore, by promoting DX in a wide range of areas, we will increase operational efficiency and accelerate the creation of new customer value.

Aiming for further growth as a holding company for the chemical business, we will achieve sustainable growth globally as a specialty chemicals corporate group, and also operate as a holding company for the Machinery and Cement businesses to maximize the corporate value of the Group as a whole.

## 6. Basic policy on adoption of accounting standard

Considering comparability of consolidated financial statements in terms of the covered periods and respective companies, the Company Group has a policy to prepare consolidated financial statement based on the Japanese accounting standard.

In regard to adoption of the international accounting standard, we will make appropriate response with consideration to internal and external circumstances at the time.



## 7. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	31,175	36,359
Notes receivable - trade	5,309	4,686
Accounts receivable - trade	96,256	97,354
Contract assets	5,433	5,738
Merchandise and finished goods	56,754	58,017
Work in process	23,881	29,503
Raw materials and supplies	46,373	46,428
Other	18,044	17,668
Allowance for doubtful accounts	(109)	(75)
Total current assets	283,116	295,678
Non-current assets		
Property, plant and equipment		
Buildings and structures	152,338	154,309
Accumulated depreciation and impairment	(101,074)	(102,604)
Buildings and structures, net	51,264	51,705
Machinery, equipment and vehicles	494,741	509,489
Accumulated depreciation and impairment	(399,415)	(416,988)
Machinery, equipment and vehicles, net	95,326	92,501
Land	36,701	37,243
Leased assets	5,330	5,025
Accumulated depreciation and impairment	(1,756)	(1,444)
Leased assets, net	3,574	3,581
Construction in progress	12,357	27,211
Other	41,049	43,136
Accumulated depreciation and impairment	(31,233)	(33,219)
Other, net	9,816	9,917
Total property, plant and equipment	209,038	222,158
Intangible assets		
Leased assets	574	544
Goodwill	1,472	1,448
Other	6,740	6,577
Total intangible assets	8,786	8,569
Investments and other assets		
Investment securities	198,393	223,923
Long-term loans receivable	139	122
Retirement benefit asset	11,009	18,622
Deferred tax assets	13,775	11,881
Other	8,539	8,201
Allowance for doubtful accounts	(263)	(275)
Total investments and other assets	231,592	262,474
Total non-current assets	449,416	493,201
Deferred assets		
Bond issuance costs	149	155
Total deferred assets	149	155
<b>Total assets</b>	<b>732,681</b>	<b>789,034</b>

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	69,241	62,068
Short-term borrowings	55,137	63,370
Commercial papers	3,000	—
Current portion of bonds payable	—	10,000
Lease liabilities	553	518
Accounts payable - other	21,272	28,108
Income taxes payable	1,528	4,154
Contract liabilities	9,078	15,040
Provision for bonuses	5,258	5,141
Provision for loss on orders received	433	258
Other	6,732	9,564
Total current liabilities	172,232	198,221
Non-current liabilities		
Bonds payable	60,000	60,000
Long-term borrowings	95,520	75,572
Lease liabilities	3,933	3,972
Deferred tax liabilities	1,013	1,430
Provision for retirement benefits for directors (and other officers)	196	190
Provision for special repairs	1,312	2,783
Provision for loss on business restructuring	519	231
Retirement benefit liability	7,219	7,289
Asset retirement obligations	1,199	1,224
Other	7,907	8,767
Total non-current liabilities	178,818	161,458
Total liabilities	351,050	359,679
Net assets		
Shareholders' equity		
Share capital	58,435	58,435
Capital surplus	40,371	40,370
Retained earnings	257,957	276,409
Treasury shares	(21,676)	(21,598)
Total shareholders' equity	335,087	353,616
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,698	8,885
Deferred gains or losses on hedges	(143)	64
Foreign currency translation adjustment	23,740	39,418
Remeasurements of defined benefit plans	229	6,706
Total accumulated other comprehensive income	26,524	55,073
Share acquisition rights	71	62
Non-controlling interests	19,949	20,604
Total net assets	381,631	429,355
Total liabilities and net assets	732,681	789,034

## (2) Consolidated Statements of Income / Consolidated Statements of Comprehensive Income

• Consolidated Statements of Income

(Millions of yen)

	April 1, 2022 – March 31, 2023	April 1, 2023 – March 31, 2024
Net sales	494,738	468,237
Cost of sales	412,193	381,526
Gross profit	82,545	86,711
Selling, general and administrative expenses	66,335	64,255
Operating profit	16,210	22,456
Non-operating income		
Interest income	101	361
Dividend income	1,347	3,622
Rental income	835	851
Amortization of negative goodwill	24	—
Share of profit of entities accounted for using equity method	—	12,343
Foreign exchange gains	517	1,526
Compensation income	543	—
Other	1,003	874
Total non-operating income	4,370	19,577
Non-operating expenses		
Interest expenses	780	1,042
Rental expenses	515	509
Loss on disposal of non-current assets	525	636
Share of loss of entities accounted for using equity method	23,115	—
Other	4,390	3,513
Total non-operating expenses	29,325	5,700
Ordinary profit (loss)	(8,745)	36,333
Extraordinary income		
Gain on sale of non-current assets	346	54
Gain on sale of investment securities	337	293
Gain on change in equity	8,265	712
Gain on liquidation of subsidiaries and associates	1,180	—
Gain on termination of retirement benefit plan	245	—
Total extraordinary income	10,373	1,059
Extraordinary losses		
Loss on disposal of non-current assets	982	1,970
Loss on sale of investment securities	1,154	—
Impairment losses	1,350	353
Loss on valuation of investment securities	338	1
Provision for loss over investment cost of subsidiaries and affiliates	456	—
Total extraordinary losses	4,280	2,324
Profit (loss) before income taxes	(2,652)	35,068
Income taxes - current	3,864	7,364
Income taxes - deferred	1,641	(1,332)
Total income taxes	5,505	6,032
Profit (loss)	(8,157)	29,036
Profit (loss) attributable to non-controlling interests	(1,123)	55
Profit (loss) attributable to owners of parent	(7,034)	28,981

• Consolidated Statements of Comprehensive Income

(Millions of yen)

	April 1, 2022 – March 31, 2023	April 1, 2023 – March 31, 2024
Profit (loss)	(8,157)	29,036
Other comprehensive income		
Valuation difference on available-for-sale securities	(38)	3,129
Deferred gains or losses on hedges	32	44
Foreign currency translation adjustment	7,142	9,918
Remeasurements of defined benefit plans, net of tax	(1,222)	5,194
Share of other comprehensive income of entities accounted for using equity method	4,053	11,312
Total other comprehensive income	9,967	29,597
Comprehensive income	1,810	58,633
Comprehensive income attributable to owners of parent	1,897	57,530
Comprehensive income attributable to non-controlling interests	(87)	1,103

## (3) Consolidated Statements of Changes in Net Assets

• For the fiscal year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	58,435	40,623	274,725	(22,234)	351,549
Changes during the year					
Cash dividends			(9,692)		(9,692)
Profit or loss attributable to owners of parent			(7,034)		(7,034)
Purchase of treasury stock				(38)	(38)
Disposal of treasury stock		(93)		596	503
Purchase of shares of consolidated subsidiaries		(135)			(135)
Effect of changes in accounting period of consolidated subsidiaries			(33)		(33)
Effect of corporate spin-off		(24)	(9)		(33)
Net changes of items other than shareholders' equity					
Total changes during the year	-	(252)	(16,768)	558	(16,462)
Balance at the end of the year	58,435	40,371	257,957	(21,676)	335,087

(Millions of yen)

	Accumulated Other Comprehensive Income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	3,680	(70)	13,218	765	17,593	510	24,383	394,035
Changes during the year								
Cash dividends								(9,692)
Profit or loss attributable to owners of parent								(7,034)
Purchase of treasury stock								(38)
Disposal of treasury stock								503
Purchase of shares of consolidated subsidiaries								(135)
Effect of changes in accounting period of consolidated subsidiaries								(33)
Effect of corporate spin-off								(33)
Net changes of items other than shareholders' equity	(982)	(73)	10,522	(536)	8,931	(439)	(4,434)	4,058
Total changes during the year	(982)	(73)	10,522	(536)	8,931	(439)	(4,434)	(12,404)
Balance at the end of the year	2,698	(143)	23,740	229	26,524	71	19,949	381,631

• For the fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	58,435	40,371	257,957	(21,676)	335,087
Changes during the year					
Cash dividends			(9,220)		(9,220)
Profit or loss attributable to owners of parent			28,981		28,981
Purchase of treasury stock				(7)	(7)
Disposal of treasury stock		(1)		85	84
Effect of changes in retained earnings of equity-method affiliates			(Note) (1,309)		(1,309)
Net changes of items other than shareholders' equity					
Total changes during the year	-	(1)	18,452	78	18,529
Balance at the end of the year	58,435	40,370	276,409	(21,598)	353,616

(Millions of yen)

	Accumulated Other Comprehensive Income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	2,698	(143)	23,740	229	26,524	71	19,949	381,631
Changes during the year								
Cash dividends								(9,220)
Profit or loss attributable to owners of parent								28,981
Purchase of treasury stock								(7)
Disposal of treasury stock								84
Effect of changes in retained earnings of equity-method affiliates								(1,309)
Net changes of items other than shareholders' equity	6,187	207	15,678	6,477	28,549	(9)	655	29,195
Total changes during the year	6,187	207	15,678	6,477	28,549	(9)	655	47,724
Balance at the end of the year	8,885	64	39,418	6,706	55,073	62	20,604	429,355

(Note) The decrease is due to the partial transfer of shares of an affiliate by Mitsubishi UBE Cement Corporation, an equity-method affiliate of the Company.

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	April 1, 2022 – March 31, 2023	April 1, 2023 – March 31, 2024
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(2,652)	35,068
Depreciation and amortization	25,506	26,572
Impairment losses	1,350	353
Loss on retirement of non-current assets	609	538
Amortization of goodwill	–	130
Amortization of negative goodwill	(24)	–
Interest and dividend income	(1,448)	(3,983)
Interest expenses	780	1,042
Share of loss (profit) of entities accounted for using equity method	23,115	(12,343)
Loss (gain) on sale of investment securities	817	(293)
Loss (gain) on valuation of investment securities	338	1
Loss (gain) on change in equity	(8,265)	(712)
Provision for loss over investment cost of subsidiaries and affiliates	456	–
Loss (gain) on sale of non-current assets	(343)	(44)
Increase (decrease) in allowance for doubtful accounts	(21)	(23)
Increase(decrease) in defined benefit asset and liability	1,044	(7,607)
Increase (decrease) in remeasurements of defined benefit plans	(1,023)	5,205
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(62)	(6)
Increase (decrease) in other provisions	(1,618)	1,317
Decrease (increase) in trade receivables	11,305	1,652
Decrease (increase) in inventories	(21,885)	(3,013)
Increase (decrease) in trade payables	(1,819)	(7,813)
Increase (decrease) in accounts payable - other	144	931
Increase (decrease) in contract liabilities	2,363	5,614
Decrease (increase) in other current assets	(3,218)	2,461
Increase (decrease) in other current liabilities	(1,228)	2,863
Other, net	(2,361)	3,984
<b>Subtotal</b>	<b>21,860</b>	<b>51,894</b>
Interest and dividends received	5,497	5,843
Interest paid	(811)	(1,035)
Income taxes paid	(8,419)	(3,742)
<b>Net cash provided by (used in) operating activities</b>	<b>18,127</b>	<b>52,960</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(26,829)	(30,972)
Proceeds from sale of property, plant and equipment	394	283
Purchase of investment securities	(152)	(41)
Proceeds from sale of investment securities	594	406
Payments for investments in capital of subsidiaries and associates	(2,465)	–
Purchase of shares of subsidiaries and associates	(1,374)	(1,070)
Proceeds from sale of shares of subsidiaries and associates	817	–
Payment from sale of shares of subsidiaries and associates	(420)	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(7,322)	–
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	2,350	368
Proceeds from withdrawal of investments in silent partnerships	–	300
Decrease (increase) in short-term loans receivable	8,245	(2,660)
Proceeds from collection of long-term loans receivable	1	–
Other, net	142	70
<b>Net cash provided by (used in) investing activities</b>	<b>(26,019)</b>	<b>(33,316)</b>

(Millions of yen)

	April 1, 2022 – March 31, 2023	April 1, 2023 – March 31, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	19,466	(3,653)
Net increase (decrease) in commercial papers	(14,000)	(3,000)
Proceeds from long-term borrowings	23,497	10,582
Repayments of long-term borrowings	(14,065)	(19,289)
Proceeds from issuance of bonds	9,950	9,949
Redemption of bonds	(10,000)	—
Purchase of treasury shares	(38)	(8)
Dividends paid	(9,667)	(9,191)
Dividends paid to non-controlling interests	(942)	(448)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,168)	—
Other, net	(590)	(654)
Net cash provided by (used in) financing activities	2,443	(15,712)
Effect of exchange rate change on cash and cash equivalents	658	1,224
Net increase (decrease) in cash and cash equivalents	(4,791)	5,156
Cash and cash equivalents at beginning of period	78,761	30,703
Derease in cash and cash equivalents resulting from corporate spin-off	(43,267)	—
Cash and cash equivalents at end of period	30,703	35,859



(5) Notes to Consolidated Financial Statements

(Note to events and conditions which indicate there could be substantial doubt about going concern assumption)

None.

(Changes in presentation)

(Consolidated Statements of Income)

“Subsidy income” under “Non-operating income,” which was presented independently in the preceding consolidated fiscal year, is included in “Other” from the consolidated fiscal year under review because it decreased to less than 10/100 of the total amount of non-operating income. To reflect these changes in presentation method, certain reclassifications have been made to the consolidated financial statements for the preceding consolidated fiscal year.

As a result, 225 million yen presented as “Subsidy income” and 778 million yen presented as “Other” under “Non-operating income” in the consolidated statement of income for the preceding consolidated fiscal year have been reclassified as “Other” of 1,003 million yen.

“Loss on disposal of non-current assets,” which was included in “Other” of “Non-operating expenses” in the preceding consolidated fiscal year, is presented separately from the consolidated fiscal year under review because it exceeded 10/100 of the total amount of non-operating expenses. To reflect these changes in presentation method, certain reclassifications have been made to the consolidated financial statements for the preceding consolidated fiscal year.

As a result, 4,915 million yen presented as “Other” under “Non-operating expenses” in the consolidated statement of income for the preceding consolidated fiscal year has been reclassified as “Loss on disposal of non-current assets” of 525 million yen and “Other” of 4,390 million yen.

(Consolidated Statements of Cash Flows)

“Subsidy income” and “Subsidies received” under “Cash flows from operating activities,” which were presented independently in the preceding consolidated fiscal year, are included in “Other, net” in the consolidated fiscal year under review because they have become insignificant quantitatively. In addition, “Increase (decrease) in remeasurements of defined benefit plans,” “Increase (decrease) in other provisions,” “Increase (decrease) in accounts payable - other,” “Increase (decrease) in contract liabilities,” “Decrease (increase) in other current assets,” and “Increase (decrease) in other current liabilities,” which were included in “Other, net” of “Cash flows from operating activities,” are presented separately from the consolidated fiscal year under review because their quantitative significance have increased. To reflect these changes in presentation method, certain reclassifications have been made to the consolidated financial statements for the preceding consolidated fiscal year.

As a result, (225) million yen presented as “Subsidy income,” 165 million yen presented as “Subsidies received,” and (6,881) million yen presented as “Other, net” under “Cash flows from operating activities” for the preceding consolidated fiscal year have been reclassified as (1,023) million yen of “Increase (decrease) in remeasurements of defined benefit plans,” (1,618) million yen of “Increase (decrease) in other provisions,” 144 million yen of “Increase (decrease) in accounts payable - other,” 2,363 million yen of “Increase (decrease) in contract liabilities,” (3,218) million yen of “Decrease (increase) in other current assets,” (1,228) million yen of “Increase (decrease) in other current liabilities,” and (2,361) million yen of “Other, net.”

(Segment Information)

1. Segment Information

(1) Summary of reportable segments

The reportable segments of UBE are defined as individual units, where separate financial information is available and which are subject to regular review by the Board of Directors of the Company to evaluate their results and decide the allocation of management resources.

The Company Group consolidated the segments of which products and services have similar economic characteristic and markets, and classified them into the reportable segments consisting of "Specialty Products," "Polymers & Chemicals," "Machinery" and "Others" segments.

Main products and services of each reportable segment are as follows;

Reportable segment	Main products and services
Specialty Products	Polyimide, Separation membrane, Ceramics, Separators, etc.
Polymers & Chemicals	Composite, Nylon polymer, Caprolactam, Ammonium sulfate, Industrial chemicals, Fine Chemicals, High-Performance Coating, Elastomer (Synthetic rubber), etc.
Machinery	Molding Machinery(Die Casting Machines, Extrusion Presses, and Injection Molding Machines), Industrial Machinery(Kiln, Chemical Equipment, Vertical mill, Bulk handling machine, Water screening equipment, Crushers), Bridges and Steel Structures and Steel Products(Billets, Casting), etc.
Others	Pharmaceuticals (APIs and intermediates), electric power supply business, leasing and control of real estate,etc.

(2) Calculation method of net sales, income or loss, assets, liabilities and other items by the reportable segment

The accounting method applied for the reportable segments is subject to the account policy adopted for preparation of consolidated financial statement.

Reportable segment profit consists of figures based on operating profit.

Intersegment sales or transfers are based on market prices.

(3) Information concerning Net Sales and Operating Profit or Loss, Assets, Liabilities and other items by Reportable Business Segment

For the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reported segment					Adjustment (note 1)	Amount recorded in consolidated statements of income (note 2)
	Specialty Products	Polymers & Chemicals	Machinery	Others	Total		
Net sales							
External sales	47,085	268,469	96,373	82,811	494,738	—	494,738
Internal sales or transfers	15,073	24,919	548	(9,701)	30,839	(30,839)	—
Total	62,158	293,388	96,921	73,110	525,577	(30,839)	494,738
Segment profit (Operating profit)	10,243	2,592	5,237	2,596	20,668	(4,458)	16,210
Assets	74,090	274,814	89,728	89,706	528,338	204,343	732,681
Other items							
Depreciation and amortization (Note 3)	4,073	14,397	2,007	3,015	23,492	2,014	25,506
Investment in equity- method affiliates	5,240	26,634	—	3,117	34,991	150,369	185,360
Increase in property, plant and equipment and intangible assets (Note 4)	4,874	10,514	1,684	8,639	25,711	3,578	29,289

(Note 1) Adjustments are applied to the followings:

i ) (4,458) million yen for adjustment for segment profit includes 271 million yen for the elimination of transaction between the segments, and (4,729) million yen for company-wide cost that is not allocated to each reported segment. Company-wide cost consists mainly of administration and general expense that is not attributed to each reported segment.

ii ) Adjustment for segment assets of 204,343 million yen includes assets of the Cement-related business of 151,827 million yen, eliminations of inter-segment receivables of (37,105) million yen, and corporate assets not belonging to specific segments of 89,621 million yen.

iii ) Adjustment for depreciation and amortization of 2,014 million yen is composed of depreciation and amortization cost of corporate assets not belonging to specific segments.

iv ) Adjustment for investment in equity-method affiliates of 150,369 million yen is the investment in the Cement-related business.

v ) Adjustment for increase in property, plant and equipment and intangible assets of 3,578 million yen consists of an increase of corporate assets not belonging to specific segments.

(Note 2) Segment profit is adjusted with operating profit recorded in the consolidated financial statement.

(Note 3) Depreciation and amortization includes amortization of long-term prepaid expenses.

(Note 4) The increase in property, plant and equipment and intangible assets includes increases in long-term prepaid expenses.

(Note 5) Segment information for the preceding consolidated fiscal year is disclosed based on the amounts after reflecting the significant revision of the initial allocation of acquisition cost due to finalization of the provisional accounting treatment for the business combination of a contract drug development and manufacturing organization.

For the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reported segment					Adjustment (note 1)	Amount recorded in consolidated statements of income (note 2)
	Specialty Products	Polymers & Chemicals	Machinery	Others	Total		
Net sales							
External sales	46,142	232,834	96,476	92,785	468,237	—	468,237
Internal sales or transfers	17,608	24,341	410	(12,294)	30,065	(30,065)	—
Total	63,750	257,175	96,886	80,491	498,302	(30,065)	468,237
Segment profit (Operating profit)	12,110	2,427	7,168	4,549	26,254	(3,798)	22,456
Assets	80,089	290,837	93,047	87,875	551,848	237,186	789,034
Other items							
Depreciation and amortization (Note 3)	3,817	14,402	2,389	3,923	24,531	2,041	26,572
Investment in equity- method affiliates	4,843	24,700	—	3,679	33,222	173,710	206,932
Increase in property, plant and equipment and intangible assets (Note 4)	7,932	14,757	2,558	4,806	30,053	6,009	36,062

(Note 1) Adjustments are applied to the followings:

i ) (3,798) million yen for adjustment for segment profit includes (170) million yen for the elimination of transaction between the segments and (3,628) million yen for company-wide cost that is not allocated to each reported segment. Company-wide cost consists mainly of administration and general expense that is not attributed to each reported segment.

ii ) Adjustment for segment assets of 237,186 million yen includes assets of the Cement-related business of 175,158 million yen, eliminations of inter-segment receivables of (38,637) million yen, and corporate assets not belonging to specific segments of 100,665 million yen.

iii ) 2,041 million yen for adjustment for depreciation and amortization consists of depreciation and amortization of company-wide assets that is not attributed to each reported segment.

iv ) Adjustment for investment in equity-method affiliates of 173,710 million yen is investment in the Cement-related business.

v ) 6,009 million yen for adjustment for the increase in property, plant and equipment and intangible assets consists of a company-wide assets increase that is not attributed to each reported segment.

(Note 2) Segment profit is adjusted with operating profit recorded in the consolidated financial statement.

(Note 3) Depreciation and amortization includes amortization of long-term prepaid expenses.

(Note 4) The increase in property, plant and equipment and intangible assets includes increases in long-term prepaid expenses.

## 2. Related Information

For the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

### (1) Information by product and service

This information is omitted, because the same information is provided in the Segment information section.

### (2) Information by region

#### ① Net sales

(Millions of yen)

Japan	Asia	Europe	Others	Total
236,819	136,703	70,572	50,644	494,738

(Note) The company classifies sales based on the location of the customer.

#### ② Tangible assets

(Millions of yen)

Japan	Thailand	Spain	Others	Total
144,281	41,027	22,455	1,275	209,038

(Note) Tangible assets for the preceding consolidated fiscal year is disclosed based on the amounts after reflecting the significant revision of the initial allocation of acquisition cost due to finalization of the provisional accounting treatment for the business combination of a contract drug development and manufacturing organization.

### (3) Information by major customer

This information is omitted, because net sales to certain external customers account for less than 10% of net sales in consolidated income statement.

For the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

### (1) Information by product and service

This information is omitted, because the same information is provided in the Segment information section.

### (2) Information by region

#### ① Net sales

(Millions of yen)

Japan	Asia	Europe	Others	Total
232,213	126,342	62,308	47,374	468,237

(Note) The company classifies sales based on the location of the customer.

#### ② Tangible assets

(Millions of yen)

Japan	Thailand	Spain	Others	Total
149,909	40,378	24,740	7,131	222,158

### (3) Information by major customer

This information is omitted, because net sales to certain external customers account for less than 10% of net sales in consolidated income statement.

3. Information Concerning Impairment Loss of Fixed Assets by Reportable Segment  
Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Impairment loss	175	812	5	82	276	1,350

(Note) The amount in the “Company wide / elimination” section consists of impairment losses relating to company-wide assets that are not attributed to each reported Segment.

Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Impairment loss	180	121	—	15	37	353

(Note) The amount in the “Company wide / elimination” section consists of impairment losses relating to company-wide assets that are not attributed to each reported Segment.

4. Information about amortization of goodwill and balance of unamortized goodwill by reportable segment  
Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Amortization of goodwill	—	166	22	9	—	197
Balance at the end of the term	—	1,166	49	367	—	1,582

(Note) Amortization of goodwill and balance at the end of the term for the preceding consolidated fiscal year is disclosed based on the amounts after reflecting the significant revision of the initial allocation of acquisition cost due to finalization of the provisional accounting treatment for the business combination of a contract drug development and manufacturing organization.

Amortization of negative goodwill and unamortized balances arising from business combinations, etc. before April 1, 2010 are as follows:

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Amortization of goodwill	221	—	—	—	—	221
Balance at the end of the term	110	—	—	—	—	110

Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Amortization of goodwill	—	181	22	37	—	240
Balance at the end of the term	—	1,094	27	327	—	1,448

Amortization of negative goodwill and unamortized balances arising from business combinations, etc. before April 1, 2010 are as follows:

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Amortization of goodwill	110	—	—	—	—	110
Balance at the end of the term	—	—	—	—	—	—

5. Information concerning gain on negative goodwill by reportable segment

Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

None.

Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

None.

(Information of per share)

	April 1, 2022 – March 31, 2023	April 1, 2023 – March 31, 2024
Shareholders' equity per share (Yen)	3,726.39	4,210.11
Net income or loss per share (Yen)	(72.54)	298.59
Diluted net income per share (Yen)	–	298.45

(Note) 1. Diluted net income per share in the previous term is not presented, because net income per share in the previous term was negative although there are dilutive shares.

2. Since the provisional accounting treatment for a business combination was finalized in the consolidated fiscal year under review, shareholders' equity per share and net loss per share for the preceding consolidated fiscal year are calculated based on the amounts after reflecting the significant revision of the initial allocation of acquisition cost due to the finalization of the provisional accounting treatment.

3. Basis of calculation of net income or loss per share and diluted net income per share is as follows:

	April 1, 2022 – March 31, 2023	April 1, 2023 – March 31, 2024
Net income per share		
Profit or loss attributable to owners of parent (Millions of yen)	(7,034)	28,981
Profit or loss not attributable to shareholders of common stock (Millions of yen)	–	–
Profit or loss attributable to shareholders of common stock of parent (Millions of yen)	(7,034)	28,981
Weighted-average number of shares outstanding during period of common stock (Thousand shares)	96,970	97,060
Diluted net income per share		
Adjustments of profit attributable to owners of parent (Millions of yen)	–	–
Increase in the number of common shares (Thousand shares)	–	43
Of which, share acquisition rights	–	43
Descriptions of potentially dilutive common shares that were not included in the computation of diluted net income per share because of their anti-dilutive effect		–

(Material subsequent events)

None.

(Reference) Consolidated Key Indicators

(Billions of yen)

	April 2022 – March 2023	April 2023 – March 2024	April 2024 – March 2025 (forecast)
Capital investment	29.3	36.1	81.0
Depreciation and amortization	25.5	26.6	27.0
Research and development expenses	10.4	10.3	10.0
Adjusted operating profit (loss) *1	(5.5)	38.8	39.7
Interest-bearing debt	218.1	213.4	269.0
Shareholders' equity *2	361.6	408.7	424.0
Total assets	732.7	789.0	850.0
D/E ratio (times)	0.60	0.52	0.63
Shareholders' equity ratio (%)	49.4	51.8	49.9
Return on sales - ROS (%) *3	3.3	4.8	5.3
Return on assets - ROA (%) *4	(0.7)	5.1	4.8
Return on equity - ROE (%) *5	(1.9)	7.5	7.1
Return on invested capital - ROIC (%) *6	(2.0)	4.7	4.8

\*1 Adjusted operating profit (loss): Operating profit + Interest and dividend income + Share of profit (loss) of entities accounted for using equity method

\*2 Shareholders' equity: Net assets – Share acquisition rights – Non-controlling interests

\*3 ROS: Operating profit / Net sales

\*4 ROA: Adjusted operating profit (loss) / Average total assets

\*5 ROE: Profit (loss) attributable to owners of parent / Average shareholders' equity

\*6 ROIC: Net operating profit after tax + Share of profit (loss) of entities accounted for using equity method / Average invested capital\* (Invested capital: Interest-bearing debt + Shareholders' equity )

(Note) The Company Group determined the provisional accounting treatment related to the business combination of a contract drug development and manufacturing organization in the fiscal year ended March 2024. The finalized accounting treatment is being applied in each reported figure for the fiscal year ended March 2023.