

Second Quarter, 2023 Consolidated Financial Results (Summary)

1. First Half 2023 Results

(1) Summary

(Unit: billions of yen)

Items	2022 Jan.1 - Jun.30	2023 Jan.1 - Jun.30	Increase/ decrease
Net Sales	656.0	616.1	(39.9)
Operating Income	38.0	(13.2)	(51.1)
Net income attributable to owners of the parent	32.6	(19.8)	(52.4)
Net income attributable to owners of the parent per share	¥180.08	(¥109.41)	(¥289.49)
Net assets per share	¥3,153.60	¥3,028.75	(¥124.85)

(2) Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2022 Jan.1 - Jun.30	2023 Jan.1 - Jun.30	Increase/ decrease
Semiconductor and Electronic Materials	Net Sales	220.4	153.4	(67.0)
	Op. Income	27.3	(13.1)	(40.4)
Mobility	Net Sales	86.7	85.6	(1.1)
	Op. Income	(0.9)	(0.8)	0.2
Innovation Enabling Materials	Net Sales	70.0	61.9	(8.1)
	Op. Income	5.5	4.3	(1.2)
Chemicals	Net Sales	224.5	254.9	30.4
	Op. Income	13.1	4.8	(8.3)
Others, Adjustments	Net Sales	54.5	60.3	5.8
	Op. Income	(7.0)	(8.3)	(1.3)
Total	Net Sales	656.0	616.1	(39.9)
	Op. Income	38.0	(13.2)	(51.1)

Reference : Quarterly result

2023 Jan.1 - Mar.31	2023 Apr.1 - Jun.30
69.4	84.0
(10.4)	(2.7)
42.5	43.1
(0.5)	(0.3)
30.0	31.9
2.0	2.3
127.1	127.8
3.9	0.9
29.9	30.4
(4.3)	(4.1)
298.9	317.2
(9.2)	(4.0)

(3) Cash Flow

(Unit: billions of yen)

Items	2022 Jan.1 - Jun.30	2023 Jan.1 - Jun.30	Increase/ decrease
Operating Activities	21.6	48.1	26.5
Investing Activities	(36.6)	(45.1)	(8.5)
Free Cash Flow	(15.1)	2.9	18.0
Financing Activities	(17.9)	(23.5)	(5.6)
Others	20.2	10.0	(10.2)
Net increase in Cash	(12.8)	(10.6)	2.2

2023 Revised forecast (Jan.1 - Dec.31)
93.0
(101.0)
(8.0)
(14.0)
(10.0)
(32.0)

(4) Reference

(Unit: billions of yen, except for total number of employees, exchange rate, and domestic naphtha price)

Items	2022 Jan.1 - Jun.30	2023 Jan.1 - Jun.30	Increase/ decrease
Capital expenditures	52.4	39.1	(13.3)
Depreciation and amortization	45.1	45.8	0.7
R&D expenditures	22.9	20.9	(2.0)
Gap between interest/dividend income and interest expense	(3.3)	(5.6)	(2.3)
Exchange rate (yen/US\$)	122.9	134.9	Yen depreciated by 12.0
Domestic naphtha price (yen/kl)	75,350	67,000	(8,350)

Items	Dec.31, 2022	Jun.30, 2023	Increase/ decrease
Total assets	2,093.7	2,045.4	(48.3)
Interest-bearing debt	1,062.6	1,055.2	(7.4)

2. Forecast for 2023**(1) Summary**

(Unit: billions of yen, except for "per share" indicators)

Items	2022 result	2023 revised forecast	Increase/ decrease
Net Sales	1,392.6	1,270.0	(122.6)
Operating Income	61.7	(20.0)	(81.7)
Net Income Attributable to Owners of the Parent	32.4	(37.0)	(69.4)
Net income attributable to owners of the parent per share	¥179.02	(¥204.27)	(¥383.30)
Cash dividends per share	¥65.00	¥65.00	-

(2) Net sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2022 result	2023 revised forecast	Increase/ decrease
Semiconductor and Electronic Materials	Net Sales	427.2	325.0	(102.2)
	Op. Income	45.5	(20.0)	(65.5)
Mobility	Net Sales	180.6	180.0	(0.6)
	Op. Income	(0.7)	(1.0)	(0.3)
Innovation Enabling Materials	Net Sales	141.1	130.0	(11.1)
	Op. Income	10.1	9.0	(1.1)
Chemicals	Net Sales	527.8	515.0	(12.8)
	Op. Income	24.9	14.0	(10.9)
Others, Adjustments	Net Sales	115.9	120.0	4.1
	Op. Income	(18.1)	(22.0)	(3.9)
Total	Net Sales	1,392.6	1,270.0	(122.6)
	Op. Income	61.7	(20.0)	(81.7)

(3) Reference

(Unit: billions of yen)

Items	2022 result	2023 revised forecast	Increase/ decrease
Capital expenditures	107.1	107.9	0.9
Depreciation and amortization	92.0	91.2	(0.8)
R&D expenditures	47.1	44.2	(2.9)
Gap between interest/dividend income and interest expense	(13.9)	(11.8)	2.1
Interest-bearing debt	1,062.6	1,063.1	0.5
Exchange rate (yen/US\$)	131.4	135.0	Yen depreciated by 3.6
Domestic naphtha price (yen/kl)	76,150	65,500	(10,650)

The above forecast is based on the information available as of today and assumptions as of today regarding risk factors that could affect our future performance. Actual results may differ materially from the forecast due to a variety of risk factors, including, but not limited to, the international situation, costs of naphtha and other raw materials, demand or market conditions for our products such as graphite electrodes and other commodities, and foreign exchange rates. We undertake no obligation to update the forward-looking statements unless required by law.

Note: For the fiscal year ended December 2022, figures are based on retroactive accounting due to changes in accounting policies for the current fiscal year.

Consolidated Financial Statements

For the first half year (January 1 to June 30, 2023)



I . Consolidated Financial Results

August 8th, 2023

(¥ in millions, US\$ in thousands, except for

(1) Results of operations : net income attributable to owners of the parent per share)

	Results for the first half year (Jan.1-Jun.30)			
	2022	2023	Increase (Decrease)	2023
	¥	¥	%	\$
Net sales	656,033	616,126	(6.1)	4,249,441
Operating income	37,951	(13,165)	—	(90,801)
Ordinary income	47,706	(11,357)	—	(78,326)
Net income attributable to owners of the parent	32,612	(19,817)	—	(136,675)
Net income attributable to owners of the parent per share: Basic	180.08	(109.41)		(0.75)
Net income attributable to owners of the parent per share: Diluted	—	—		—

Notes

Important changes in accounting policies : applicable

Comprehensive income :

Results for the year ended January 1 to June 30, 2023 ¥12,145 million

Results for the year ended January 1 to June 30, 2022 ¥88,894 million

(¥ in millions, US\$ in thousands,

(2) Financial position : except for stockholders' equity ratio)

	Dec. 31, 2022	Jun. 30, 2023	Jun. 30, 2023
	¥	¥	\$
Total assets	2,093,744	2,045,400	14,107,182
Total equity	574,718	574,306	3,961,001
	%	%	%
Stockholders' equity ratio	26.3	26.8	26.8

Note: For the fiscal year ended December 2022, figures are based on retroactive accounting due to changes in accounting policies for the current fiscal year.

(3) Dividends :

	2022	2023 Forecast
Q1 dividends per share (¥)	—	—
Q2 dividends per share (¥)	0.00	0.00
Q3 dividends per share (¥)	—	—
End of Term dividends per share (¥)	65.00	65.00
Annual dividends per share (¥)	65.00	65.00

II. Forecast of performance for the year ending December 31, 2023

(¥ in millions, US\$ in thousands, except for net income attributable to owners of the parent per share)

	fiscal year	
	¥	\$
Net sales	1,270,000	8,759,225
Operating income	(20,000)	(137,941)
Ordinary income	(26,000)	(179,323)
Net income attributable to owners of the parent	(37,000)	(255,190)
Net income attributable to owners of the parent per share: Basic	(204.27)	(1.41)

* The above forecast was announced on August 8, 2023.

The above forecast is based on the information available at this point of time. Actual results may differ materially due to a variety of reasons, including such economic factors as fluctuations in foreign currency exchange rates as well as market supply and demand conditions.

Note

The U.S. dollar is valued at ¥144.99 throughout this statement for convenience only.

[Business Results and Financial Conditions]

1. Analysis of business results

(1) Summary

In the six-month period ended June 30, 2023 ("1H 2023"), the global economy recovered, despite weakness in some regions. While the global restraint caused by the pandemic of COVID-19 eased and normalization progressed, the global economy showed progress of inflation, energy and raw material price rise caused by the prolonged situation in Ukraine, occurrence of supply constraints continued. In addition, the semiconductor industry continued to be in an adjustment phase. In the Japanese economy, consumer spending and corporate capital investment showed a gradual recovery.

Consolidated sales for 2023 1H decreased to ¥616,126 million, down 6.1% from the corresponding sixth-month period of the previous year ("1H 2022"). Sales of the Chemicals segment increased from 1H 2022. Increased volume in Olefins & Derivatives (the absence of shutdowns related to large-scale maintenance in 1H 2022), higher sales prices and other factors in Graphite Electrodes, and higher volume in Basic Chemicals contributed to the increase in sales. Sales of the Semiconductor and Electronic Materials segment decreased significantly, due to adjustments in the semiconductor-related industry, while the two segments of Mobility and Innovation Enabling Materials also posted declines.

Consolidated operating loss for 1H 2023 was ¥13,165 million, down ¥51,116 million from 1H 2022. Although operating income increased due to an increase in the volume of automotive parts in the Mobility segment, operating income decreased significantly in the Semiconductor and Electronic Materials segment. In addition, operating income also decreased in the Innovation Enabling Materials segment due to a decrease in volume and in the Chemicals segment due to a negative impact caused by the inventory difference of Graphite Electrode.

Non-operating loss increased due to an increase in financial expenses and a decrease in foreign exchange gains compared to 1H 2022, resulting in an overall increase in ordinary losses of ¥11,357 million.

Net loss attributable to owners of the parent was ¥19,817 million, mainly due to the elimination of dividend payments due to the purchase of preferred shares.

(Unit: millions of yen)

	1H 2022	1H 2023	Increase/decrease	Increase/ decrease rate
Sales	656,033	616,126	(39,906)	(6.1)%
Operating income	37,951	(13,165)	(51,116)	—
Ordinary income	47,706	(11,357)	(59,063)	—
Net income attributable to owners of the parent	32,612	(19,817)	(52,428)	—

(2) A breakdown of net sales and operating income by segment (January 1 - June 30, 2023)

[Semiconductor and Electronic Materials segment]

In the Semiconductor and Electronic Materials segment, sales of both Front-end Semiconductor Materials and Back-end Semiconductor Materials subsegments decreased due to continued weakness in the semiconductor market since the 2nd half of the previous year. In the Device Solutions subsegment, sales decreased significantly due to continued weakness in HD media demand for data centers from the fourth quarter of the previous year, while SiC epitaxial wafers' sales increased.

As a result, sales in this segment decreased significantly from 1H 2022. Operating loss was recorded due to a decrease in sales as well as inventory write-downs and loss on disposal of inventories of HD Media.

(Unit: millions of yen)

	1H 2022	1H 2023	Increase/decrease	Increase/ decrease rate
Sales	220,354	153,393	(66,961)	(30.4)%
Operating income	27,309	(13,098)	(40,408)	—

[Mobility segment]

In the Mobility segment, sales of the Automotive Products subsegment increased due to the launch of products for new car models. Sales of the Lithium-ion Battery Materials subsegment decreased due to a slowdown in consumer demand.

As a result, sales decreased, and profits increased in this segment from 1H 2022.

(Unit: millions of yen)

	1H 2022	1H 2023	Increase/decrease	Increase/ decrease rate
Sales	86,689	85,629	(1,060)	(1.2)%
Operating income	(933)	(780)	153	—

[Innovation Enabling Materials segment]

In the Innovation Enabling Materials segment, sales and operating income decreased due to a decrease in sales volume, although selling prices were raised due to higher raw material prices.

(Unit: millions of yen)

	1H 2022	1H 2023	Increase/decrease	Increase/ decrease rate
Sales	70,005	61,876	(8,129)	(11.6)%
Operating income	5,486	4,288	(1,198)	(21.8)%

[Chemicals segment]

In the Chemicals segment, although sales of the Olefins & Derivatives subsegment increased significantly from 1H 2022 due to the absence of shutdowns related to large-scale maintenance, operating income decreased due to the negative impact of the inventory valuation difference. In the Basic Chemicals subsegment, sales and operating income increased from 1H 2022 as a result of progress in passing on higher raw material and fuel prices to selling prices. Sales of the Graphite Electrodes subsegment increased from 1H 2022 due to selling price increase based on the cost increase, while operating income decreased due to the negative impact of the inventory valuation difference.

(Unit: millions of yen)

	1H 2022	1H 2023	Increase/decrease	Increase/ decrease rate
Sales	224,526	254,920	30,394	13.5%
Operating income	13,112	4,768	(8,343)	(63.6)%

Note: Starting from 2022, segment-wise sales and operating incomes mentioned above are based on "sales to outside customers," not including inter-segment sales.

2. Financial conditions for the January 1 - June 30, 2023 period (as compared with the conditions at December 31, 2022)

a) Situation of assets, liabilities, and net assets

Total assets at the end of 1H 2023 decreased by ¥48,343 million from the end of the previous fiscal year 2022 to ¥2,045,400 million due to an increase in property, plant and equipment, but a decrease in cash and deposits, notes and accounts receivable trade, goodwill and other intangible assets. Total liabilities decreased by ¥47,931 million to ¥1,471,095 million due to a decrease in notes and accounts payable trade and interest-bearing debt. Net assets decreased by ¥413 million, to ¥574,306 million, due to a decrease in retained earnings due to the payment of dividends in the previous fiscal year, despite an increase in foreign currency translation adjustments.

b) Situation of cash flows

Net cash used in operating activities during 1H 2023 was ¥48,080 million, an increase of ¥26,159 million from 1H 2022, mainly due to a decrease in trade receivables and inventories, despite a net loss before income taxes. Net cash used in investing activities was ¥45,136 million, an increase of ¥8,520 million from 1H 2022, mainly due to a decrease in income from the sale of investment securities. As a result, free cash flow was ¥2,944 million, an increase of ¥17,999 million from 1H 2022.

Net cash used in financing activities was ¥23,491 million, an increase of ¥5,590 million from 1H 2022. As a result, cash and cash equivalents at the end of 1H 2023 decreased by ¥10,593 million from end of 1H 2022 to ¥176,251 million, including the impact of foreign exchange fluctuations.

3. Consolidated performance forecast

Our Company announced today (August 8) that it has revised its consolidated earnings forecasts. The following table shows our group's full-year earnings forecasts after the revisions. In light of the changes in the first half, we have revised downward our full-year forecast for net sales, and upward our forecasts for ordinary loss, and net loss attributable to owners of the parent mainly due to foreign exchange gains.

(Unit: millions of yen)

Full year forecast	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
Previous forecast (a) announced on May 15, 2023	1,340,000	(20,000)	(31,000)	(46,000)
Revised forecast (b) announced on Ang. 8, 2023	1,270,000	(20,000)	(26,000)	(37,000)
(b)-(a)	(70,000)	-	5,000	9,000
Percentage of changes	(5.2%)	-	-	-

4. Reasons for the revision of the dividend forecast

Dividend forecast for end of 2nd quarter and end of term 2023, which was undecided, is revised as:

For end of 2nd quarter, 0 yen per share

For end of term 2023, 65 yen per share

Consolidated Balance Sheets

(¥ in millions, US\$ in thousands)

	Dec. 31, 2022	Jun. 30, 2023	Jun. 30, 2023
	¥	¥	\$
Assets			
Current assets			
Cash and deposits	187,287	176,786	1,219,298
Notes and accounts receivable-trade	265,305	251,918	1,737,484
Merchandise and finished goods	121,172	132,059	910,816
Work in process	34,130	27,537	189,926
Raw materials and supplies	95,151	89,446	616,914
Other	85,248	62,693	432,395
Allowance for doubtful accounts	(1,254)	(1,276)	(8,799)
Total current assets	787,037	739,164	5,098,033
Noncurrent assets			
Property, plant and equipment			
Buildings and structures, net	138,242	154,790	1,067,588
Machinery, equipment and vehicles, net	214,718	219,473	1,513,713
Land	233,987	233,748	1,612,163
Other, net	91,118	85,346	588,631
Total property, plant and equipment	678,064	693,356	4,782,095
Intangible assets			
Goodwill	295,355	287,305	1,981,550
Other	198,334	192,336	1,326,550
Total intangible assets	493,689	479,641	3,308,100
Investments and other assets			
Investment securities	83,341	84,422	582,263
Other	52,233	49,563	341,837
Allowance for doubtful accounts	(622)	(746)	(5,145)
Total investments and other assets	134,953	133,239	918,955
Total noncurrent assets	1,306,706	1,306,237	9,009,149
Total assets	2,093,744	2,045,400	14,107,182

(¥ in millions, US\$ in thousands)

	Dec. 31, 2022	Jun. 30, 2023	Jun. 30, 2023
	¥	¥	\$
Liabilities			
Current liabilities			
Notes and accounts payable-trade	194,054	171,360	1,181,874
Short-term loans payable	72,419	57,836	398,900
Current portion of long-term loans payable	42,677	28,436	196,121
Current portion of bonds	—	10,000	68,970
Provision	9,576	10,010	69,041
Other	140,152	120,899	833,847
Total current liabilities	458,877	398,542	2,748,752
Noncurrent liabilities			
Bonds payable	260,000	280,000	1,931,168
Long-term loans payable	672,446	663,325	4,574,971
Provision	2,334	2,904	20,026
Net defined benefit liability	9,981	9,861	68,011
Other	115,389	116,464	803,254
Total noncurrent liabilities	1,060,148	1,072,553	7,397,429
Total liabilities	1,519,026	1,471,095	10,146,181
Net assets			
Shareholders' equity			
Capital stock	182,146	182,146	1,256,267
Capital surplus	108,140	108,140	745,845
Retained earnings	165,902	133,969	923,987
Treasury stock	(11,612)	(11,591)	(79,943)
Total shareholders' equity	444,576	412,664	2,846,156
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	355	228	1,572
Deferred gains or losses on hedges	1,461	(653)	(4,505)
Revaluation reserve for land	27,915	28,554	196,941
Foreign currency translation adjustment	72,008	103,866	716,370
Remeasurements of defined benefit plans	3,980	3,955	27,281
Total accumulated other comprehensive income	105,719	135,951	937,658
Non-controlling interests	24,423	25,690	177,188
Total net assets	574,718	574,306	3,961,001
Total liabilities and net assets	2,093,744	2,045,400	14,107,182

Consolidated Statements of Income

(¥ in millions, US\$ in thousands)

	Results for the first half year (Jan.1-Jun.30)		
	2022	2023	2023
	¥	¥	\$
Net sales	656,033	616,126	4,249,441
Cost of sales	500,261	505,829	3,488,719
Gross profit	155,772	110,297	760,722
Selling, general and administrative expenses	117,822	123,462	851,524
Operating income (loss)	37,951	(13,165)	(90,801)
Non-operating income			
Interest income	397	827	5,701
Dividends income	658	197	1,357
Equity in earnings of affiliates	2,288	1,913	13,193
Foreign exchange gains	12,542	7,225	49,833
Miscellaneous income	2,758	3,134	21,618
Total non-operating income	18,645	13,296	91,702
Non-operating expenses			
Interest expenses	4,396	6,655	45,898
Miscellaneous expenses	4,493	4,832	33,329
Total non-operating expenses	8,889	11,487	79,227
Ordinary income (loss)	47,706	(11,357)	(78,326)
Extraordinary income			
Gain on sales of noncurrent assets	319	1,507	10,393
Other	2,302	1,649	11,376
Total extraordinary income	2,622	3,156	21,769
Extraordinary loss			
Loss on sales and retirement of noncurrent assets	1,849	2,163	14,916
Impairment loss	171	2,994	20,649
Other	3,381	1,639	11,305
Total extraordinary losses	5,402	6,796	46,870
Profit (loss) before income taxes	44,927	(14,996)	(103,427)
Income taxes	6,567	3,669	25,307
Net income (loss)	38,360	(18,665)	(128,734)
Net income attributable to non-controlling interests	5,748	1,151	7,941
Net income (loss) attributable to owners of the parent	32,612	(19,817)	(136,675)

Consolidated Statements of Comprehensive Income

(¥ in millions, US\$ in thousands)

	Results for the first half year (Jan.1-Jun.30)		
	2022	2023	2023
	¥	¥	\$
Net income (loss)	38,360	(18,665)	(128,734)
Other comprehensive income:			
Valuation difference on available-for-sale securities	(1,253)	(158)	(1,091)
Deferred gains or losses on hedges	(1,194)	(2,145)	(14,793)
Foreign currency translation adjustments	50,824	31,946	220,334
Remeasurements of defined benefit plans, net of tax	(438)	(24)	(167)
Share of other comprehensive income of entities accounted for using equity method	2,596	1,191	8,217
Total other comprehensive income	50,534	30,810	212,500
Comprehensive income	88,894	12,145	83,765
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of the parent	81,160	9,776	67,429
Comprehensive income attributable to non-controlling interests	7,734	2,369	16,337

Consolidated Statements of Cash Flows

(¥ in millions, US\$ in thousands)

	Results for the first half year (Jan. 1-Jun. 30)		
	2022	2023	2023
	¥	¥	\$
Net cash provided by (used in) operating activities			
Income (loss) before income taxes and minority interests	44,927	(14,996)	(103,427)
Depreciation and amortization	45,117	45,776	315,716
Impairment loss	171	2,994	20,649
Amortization of goodwill	8,414	8,433	58,162
Increase (decrease) in net defined benefit liability	612	(107)	(735)
Interest and dividends income	(1,056)	(1,023)	(7,058)
Interest expenses	4,396	6,655	45,898
Equity in (earnings) losses of affiliates	(2,288)	(1,913)	(13,193)
Loss (gain) on sales and valuation of investment securities	(1,890)	(31)	(216)
Loss on retirement of noncurrent assets	1,841	2,125	14,658
Loss (gain) on sales of noncurrent assets	(311)	(1,459)	(10,063)
Decrease (increase) in notes and accounts receivable-trade	3,123	23,821	164,297
Decrease (increase) in inventories	(37,516)	9,039	62,345
Increase (decrease) in notes and accounts payable-trade	(85)	(23,130)	(159,531)
Other, net	(24,756)	(4,258)	(29,370)
Subtotal	40,699	51,926	358,132
Interest and dividends income received	2,196	2,270	15,656
Interest expenses paid	(4,326)	(5,387)	(37,151)
Income taxes paid	(17,007)	(729)	(5,027)
Net cash provided by (used in) operating activities	21,561	48,080	331,610

(¥ in millions, US\$ in thousands)

	Results for the first half year (Jan. 1-Jun. 30)		
	2022	2023	2023
	¥	¥	\$
Net cash provided by (used in) investing activities			
Payments into time deposits	(1,394)	(655)	(4,515)
Proceeds from withdrawal of time deposits	2,106	608	4,192
Purchase of property, plant and equipment	(49,051)	(43,778)	(301,935)
Proceeds from sales of property, plant and equipment	619	3,394	23,408
Purchase of investment securities	(500)	(57)	(392)
Proceeds from sales of investment securities	12,523	1,114	7,682
Net decrease (increase) in short-term loans receivable	433	(66)	(455)
Payments of long-term loans receivable	(5)	(782)	(5,390)
Collection of long-term loans receivable	90	536	3,699
Other, net	(1,438)	(5,452)	(37,601)
Net cash provided by (used in) investing activities	(36,616)	(45,136)	(311,308)
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	53,409	(14,868)	(102,544)
Net increase (decrease) in commercial papers	15,000	-	-
Proceeds from long-term loans payable	347,000	34,900	240,706
Repayment of long-term loans payable	(224,084)	(58,729)	(405,052)
Proceeds from issuance of bonds	112,536	29,843	205,830
Redemption of bonds	(20,000)	-	-
Purchase of treasury shares	(2)	(2)	(14)
Cash dividends paid	(11,743)	(11,781)	(81,255)
Cash dividends paid to non controlling shareholders	(12,940)	(1,200)	(8,277)
Purchase of investments in subsidiaries without change in scope of consolidation	(275,000)	-	-
Other, net	(2,077)	(1,655)	(11,412)
Net cash provided by (used in) financing activities	(17,901)	(23,491)	(162,018)
Effect of exchange rate change on cash and cash equivalents	20,200	9,954	68,653
Net increase (decrease) in cash and cash equivalents	(12,756)	(10,593)	(73,063)
Cash and cash equivalents at beginning of period	234,938	186,844	1,288,668
Cash and cash equivalents at end of period	222,183	176,251	1,215,606

(Reference)**SEGMENT INFORMATION**

Information about sales and operating income :

	6 Months ended June 30, 2022							Millions of yen						
	Semiconductor and Electronic Materials	Mobility	Innovation Enabling Materials	Chemicals	Others	Elimination	Consolidated							
Sales														
Outside customers	¥ 220,354	¥ 86,689	¥ 70,005	¥ 224,526	¥ 54,459	¥ —	¥ 656,033							
Inter-segment	2,210	87	3,509	6,527	1,327	(13,660)	—							
Total	222,564	86,776	73,514	231,053	55,786	(13,660)	656,033							
Operating income (loss)	¥ 27,309	¥ (933)	¥ 5,486	¥ 13,112	¥ (295)	¥ (6,728)	¥ 37,951							

	6 Months ended June 30, 2023							Millions of yen						
	Semiconductor and Electronic Materials	Mobility	Innovation Enabling Materials	Chemicals	Others	Elimination	Consolidated							
Sales														
Outside customers	¥ 153,393	¥ 85,629	¥ 61,876	¥ 254,920	¥ 60,309	¥ —	¥ 616,126							
Inter-segment	2,202	1,389	6,255	6,050	3,154	(19,050)	—							
Total	155,595	87,018	68,131	260,969	63,463	(19,050)	616,126							
Operating income (loss)	¥ (13,098)	¥ (780)	¥ 4,288	¥ 4,768	¥ (2,343)	¥ (6,001)	¥ (13,165)							

	6 Months ended June 30, 2023							Thousands of U.S. dollars						
	Semiconductor and Electronic Materials	Mobility	Innovation Enabling Materials	Chemicals	Others	Elimination	Consolidated							
Sales														
Outside customers	\$ 1,057,956	\$ 590,582	\$ 426,763	\$ 1,758,187	\$ 415,953	\$ —	\$ 4,249,441							
Inter-segment	15,186	9,582	43,141	41,724	21,756	(131,389)	—							
Total	1,073,142	600,165	469,904	1,799,911	437,709	(131,389)	4,249,441							
Operating income (loss)	\$ (90,340)	\$ (5,380)	\$ 29,576	\$ 32,888	\$ (16,157)	\$ (41,388)	\$ (90,801)							