

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Japanese Accounting Standards)

November 11, 2025

Name of Listed Company: Mitsubishi Materials Corporation

Listing:

Tokyo Stock Exchange

Stock Code: 5711

URL:

<https://www.mmc.co.jp/>

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Scheduled Date of Start of Dividend Payment: December 10, 2025

Supplementary Materials for the Financial Results: Yes

Investor Conference for the Financial Results: Yes (For Institutional Investors)

(Amounts of less than one million yen are omitted)

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	829,914	-16.1	10,949	-60.3	16,701	-33.0	5,485	-77.8
Six months ended September 30, 2024	989,592	38.2	27,581	130.8	24,915	35.3	24,669	121.9

(Note) Comprehensive income: Six months ended September 30, 2025: ¥3,892 million (-72.6%)

Six months ended September 30, 2024: ¥14,218 million (-64.6%)

	Profit per share	Diluted profit per share
	Yen	Yen
Six months ended September 30, 2025	41.98	—
Six months ended September 30, 2024	188.83	—

(2) Consolidated Financial Position

	Total assets	Total net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	2,548,268	689,939	26.5
As of March 31, 2025	2,379,409	693,276	28.5

(Reference) Shareholders' equity: As of September 30, 2025: ¥674,873 million

As of March 31, 2025: ¥677,250 million

(Note) In the interim period of the fiscal year ended March 2026, provisional accounting treatment for business combinations was finalized, and the figures for the fiscal year ended March 2025 reflect the details of this finalization.

2. Dividends

	Dividend per share				
(Record date)	First quarter	Second quarter	Third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	—	50.00	—	50.00	100.00
Year ending March 31, 2026	—	50.00			
Year ending March 31, 2026 (Forecast)			—	50.00	100.00

(Note) Revision of the most recently published dividend forecast: None

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2026	1,590,000	-19.0	15,000	-59.6	43,000	-28.6	20,000	-41.3	153.05

(Note) Revision to forecast published most recently: Yes

As for the revision of the consolidated earnings forecast, please refer to the "Notice Concerning Revisions to Earnings Forecast" and "Presentation Materials for the First Six Months of the Fiscal Year Ending March 31, 2026" released today.

Notes:

(1) Significant changes in subsidiaries during the period: None

New: - (Company name: -)

Exempt: - (Company name: -)

(2) Application of special accounting treatment in the preparation of the interim consolidated financial statements: Yes
(Note) For details, please refer to “2. Consolidated Financial Statements and Key Notes,” section (4), “Key notes on consolidated interim financial statements (Notes on accounting methods specific to the preparation of interim consolidated financial statements)” on page 13.

(3) Changes in accounting policies, changes in accounting estimates and restatement

(i) Changes in accounting policies due to amendments to accounting standards: None

(ii) Other changes in accounting policies: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(4) Number of outstanding shares (common stock)

(i) Numbers of outstanding shares at the end of the period (including treasury shares):

Six months ended September 30, 2025: 131,489,535 shares

Year ended March 31, 2025: 131,489,535 shares

(ii) Numbers of treasury shares at the end of the period:

Six months ended September 30, 2025: 808,177 shares

Year ended March 31, 2025: 830,439 shares

(iii) Average number of outstanding shares during the period (interim cumulative period):

Six months ended September 30, 2025: 130,664,737 shares

Six months ended September 30, 2024: 130,647,384 shares

* The financial results for the second quarter (interim period) are not subject to review by certified public accountants or auditing firms.

* Explanation regarding the proper use of financial forecasts and other special notes.

(Notes concerning forward-looking statements, etc.)

The operating results forecasts and other forward-looking statements contained in this report are based on information currently available to Mitsubishi Materials Corporation (“Company” or “Group”), as well as certain assumptions that the Company has judged to be reasonable. As such, they do not constitute an assurance that the Company will achieve these projected results. Therefore, readers are advised to note that the actual results may vary materially from the forecasts due to a variety of factors.

(Procedure for obtaining supplementary information on financial results and financial briefing)

The Company plans to hold a financial briefing for institutional investors on Tuesday, November 11, 2025. The materials used in this briefing are disclosed on the TDnet and the Company’s website at the same time as the financial results announcement.

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1. Overview of Operating Results and Financial Position

(1) Overview of operating results

1) Summary of business performance for the first six months

In the current interim consolidated accounting period, the global economy experienced a gradual recovery and some regions showed signs of stagnation in economic recovery amid growing uncertainty due to the impact of U.S. policy trends, including tariff policies.

Although the Japanese economy continued on a moderate recovery trend, there were some uncertainties, such as a weakened consumer sentiment amid continued price increases.

In the business environment surrounding the Group, demand for automobile-related and semiconductor-related products remained sluggish despite signs of recovery. In addition, although copper and gold prices rose year-on-year, yen appreciation and worsening concentrate purchase conditions adversely affected performance.

Under these circumstances, net sales and operating profit declined year-on-year, mainly in the Metals business.

As a result, in this interim consolidated accounting period, net sales were ¥829,914 million (down 16.1% year-on-year), operating profit was ¥10,949 million (down 60.3% year-on-year), and ordinary profit was ¥16,701 million (down 33.0% year-on-year). Profit attributable to owners of parent was ¥5,485 million (down 77.8% year-on-year), primarily due to the absence of a gain on change in equity recorded in the same period last year and the recognition of impairment losses.

2) Segment overview

Metals Business

(Billions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025	Change (%)	
Net sales	732.4	547.9	-184.5	(-25.2%)
Operating profit	22.4	1.1	-21.2	(-94.8%)
Ordinary profit	18.0	5.3	-12.7	(-70.3%)

In the Metals business, net sales and operating profit decreased year-on-year due to the impact of the yen's appreciation trend, worsening conditions for purchasing concentrate, a delay in the start-up of production after the completion of a regular furnace overhaul at Naoshima Smelter & Refinery, and a decrease in gold production. In addition, ordinary profit declined despite an improvement in equity-method investment profit and a reduction in foreign exchange losses.

Advanced Products Business

(Billions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025	Change (%)	
Net sales	261.1	261.9	0.7	(0.3%)
Operating profit (loss)	-1.0	2.4	3.4	(—%)
Ordinary profit (loss)	-2.3	1.6	3.9	(—%)

In the Copper & Copper Alloy business within the Advanced Products business, sales volume grew and there was an impact of rise in copper prices. In the Electronic Materials & Components business, sales of seal products declined despite a continued moderate recovery in demand for some semiconductor-related products.

As a result, net sales were nearly flat year-on-year, while operating profit and ordinary profit increased.

Metalworking Solutions Business

(Billions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025	Change (%)	
Net sales	74.6	107.0	32.3	(43.4%)
Operating profit	6.8	5.6	-1.2	(-17.7%)
Ordinary profit	6.3	4.3	-2.0	(-31.8%)

The Metalworking Solutions business recorded higher net sales year-on-year, following the consolidation of H.C. Starck Holding (Germany) GmbH in December 2024. However, operating profit fell due to elevated raw material costs. In addition, ordinary profit also declined due to increased foreign exchange losses.

Renewable Energy Business

(Billions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025	Change (%)	
Net sales	4.5	2.2	-2.2	(-50.3%)
Operating profit	1.6	0.1	-1.5	(-91.4%)
Ordinary profit (loss)	1.8	-0.8	-2.6	(-%)

In the Renewable Energy business, net sales and operating profit decreased year-on-year following the suspension of operations at the Appi Geothermal Power Plant, operated by Appi Geothermal Energy Corporation, due to equipment damage caused by lightning. In addition, ordinary profit declined due to a decrease in equity-method investment profit.

Other Businesses

(Billions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025	Change (%)	
Net sales	72.7	69.0	-3.6	(-5.0%)
Operating profit	2.1	2.0	-0.1	(-5.9%)
Ordinary profit	8.9	8.3	-0.5	(-6.4%)

In other businesses, on a combined basis, net sales fell, while operating profit stayed roughly unchanged year-on-year. In addition, ordinary profit declined due to a decrease in equity-method investments profit.

(2) Overview of financial position

Total assets at the end of this interim consolidated accounting period were ¥2,548.2 billion, an increase of ¥168.8 billion from the end of the previous consolidated fiscal year. This was primarily attributable to an increase in leased gold bullion and inventories.

Liabilities totaled ¥1,858.3 billion, an increase of ¥172.1 billion from the end of the previous fiscal year. This was mainly due to an increase in deposited gold bullion.

The Group is working to enhance cash efficiency by implementing a cash management system and other measures to centrally manage surplus funds across Group companies. As part of these efforts, a global cash management system (notional pooling) has been introduced for certain overseas subsidiaries to further improve cash efficiency on a global scale. As of the end of this interim consolidated accounting period, deposits of ¥35.9 billion and borrowings of ¥32.9 billion under the notional pooling arrangement have been included in “Cash and deposits” and “Short-term borrowings,” respectively.

(Cash flows from operating activities)

Cash flows from operating activities during the interim period amounted to ¥43.0 billion, an increase of ¥123.7 billion year-on-year. This was mainly driven by interim profit before income taxes, depreciation (a non-cash item), and a decrease in notes and accounts receivable.

(Cash flows from financing activities)

Net cash used in investing activities totaled ¥8.9 billion, a decrease of ¥14.5 billion compared with the same period of the previous fiscal year, primarily due to purchases of property, plant and equipment and proceeds from repayments of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities was ¥20.6 billion, an increase of ¥92.0 billion year-on-year, mainly due to repayments of long-term loans payable.

As a result of the above factors and translation adjustments, cash and cash equivalents at the end of the interim period stood at ¥102.7 billion, up ¥14.1 billion from the end of the previous fiscal year.

(3) Forecasts of consolidated financial results and other forward-looking statements

For details on the consolidated earnings forecast for the fiscal year ending March 2026, please refer to the “Presentation Materials for the First Six Months of the Fiscal Year Ending March 31, 2026” and “Notice Concerning Revision to Earnings Forecast.”

2. Consolidated Financial Statements and Key Notes
(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	91,605	105,798
Notes receivable – trade	23,309	23,589
Accounts receivable – trade	171,045	158,978
Merchandise and finished goods	151,718	167,514
Work in process	141,312	176,517
Raw materials and supplies	190,399	179,881
Leased gold bullion	463,727	586,795
Other	231,718	244,991
Allowance for doubtful accounts	(530)	(528)
Total current assets	1,464,306	1,643,539
Non-current assets		
Property, plant and equipment		
Machinery and equipment, net	156,700	152,562
Land, net	88,908	88,568
Other, net	198,227	201,330
Total property, plant and equipment, net	443,836	442,460
Intangible assets		
Goodwill	23,577	25,084
Other	28,210	27,289
Total intangible assets	51,788	52,373
Investments and other assets		
Investment securities	310,772	297,863
Other	108,584	112,027
Allowance for doubtful accounts	(766)	(770)
Total investments and other assets	418,590	409,120
Total non-current assets	914,215	903,955
Deferred assets		
Opening expenses	887	774
Total deferred assets	887	774
Total assets	2,379,409	2,548,268

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable – trade	99,426	93,926
Short-term borrowings	308,345	323,943
Current portion of bonds payable	-	20,000
Income taxes payable	4,396	2,963
Provision	12,692	12,950
Deposited gold bullion	773,036	966,736
Other	99,435	94,991
Total current liabilities	1,297,333	1,515,511
Non-current liabilities		
Bonds payable	100,000	80,000
Long-term borrowings	184,753	162,431
Provision for environmental measures	14,120	12,637
Other provisions	951	938
Retirement benefit liability	41,208	39,721
Other	47,764	47,089
Total non-current liabilities	388,798	342,817
Total liabilities	1,686,132	1,858,328
Net assets		
Shareholders' equity		
Share capital	119,457	119,457
Capital surplus	81,745	81,745
Retained earnings	379,339	378,347
Treasury shares	(2,828)	(2,772)
Total shareholders' equity	577,714	576,778
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,894	11,147
Deferred gains or losses on hedges	972	550
Revaluation reserve for land	15,670	15,646
Foreign currency translation adjustment	57,698	53,116
Remeasurements of defined benefit plans	17,300	17,633
Total accumulated other comprehensive income	99,535	98,095
Non-controlling interests	16,026	15,066
Total net assets	693,276	689,939
Total liabilities and net assets	2,379,409	2,548,268

(2) Consolidated statement of profit or loss and consolidated statement of comprehensive income

Consolidated statement of profit or loss

(Millions of yen)

	Six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Net sales	989,592	829,914
Cost of sales	896,151	753,691
Gross profit	93,440	76,223
Selling, general and administrative expenses	65,859	65,273
Operating profit	27,581	10,949
Non-operating income		
Interest income	2,178	1,813
Dividend income	1,168	2,415
Share of profit of entities accounted for using equity method	7,631	9,127
Rental income from non-current assets	1,869	2,090
Other	1,041	1,071
Total non-operating income	13,888	16,519
Non-operating expenses		
Interest expenses	4,754	4,748
Expense for the maintenance and management of abandoned mines	2,345	2,076
Foreign exchange losses	5,183	—
Other	4,270	3,942
Total non-operating expenses	16,554	10,768
Ordinary profit	24,915	16,701
Extraordinary income		
Gain on sales of investment securities	1,458	722
Gain on forgiveness of debts	—	420
Gain on change in equity	7,581	—
Other	208	18
Total extraordinary income	9,249	1,161
Extraordinary losses		
Impairment loss	77	3,837
Special retirement allowance	444	2,152
Loss on withdrawal from business	560	346
Compensation payment	743	—
Other	251	2,549
Total extraordinary losses	2,078	8,886
Profit before income taxes	32,086	8,976
Income taxes	6,448	3,737
Profit	25,638	5,239
Profit (loss) attributable to non-controlling interests	968	(246)
Profit attributable to owners of parent	24,669	5,485

Consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Profit (loss)	25,638	5,239
Other comprehensive income		
Valuation difference on available-for-sale securities	(663)	1,389
Deferred gains or losses on hedges	(3,360)	(245)
Foreign currency translation adjustment	(5,369)	2,206
Retirement benefit adjustments	(132)	573
Share of other comprehensive income of entities accounted for using equity method	(1,892)	(5,271)
Total other comprehensive income	(11,419)	(1,347)
Comprehensive income	14,218	3,892
(Breakdown)		
Comprehensive income attributable to owners of parent	13,401	4,069
Comprehensive income attributable to non-controlling interests	817	(176)

(3) Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Cash flows from operating activities		
Profit before income taxes	32,086	8,976
Depreciation	23,638	22,715
Amortization of goodwill	898	712
Increase (decrease) in provision for environmental measures	(1,026)	(1,483)
Increase (decrease) in provisions	(770)	(11)
Increase (decrease) in provision for retirement benefits and retirement benefits for directors	(1,312)	(2,421)
Interest and dividend income	(3,346)	(4,229)
Interest expenses	4,754	4,748
Share of loss (profit) of entities accounted for using equity method	(7,631)	(9,127)
Gain on change in equity	(7,581)	—
Loss (gain) on sale of property, plant and equipment	(29)	(18)
Impairment loss	77	3,837
Loss (gain) on sales of investment securities	(1,448)	456
Decrease (increase) in notes and accounts receivable – trade	18,266	14,498
Decrease (increase) in inventories	(69,432)	(37,821)
Proceeds from sales of gold bullion	82,379	142,360
Payment for purchase of gold bullion	(82,165)	(82,457)
Decrease (increase) in other current assets	(66,368)	(5,649)
Increase (decrease) in notes and accounts payable – trade	3,040	(7,518)
Other, net	(2,530)	(3,182)
Sub-total	(78,503)	44,383
Interest and dividend received	5,000	6,560
Interest paid	(4,755)	(4,748)
Income taxes (paid) refund	(2,426)	(3,146)
Net cash provided by (used in) operating activities	(80,685)	43,048
Net cash provided by investing activities		
Payment for purchase of property, plant and equipment	(26,669)	(24,392)
Proceeds from sales of property, plant and equipment	76	288
Payment for purchase of investment securities	(868)	(579)
Proceeds from sales of investment securities	10,013	1,604
Proceeds from refunds of investment securities	—	15,149
Payment for sales of subsidiaries' shares resulting in change in scope of consolidation	(1,631)	(1,245)
Proceeds from sales of subsidiaries' shares resulting in change in scope of consolidation	1,903	—
Payment for loans	(3,354)	(60)
Proceeds from collection of loans	178	862
Other, net	(3,097)	(531)
Net cash provided by (used in) investing activities	(23,449)	(8,902)

(Millions of yen)

	Six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	7,027	6,039
Proceeds from long-term borrowings	1,190	1,338
Repayment of long-term borrowings	(13,036)	(19,878)
Proceeds from issuance of bonds	20,000	—
Payment for redemption of bonds	(10,000)	—
Net increase (decrease) in commercial papers	77,000	—
Payment for purchase of treasury shares	(13)	(6)
Cash dividends paid	(6,149)	(6,542)
Cash dividends paid to non-controlling interests	(3,442)	(656)
Other, net	(1,213)	(979)
Net cash provided by (used in) financing activities	71,362	(20,685)
Effect of exchange rate changes on cash and cash equivalents	(1,107)	843
Net increase (decrease) in cash and cash equivalents	(33,880)	14,304
Cash and cash equivalents at beginning of period	131,143	88,642
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	(11,079)	(148)
Cash and cash equivalents at end of interim period	86,184	102,798

(4) Key notes on consolidated interim financial statements

Notes on accounting methods specific to the preparation of interim consolidated financial statements

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to the profit or loss before income taxes for the consolidated fiscal year, including the interim period under review. This estimated effective tax rate is then applied to the interim profit or loss before income taxes. However, if a reasonable estimate of the effective tax rate cannot be made, the statutory effective tax rate is used instead.

Notes on segment information, etc.

[Segment information]

I. For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

Information on net sales and profit or loss by reporting segment

(Millions of yen)

	Reporting segment				Other businesses	Total	Adjustment	Amounts in consolidated statements of income
	Metals business	Advanced Products business	Metalworking Solutions business	Renewable Energy business				
Net sales								
(1) Sales to outside customers	602,650	251,819	72,285	4,514	58,322	989,592	—	989,592
(2) Intersegment sales and transfers	129,837	9,380	2,352	0	14,385	155,956	(155,956)	—
Total	732,488	261,199	74,638	4,514	72,708	1,145,549	(155,956)	989,592
Segment profit (loss)	18,065	(2,302)	6,340	1,827	8,955	32,885	(7,969)	24,915

Notes:

1. "Other businesses" include cement-related and engineering-related business.
2. The adjustment of segment profit (loss) of ¥(7,969) million includes elimination of intersegment transactions of ¥(1,731) million and corporate expenses of ¥(6,237) million not allocated to the reporting segments. Corporate expenses mainly consist of general and administrative expenses, basic research and development expenses, and financial income and expenses not attributable to any reporting segment.
3. Segment profit (loss) is reconciled to ordinary profit in the interim consolidated statement of income.

II. For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

1. Information on net sales and profit or loss by reporting segment

(Millions of yen)

	Reporting segment				Other businesses	Total	Adjustment	Amounts in consolidated statements of income
	Metals business	Advanced Products business	Metalworking Solutions business	Renewable Energy business				
Net sales								
(1) Sales to outside customers	417,639	252,254	105,022	2,242	52,757	829,914	—	829,914
(2) Intersegment sales and transfers	130,296	9,687	1,986	—	16,322	158,292	(158,292)	—
Total	547,935	261,941	107,008	2,242	69,079	988,207	(158,292)	829,914
Segment profit (loss)	5,358	1,672	4,323	(834)	8,384	18,904	(2,203)	16,701

Notes:

1. "Other businesses" include cement-related and engineering-related operations.
2. The adjustment of ¥(2,203) million in segment profit (loss) includes elimination of intersegment transactions of ¥2,165 million and corporate expenses of ¥(4,368) million not allocated to the reporting segments. Corporate expenses mainly consist of general and administrative expenses, basic research and development expenses, and financial income and expenses not attributable to any reporting segment.
3. Segment profit (loss) is reconciled to ordinary profit in the interim consolidated statement of income.

2. Information on impairment loss of fixed assets and goodwill by reporting segment

Significant impairment loss on fixed assets

Impairment losses on fixed assets were recognized in the Metals business and Metalworking Solutions business during the interim consolidated accounting period. The amounts were ¥3,112 million for the Metals business and ¥724 million for the Metalworking Solutions business.

Significant changes in goodwill

The business combination between Mitsubishi Materials Europe B.V. and H.C. Starck Holding (Germany) GmbH, both consolidated subsidiaries, was completed on December 17, 2024. While provisional accounting treatment had been applied in the previous fiscal year, it was finalized during the current interim period. As a result, goodwill in the Metalworking Solutions business decreased.

Further details are provided in “2. Consolidated Financial Statements and Key Notes (4) Key notes on consolidated interim financial statements (Business combinations, etc.).”

Notes on the significant changes in the amount of shareholders' equity

None.

Notes on going concern assumption

None.

Business combination, etc.

(Finalization of provisional accounting treatment pertaining to business combination)

Regarding the business combination between our consolidated subsidiary, Mitsubishi Materials Europe B.V., and H.C. Starck Holding (Germany) GmbH, which was completed on December 17, 2024, provisional accounting treatment was applied in the previous consolidated fiscal year and has been finalized during the current interim consolidated accounting period.

As a result of the finalization of this provisional accounting treatment, significant revisions to the initial allocation of acquisition cost have been reflected in the comparative information included in the interim consolidated financial statements for the current interim consolidated accounting period.

Consequently, the provisional goodwill amount of ¥27,319 million decreased by ¥9,245 million to ¥18,073 million. The decrease in goodwill was due to increases of ¥5,392 million in tangible fixed assets, ¥7,916 million in other intangible assets, and ¥4,063 million in long-term liabilities. In addition, as of the end of the previous consolidated fiscal year, tangible fixed assets increased by ¥5,392 million, other intangible assets increased by ¥7,916 million, and long-term liabilities increased by ¥4,063 million, while goodwill decreased by ¥9,245 million.

The amortization period for goodwill is 20 years. For intangible assets other than goodwill, customer-related assets recorded under “Other” are amortized over 20 years, while technology-related assets are amortized over 10 years.