Fiscal 2025 2nd Quarter Financial Results

Supplementary Financial Summary

November 5, 2025

Asahi Kasei Corporation

Detailed supplementary data on business results are now disclosed in the Financial Factbook on our website.
https://www.asahi-kasei.com/ir/library/financial_briefing/

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Creating for Tomorrow

Focus of H1 2025 results and FY 2025 forecast

H1 2025 results

Operating income	Net income attributable to owners of the parent
¥107.5 billion YoY -1.3%	¥66.3 billion YoY +10.0%
Before goodwill amortization: ¥123.8 billion -0.7%	

FY 2025 forecast

Operating income	Net income attributable to owners of the parent
¥221.0 billion YoY +4.3%	¥140.0 billion YoY +3.7%
Before goodwill amortization: ¥253.0 billion +3.5%	

H1 2025 results

- **Operating income roughly even with previous year;** increase in Healthcare with significant income growth from Pharmaceuticals, increase in Homes with firm performance of domestic housing, decrease in Material with impact of inventory valuation and maintenance turnaround in Essential Chemical, etc.
- **Net income increased from previous year;** deteriorated extraordinary gains/losses with loss recorded on discontinuation of MMA business etc. in Material, but improved non-operating income/expenses and reduced income taxes

FY 2025 forecast

- **Operating income expected to increase from previous year, and revised upward from previous forecast (May), aiming for new record high for 2nd consecutive year;** First Priority businesses Pharmaceuticals and Electronics especially outperforming with effects of growth investments, etc.
- **Net income expected to increase from previous year** with improved equity in earnings/losses of affiliates offsetting deteriorated extraordinary gains/losses due to losses associated with business withdrawal; **revised upward from previous forecast** with sales of strategic shareholdings

Shareholder returns

- Interim dividend of ¥20 per share, full-year dividend forecast of ¥40 per share (¥2 per share increase from previous year; no change from previous forecast)
- **Decision to perform share repurchase up to ¥40 billion** as a measure to raise corporate value

Main impacts and risks of U.S. tariff policy in FY 2025

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- The impact for operations located in the U.S. is currently expected to be immaterial, as increased procurement costs are to be suppressed by utilizing prior inventory, raising sales prices, changing to alternative suppliers, etc.
- Risks of decreased demand due to global economic stagnation, price increases by suppliers, etc., not significantly materializing in H1 FY 2025; market trends to be carefully monitored for impact on demand from H2 onward

Segment	Main impacts, risks, and countermeasures for H2 onward
Healthcare	• U.S. sites of Life Science procure certain products and components from outside the U.S., but the impact is to be suppressed by raising sales prices, etc. • U.S. sites of Critical Care procure certain components from outside the U.S., but the impact is to be suppressed by utilizing inventory of components, raising sales prices, etc.
Homes	• U.S. sites of the North American business procure certain materials from outside the U.S., but the impact is to be suppressed by raising sales prices, etc. (tariff rates lower than expected, anticipating more moderate procurement cost increase than previously) • Both domestic Japanese and overseas businesses face the risk of decreased inclination to purchase among consumers due to global economic stagnation, suppliers raising prices, etc.
Material	• U.S. sites of Car Interior procure certain materials from outside the U.S., but the impact is to be suppressed by raising sales prices, etc. • Automotive-related businesses face the risk of decreased demand, and petrochemical businesses face the risk of lower market prices, due to global economic stagnation, suppliers raising prices, etc.

Progress of business portfolio transformation (1)

Advancing business portfolio transformation with both growth investments and structural transformation since previous MTP

	FY 2022	FY 2023	FY 2024	FY 2025
	Previous MTP "Be a Trailblazer"			Current MTP "Trailblaze Together"
Growth investments	**Life Science** Acquisition of Bionova Scientific, a U.S. biologics CDMO **Electronics** Increased capacity for Pimel semiconductor buffer coat/interlayer dielectric	**Overseas Homes** Acquisition of Focus Companies, a building components supplier in Nevada **Energy & Infrastructure** Addition of coating facilities of wet-process LIB separators in U.S. and Japan	**Pharmaceuticals** Acquisition of Calliditas Therapeutics **Overseas Homes** Acquisition of ODC Construction, a residential construction work subcontractor in Florida **Energy & Infrastructure** Construction of wet-process LIB separators integrated plant in North America	**Life Science** Construction of a new spinning plant for Planova **Electronics** **Increased capacity for Pimel** **Energy & Infrastructure** **Expansion of production capacity to manufacture system components for clean hydrogen**
Structural transformation	**Electronics** Divestiture of pellicles business	**Life Science** Sepacell structural reform **Construction Materials** Closure of Iwakuni Plant for AAC **Comfort Life** • Establishment of joint venture for spunbond nonwovens • Divestiture of businesses of Asahi Kasei Pax	**Pharmaceuticals** Divestiture of diagnostic reagents business **Life Science** Divestiture of blood purification business **Essential Chemical** Discontinuation acrylonitrile and other operations of PTT Asahi Chemical Co., Ltd.	**Essential Chemical** Discontinuation of MMA, etc.

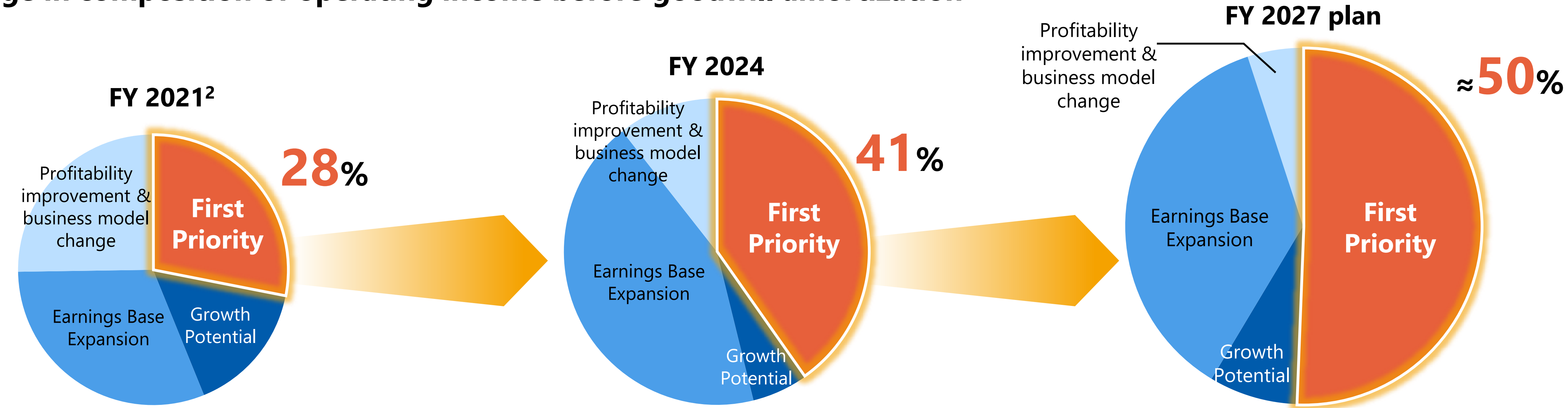
(shown under fiscal year of decision adoption)

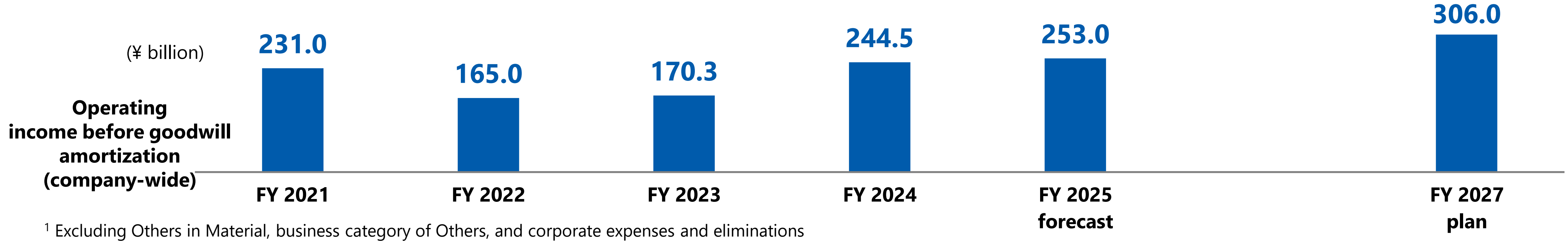
Note: Dotted enclosure indicates projects announced subsequent to Q1 results

Progress of business portfolio transformation (2)

- During the previous MTP (FY22–24) the portion of operating income from First Priority businesses increased as Pharmaceuticals, Critical Care, and Electronics returned to a growth trajectory
- During the current MTP (FY25–27) income growth centered on First Priority businesses will accelerate further as investments bear fruit

Change in composition of operating income before goodwill amortization[1]





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[1] Excluding Others in Material, business category of Others, and corporate expenses and eliminations

[2] Result of FY 2021 is reclassified to the current business categories with simplified calculation for reference

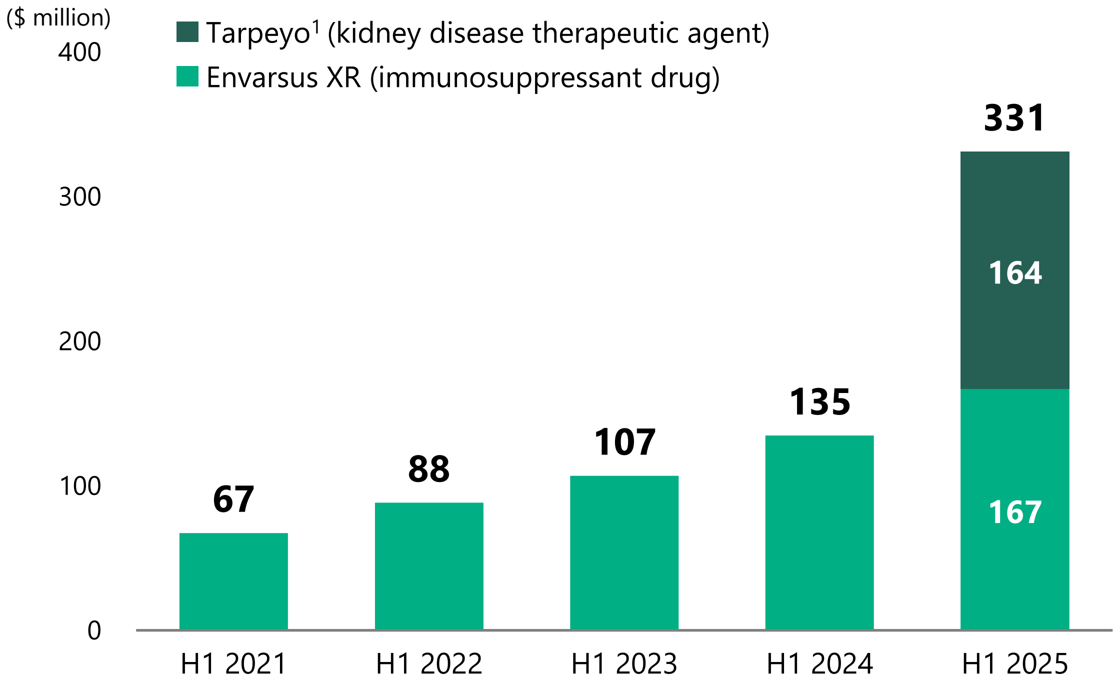
New business categories and positioning from fiscal 2025

- Reconfiguration of subsegments starting in fiscal 2025 (see Appendix)
- Continuing investments in First Priority and Growth Potential to achieve income growth while advancing reforms for Profitability improvement and business model change

	Healthcare	Homes	Material
First Priority ● Gaining income from past investments ● Continue aggressive investment, including inorganic growth	Pharmaceuticals Critical Care	Overseas Homes	Electronics
Growth Potential ● Growth drivers of future business ● Promote alliance strategies from a competitive perspective	Life Science	Real estate development	Energy & Infrastructure
Earnings Base Expansion ● Generate stable earnings ● Growth investment based on strong awareness of capital efficiency		Order-built, remodeling, Rental/brokerage Construction Materials	Car Interior Comfort Life
Profitability improvement & business model change ● Restructuring businesses with sluggish earnings/low capital efficiency ● Changing to new business models through utilization of intangible assets			Performance Chemical Essential Chemical

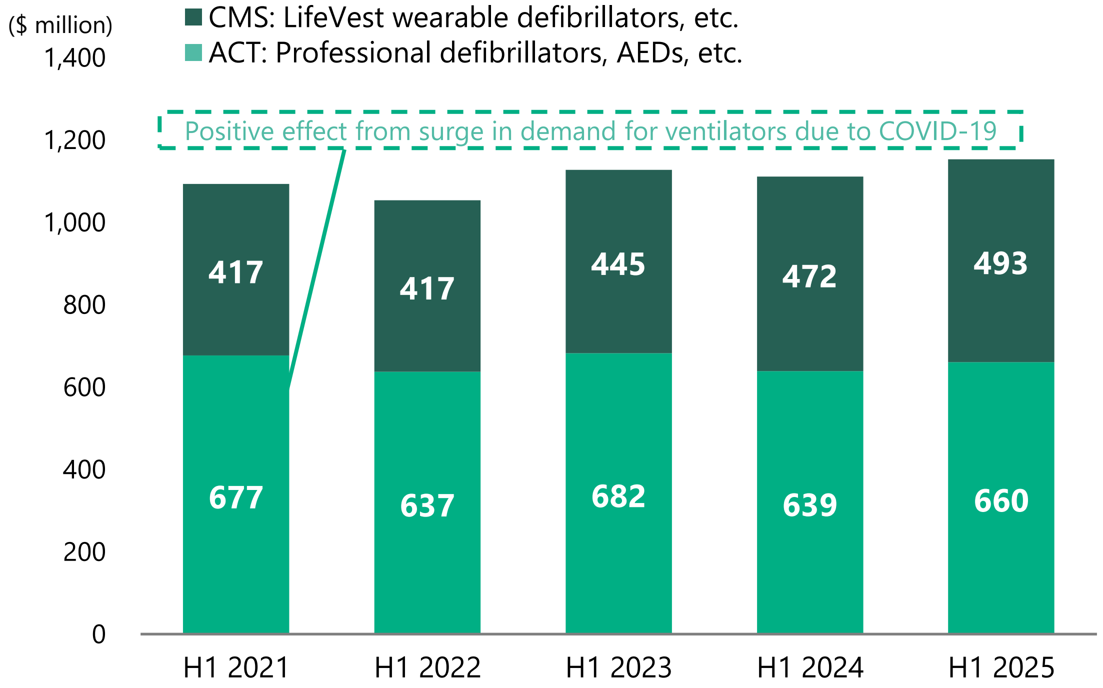
Progress of First Priority businesses (1)

Pharmaceuticals
U.S. sales of Envarsus XR and Tarpeyo



- Strong sales growth with greater awareness among nephrologists of Tarpeyo as therapy for IgA nephropathy (consolidated in H2 2024)
- Nefecon (Tarpeyo) is the only drug recommended for treatment of IgA nephropathy in the 2025 international kidney disease treatment guideline[2]

Critical Care
Sales of ACT and CMS[3]



- CMS performed well with firm performance of LifeVest, ACT had later than expected launch of new defibrillator product but effect of consolidation of ventilator business of Vyaire
- Sales growth in H2 expected with September 2025 launch of new highly competitive defibrillator product

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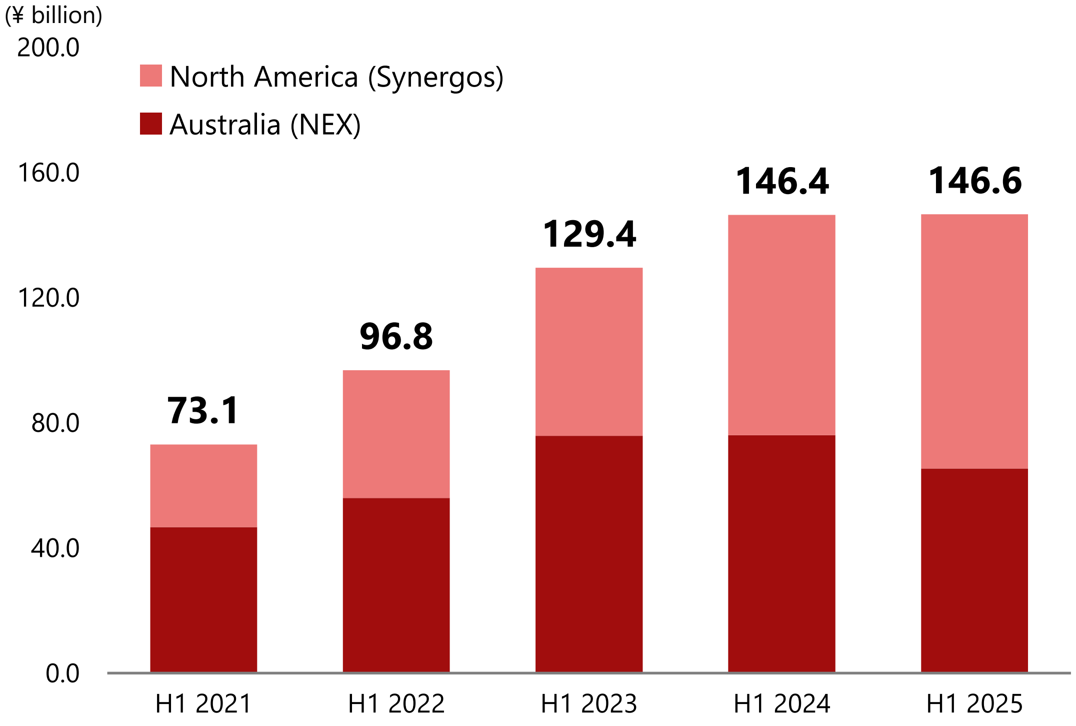
[1] Sales recorded from October 2024 with consolidation

[2] KDIGO 2025 Clinical Practice Guideline for the Management of IgA Nephropathy (IgAN) and Immunoglobulin A Vasculitis (IgAV)

[3] Results from H1 2021 to H1 2023 aligned to the current categories by simplified calculation for reference

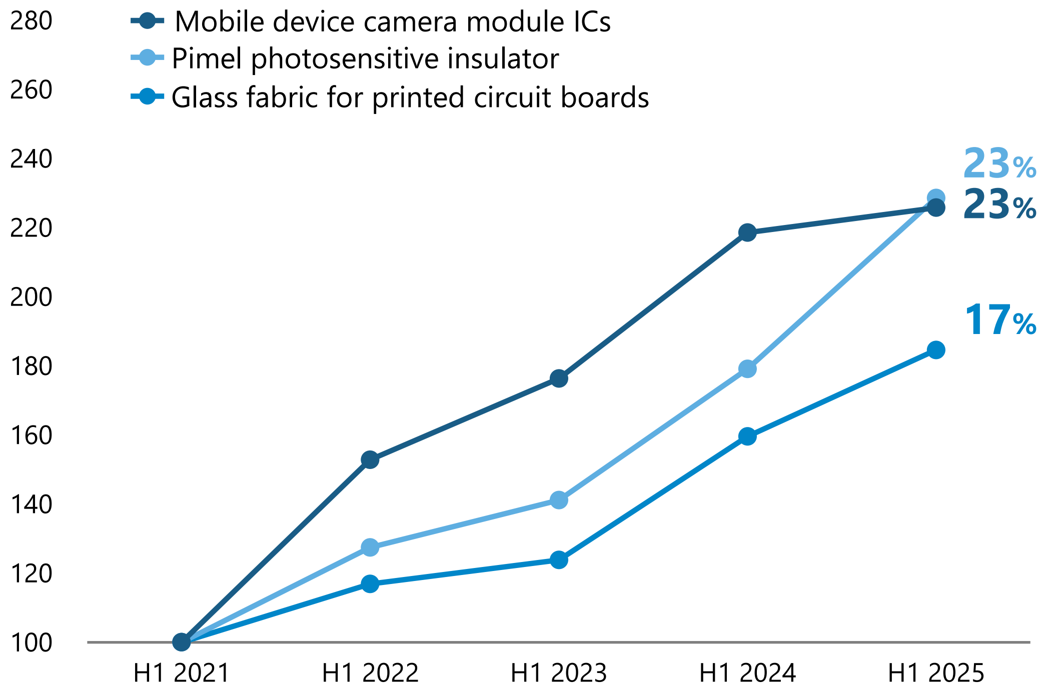
Progress of First Priority businesses (2)

Overseas Homes
Sales in North America and Australia



- Effect of recent consolidation of ODC in North America, but volume decreasing with lower housing demand in both North America and Australia
- Solid market growth anticipated in both North America and Australia with firm demand over the medium-to-long term

Electronics
Sales growth rate of main products[1]



- Firm performance of Pimel and glass fabric in H1 2025 centered on products for AI-related applications
- Medium- to long-term growth anticipated with elevated demand for advanced semiconductor packaging technology, advancing new product development and proactive investments

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[1] CAGR from H1 2021 indexed to 100

Efforts to raise corporate value

Measures for sustainable increase in corporate value centered on accelerating business portfolio transformation and enhancing profitability

Measures to raise corporate value

Accelerating business portfolio transformation

- **Steadily generate earnings from investments in priority growth businesses such as Healthcare, while accelerating structural transformation of low capital efficiency businesses in Material with ROIC persistently below WACC**

Enhancing profitability

- **In addition to company-wide cost reduction activities, working to improve profitability through measures such as appropriate price increases and decreased sales of general-purpose products**

Enhancing investment management

- **Strengthening the management of hurdle rates and other factors to enhance investment decisions on growth investments; thoroughly monitoring and following up on investments**

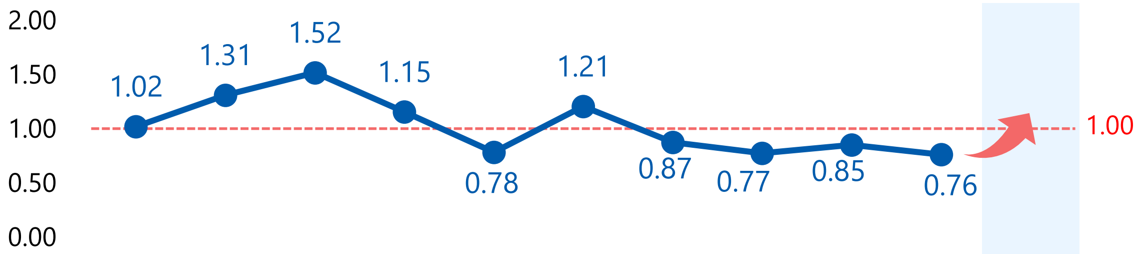
Optimizing capital policy

- **Strengthening shareholder returns from the perspective of appropriate capital levels, and continuous reduction of strategic shareholdings (≈70% reduction of stocks, >¥150 billion reduction of holdings over the past 5 years)**

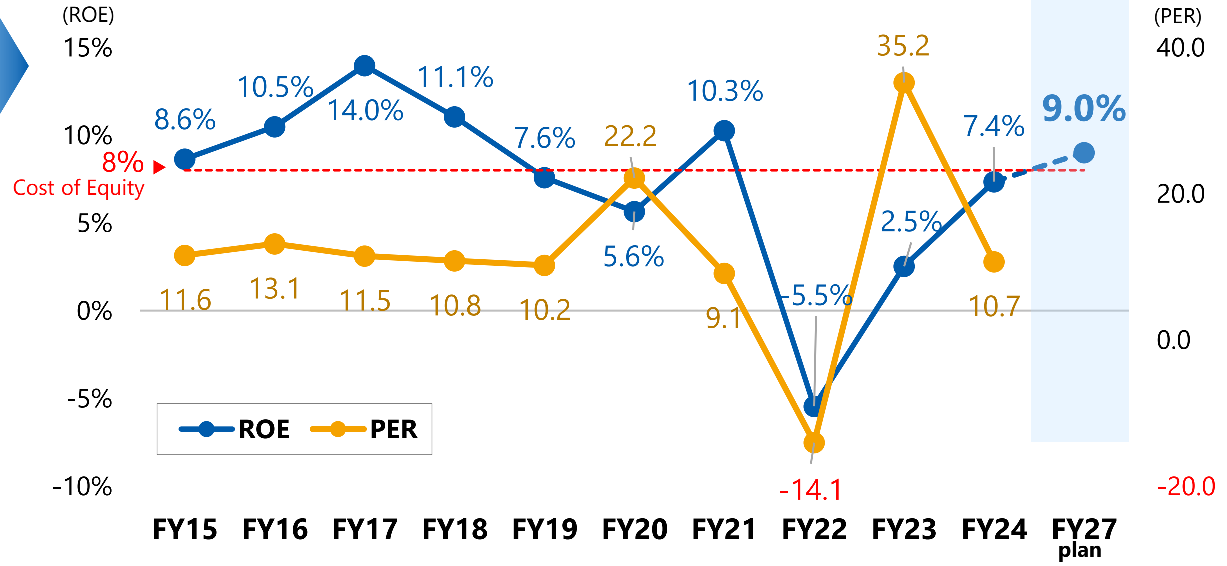
Reducing the cost of capital

- **Disclosure of strategies for acquisitions, large-scale investments, etc., and initiatives to strengthen management foundations, as well as ongoing enrichment of dialogue with investors**

PBR (price to book value ratio)[1]



ROE and PER (price to earnings ratio)[1]



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[1] PBR and PER based on closing price at fiscal year end

1. Consolidated results for H1 2025

H1 2025 consolidated financial results

- Net sales decreased by ¥4.0 billion (-0.3%) to ¥1,486.4 billion; falling short of previous forecast (July 2025)
- Operating income decreased by ¥1.5 billion (-1.3%) to ¥107.5 billion; exceeding previous forecast
- Net income attributable to owners of the parent increased by ¥6.0 billion (+10.0%) to ¥66.3 billion; exceeding previous forecast

		H1 2024	H1 2025	Increase (decrease)	% change	H1 2025 forecast in Jul.	% change
Net sales	(¥ billion)	1,490.3	1,486.4	(4.0)	-0.3%	1,504.0	-1.2%
Operating income	(¥ billion)	108.9	107.5	(1.5)	-1.3%	105.0	+2.3%
Operating margin		7.3%	7.2%	-0.1%		7.0%	
Operating income before goodwill amortization	(¥ billion)	124.6	123.8	(0.9)	-0.7%	121.0	+2.3%
EBITDA[1]	(¥ billion)	197.5	202.9	5.4	+2.8%	202.0	+0.5%
EBITDA margin		13.3%	13.7%	+0.4%		13.4%	
Net income attributable to owners of the parent	(¥ billion)	60.2	66.3	6.0	+10.0%	61.0	+8.6%
EPS	(¥)	43.46	48.79	5.33	+12.3%	44.92	+8.6%
EPS before goodwill amortization	(¥)	54.80	60.81	6.01	+11.0%	56.70	+7.3%

Exchange rate, naphtha price			
¥/US$ exchange rate (market average)	153	146	145
¥/€ exchange rate (market average)	166	168	167
Naphtha price (¥/kL, domestic)	78,000	64,800	64,700
Dividends per share (¥)	18	20	20

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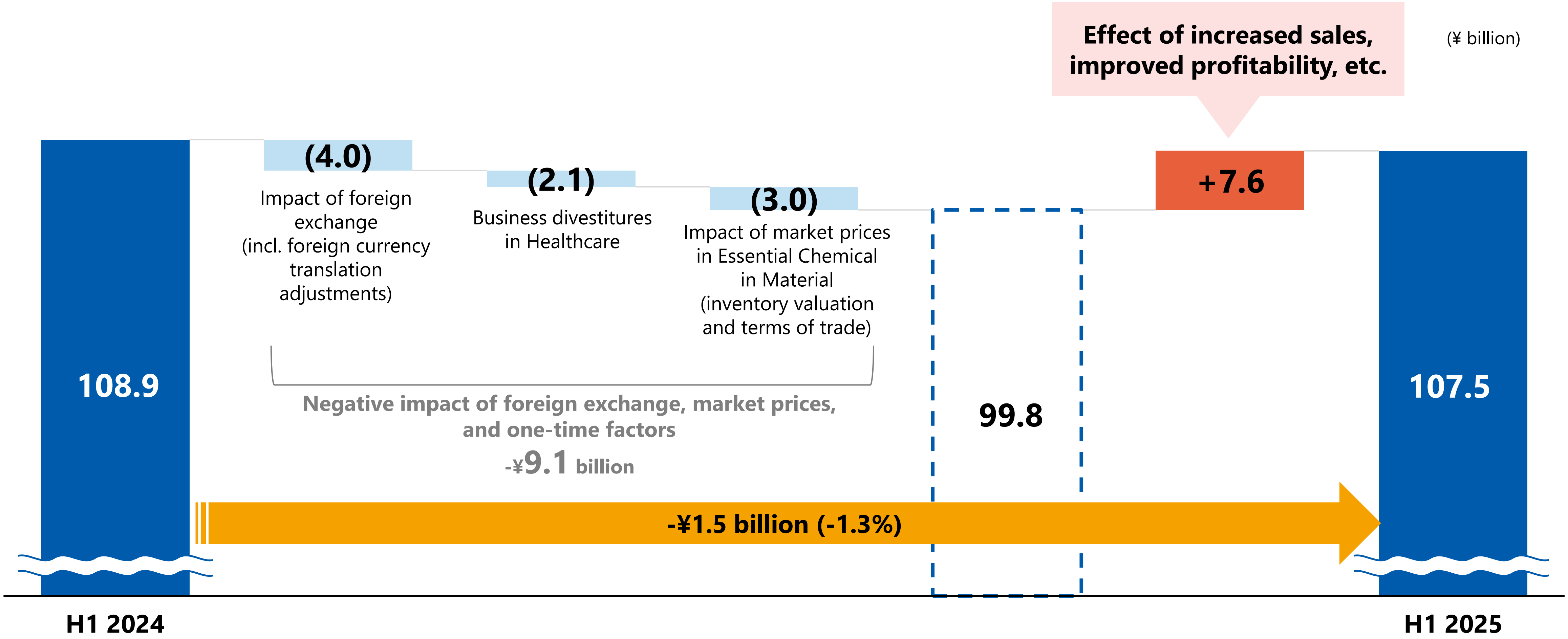
[1] EBITDA = operating income, depreciation, and amortization (tangible, intangible, and goodwill)

Operating income change factors

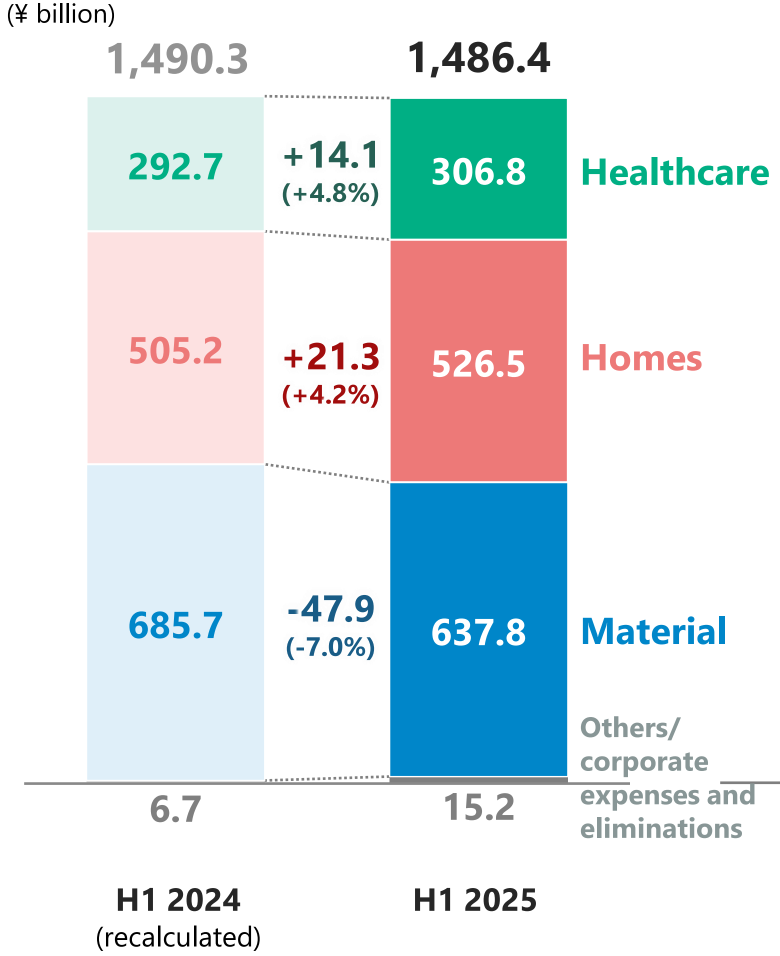
- Substantive increase of ¥7.6 billion excluding negative impact of foreign exchange, market prices, and one-time factors
- Particularly, significant income increase due to October 2024 consolidation of Calliditas in Pharmaceuticals, a First Priority business



H1 2025 results by segment (year-on-year)

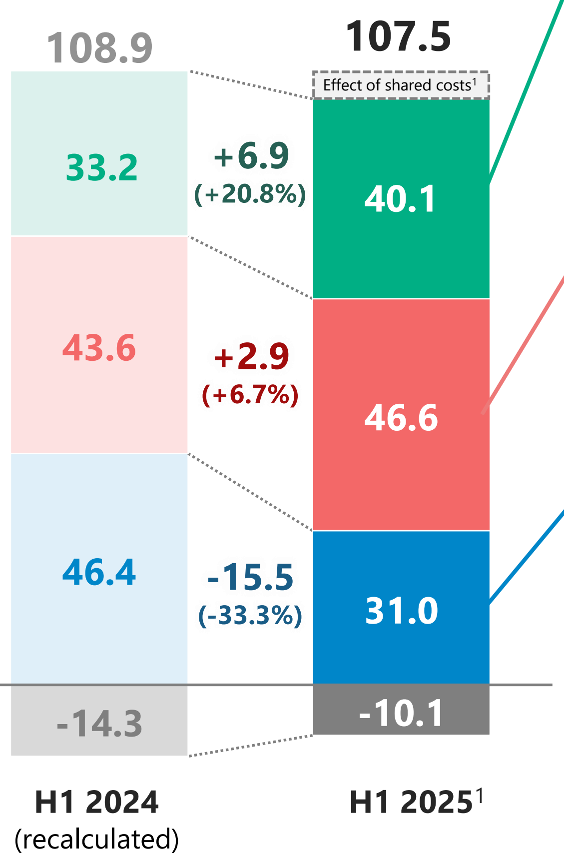
Sales (YoY)

-¥**4.0** billion (-0.3%)



Operating income (YoY)

-¥**1.5** billion (-1.3%)



Operating income change factors

Healthcare	**+¥6.9 billion**

Increased income with impact of lower shipments of defibrillators in Critical Care outweighed by greater sales of mainstay products in Pharmaceuticals & Life Science and effect of consolidation of Calliditas

Pharmaceuticals & Life Science	+¥**14.3** billion
Critical Care	-¥**7.4** billion

Homes	**+¥2.9 billion**

Increased income with higher average unit prices due to larger and higher value-added units in order-built homes, etc.

Housing	+¥**1.9** billion
Construction Materials	+¥**1.0** billion

Material	**-¥15.5 billion**

Decreased income with negative effect of foreign exchange due to stronger yen, increased fixed costs, and impact of inventory valuation and maintenance turnaround in Essential Chemical

Electronics	+¥**0.3** billion
Car Interior	-¥**1.5** billion
Energy & Infrastructure	-¥**1.3** billion
Comfort Life	-¥**2.7** billion
Performance Chemical	-¥**2.7** billion
Essential Chemical	-¥**9.9** billion
Others in Material	+¥**2.4** billion

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[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

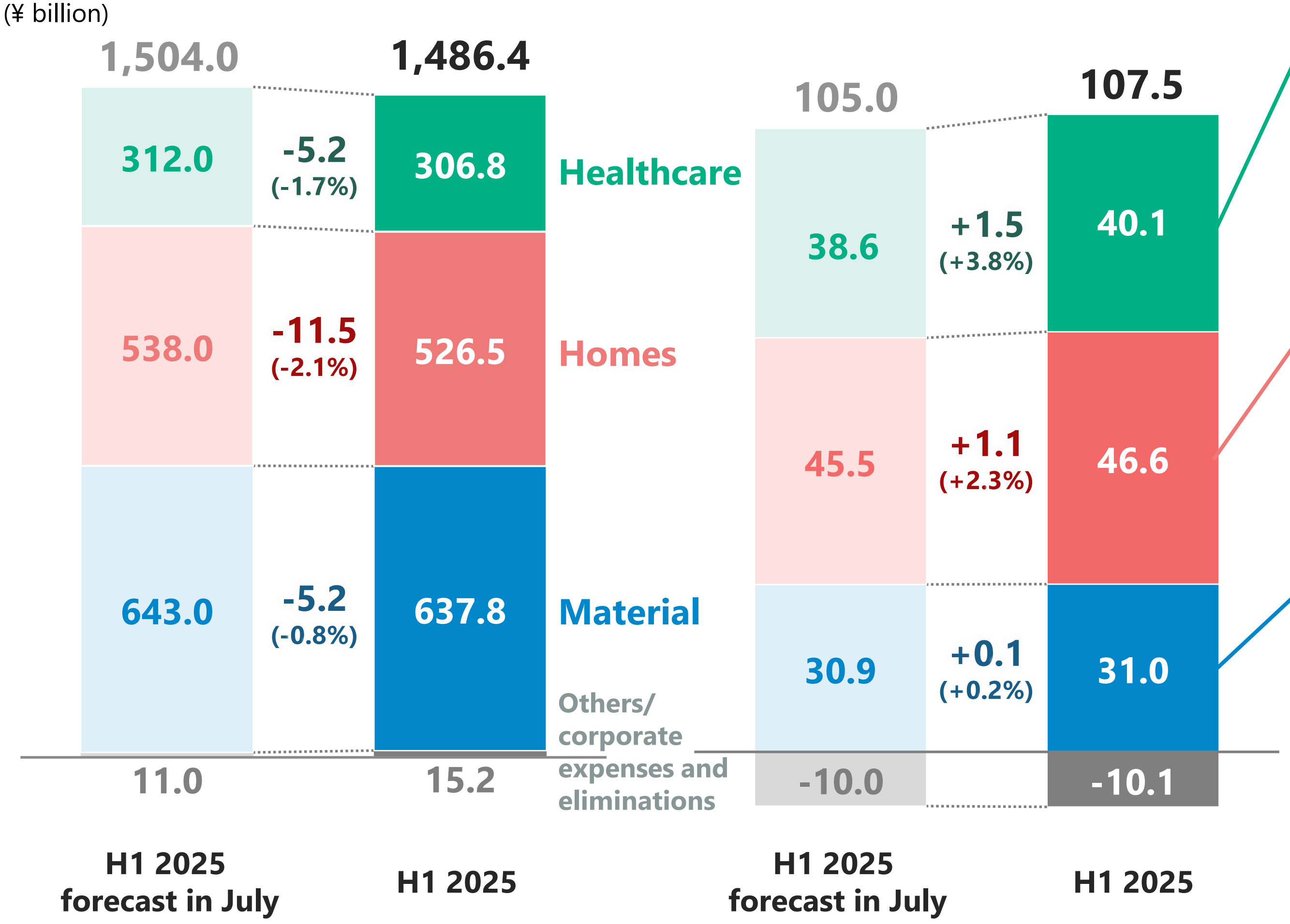
H1 2025 results by segment (vs. forecast in July)

Sales (vs. forecast in July)

-¥**17.6** billion (-1.2%)

Operating income (vs. forecast in July)

+¥**2.5** billion (+2.3%)



Operating income change factors

Healthcare +¥1.5 billion

Income exceeded forecast with impact of lower than anticipated shipments of defibrillators in Critical Care outweighed by greater sales of mainstay products and lower fixed costs in Pharmaceuticals & Life Science

Pharmaceuticals & Life Science	+¥**6.9** billion
Critical Care	-¥**5.4** billion

Homes +¥1.1 billion

Income exceeded forecast with reduced fixed costs centered on order-built homes

Housing	+¥**1.0** billion
Construction Materials	+¥**0.0** billion

Material +¥0.1 billion

Basically in line with forecast despite shortfall in Energy & Infrastructure, with firm performance of other businesses

Electronics	+¥**1.1** billion
Car Interior	-¥**0.1** billion
Energy & Infrastructure	-¥**1.5** billion
Comfort Life	+¥**0.8** billion
Performance Chemical	+¥**2.6** billion
Essential Chemical	+¥**0.3** billion
Others in Material	-¥**3.1** billion

Non-operating income/expenses, extraordinary income/loss and income taxes

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- Although financial balance worsened due to increased interest expense, net non-operating expenses decreased with improved foreign exchange gains/loss
- Although gain was recorded on sales of strategic shareholdings and divestiture of business in Healthcare, extraordinary income/loss deteriorated with loss on discontinuation of MMA business etc. in Material
- Income taxes decreased with reduced tax expenses in relation to divestiture of business in Healthcare

(¥ billion)

	H1 2024	H1 2025	Increase(decrease)
Net non-operating income (expenses)	(5.2)	(1.4)	3.8
Gain on sales of investment securities	7.3	23.2	16.0
Gain on sales of noncurrent assets	0.2	0.3	0.1
Insurance income	1.2	–	(1.2)
Settlement income	–	4.4	4.4
Gain on sale of shares of subsidiaries and affiliates	–	7.7	7.7
Total extraordinary income	8.7	35.6	26.9
Loss on valuation of investment securities	0.7	0.4	(0.3)
Loss on disposal of noncurrent assets	3.5	2.9	(0.6)
Impairment loss	1.1	1.2	0.1
Loss on product compensation	1.8	–	(1.8)
Loss on cancellation of electricity contract	–	4.4	4.4
Business structure improvement expenses	8.3	36.2	28.0
Total extraordinary loss	15.3	45.1	29.8
Net extraordinary income (loss)	(6.6)	(9.4)	(2.9)
Income taxes	34.7	27.3	(7.4)

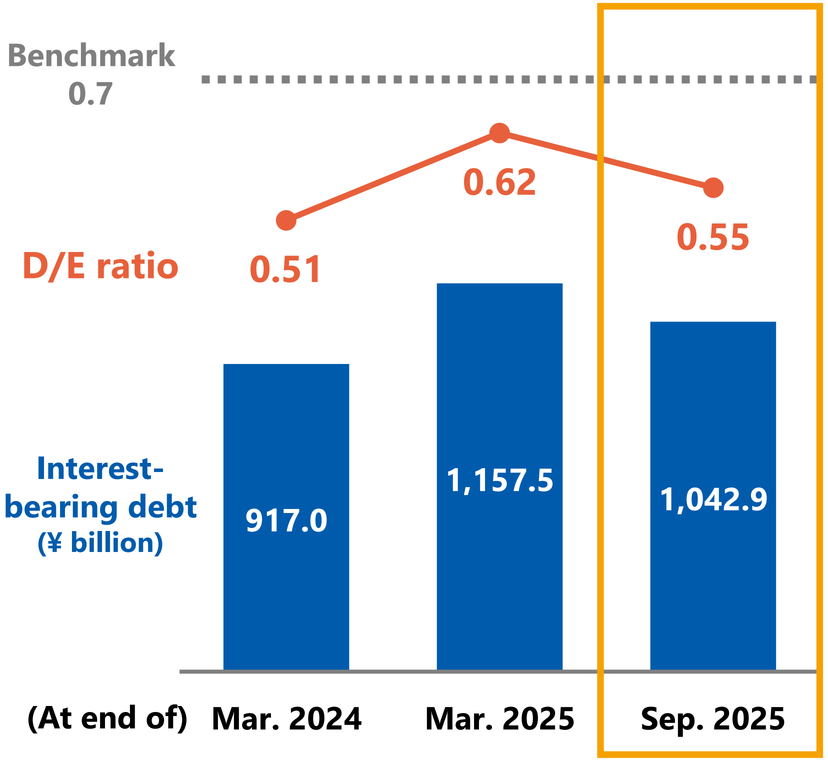
Balance sheets

- Increased yen value of assets of overseas subsidiaries centered on Calliditas due to weaker yen, in addition to increased inventories in Homes, but total assets decreased by ¥18.1 billion with impact of divestiture of business in Healthcare
- D/E ratio declined from the previous fiscal year-end as net worth increased with recording of net income, while interest-bearing debt decreased

(¥ billion)

	At end of Sep. 2025	Increase (decrease)		At end of Sep. 2025	Increase (decrease)
Current assets	1,796.3	26.8	Liabilities	2,022.3	(78.9)
Cash and deposits	377.5	(15.9)	Accounts payable	186.9	(6.7)
Accounts receivable	477.7	(13.7)	Interest-bearing debt[1]	1,042.9	(114.5)
Inventories	766.6	47.3	Other liabilities	792.5	42.3
Other current assets	174.4	9.2	Net assets	1,974.8	60.8
Noncurrent assets	2,200.8	(44.9)	Net worth	1,899.3	39.9
Property, plant and equipment	912.2	(8.4)	Shareholders' equity	1,405.3	38.5
Goodwill	374.3	(15.3)	Accumulated other comprehensive income	494.1	1.4
Other intangible assets	525.5	(15.4)	Non-controlling interests	75.4	20.9
Investment securities	161.3	(7.1)			
Other noncurrent assets	227.5	1.3			
Total assets	**3,997.1**	**(18.1)**	**Total liabilities and net assets**	**3,997.1**	**(18.1)**

■ Interest-bearing debt and D/E ratio



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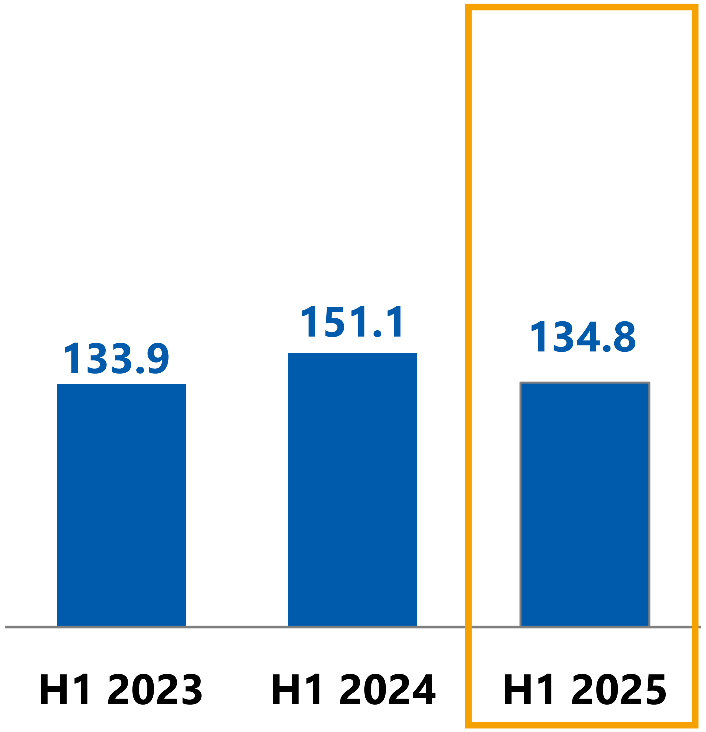
[1] Excluding lease obligations

Cash flows

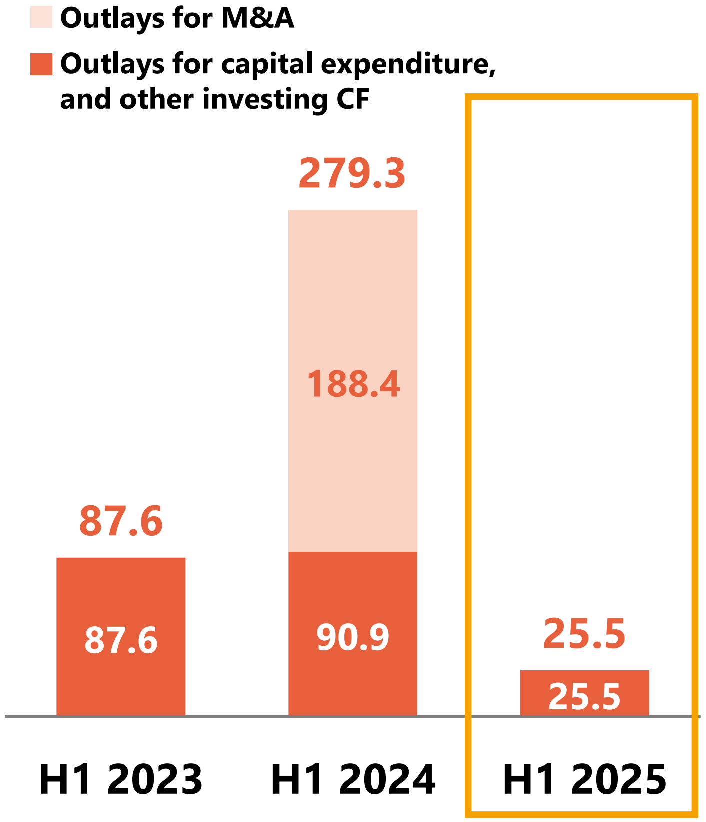
Operating CF	Cash inflow decreased with greater working capital associated with increased inventories for Real Estate Development in Homes, in addition to higher income taxes paid
Investing CF	Cash outflow decreased significantly with proceeds from sale of shares in subsidiaries due to business divestiture in Healthcare, in addition to lower disbursement for M&A compared to previous year with impacts of Calliditas and ODC acquisitions

(¥ billion)

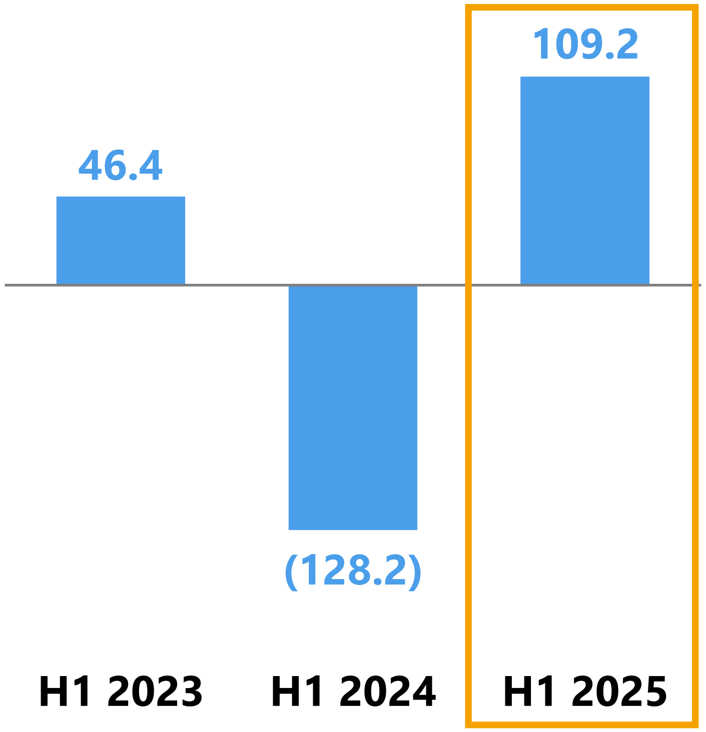
Operating CF (inflow)



Investing CF (outflow)



Free cash flow (inflow)



2. Forecast for FY 2025

FY 2025 forecast (consolidated)

- Net sales increase by ¥42.7 billion (+1.4%) to ¥3,080.0 billion; revised downward from previous forecast (May 2025)
- Operating income increase by ¥9.1 billion (+4.3%) to ¥221.0 billion; revised upward from previous forecast
- Net income attributable to owners of the parent increase by ¥5.0 billion (+3.7%) to ¥140.0 billion; revised upward from previous forecast

		H1	H2	FY 2024	H1	H2 forecast	FY 2025 forecast	Increase (decrease)	% change	FY 2025 forecast in May	% change
Net sales	(¥ billion)	1,490.3	1,547.0	3,037.3	1,486.4	1,593.6	3,080.0	42.7	+1.4%	3,117.0	-1.2%
Operating income	(¥ billion)	108.9	103.0	211.9	107.5	113.5	221.0	9.1	+4.3%	215.0	+2.8%
Operating margin		7.3%	6.7%	7.0%	7.2%	7.1%	7.2%	+0.2%		6.9%	
Operating income before goodwill amortization	(¥ billion)	124.6	119.9	244.5	123.8	129.2	253.0	8.5	+3.5%	247.0	+2.4%
EBITDA [1]	(¥ billion)	197.5	200.5	398.0	202.9	210.1	413.0	15.0	+3.8%	413.0	±0.0%
EBITDA margin		13.3%	13.0%	13.1%	13.7%	13.2%	13.4%	+0.3%		13.2%	
Net income attributable to owners of the parent	(¥ billion)	60.2	74.7	135.0	66.3	73.7	140.0	5.0	+3.7%	125.0	+12.0%
EPS	(¥)	43.46	54.48	97.94	48.79	54.36	103.15	5.21	+5.3%	90.69	+13.7%
EPS before goodwill amortization	(¥)	54.80	66.81	121.61	60.81	65.92	126.73	5.12	+4.2%	113.90	+11.3%
Exchange rate/naphtha price											
¥/US$ exchange rate (market average)		153	153	153	146	145	146			140	
¥/€ exchange rate (market average)		166	162	164	168	165	167			160	
Naphtha price (¥/kL, domestic)		78,000	73,300	75,700	64,800	63,000	63,900			55,000	
Dividends per share (¥)		18	20	38	20	20	40			40	

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[1] EBITDA = operating income, depreciation, and amortization (tangible, intangible, and goodwill)

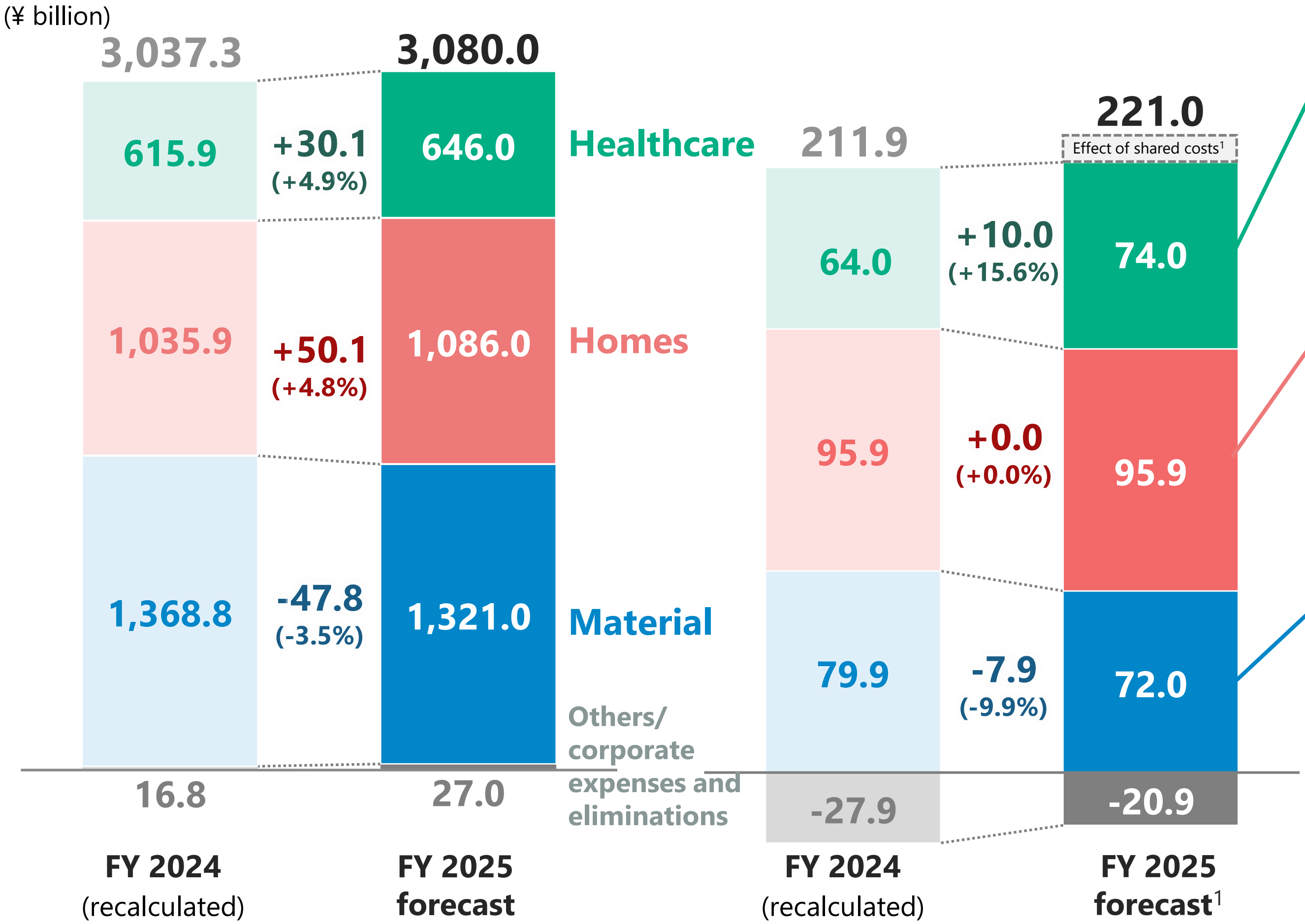
FY 2025 forecast by segment (year-on-year)

Sales (YoY)

+¥**42.7** billion (+1.4%)

Operating income (YoY)

+¥**9.1** billion (+4.3%)



Operating income change factors

Healthcare	**+¥10.0 billion**
Increased income with greater sales of mainstay products in Pharmaceuticals & Life Science and effect of consolidation of Calliditas, etc.	
Pharmaceuticals & Life Science	+¥**11.8** billion
Critical Care	-¥**1.8** billion

Homes	**+¥0.0 billion**
Firm performance maintaining previous year's level	
Housing	-¥**0.3** billion
Construction Materials	+¥**0.3** billion

Material	**-¥7.9 billion**
Firm performance of Electronics, but decreased income with impact of inventory valuation and maintenance turnaround in Essential Chemical, negative effect of foreign exchange due to stronger yen, and increased fixed costs	
Electronics	+¥**3.5** billion
Car Interior	-¥**1.1** billion
Energy & Infrastructure	-¥**1.9** billion
Comfort Life	-¥**0.9** billion
Performance Chemical	-¥**1.9** billion
Essential Chemical	-¥**13.9** billion
Others in Material	+¥**8.4** billion

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[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

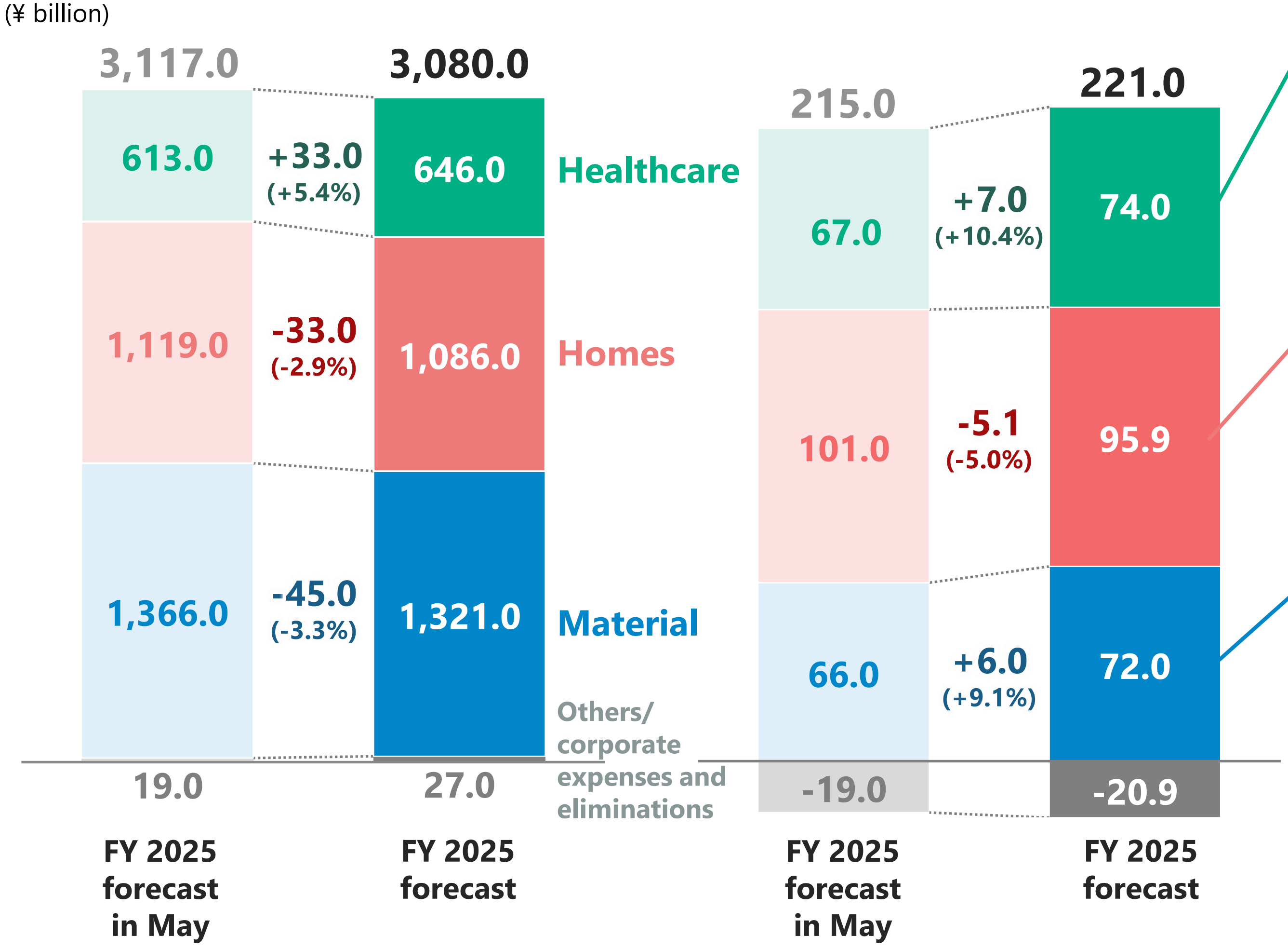
FY 2025 forecast by segment (vs. forecast in May)

Sales
(vs. forecast in May)

-¥**37.0** billion (-1.2%)

Operating income
(vs. forecast in May)

+¥**6.0** billion (+2.8%)



Operating income change factors

Healthcare +¥7.0 billion

Forecast revised upward with impact of lower than anticipated shipments of defibrillators in Critical Care outweighed by greater sales of mainstay products in Pharmaceuticals & Life Science

Pharmaceuticals & Life Science	+¥**12.0** billion
Critical Care	-¥**5.0** billion

Homes -¥5.1 billion

Forecast revised downward with slower than expected recovery of housing demand in overseas homes

Housing	-¥**5.1** billion
Construction Materials	±¥**0.0** billion

Material +¥6.0 billion

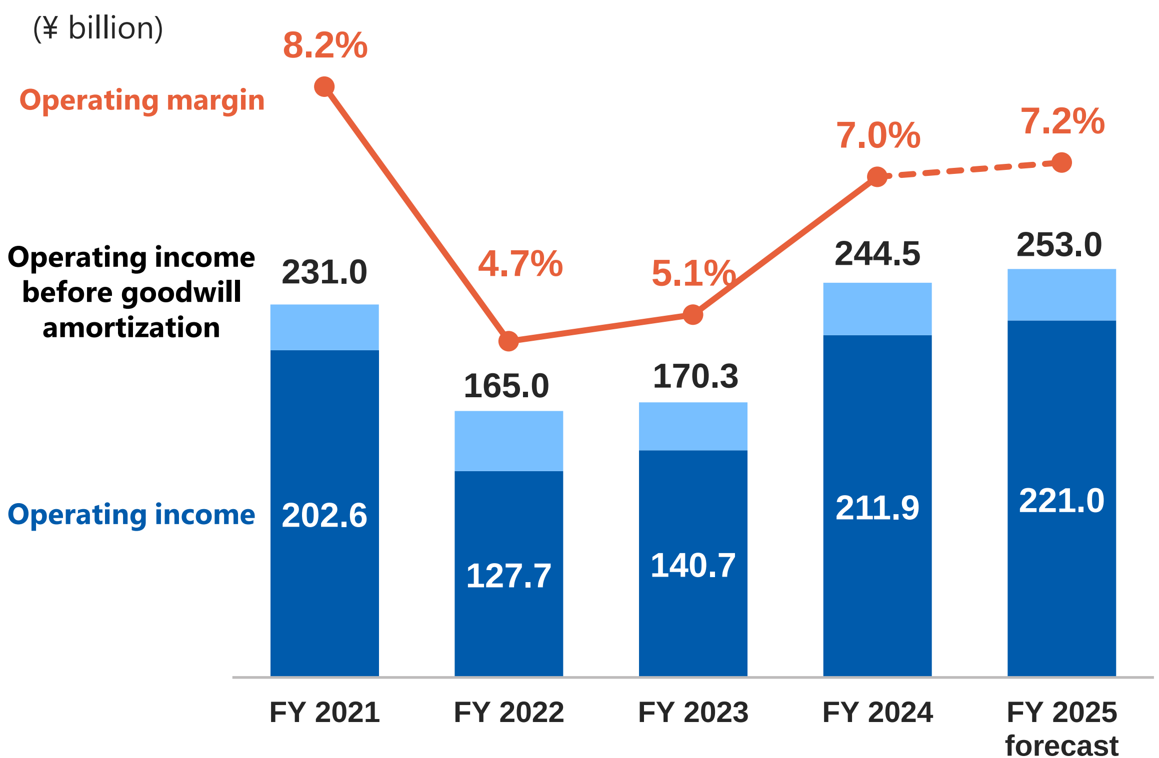
Forecast revised upward with especially firm sales in Electronics and Car Interior, reduced fixed costs in each business, and positive impact of foreign exchange due to weaker yen

Electronics	+¥**3.0** billion
Car Interior	+¥**2.2** billion
Energy & Infrastructure	+¥**0.6** billion
Comfort Life	+¥**2.1** billion
Performance Chemical	-¥**1.4** billion
Essential Chemical	-¥**2.7** billion
Others in Material	+¥**2.2** billion

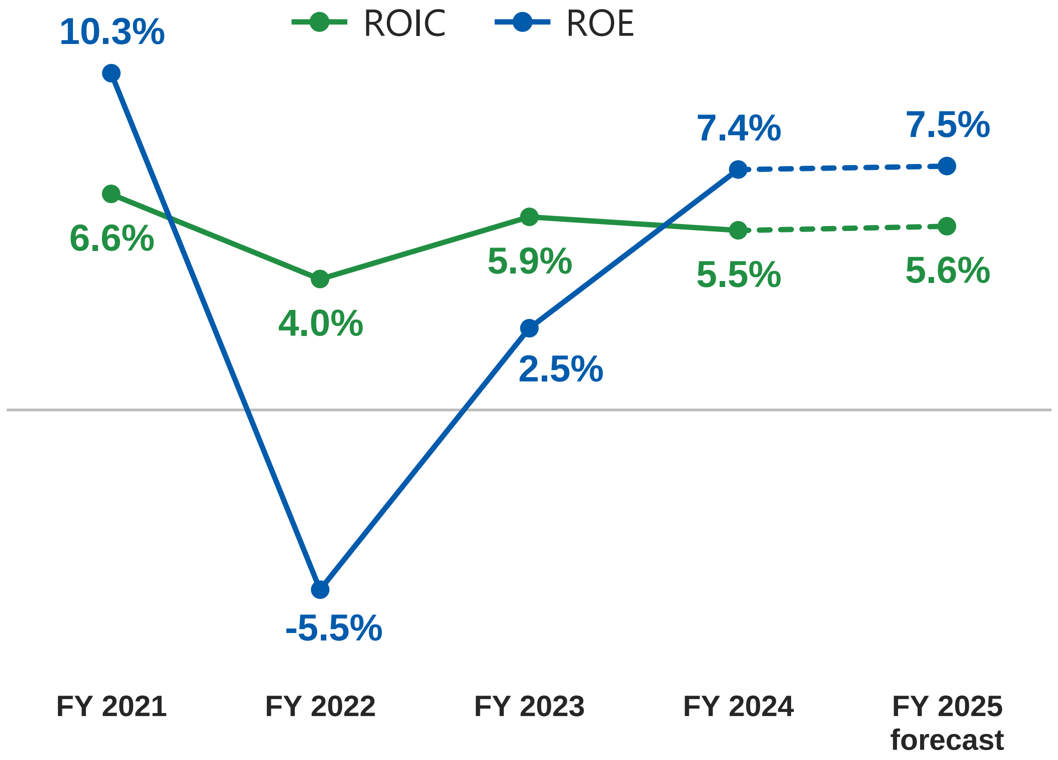
Main KPIs

Operating margin	Negative impacts of the stronger yen and lower petrochemical market prices, but margin slightly improving with income growth in First Priority businesses such as Pharmaceuticals and Electronics
ROIC	Expected to remain around the same level as previous year despite forecasted increase in operating income as average annual invested capital expected to increase
ROE	Expected to remain around the same level as previous year despite forecasted losses accompanying structural transformation such as discontinuation of MMA business in Material, as net income expected to be even with previous year due to gains on sales of strategic shareholdings and divestiture of business in Healthcare

■ Operating income, operating margin



■ ROIC[1], ROE



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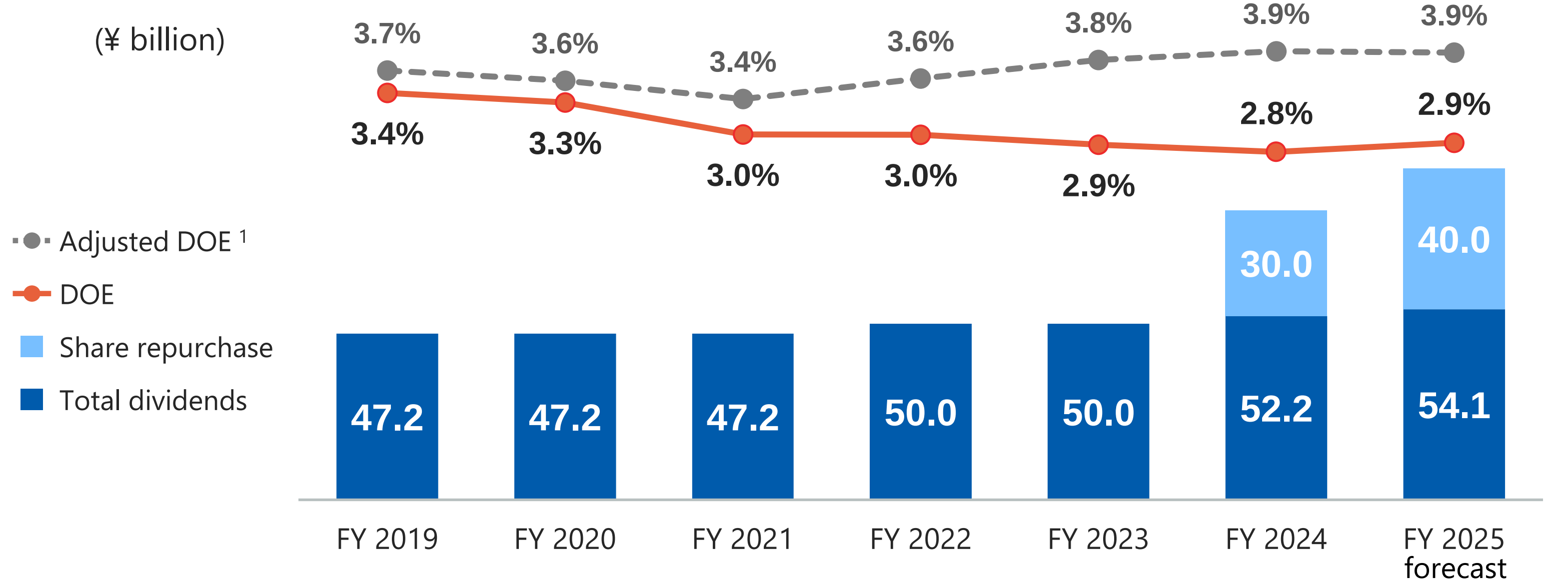
[1] ROIC = (operating income − income taxes) ÷ average annual invested capital

Shareholder returns

- Interim dividend of ¥20 per share, **full-year dividend forecast to increase by ¥2 to ¥40 per share** in line with shareholder returns policy (dividend amount unchanged from previous forecast)
- **Decision to perform share repurchase up to ¥40 billion** as a measure to raise corporate value; improving capital efficiency from the perspective of optimal capital structure



Dividends per share (¥)	34	34	34	36	36	38	40
Dividend payout ratio	45.4%	59.1%	29.1%	-	113.9%	38.8%	38.8%
Net worth (¥ billion)	1,359.3	1,467.5	1,687.4	1,660.3	1,813.4	1,859.4	1,895.4
Shareholders' equity[2] (¥ billion)	1,302.8	1,335.9	1,459.4	1,317.5	1,311.9	1,366.8	1,437.6

Shareholder returns policy

1	Determining level of shareholder returns based on medium-term FCF outlook
2	Aiming for medium- to long-term progressive dividends with **DOE of 3% as a benchmark**
3	Share repurchase is decided by comprehensively considering optimal capital structure, investment projects, cash flow, and share price conditions

[1] Adjusted DOE (dividends on equity) = total dividends ÷ shareholders' equity

[2] Shareholders' equity = Net worth - accumulated other comprehensive income

3. Results by segment

Healthcare

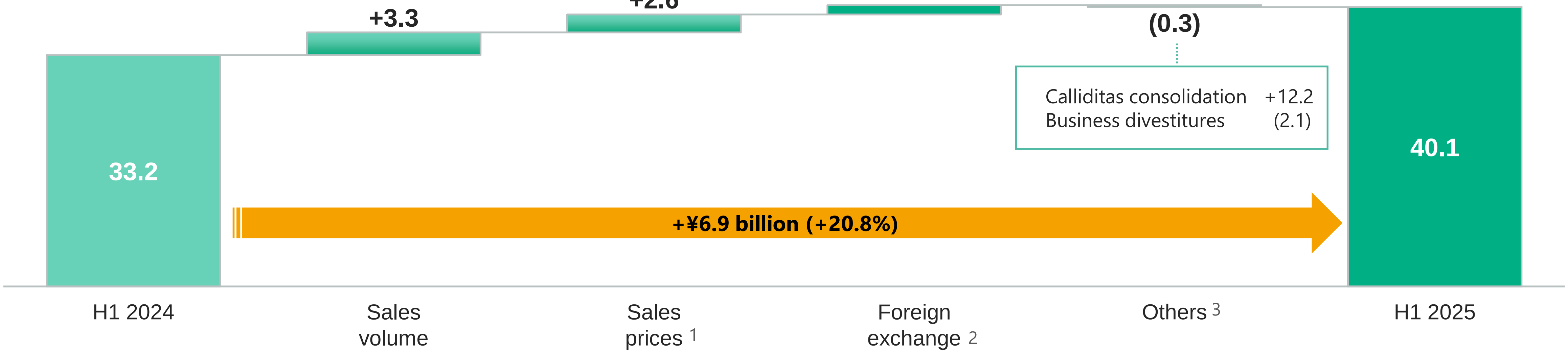
Sales and operating income increase/decrease

Asahi**KASEI**

Operating income increased due to positive sales volume factor with steady expansion of mainstay products in Pharmaceuticals & Life Science, and positive sales prices factor for AEDs etc. in Critical Care

Operating income increase/decrease

(¥ billion)



Calliditas consolidation +12.2
Business divestitures (2.1)

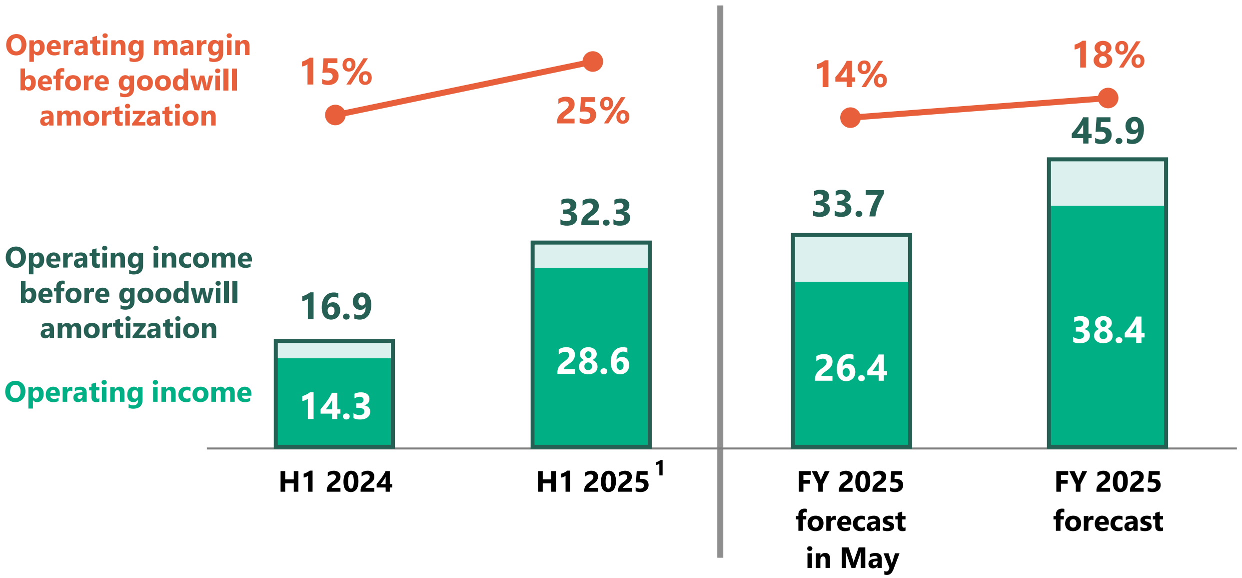
	Sales				Operating income							
									Increase (decrease) due to:			
	H1 2024	**H1 2025**	Increase (decrease)	% change	H1 2024	**H1 2025**	Increase (decrease)	% change	Sales volume	Sales prices[1]	Foreign exchange[2]	Others[3]
Healthcare Segment	292.7	**306.8**	14.1	+4.8%	33.2	**40.1**	6.9	+20.8%	3.3	2.6	1.3	(0.3)
Pharmaceuticals & Life Science	113.5	**127.6**	14.1	+12.4%	14.3	**28.6**	14.3	+100.2%	7.9	0.2	0.0	6.1
Critical Care	179.2	**179.2**	(0.0)	-0.0%	18.9	**11.5**	(7.4)	-39.1%	(4.7)	2.4	1.3	(6.4)

[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.

Healthcare

Pharmaceuticals & Life Science

Operating income (¥ billion)



Operating income change factors

H1 2025 vs H1 2024	↗	- **Pharmaceuticals:** Operating income increased with greater shipments of mainstay products centered on Envarsus XR, and effect of consolidation of Calliditas, etc. - **Life Science:** Greater shipments of Planova, but operating income decreased with negative effect of divestiture of blood purification business etc.
FY 2025 forecast vs FY 2025 forecast in May	↗	- **Pharmaceuticals:** Forecast revised upward with greater than expected shipments of mainstay products centered on Tarpeyo and Envarsus XR - **Life Science:** Forecast revised upward with greater shipments of Planova

Business strategy in the current MTP

Pharmaceuticals

First Priority

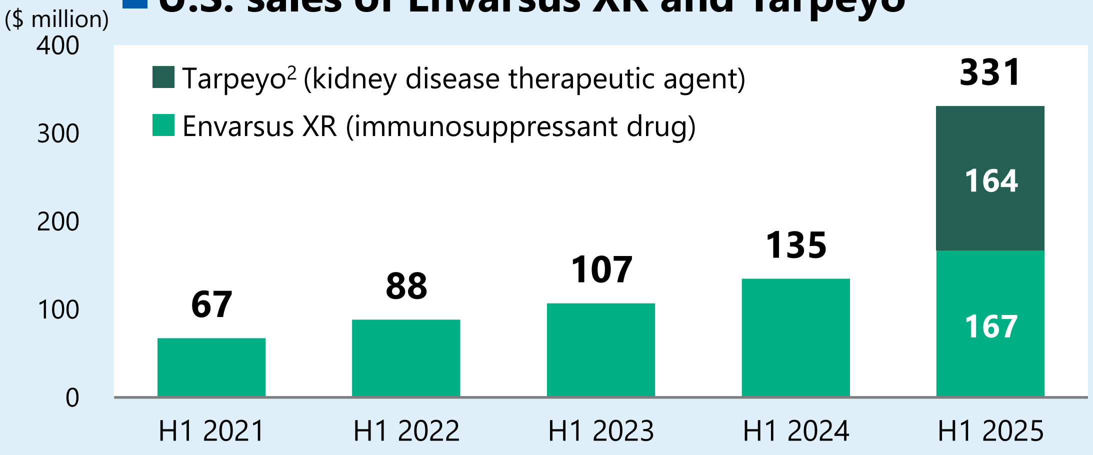
- Income growth of Envarsus XR (Veloxis), Tarpeyo (Calliditas), and mainstay domestic products
- Continuing growth investment (additional M&A, in-licensing) focused on therapeutic areas of immunology and transplantation, etc.

Life Science

Growth Potential

- Firm growth of Planova (virus removal filters)
- Order expansion at Bionova (CDMO business)

U.S. sales of Envarsus XR and Tarpeyo



[2] Sales recorded from October 2024 with consolidation

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[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

Healthcare

Main pharmaceuticals

		FY 2024		FY 2025	H1 2025 vs H1 2024	
	(Sales region, monetary unit)	H1	annual	H1	Increase (decrease)	% change
Veloxis Pharmaceuticals						
Envarsus XR	(US, $ million)	135	295	167	32	+24.1%
Calliditas Therapeutics AB						
Tarpeyo	(US, $ million)		104	164	164	-*
Asahi Kasei Pharma						
Teribone	(Japan, ¥ billion)	20.5	41.0	21.8	1.3	+6.3%
Reclast	(Japan, ¥ billion)	0.6	1.2	0.6	(0.0)	-7.1%
Kevzara	(Japan, ¥ billion)	5.5	9.7	6.1	0.7	+12.1%
Plaquenil	(Japan, ¥ billion)	3.2	5.5	1.1	(2.1)	-66.4%
Recomodulin	(Japan, ¥ billion)	3.5	6.8	3.2	(0.3)	-8.5%
Cresemba	(Japan, ¥ billion)	1.6	4.0	3.1	1.6	+101.1%
Empaveli	(Japan, ¥ billion)	1.0	1.9	1.0	(0.0)	-3.8%

* Note that it would be +73.7% from the previous year prior to consolidation

Product name	Generic name	Classification	Indication	Formulation
Envarsus XR	Tacrolimus extended-release tablets	Immunosuppressant drug	Suppression of kidney transplant rejection	Tablet
Tarpeyo	Budesonide delayed release capsules	Kidney disease therapeutic agent	Primary IgA nephropathy with risk of disease progression	Capsule
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

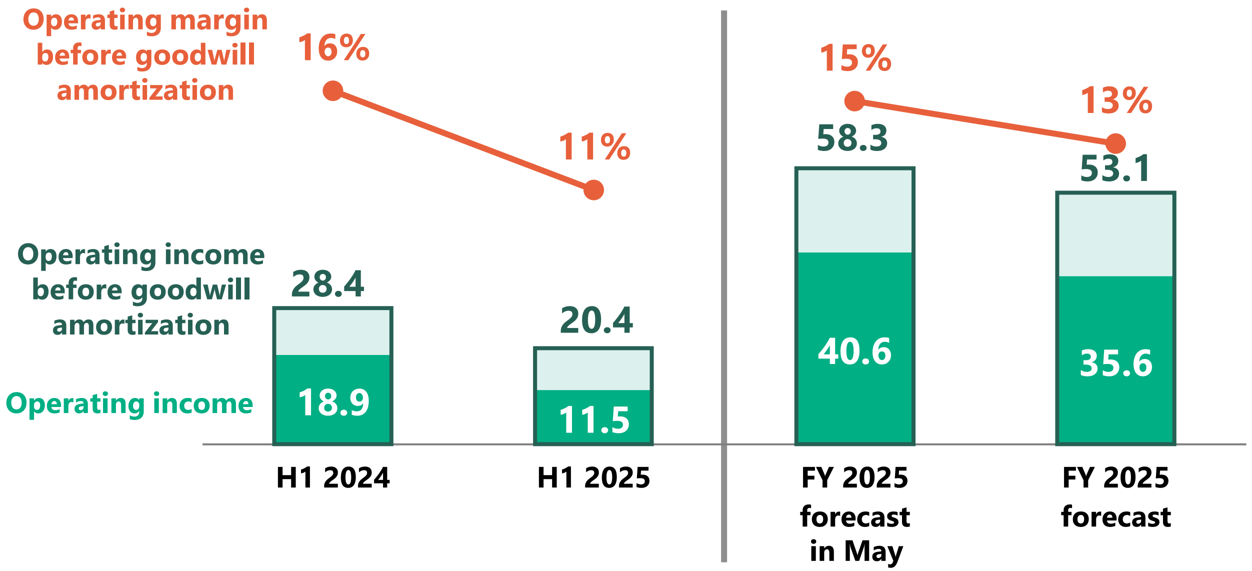
Pharmaceuticals pipeline

Development stage	Code name, generic name	Indication	Origin	Development	Region/remarks
Phase III	TA799, apraglutide	Short bowel syndrome	Licensed	Licensor	Phase I in Japan was conducted by Asahi Kasei Pharma
Phase III	ART-123, recombinant thrombomodulin alfa	Chemotherapy-induced peripheral neuropathy (CIPN)	In-house	In-house	Additional indication Joint U.S.-Japan Phase I study complete
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 Joint U.S.-Japan Phase I study complete
Phase I (overseas)	VEL-101	SOT (solid organ transplant)	Licensed	In-house	United States, etc.

Healthcare

Critical Care

Operating income (¥ billion)



Operating income change factors

H1 2025 vs H1 2024	↘	● **ACT:** Higher selling prices of AEDs etc., but operating income decreased due to curtailed purchasing ahead of new defibrillator product launch and increased SG&A expenses, etc. ● **CMS:** Negative effect of foreign exchange due to stronger yen, but operating income increased with greater number of new patients for LifeVest ● **Sleep apnea diagnosis device:** Operating income increased with greater shipments
FY 2025 forecast vs FY 2025 forecast in May	↘	● **ACT:** Forecast revised downward with later than expected launch of new defibrillator product and temporary increase in SG&A expenses, etc. ● **CMS:** Forecast revised upward with greater number of new patients for LifeVest ● **Sleep apnea diagnosis device:** Basically in line with previous forecast

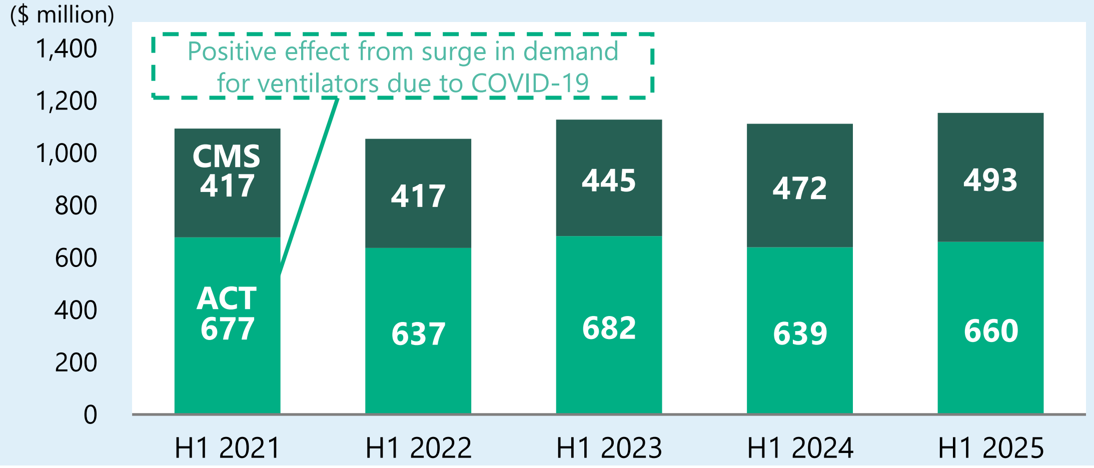
Business strategy in the current MTP

Critical Care

First Priority

- Steady growth with rising market share for professional defibrillators, AEDs, etc. in ACT[1]
- Greater penetration of potential market for LifeVest in CMS[2]
- Create demand and expand earnings for new devices such as sleep apnea diagnosis and treatment devices (Itamar, Respicardia), etc.

Sales of ACT and CMS[3]



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[1] Acute Care Technology: Professional defibrillators, AEDs, CPR-related, temperature management, software solutions, etc.

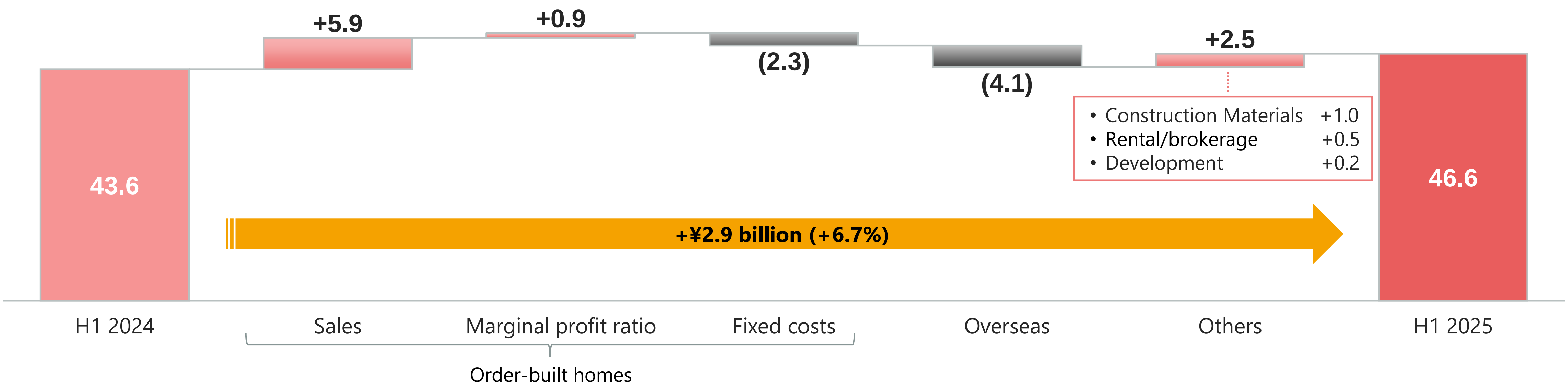
[2] Cardiac Management Solutions: LifeVest wearable defibrillators, cardiac disease diagnosis and management, etc. [3] Results from H1 2021 to H1 2023 aligned to the current categories by simplified calculation for reference purposes

Sales and operating income increase/decrease

Operating income increased with negative impact in overseas business exceeded by improved sales factor and marginal profit ratio in domestic order-built homes, and positive effect of other businesses

Operating income increase/decrease

(¥ billion)



- Construction Materials +1.0
- Rental/brokerage +0.5
- Development +0.2

+¥2.9 billion (+6.7%)

	Sales				Operating income								
									Increase (decrease) due to:				
									Order-built homes				
	H1 2024	**H1 2025**	Increase (decrease)	% change	H1 2024	**H1 2025**	Increase (decrease)	% change	Sales	Marginal Profit	Fixed cost	Overseas	Others
Homes segment	505.2	**526.5**	21.3	+4.2%	43.6	**46.6**	2.9	+6.7%	5.9	0.9	(2.3)	(4.1)	2.5
Housing	484.2	**505.1**	20.9	+4.3%	41.9	**43.8**	1.9	+4.6%	5.9	0.9	(2.3)	(4.1)	1.5[1]
Construction Materials	20.9	**21.3**	0.4	+1.8%	1.7	**2.7**	1.0	+60.3%	-	-	-	-	1.0

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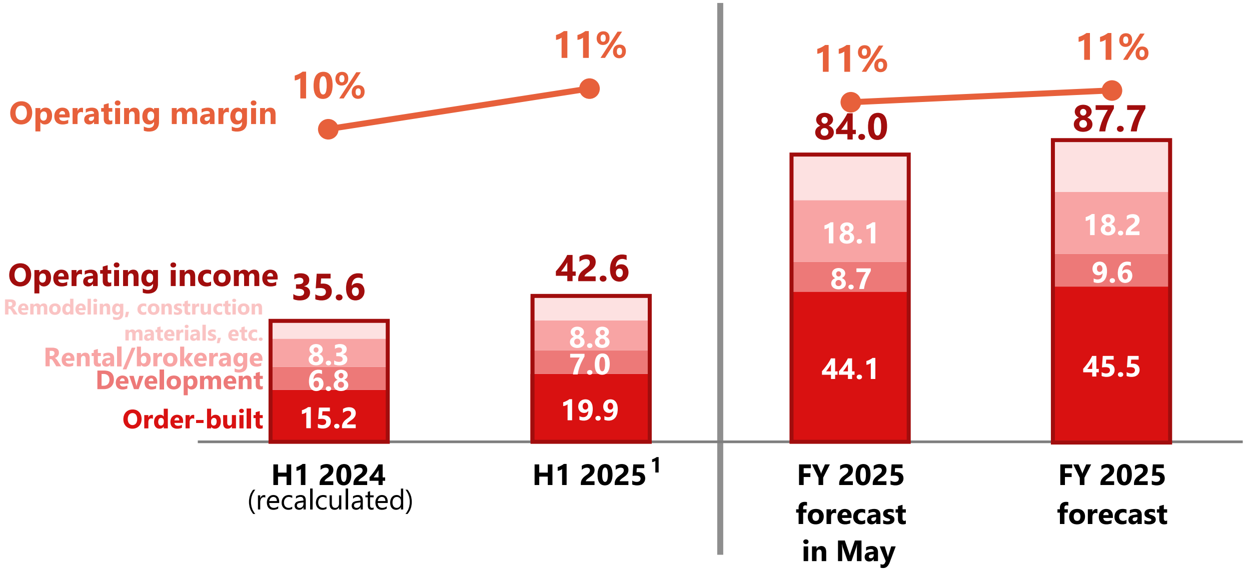
[1] Development, Rental/brokerage, Remodeling, etc.

Housing (Order-built, Development, Rental/brokerage, Remodeling, Construction Materials)

Operating income (¥ billion)



Operating income change factors

H1 2025 vs H1 2024	↗	● **Order-built homes:** Operating income increased with effect of higher average unit prices resulting from larger and higher value-added units and effect of improved marginal profit ratio by cost reductions ● **Development:** Lower number of condominium units sold, but operating income increased with reduced fixed costs ● **Rental/brokerage:** Operating income increased with firm growth in number of units under management
FY 2025 forecast vs FY 2025 forecast in May	↗	● **Order-built homes:** Forecast revised upward with reduced fixed costs ● **Development:** Forecast revised upward with greater than expected deliveries of condominium units ● **Rental/brokerage:** Basically in line with previous forecast

Business strategy in the current MTP

Real estate development

Growth Potential

- Reinforcing land purchasing and expanding business utilizing the land

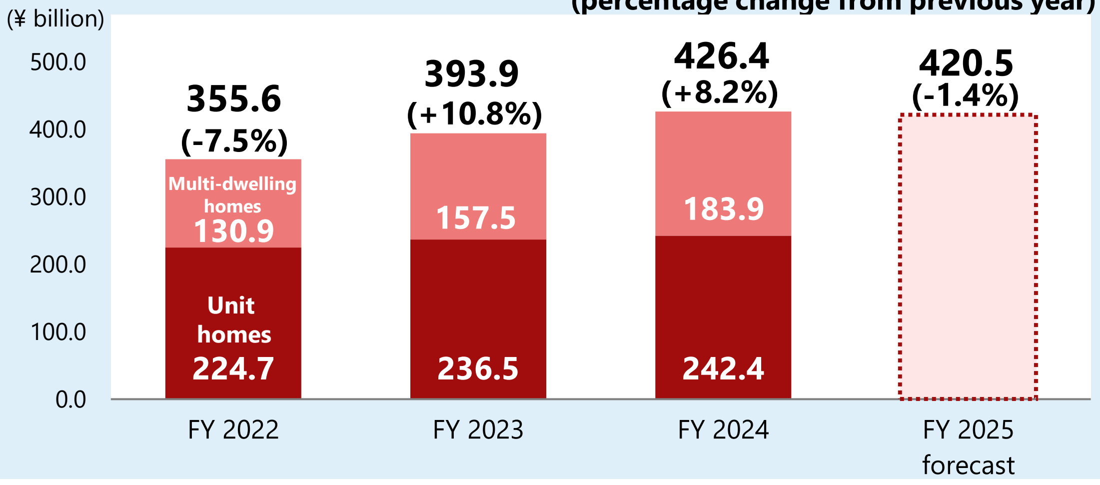
Order-built homes, Rental/brokerage, Remodeling, Construction Materials

Earnings Base Expansion

- Strengthen profitability of the order-built homes business with larger and higher added value units and expanded apartment buildings business

Trends in orders received for order-built homes

(percentage change from previous year)



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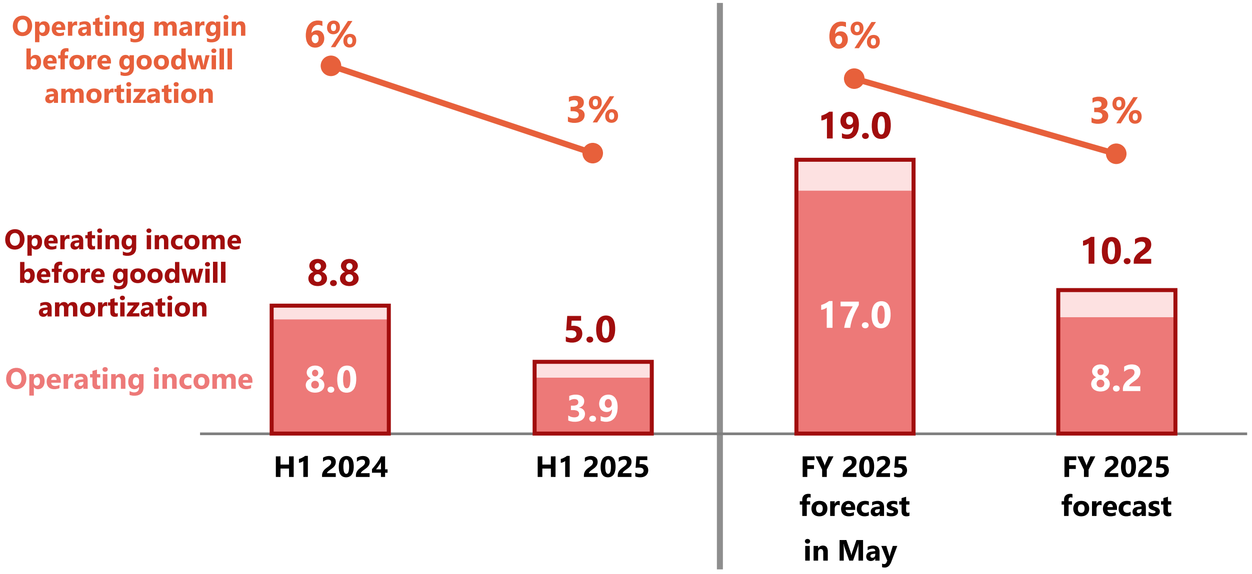
[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

Homes

Housing (Overseas Homes)

Operating income (¥ billion)



Operating income change factors

H1 2025 vs H1 2024	↘	- **North American:** Sales increased with effect of consolidation of ODC, but operating income decreased with lower volume of work and lower pricing due to diminished housing demand - **Australian:** Operating income decreased with lower volume of work due to diminished housing demand
FY 2025 forecast vs FY 2025 forecast in May	↘	- **North American:** Forecast revised downward with slower than expected recovery of housing demand - **Australian:** Basically in line with previous forecast

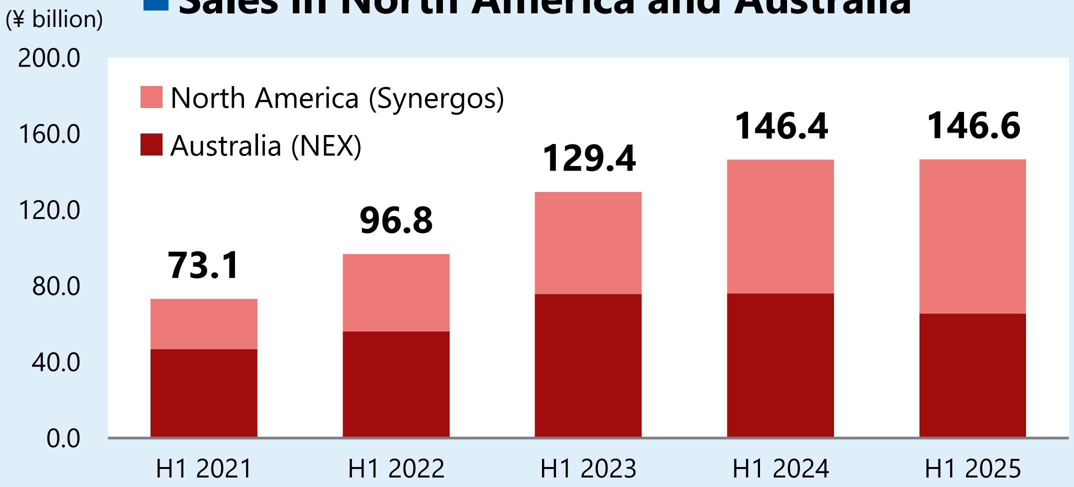
Business strategy in the current MTP

Overseas Homes

Growth Potential

- Reinforcing the Synergos model[1] and sustainable growth by expanding regional coverage in North American business
- Expand market share in Australia and improve profitability and capital efficiency by reforming operational processes in Australian business

Sales in North America and Australia



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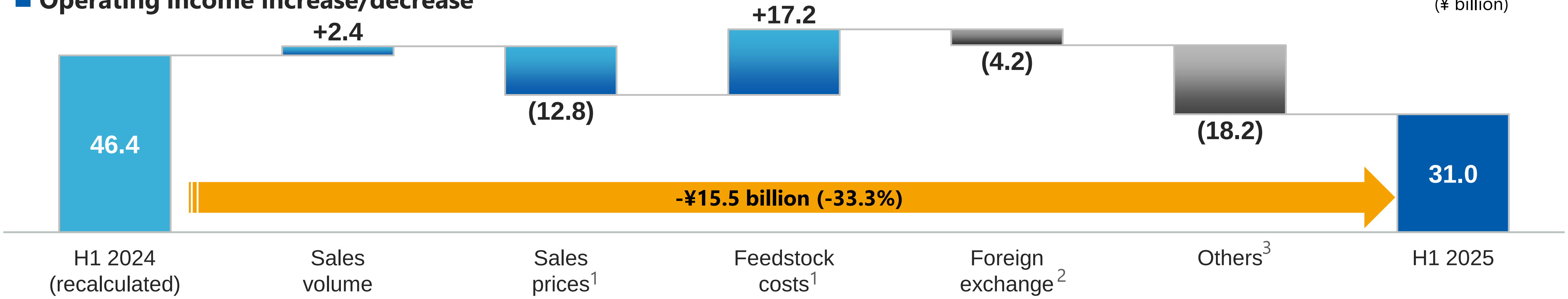
[1] A business model that integrates core steps of the construction process for shortening the construction period and providing high quality homes

Material

Sales and operating income increase/decrease

| Positive effect of sales volume centered on Electronics, but operating income decreased with negative impact of Others due to impact of inventory valuation and maintenance turnaround in Essential Chemical, and increased fixed costs of each business (terms of trade including foreign exchange factor even with previous year)

■ Operating income increase/decrease



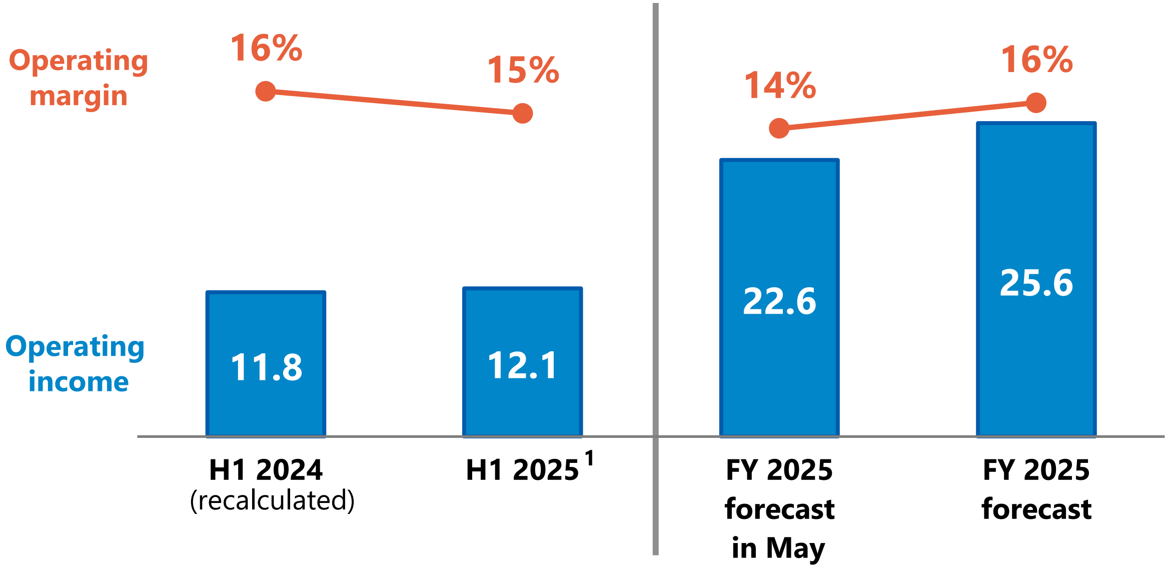
	Sales				Operating income								
									Increase (decrease) due to:				
	H1 2024 (recalculated)	**H1 2025**	Increase (decrease)	% change	H1 2024 (recalculated)	**H1 2025**	Increase (decrease)	% change	Sales Volume	Sales prices[1]	Feedstock cost[1]	Foreign exchange[2]	Others[3]
Material Segment	685.7	**637.8**	(47.9)	-7.0%	46.4	**31.0**	(15.5)	-33.3%	2.4	(12.8)	17.2	(4.2)	(18.2)
Electronics	72.5	**79.6**	7.1	+9.7%	11.8	**12.1**	0.3	+2.8%	4.7	0.4	(0.3)	(1.5)	(3.0)
Car Interior	77.8	**79.2**	1.4	+1.8%	5.7	**4.2**	(1.5)	-26.5%	0.3	0.8	0.0	0.0	(2.7)
Energy & Infrastructure	70.2	**63.1**	(7.1)	-10.2%	1.5	**0.2**	(1.3)	-88.5%	0.3	0.2	(0.6)	(1.1)	(0.1)
Comfort Life	129.8	**124.8**	(5.1)	-3.9%	10.9	**8.2**	(2.7)	-24.9%	(1.4)	0.2	0.4	(0.3)	(1.6)
Performance Chemical	126.4	**112.4**	(14.1)	-11.1%	5.5	**2.8**	(2.7)	-49.6%	0.5	(2.6)	2.9	(0.9)	(2.7)
Essential Chemical	207.0	**176.0**	(31.0)	-15.0%	12.6	**2.6**	(9.9)	-79.0%	(2.0)	(11.8)	15.5	(0.5)	(11.2)[4]
Others in Material	2.0	**2.9**	0.9	+48.0%	(1.5)	**0.9**	2.4	–	-	-	(0.7)[4]	-	3.1[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 Essential Chemical 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.

Electronics

Operating income (¥ billion)



Operating income change factors

H1 2025 vs H1 2024	↗	● **Electronic materials:** Negative effect of foreign exchange due to stronger yen, but operating income increased with firm performance of materials related to AI applications such as Pimel and glass fabric ● **Electronic devices:** Higher sales volume centered on products for camera modules, but operating income decreased with negative effect of foreign exchange due to stronger yen, etc.
FY 2025 forecast vs FY 2025 forecast in May	↗	● **Electronic materials:** Forecast revised upward with higher than expected demand for materials related to AI applications ● **Electronic devices:** Basically in line with previous forecast

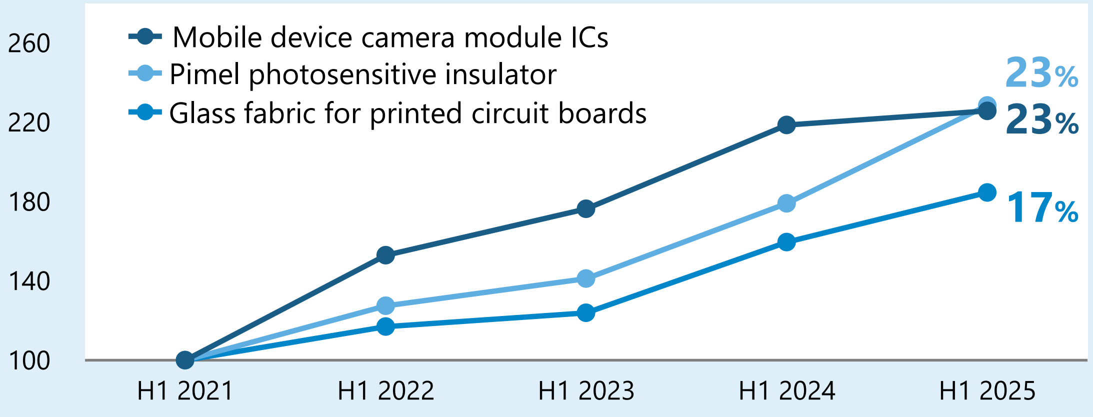
Business strategy in the current MTP

Electronics

First Priority

- Propose optimal materials for the advanced semiconductor package market based on experience in semiconductor chips and materials for substrates and packaging processes in electronic materials
- Especially, expand production capacity for Pimel as semiconductor buffer coat/interlayer dielectric with strong demand in the growing field of cutting-edge semiconductor for AI servers
- Development and commercialization of new electronic materials

Sales growth rate of main products[1]



[1] CAGR from H1 2021 indexed to 100

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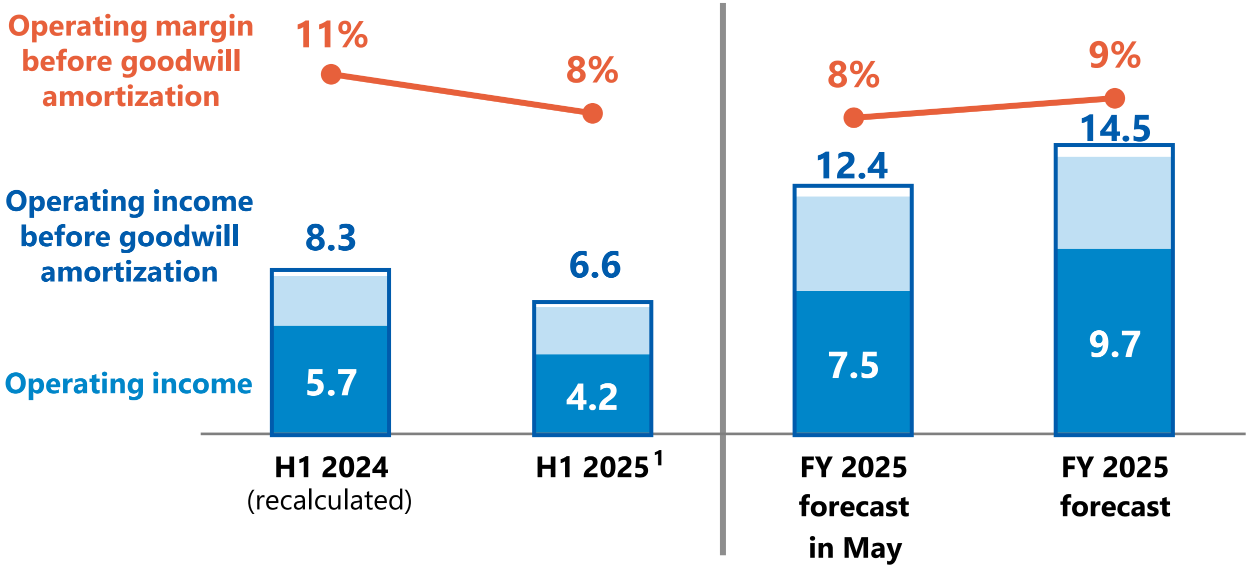
[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

Car Interior

Operating income (¥ billion)



Operating income change factors

H1 2025 vs H1 2024	↘	Increased shipments mainly in Europe, but operating income decreased with negative effect of foreign exchange due to stronger yen and increased SG&A expenses, etc.
FY 2025 forecast vs FY 2025 forecast in May	↗	Forecast revised upward with firm sales mainly in Europe, and weaker yen than previously expected

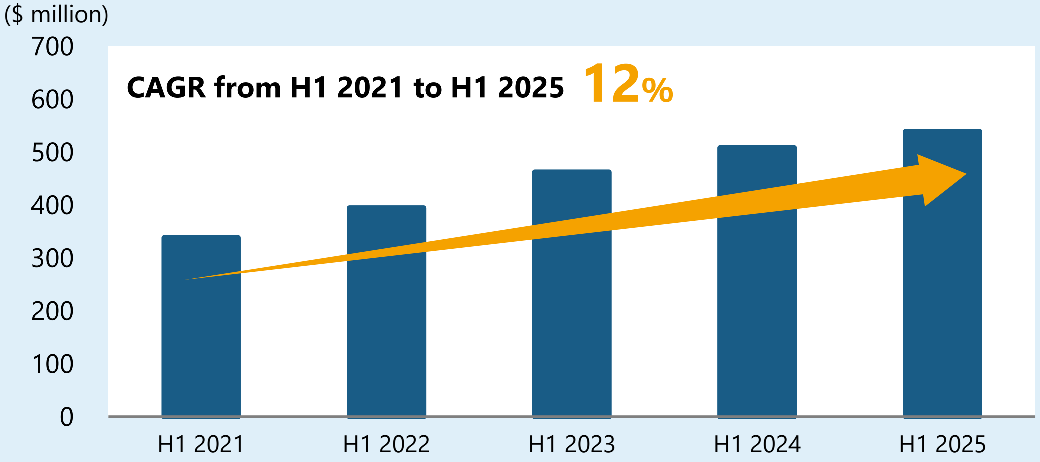
Business strategy in the current MTP

Car Interior

Earnings Base Expansion

- Firm income growth as a solution-providing business with adaptability leveraging a product lineup matching customer needs, innovative design, and advanced processing and finishing
- Expanding business platform with regionally optimized manufacturing in the U.S., Europe, Japan, and China

Sales of Sage Automotive Interiors



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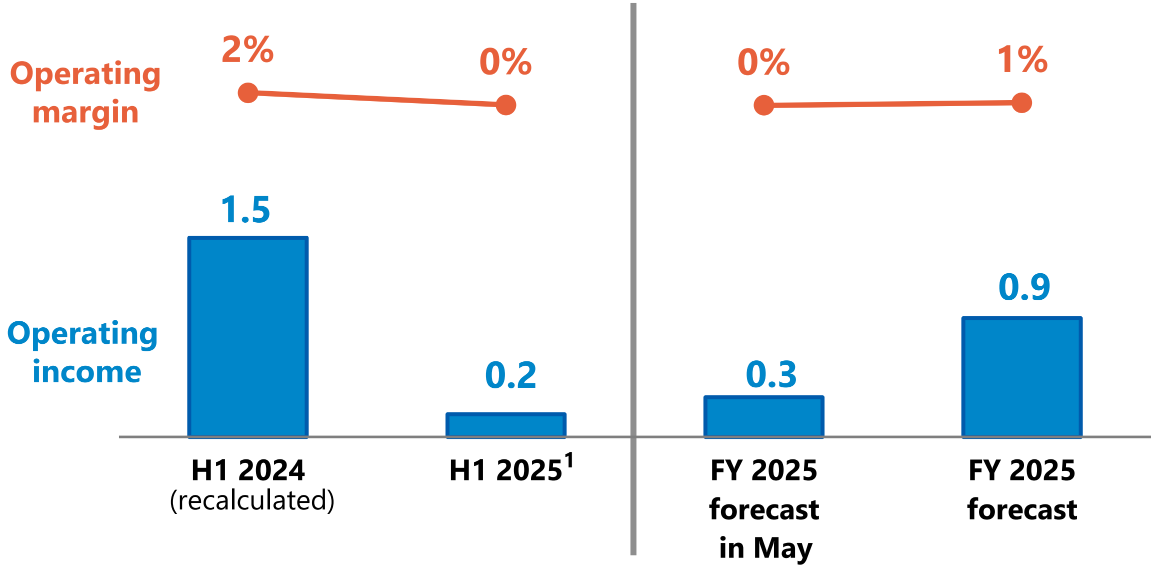
[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

Energy & Infrastructure

Operating income (¥ billion)



Operating income change factors

H1 2025 vs H1 2024	↘	● **Separators:** Increased SG&A expenses in Hipore, but operating income increased with efforts to raise productivity and lower costs at Polypore (dry-process LIB separator and lead battery separator), etc. ● **Ion-exchange membrane:** Operating income decreased with lower sales of chlor-alkali electrolysis plants, etc.
FY 2025 forecast vs FY 2025 forecast in May	➡	● **Separators:** Downturn in Hipore due to product mix despite increased shipment volumes, but forecast unchanged with higher than expected shipment volumes and efforts to raise productivity, lower costs at Polypore, etc. ● **Ion-exchange membrane:** Firm performance in line with previous forecast

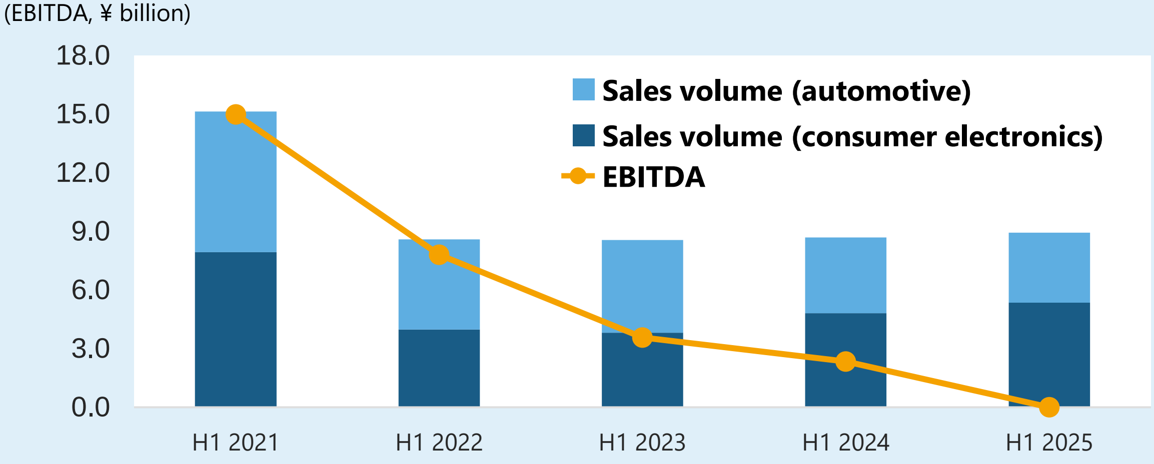
Business strategy in the current MTP

Energy & Infrastructure

Growth Potential

- Improve earnings through recovery in demand for Hipore wet-process LIB separator in Separators. Operation of North American plant from H2 2027, full-scale earnings contribution from FY 2028
- Enhance capacity for expansion and steady income growth based on long-standing business foundations as a solution provider in the ion-exchange membrane process chlor-alkali business

Sales volume and EBITDA trends for Hipore



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[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

Material

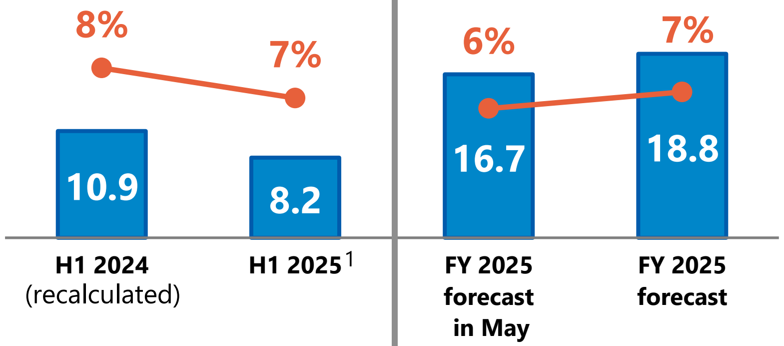
Comfort Life, Performance Chemical, Essential Chemical

Operating income (¥ billion)

- Operating income
- Operating margin

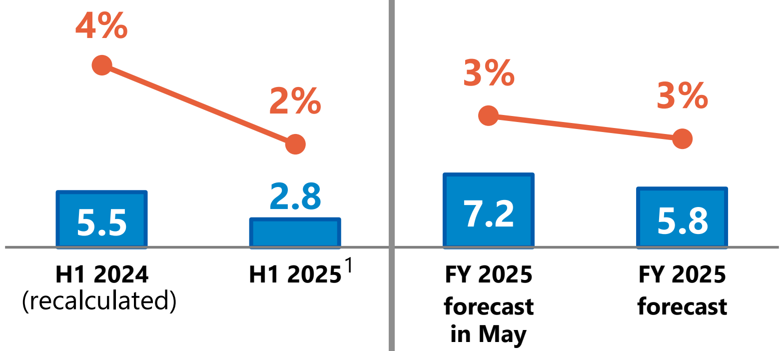
Earnings Base Expansion

Comfort Life



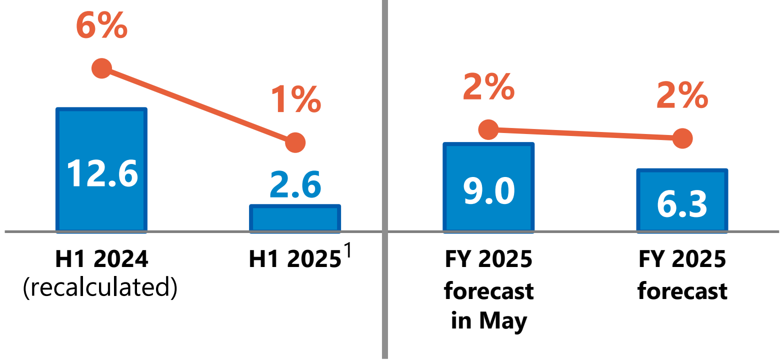
Profitability improvement & business model change

Performance Chemical



Profitability improvement & business model change

Essential Chemical



Operating income change factors

H1 2025 vs H1 2024	↘	Operating income decreased with negative effect of foreign exchange due to stronger yen, lower shipments of fibers, etc.
FY 2025 forecast vs FY 2025 forecast in May	↗	Shipments of fibers to be lower than expected, but forecast revised upward with firm performance of consumables, etc.

H1 2025 vs H1 2024	↘	Operating income decreased with worsened terms of trade due to stronger yen and lower market prices, and maintenance turnaround, etc.
FY 2025 forecast vs FY 2025 forecast in May	↘	Forecast revised downward with worsened terms of trade due to lower market prices than expected, and lower shipments, etc.

H1 2025 vs H1 2024	↘	Operating income decreased with maintenance turnaround and impact of inventory valuation due to lower petrochemical market prices, etc.
FY 2025 forecast vs FY 2025 forecast in May	↘	Forecast revised downward with lower shipments due to decreased demand, and worsened terms of trade due to decline in petrochemical-related market prices

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[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

Change in allocation of shared costs

Due to a change in allocation of shared costs starting in fiscal 2025, operating income was lower in each segment and business category than formerly; there is no impact on total consolidated operating income

(¥ billion)

	Six-month impact				Full-year impact			
	H1 2024 operating income (recalculated)	H1 2025 operating income	Increase (decrease)	of which, impact of changes in allocation criteria	FY 2024 operating income (recalculated)	FY 2025 forecast operating income	Increase (decrease)	of which, impact of changes in allocation criteria
Healthcare segment	**33.2**	**40.1**	**6.9**	**(0.5)**	**64.0**	**74.0**	**10.0**	**(1.0)**
Pharmaceuticals & Life Science	14.3	28.6	14.3	(0.5)	26.6	38.4	11.8	(1.0)
Critical Care	18.9	11.5	(7.4)	-	37.4	35.6	(1.8)	-
Homes segment	**43.6**	**46.6**	**2.9**	**(0.8)**	**95.9**	**95.9**	**0.0**	**(1.6)**
Housing	41.9	43.8	1.9	(0.6)	91.3	91.0	(0.3)	(1.2)
Construction Materials	1.7	2.7	1.0	(0.2)	4.6	4.9	0.3	(0.3)
Material segment	**46.4**	**31.0**	**(15.5)**	**(1.9)**	**79.9**	**72.0**	**(7.9)**	**(3.8)**
Electronics	11.8	12.1	0.3	(0.3)	22.1	25.6	3.5	(0.5)
Car Interior	5.7	4.2	(1.5)	(0.1)	10.8	9.7	(1.1)	(0.1)
Energy & Infrastructure	1.5	0.2	(1.3)	(0.4)	2.8	0.9	(1.9)	(0.7)
Comfort Life	10.9	8.2	(2.7)	(0.3)	19.7	18.8	(0.9)	(0.6)
Performance Chemical	5.5	2.8	(2.7)	(0.2)	7.7	5.8	(1.9)	(0.5)
Essential Chemical	12.6	2.6	(9.9)	(0.5)	20.2	6.3	(13.9)	(1.0)
Others in Material	(1.5)	0.9	2.4	(0.2)	(3.5)	4.9	8.4	(0.3)
Others	0.8	2.1	1.3	-	2.9	3.5	0.6	-
Corporate expenses and eliminations	(15.2)	(12.2)	2.9	3.2	(30.9)	(24.4)	6.5	6.4
Consolidated	**108.9**	**107.5**	**(1.5)**	**-**	**211.9**	**221.0**	**9.1**	**-**

Net sales breakdown by segment

(¥ billion)

	H1	H2	FY 2024 (recalculated)	H1	H2 forecast	FY 2025 forecast	%change H1 2025 vs H1 2024	% change FY 2025 vs FY 2024	FY 2025 forecast in May	%change
Healthcare segment	**292.7**	**323.2**	**615.9**	**306.8**	**339.2**	**646.0**	**+4.8%**	**+4.9%**	**613.0**	**+5.4%**
Pharmaceuticals & Life Science	113.5	131.7	245.2	127.6	124.4	252.0	+12.4%	+2.8%	234.0	+7.7%
Pharmaceuticals	66.2	86.0	152.2	99.6	99.4	199.0	+50.5%	+30.8%	184.0	+8.2%
Life Science	47.3	45.7	93.0	28.1	24.9	53.0	-40.7%	-43.0%	50.0	+6.0%
Critical Care	179.2	191.5	370.7	179.2	214.8	394.0	-0.0%	+6.3%	379.0	+4.0%
Homes segment	**505.2**	**530.7**	**1,035.9**	**526.5**	**559.5**	**1,086.0**	**+4.2%**	**+4.8%**	**1,119.0**	**-2.9%**
Housing	484.2	509.3	993.5	505.1	536.9	1,042.0	+4.3%	+4.9%	1,074.0	-3.0%
Order-built	194.0	225.5	419.5	211.2	227.7	439.0	+8.9%	+4.6%	441.0	-0.5%
Development	33.6	19.1	52.7	25.1	23.4	48.5	-25.2%	-7.9%	47.5	+2.1%
Rental/brokerage	80.8	87.3	168.1	90.5	96.0	186.5	+12.0%	+11.0%	186.5	±0.0%
Remodeling	28.0	29.7	57.8	30.0	34.0	64.0	+6.9%	+10.7%	65.0	-1.5%
Overseas Homes	146.4	146.6	293.0	146.6	153.4	300.0	+0.1%	+2.4%	340.0	-11.8%
Others	1.3	1.1	2.4	1.7	2.3	4.0	+27.6%	+65.5%	(6.0)	-
Construction Materials	20.9	21.4	42.3	21.3	22.7	44.0	+1.8%	+3.9%	45.0	-2.2%
Material segment	**685.7**	**683.1**	**1,368.8**	**637.8**	**683.2**	**1,321.0**	**-7.0%**	**-3.5%**	**1,366.0**	**-3.3%**
Electronics	72.5	74.3	146.7	79.6	83.4	163.0	+9.7%	+11.1%	156.0	+4.5%
Car Interior	77.8	81.5	159.3	79.2	77.8	157.0	+1.8%	-1.5%	153.0	+2.6%
Energy & Infrastructure	70.2	68.0	138.2	63.1	79.9	143.0	-10.2%	+3.5%	144.0	-0.7%
Comfort Life	129.8	137.3	267.1	124.8	146.2	271.0	-3.9%	+1.4%	282.0	-3.9%
Performance Chemical	126.4	120.9	247.4	112.4	112.6	225.0	-11.1%	-9.0%	231.0	-2.6%
Essential Chemical	207.0	197.3	404.3	176.0	181.0	357.0	-15.0%	-11.7%	394.0	-9.4%
Others in Material	2.0	3.7	5.7	2.9	2.1	5.0	+48.0%	-12.2%	6.0	-16.7%
Others	6.7	10.1	16.8	15.2	11.8	27.0	+127.0%	+60.9%	19.0	+42.1%
Consolidated	**1,490.3**	**1,547.0**	**3,037.3**	**1,486.4**	**1,593.6**	**3,080.0**	**-0.3%**	**+1.4%**	**3,117.0**	**-1.2%**

Operating income breakdown by segment

(¥ billion)

	H1	H2	FY 2024 (recalculated)	H1	H2 forecast	FY 2025[1] forecast	% change H1 2025 vs H1 2024	% change FY 2025 vs FY 2024	FY 2025 forecast in May	% change
Healthcare segment	**33.2**	**30.8**	**64.0**	**40.1**	**33.9**	**74.0**	**+20.8%**	**+15.6%**	**67.0**	**+10.4%**
Pharmaceuticals & Life Science	14.3	12.4	26.6	28.6	9.8	38.4	+100.2%	+44.1%	26.4	+45.5%
Critical Care	18.9	18.5	37.4	11.5	24.1	35.6	-39.1%	-4.8%	40.6	-12.3%
Homes segment	**43.6**	**52.3**	**95.9**	**46.6**	**49.3**	**95.9**	**+6.7%**	**+0.0%**	**101.0**	**-5.0%**
Housing	41.9	49.4	91.3	43.8	47.2	91.0	+4.6%	-0.4%	96.1	-5.3%
Order-built	15.2	29.4	44.6	19.9	25.6	45.5	+30.7%	+2.1%	44.1	+3.2%
Development	6.8	2.3	9.1	7.0	2.6	9.6	+2.9%	+5.2%	8.7	+10.3%
Rental/brokerage	8.3	8.8	17.1	8.8	9.5	18.2	+6.0%	+7.0%	18.1	+0.8%
Remodeling	3.4	4.0	7.4	3.1	4.7	7.9	-7.3%	+6.9%	7.8	+0.8%
Overseas Homes	8.0	4.3	12.3	3.9	4.2	8.2	-50.9%	-33.5%	17.0	-52.0%
Others	0.3	0.7	1.0	1.2	0.5	1.6	+291.5%	+70.0%	0.4	+308.8%
Construction Materials	1.7	2.9	4.6	2.7	2.2	4.9	+60.3%	+7.2%	4.9	±0.0%
Material segment	**46.4**	**33.5**	**79.9**	**31.0**	**41.0**	**72.0**	**-33.3%**	**-9.9%**	**66.0**	**+9.1%**
Electronics	11.8	10.4	22.1	12.1	13.5	25.6	+2.8%	+15.6%	22.6	+13.3%
Car Interior	5.7	5.1	10.8	4.2	5.5	9.7	-26.5%	-10.0%	7.5	+29.3%
Energy & Infrastructure	1.5	1.3	2.8	0.2	0.7	0.9	-88.5%	-68.4%	0.3	+200.0%
Comfort Life	10.9	8.8	19.7	8.2	10.6	18.8	-24.9%	-4.6%	16.7	+12.6%
Performance Chemical	5.5	2.2	7.7	2.8	3.0	5.8	-49.6%	-24.3%	7.2	-19.4%
Essential Chemical	12.6	7.6	20.2	2.6	3.7	6.3	-79.0%	-68.8%	9.0	-30.0%
Others in Material	(1.5)	(2.0)	(3.5)	0.9	4.0	4.9	-	-	2.7	+81.5%
Others	0.8	2.1	2.9	2.1	1.4	3.5	+149.9%	+19.5%	3.0	+16.7%
Corporate expenses and eliminations	(15.2)	(15.7)	(30.9)	(12.2)	(12.2)	(24.4)	-	-	(22.0)	-
Consolidated	**108.9**	**103.0**	**211.9**	**107.5**	**113.5**	**221.0**	**-1.3%**	**+4.3%**	**215.0**	**+2.8%**

[1] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

4. Appendix

Business categories

Business categories from FY 2025			Former categories
Segment	**Business categories**	**Businesses**	**Business categories**
Healthcare	**Pharmaceuticals & Life Science**	Pharmaceuticals (domestic and overseas) Life Science (Bioprocess, CDMO, etc.)	**Health Care**
	Critical Care	ACT (professional defibrillators/AEDs, etc.) CMS (LifeVest wearable defibrillator, etc.) Sleep apnea diagnosis and treatment devices	**Critical Care**
Homes	**Housing**	Order-built homes Development[1] Rental/brokerage[1] Remodeling Overseas homes (North American, Australian)	**Homes**
	Construction Materials	Insulation AAC	**Construction Materials**
Material[2]	**Electronics**	Electronic materials Electronic devices	**Life Innovation (Digital Solutions)**
	Car Interior	Car interior materials	**Mobility & Industrial**
	Energy & Infrastructure	Separators Ion-exchange membrane Hollow-fiber membrane (Microza)	**Environmental Solutions**
	Comfort Life	High-performance materials (functional additives, etc.) Fibers Consumables (Saran Wrap, etc.)	**Life Innovation**
	Performance Chemical	Engineering plastics Performance coating materials	**Mobility & Industrial**
	Essential Chemical	Basic materials (petrochemical-related business) Elastomers	**Environmental Solutions**
Others			
Corporate expenses and eliminations[2]			

Notes:
FY 2024 results indicated by "(recalculated)" are recalculated in accordance with the FY 2025 business categories.

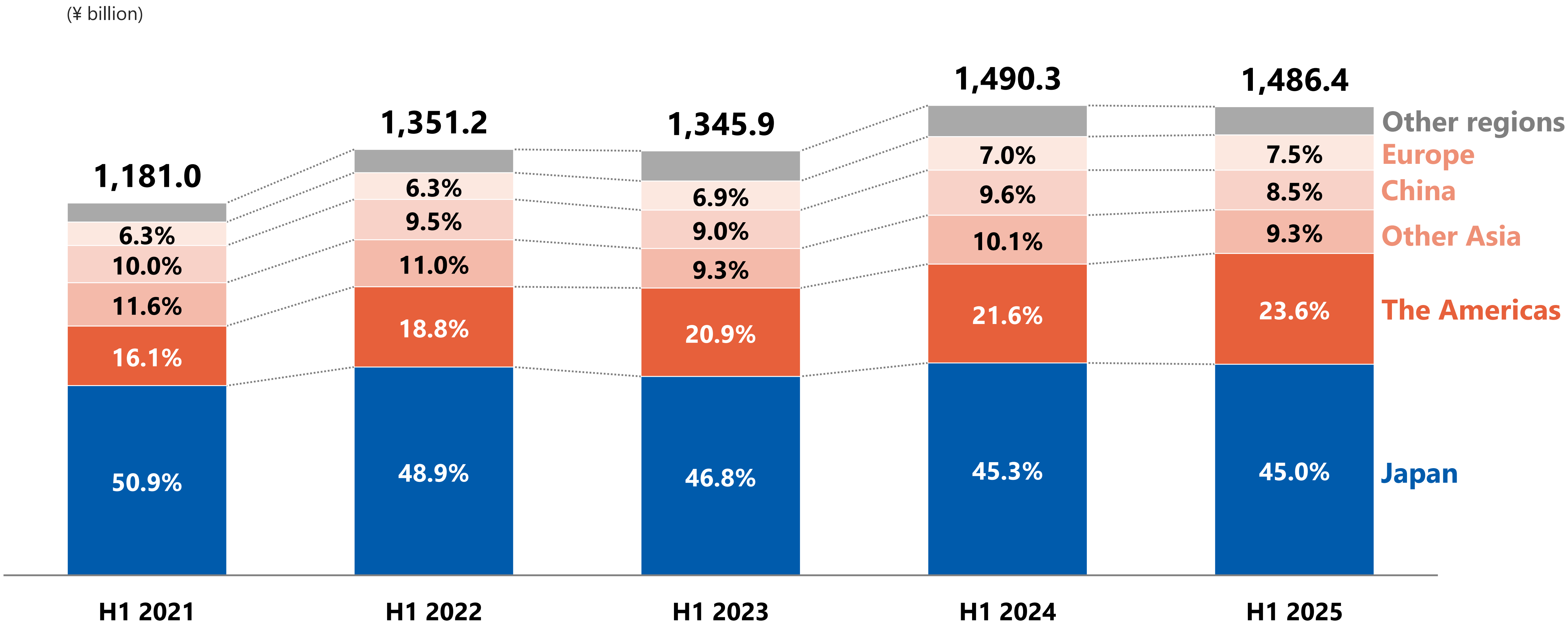
Former fiscal year results thus indicated are also recalculated to reflect the changes indicated in the footnotes below.

[1] Within Housing, sales of "development" and "rental/brokerage" were formerly disclosed as components of "real estate"; both sales and operating income of these businesses are now disclosed with condominium management business transferred from "development" to "rental/brokerage"

[2] Starting in fiscal 2025, certain R&D and DX functions which had been included in corporate expenses and eliminations are now included in Material. Figures for fiscal 2024 have been recalculated to reflect this change.

Overseas sales

- Effect of stronger yen, but portion of overseas even with previous year due to expanding sales in Pharmaceuticals etc. in the U.S.
- Sales in The Americas increasing with acquisitions in Healthcare and Homes in the U.S.



Depreciation and amortization

(¥ billion)

	Depreciation and amortization[1]					Amortization of goodwill		
	H1 2024 (recalculated)	of which, PPA amortization[2]	H1 2025	of which, PPA amortization[2]	FY 2025 forecast	H1 2024 (recalculated)	H1 2025	FY 2025 forecast
Healthcare segment	**24.4**	**13.9**	**29.3**	**18.2**	**54.0**	**12.1**	**12.7**	**25.0**
Pharmaceuticals & Life Science	12.7	7.6	16.3	11.9		2.7	3.8	
Critical Care	11.7	6.4	13.0	6.2		9.5	8.9	
Homes segment	**9.8**	**2.3**	**10.0**	**2.3**	**21.0**	**0.8**	**1.1**	**2.0**
Housing	8.7	2.3	8.9	2.3		0.8	1.1	
Construction Materials	1.1	-	1.2	-		-	-	
Material segment	**32.3**	**2.0**	**32.9**	**1.9**	**71.0**	**2.7**	**2.6**	**5.0**
Electronics	3.6	-	3.4	-		-	-	
Car Interior	5.6	2.0	5.5	1.9		2.6	2.5	
Energy & Infrastructure	8.1	0.1	7.9	-		0.1	0.1	
Comfort Life	5.3	-	5.6	-		-	-	
Performance Chemical	3.5	-	4.1	-		0.1	0.0	
Essential Chemical	3.0	-	3.3	-		-	-	
Others in Material	3.2	-	3.1	-		-	-	
Others	0.6	-	0.5	-	1.0	-	-	-
Corporate expenses and eliminations	5.7	-	6.4	-	13.0	-	-	-
Consolidated	**72.9**	**18.3**	**79.2**	**22.4**	**160.0**	**15.7**	**16.3**	**32.0**

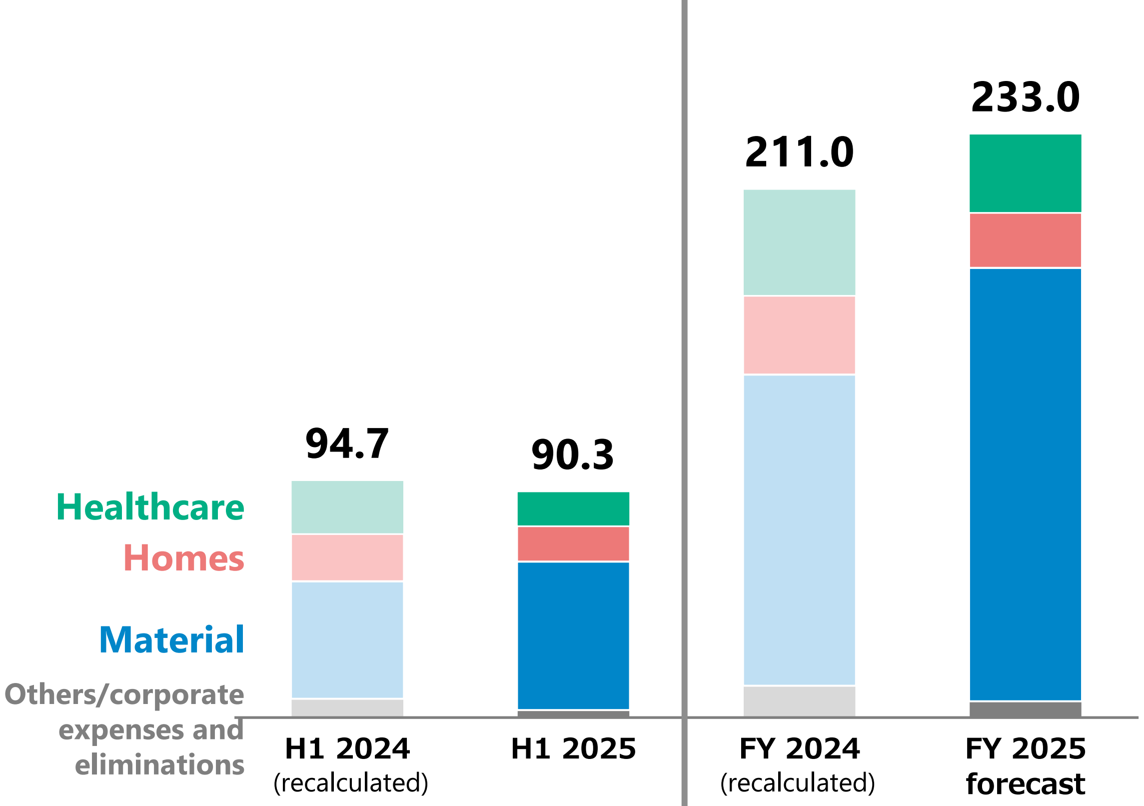
[1] Amortization of goodwill is excluded and shown separately on the right.

[2] Amortization of intangible assets from PPA at the time of acquisition.

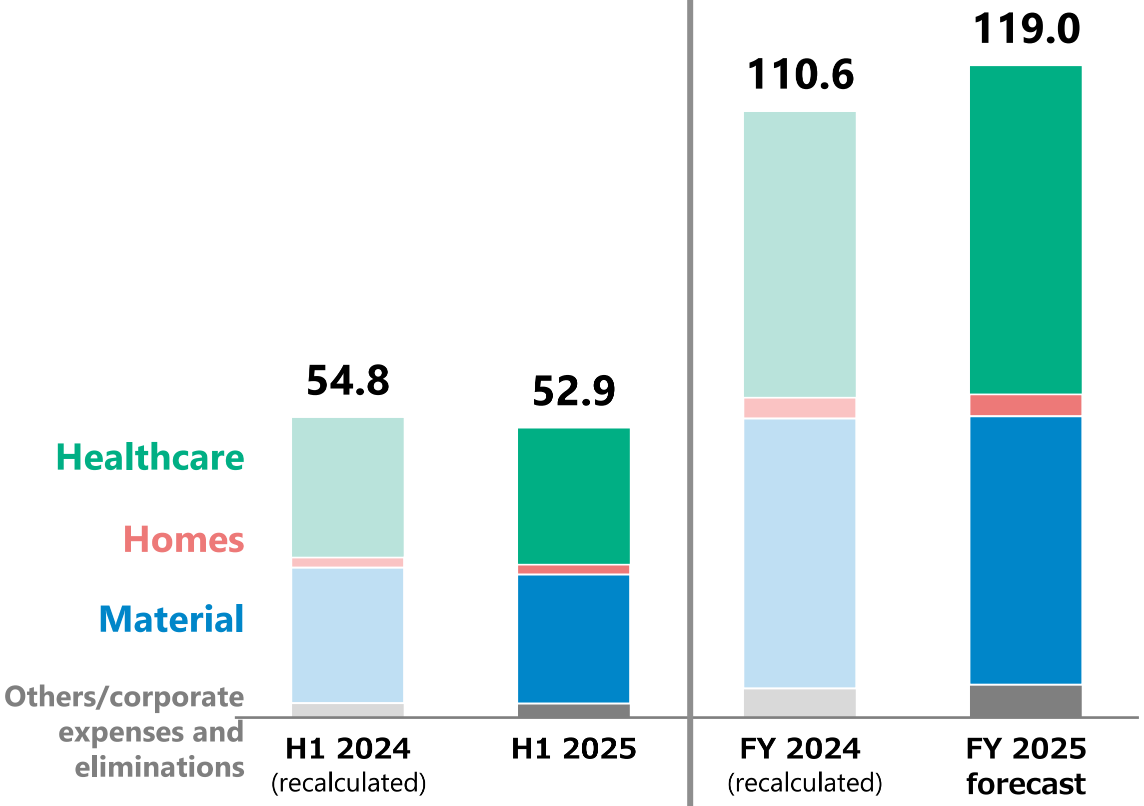
Capex, R&D expenditures

Capex	Expected to decrease in Healthcare and Homes with capacity expansion etc. in fiscal 2024, but increase in Material with capacity expansion in Separator
R&D expenditures	Expected to increase mainly in Healthcare with in-licensing in Pharmaceuticals anticipated in H2

■ **Capex (¥ billion)**



■ **R&D expenditures (¥ billion)**



Major investments

(FY 2024–)

<table>
<tr><th rowspan="2">Segment</th><th rowspan="2">Business category</th><th rowspan="2">Project</th><th rowspan="2">Capacity</th><th rowspan="2">Location</th><th colspan="8">Completion of construction</th></tr>
<tr><th>H1 2024</th><th>H2 2024</th><th>H1 2025</th><th>H2 2025</th><th>H1 2026</th><th>H2 2026</th><th>H1 2027</th><th>H2 2027</th></tr>
<tr><td rowspan="4">Healthcare</td><td rowspan="4">Pharmaceuticals & Life Science</td><td>Construction of new assembly plant for Planova virus removal filters</td><td>–</td><td>Nobeoka-shi, Miyazaki, Japan</td><td colspan="8">Completed in May 2024</td></tr>
<tr><td>Construction of new spinning plant for Planova virus removal filters</td><td>–</td><td>Nobeoka-shi, Miyazaki, Japan</td><td colspan="8">To be completed in H2 2029</td></tr>
<tr><td>Capacity increase at biologics CDMO Bionova</td><td>–</td><td>California, the U.S.</td><td colspan="8">To be completed in FY 2027 or later</td></tr>
<tr><td>Establishment of plasmid DNA manufacturing facility by biologics CDMO Bionova</td><td>–</td><td>Texas, the U.S.</td><td colspan="8">Process development: Completed in H1 2025
GMP[1] manufacturing: To be completed in FY 2025 or later</td></tr>
<tr><td rowspan="7">Material</td><td rowspan="2">Electronics</td><td>Capacity increase for Pimel photosensitive insulator</td><td>–</td><td>Fuji-shi, Shizuoka, Japan</td><td colspan="8">Completed in H2 2024</td></tr>
<tr><td>Capacity increase for Pimel photosensitive insulator</td><td>–</td><td>Fuji-shi, Shizuoka, Japan</td><td colspan="8">To be completed in FY 2027</td></tr>
<tr><td rowspan="4">Energy & Infrastructure</td><td>Capacity increase for Hipore LIB separator</td><td>350 million m^2/y</td><td>Hyuga-shi, Miyazaki, Japan</td><td colspan="8">Completed in H2 2024</td></tr>
<tr><td>Capacity increase for Hipore LIB separator coating</td><td>600 million m^2/y</td><td>North Carolina, the U.S.
Hyuga-shi, Miyazaki, Japan</td><td colspan="8">To be completed in H1 2026</td></tr>
<tr><td>Construction of integrated plant for base film manufacturing and coating of Hipore LIB separator</td><td>700 million m^2/y (as coated film)</td><td>Ontario, Canada</td><td colspan="8">To be completed in FY 2027</td></tr>
<tr><td>Construction of new facilities for electrolysis system components (alkaline water and chlor-alkali)</td><td>2 GW/y</td><td>Kawasaki-shi, Kanagawa, Japan</td><td colspan="8">To be completed in FY 2028</td></tr>
<tr><td>Others in Material</td><td>Renovation of hydroelectric power plants (Suigasaki power plant)</td><td>–</td><td>Nishiusuki-gun, Miyazaki, Japan</td><td colspan="8">Completed in H1 2025</td></tr>
</table>

[1] Manufacturing pharmaceuticals in accordance with Good Manufacturing Practices

Major M&A

(FY 2024–)

Segment	Business category	Company	Operations	Cost	Goodwill	Consolidation on statements of income			
						H1 2024	H2 2024	H1 2025	H2 2025
Healthcare	**Pharmaceuticals & Life Science**	Calliditas Therapeutics AB	Development, manufacture, and sale of medicine and related products	¥167.8 billion	¥45.6 billion		**Oct. 2024**		
Homes	**Housing**	ODC Construction, LLC	Residential construction work in North America	¥35.0 billion	¥17.0 billion	**Sep. 2024**			

Progress of structural transformation

AsahiKASEI

(FY 2024–)

Segment	Business category	Project	Execution period							
			H1 2024	H2 2024	H1 2025	H2 2025	H1 2026	H2 2026	H1 2027	H2 2027
Healthcare	Pharmaceuticals & Life Science	Withdrawal of Sepacell leukocyte reduction filter business	Scheduled to cease production and sales in Mar. 2026							
		Divestiture of blood purification business	Transferred in Apr. 2025							
		Divestiture of diagnostics business	Transferred in July 2025							
Homes	Construction Materials	Closure of Iwakuni Plant for AAC	Closed at the end of Mar. 2025							
Material	Essential Chemical	Withdrawal of acrylonitrile and other operations of PTT Asahi Chemical Co., Ltd.	Conclusion of production and sales at the end of Dec. 2024	Deconstruction of plant facilities scheduled within a few years						
		Withdrawal of MMA, CHMA, PMMA resin, and SB latex businesses	MMA: Scheduled to cease production and sales in Sep. 2026 CHMA: Scheduled to cease production and sales in Mar. 2026 PMMA: Scheduled to cease production in Sep. 2026 and sales in Sep. 2027 SB latex: Scheduled to cease production in Sep. 2027 and sales in Dec. 2027							

Operating income trend[1]

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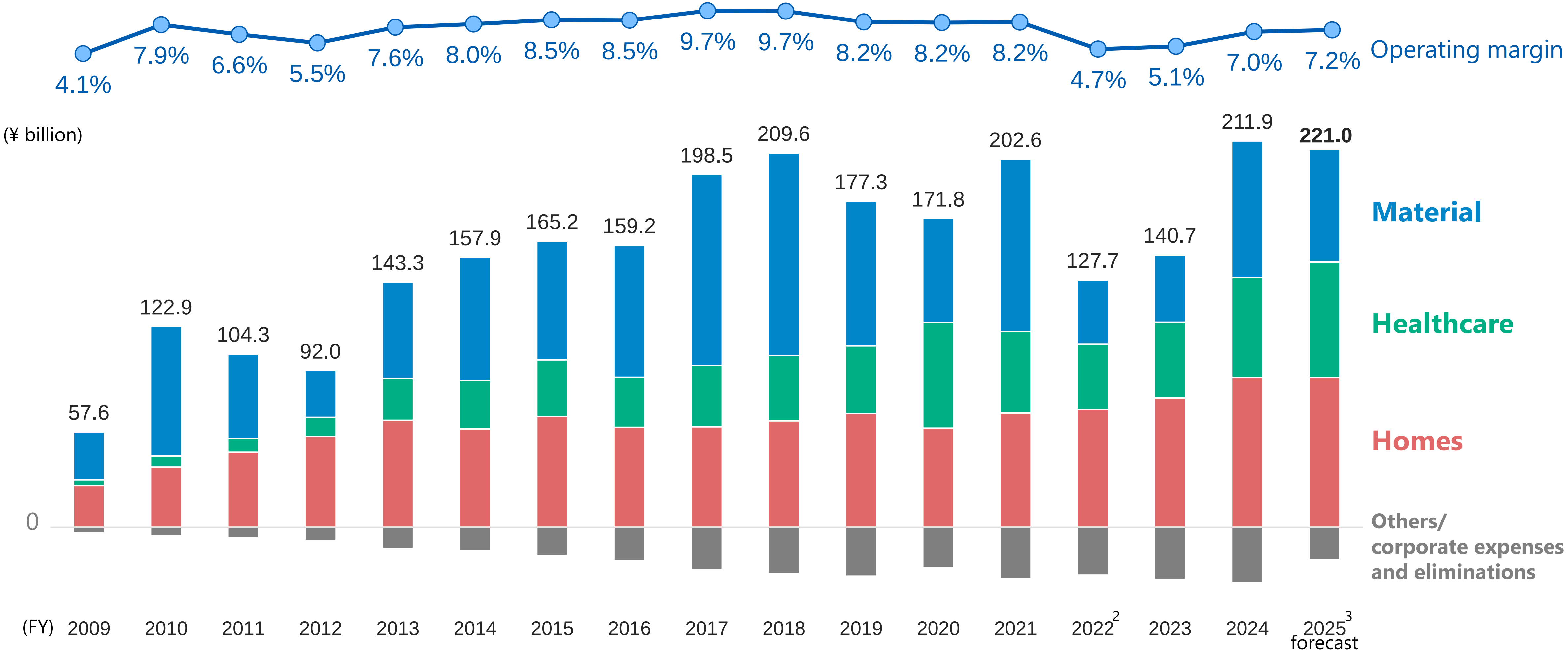
- Income structure is more resilient with steady income growth in Homes and income expansion in Healthcare
- Material impacted by severe operating environment after peak in fiscal 2018 but recovering from nadir in fiscal 2022; overall operating income reached new record high in fiscal 2024 and expected to further increase in fiscal 2025



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[1] Results of past fiscal years are reclassified to the current disclosure segments with simplified calculation for reference

[2] Figures for fiscal 2022 retroactively revised to reflect result of PPA (purchase price allocation) completed in Q1 2023 related to Focus Companies acquired on October 31, 2022

[3] Allocation of shared costs has been changed from fiscal 2025. See p. 38.

Note and schedule

- Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

Schedule for announcement of financial results for Q3 fiscal 2025

February 4, 2026 (JST)

Disclaimer

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