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**Consolidated Results for 1st to 3rd Quarter Fiscal 2024:
April 1, 2024 – December 31, 2024**

(All figures in millions of yen, rounded to the nearest million, unless otherwise specified)

I. Summary of Consolidated Results

1. Operating results (percent change from previous year in brackets)

	Q1-Q3 2024	Q1-Q3 2023
Net sales	2,259,252 [+9.5%]	2,064,146 [+1.2%]
Operating income	164,389 [+66.9%]	98,499 [-15.1%]
Ordinary income	153,286 [+69.4%]	90,502 [-18.9%]
Net income attributable to owners of the parent	98,475 [+68.1%]	58,565 [-11.0%]
Net income per share*	71.11	42.25
Diluted net income per share*	—	—

* Yen

Note:

- Comprehensive income was ¥153,103 million during Q1-Q3 2024, and ¥138,769 million during Q1-Q3 2023.

2. Financial position

At end of	December 2024	March 2024
Total assets	4,054,888	3,662,730
Net assets	1,933,747	1,848,625
Net worth/total assets	46.5%	49.5%
Net worth per share*	1,384.84	1,308.20

* Yen

Notes:

- Net worth consists of shareholders' equity and accumulated other comprehensive income.
- Net worth was ¥1,884,610 million as of December 31, 2024, and ¥1,813,391 million as of March 31, 2024.

II. Cash Dividends

Fiscal year	Cash dividends per share*				Total annual
	Q1	Q2	Q3	Q4	
2023	—	18.00	—	18.00	36.00
2024	—	18.00	—		
2024 (forecast)				18.00	36.00

* Yen

Note: The cash dividend forecast has not been revised.

III. Forecast for Fiscal 2024 (April 1, 2024 – March 31, 2025)

1. Latest forecasts (percent change from results in year-ago period in brackets)

	For the fiscal year
Net sales	3,044,000 [+9.3%]
Operating income	200,000 [+42.1%]
Ordinary income	186,000 [+106.4%]
Net income attributable to owners of the parent	110,000 [+151.1%]
Net income per share*	79.47

* Yen

Notes:

- Performance forecasts are based on the best information available at this time, but actual results may diverge from these forecasts due to a variety of factors which cannot be foreseen.
- The forecast for fiscal 2024 announced on November 1, 2024, has been revised.

IV. Other Information

1. Significant changes in the scope of consolidation during the period

12 companies added:
ODC Construction, LLC and 5 subsidiaries
Calliditas Therapeutics AB and 5 subsidiaries

2. Special accounting methods for preparation of the consolidated financial statements

Income tax expenses: A reasonable estimate of the effective tax rate after applying tax-effect accounting for the current fiscal year is made, and quarterly income before income taxes is multiplied by the corresponding effective tax rate. When calculation using reasonably estimated annual effective tax rate causes irrational results, income tax amount is calculated based on the legal tax rate.

3. Changes in accounting policies, changes in accounting estimates, and retroactive restatement: None

4. Notable changes in shareholders' equity:

Based on a resolution of the Board of Directors on November 1, 2024, a repurchase of 25,367,200 shares of stock was performed. As a result, treasury stock increased by ¥27,079 million during Q3. Treasury stock at the end of Q3 was ¥34,309 million.

5. Number of shares outstanding

	Q1-Q3 2024	FY 2023
Number of shares outstanding at end of period	1,393,932,032	1,393,932,032
Number of shares of treasury stock at end of period	33,048,297	7,761,893
Average number of shares outstanding during period	1,384,810,773	1,386,133,632 *

* Q1-Q3 2023

6. Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

V. Overview of Consolidated Results

Please refer to "Presentation Material" for third quarter fiscal 2024 on the following webpage:
https://www.asahi-kasei.com/ir/library/financial_briefing/

VI. Consolidated Financial Statements

1. Balance sheets

	At end of March 2024	At end of December 2024
Assets		
Current assets		
Cash and deposits	338,108	363,245
Notes, accounts receivable–trade, and contract assets	485,941	519,381
Merchandise and finished goods	317,397	337,989
Work in process	171,645	189,679
Raw materials and supplies	189,794	208,622
Other	150,030	159,897
Allowance for doubtful accounts	(2,877)	(3,400)
Total current assets	1,650,037	1,775,413
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	669,119	694,869
Accumulated depreciation	(366,214)	(372,798)
Buildings and structures, net	302,906	322,072
Machinery, equipment and vehicles	1,621,333	1,649,359
Accumulated depreciation	(1,351,326)	(1,374,717)
Machinery, equipment and vehicles, net	270,007	274,642
Land	72,750	82,544
Lease assets	13,936	15,409
Accumulated depreciation	(7,010)	(7,016)
Lease assets, net	6,926	8,393
Construction in progress	132,051	167,287
Other	211,763	223,916
Accumulated depreciation	(143,113)	(150,440)
Other, net	68,650	73,476
Subtotal	853,289	928,413
Intangible assets		
Goodwill	360,676	558,380
Other	394,052	385,762
Subtotal	754,728	944,142
Investments and other assets		
Investment securities	188,288	191,597
Long-term loans receivable	17,198	9,064
Long-term advance payments–trade	26,692	25,313
Net defined benefit asset	41,876	43,752
Deferred tax assets	84,557	90,458
Other	46,638	47,243
Allowance for doubtful accounts	(574)	(506)
Subtotal	404,676	406,920
Total noncurrent assets	2,012,693	2,279,476
Total assets	3,662,730	4,054,888

	At end of March 2024	At end of December 2024
Liabilities		
Current liabilities		
Notes and accounts payable—trade	213,252	213,668
Short-term loans payable	178,091	282,987
Commercial paper	83,000	113,000
Current portion of bonds payable	30,000	20,000
Lease obligations	7,815	8,609
Accrued expenses	151,577	150,215
Income taxes payable	17,827	25,736
Advances received	88,415	98,800
Provision for grant of shares	70	—
Provision for periodic repairs	4,805	8,031
Provision for product warranties	4,369	4,559
Provision for removal cost of property, plant and equipment	6,511	8,908
Other	128,838	115,688
Total current liabilities	914,572	1,050,203
Noncurrent liabilities		
Bonds payable	200,000	280,000
Long-term loans payable	425,926	512,108
Lease obligations	30,729	31,317
Deferred tax liabilities	20,184	20,039
Provision for grant of shares	545	787
Provision for periodic repairs	7,924	6,206
Provision for removal cost of property, plant and equipment	15,843	12,442
Net defined benefit liability	133,434	136,775
Long-term guarantee deposits	23,295	23,731
Other	41,654	47,535
Total noncurrent liabilities	899,534	1,070,939
Total liabilities	1,814,106	2,121,142
Net assets		
Shareholders' equity		
Capital stock	103,389	103,389
Capital surplus	80,272	80,385
Retained earnings	1,135,533	1,183,771
Treasury stock	(7,316)	(34,309)
Total shareholders' equity	1,311,878	1,333,236
Accumulated other comprehensive income		
Net unrealized gain on other securities	51,269	50,572
Deferred gains (losses) on hedges	(14)	(12)
Foreign currency translation adjustment	417,391	469,641
Remeasurements of defined benefit plans	32,867	31,173
Total accumulated other comprehensive income	501,513	551,374
Non-controlling interests	35,234	49,137
Total net assets	1,848,625	1,933,747
Total liabilities and net assets	3,662,730	4,054,888

2. Statements of income and statements of comprehensive income

1) Statements of income

	Q1-Q3 2023	Q1-Q3 2024
Net sales	2,064,146	2,259,252
Cost of sales	1,461,923	1,542,670
Gross profit	602,223	716,582
Selling, general and administrative expenses	503,724	552,194
Operating income	98,499	164,389
Non-operating income		
Interest income	4,877	7,461
Dividends income	3,222	3,134
Other	4,464	5,239
Total non-operating income	12,563	15,835
Non-operating expenses		
Interest expense	4,854	6,232
Equity in losses of affiliates	485	6,809
Other	15,221	13,896
Total non-operating expenses	20,560	26,938
Ordinary income	90,502	153,286
Extraordinary income		
Gain on sales of investment securities	10,016	13,928
Gain on sales of noncurrent assets	156	273
Insurance income	2,091	6,646
Gain on business transfer	2,986	—
Settlement income	2,502	—
Gain on negative goodwill	—	1,526
Total extraordinary income	17,752	22,374
Extraordinary loss		
Loss on valuation of investment securities	970	757
Loss on disposal of noncurrent assets	4,406	4,908
Impairment loss	2,195	1,246
Loss on product compensation	—	1,978
Business structure improvement expenses	5,661	12,494
Total extraordinary loss	13,232	21,384
Income before income taxes	95,021	154,275
Total income taxes	34,396	51,710
Net income	60,625	102,565
Net income attributable to non-controlling interests	2,060	4,089
Net income attributable to owners of the parent	58,565	98,475

2) Statements of comprehensive income

	Q1-Q3 2023	Q1-Q3 2024
Net income	60,625	102,565
Other comprehensive income		
Net increase (decrease) in unrealized gain on other securities	4,689	(580)
Deferred gains (losses) on hedges	(76)	2
Foreign currency translation adjustment	72,335	53,647
Remeasurements of defined benefit plans	(1,267)	(1,691)
Share of other comprehensive income of affiliates accounted for using equity method	2,462	(839)
Total other comprehensive income	78,144	50,538
Comprehensive income	138,769	153,103
Comprehensive income attributable to:		
Owners of the parent	135,843	148,336
Non-controlling interests	2,925	4,767

3. Statements of cash flows

	Q1-Q3 2023	Q1-Q3 2024
Cash flows from operating activities		
Income before income taxes	95,021	154,275
Depreciation and amortization	112,890	109,407
Impairment loss	2,195	1,246
Amortization of goodwill	22,035	26,031
Increase (decrease) in provision for grant of shares	196	171
Increase (decrease) in provision for periodic repairs	(3,625)	1,507
Increase (decrease) in provision for product warranties	(17)	42
Increase (decrease) in provision for removal cost of property, plant and equipment	(1,306)	(1,004)
Increase (decrease) in net defined benefit liability	3,042	(1,296)
Interest and dividend income	(8,099)	(10,596)
Interest expense	4,854	6,232
Equity in (earnings) losses of affiliates	485	6,809
(Gain) loss on sales of investment securities	(10,016)	(13,928)
(Gain) loss on valuation of investment securities	970	757
(Gain) loss on sale of property, plant and equipment	(156)	(273)
(Gain) loss on disposal of noncurrent assets	4,406	4,908
(Gain) loss on business transfer	(2,986)	—
Gain on negative goodwill	—	(1,526)
(Increase) decrease in notes, accounts receivable–trade, and contract assets	(18,892)	(13,590)
(Increase) decrease in inventories	(5,929)	(37,025)
Increase (decrease) in notes and accounts payable–trade	16,621	(12,840)
Increase (decrease) in accrued expenses	(25,579)	(12,559)
Increase (decrease) in advances received	8,155	8,603
Other, net	2,169	(30,191)
Subtotal	196,434	185,161
Interest and dividend income, received	11,701	12,738
Interest expense paid	(4,480)	(5,866)
Income taxes (paid) refund	(32,722)	(28,694)
Net cash provided by (used in) operating activities	170,932	163,340
Cash flows from investing activities		
Payments into time deposits	(3,539)	(4,620)
Proceeds from withdrawal of time deposits	2,482	6,018
Purchase of property, plant and equipment	(108,204)	(150,192)
Proceeds from sales of property, plant and equipment	907	538
Purchase of intangible assets	(18,899)	(12,327)
Purchase of investment securities	(9,307)	(5,217)
Proceeds from sales of investment securities	18,093	15,696
Purchase of shares in subsidiaries resulting in change in scope of consolidation	—	(188,431)
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	—	1,809
Payments for transfer of business	—	(8,281)
Proceeds from business transfer	7,320	—
Payments of loans receivable	(12,238)	(7,565)
Collection of loans receivable	6,214	11,423
Other, net	475	(149)
Net cash provided by (used in) investing activities	(116,696)	(341,299)

	Q1-Q3 2023	Q1-Q3 2024
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	13,143	47,621
Increase (decrease) in commercial paper	16,000	30,000
Proceeds from long-term loans payable	65,500	150,458
Repayment of long-term loans payable	(17,394)	(26,881)
Proceeds from issuance of bonds payable	60,000	100,000
Redemption of bonds	(40,000)	(30,000)
Repayments of lease obligations	(6,114)	(8,180)
Purchase of treasury stock	(7)	(27,088)
Proceeds from disposal of treasury stock	122	122
Cash dividends paid	(49,962)	(49,962)
Proceeds from share issuance to non-controlling interests	—	10,000
Cash dividends paid to non-controlling interests	(1,074)	(2,883)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(166)	(325)
Other, net	(88)	(185)
Net cash provided by (used in) financing activities	39,959	192,697
Effect of exchange rate change on cash and cash equivalents	13,964	11,257
Net increase (decrease) in cash and cash equivalents	108,160	25,995
Cash and cash equivalents at beginning of period	247,903	333,498
Increase (decrease) in cash and cash equivalents resulting from changes in scope of consolidation	—	134
Increase (decrease) in cash and cash equivalents resulting from corporate division	(2,439)	—
Cash and cash equivalents at end of period	353,624	359,628