



August 22, 2022

To whom it may concern:

Company name: Mitsubishi Chemical Group Corporation  
Representative: Jean-Marc Gilson  
Representative Corporate Executive Officer,  
President & Chief Executive Officer  
Listed on The Prime Market of TSE (stock  
code: 4188)  
Contact: Osamu Shimizu  
Director,  
Corporate Communications Div.  
TEL: [+81] (0)3-6748-7120

### **Corporate Split in Tandem with Intergroup Organizational Restructuring**

The Mitsubishi Chemical Group (MCG) hereby announces it has decided to embark on intergroup organizational restructuring, and will involve MCG, our consolidated subsidiary Mitsubishi Chemical Corporation (MCC; Head office: Chiyoda-ku, Tokyo; Representative directors: Nobuo Fukuda and Yoshihiro Ikegawa), and our group's four regional headquarters in North America and Europe\*.

Note that, given this is a corporate split (simple/simplified absorption split) targeting MCG and its wholly-owned subsidiaries, this disclosure omits certain disclosure matters and details.

\*The names of the four overseas regional headquarters of our group in North America and Europe are as follows:

(1) Subsidiaries directly invested in by MCG

Mitsubishi Chemical Holdings America, Inc. (MCHA; Head office: New York, US; President and Chief Executive Officer: Akihiko Mori)

Mitsubishi Chemical Holdings Europe GmbH (MCHE; Head office: Frankfurt, Germany; Managing Director: Hiroshi Izumikawa)

(2) Subsidiaries directly invested in by MCC

Mitsubishi Chemical America, Inc. (MCA; Head office: North Carolina, US; President: Randy Queen)

Mitsubishi Chemical Europe GmbH (MCE; Head office: Dusseldorf, Germany; President and Chief Executive Officer: Ansgar Pohl)

#### 1. Purpose of this organizational restructuring

In accordance with "Forging the future," the new management policy announced in December 2021, since April 1, 2022 MCG has been transitioning to a flat organizational system based on the "One Company, One Team" concept.

In conjunction with this transition, MCG aims to improve its management efficiency and accelerate its

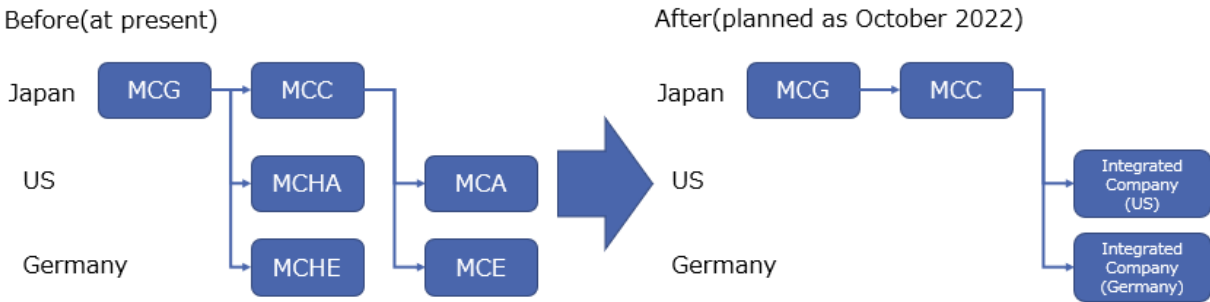
decision-making by reshuffling and concentrating the management functions currently spread across the overseas regional headquarters directly invested in by MCG and those directly invested in by MCC in North America and Europe.

MCG aims to maximize the group's corporate value. This is in accordance with a clear-cut strategy for business management that pursues efficiency and which extracts the growth potential of group businesses.

2. Summary of this organizational restructuring

The organizational restructuring of the respective overseas regional headquarters of MCG in North America and Europe shall be carried out as follows by October 2022.

- (1) MCG shall be split, with MCC as the surviving company. Reflecting this, MCC will acquire all the shares and management operations of MCHA and MCHE (hereinafter "this absorption split").
- (2) MCC will implement an investment-in-kind into MCA and MCE, respectively of all the shares in MCHA and MCHE
- (3) In North America, MCA and MCHA, and in Europe, MCE and MCHE will be merged respectively, to integrate the overseas regional headquarters in North America and Europe. The details, including the schedule and method, of this merger will be taken into consideration moving forward.



3. Summary of this Absorption Split

(1) Points of this absorption split

(i) Schedule for this absorption split

Decision date for this absorption split	August 22, 2022
Signing date for this absorption-split agreement	August 22, 2022
Date this absorption split takes effect	October 1, 2022

\*This absorption split to be carried out by MCG is a simplified absorption split in accordance with Article 784-2 of the Companies Act. MCC's simplified absorption split is stipulated in Article 796-1 of the Companies Act. In light of this, both companies will not hold an ordinary general shareholders meeting to approve the absorption split. In addition, at MCG, owing to the delegation of authority from the Board of Directors in accordance with Article 416-4 of the Companies Act, the executive officers are determining the details of this absorption-split agreement.

(ii) Method for this absorption split

MCG will be split and MCC will be absorbed as the surviving company.

(iii) Details of the allocations related to this absorption split

At the time of this absorption split, stock allocation and the delivery of other considerations will not be carried out.

(iv) Handling related to bonds with warrants and stock acquisition rights in tandem with this absorption split

No applicable matters.

(v) Change in capital owing to this absorption split

There is no change in capital due to this absorption split.

(vi) Rights and obligations succeeded by the surviving company

On the date this absorption split takes effect, MCC will succeed the rights and obligations, including assets related to subject businesses stipulated in the separate absorption-split agreement.

(vii) Expected fulfillment of obligations

Regarding the assumption of obligations on and after the day this absorption split takes effect, it is deemed that MCC will have no problem fulfilling its obligations.

(2) Profiles of concerned parties involved in this absorption split

	Spun-off company	Surviving company
① Name	Mitsubishi Chemical Group Corporation	Mitsubishi Chemical Corporation (MCC)
② Address	1-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo	1-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo
③ Name and position of representative	Representative Corporate Executive Officer, President & Chief Executive Officer, Jean-Marc Gilson	Representative director; Nobuo Fukuda Representative director; Yoshihiro Ikegawa
④ Business description	Management of group companies (including establishment of overall group strategies, allocation of capital, etc.)	Manufacturing and sales of chemical products

⑤ Capital	50,000 million yen	53,229 million yen
⑥ Establishment date	October 3, 2005	August 31, 1933 (founding) April 1, 2017 (inauguration)
⑦ Number of shares outstanding	1,506,288,107 shares	572,034,109 shares
⑧ Fiscal year-end	March 31	March 31
⑨ Major shareholders and shareholding ratio (as of March 31, 2022)	<p>The Master Trust Bank of Japan Ltd Trust 16.13%</p> <p>SSBTC CLIENT 8.62%</p> <p>OMNIBUS ACCOUNT (Standing Proxy) Custody Department, Tokyo Branch, The Hongkong and Shanghai Banking Corporation Limited 5.80%</p> <p>Custody Bank of Japan, Ltd. (trust account) 4.52%</p> <p>Meiji Yasuda Life Insurance Company (Standing Proxy) Custody Bank of Japan, Ltd. 2.99%</p> <p>Nippon Life Insurance Company (Standing Proxy) The Master Trust Bank of Japan, Ltd. 1.55%</p> <p>Custody Bank of Japan, Ltd. (trust account 4) 1.53%</p> <p>STATE STREET BANK WEST CLIENT-TREATY 505234 (Standing Proxy) Settlement &amp; Clearing Services Division, Mizuho Bank, Ltd.</p>	Mitsubishi Chemical Group Corporation 100%

	Taiyo Life Insurance Company	1.32%		
	JPMorgan Securities Japan Co., Ltd.	1.25%		
	JP MORGAN CHASE BANK 385781 (Standing Proxy) Settlement & Clearing Services Division, Mizuho Bank, Ltd.	1.17%		
<b>⑩ Business performance and financial position in the most recent fiscal year (ended March 31, 2022)</b>				
	<b>(Consolidated/IFRS)</b>		<b>(Standalone/Japan GAAP)</b>	
	Equity attributable to owners of the parent	1,458,077 mn yen	Net assets	679,347 mn yen
	Total assets	5,573,871 mn yen	Total assets	1,489,910 mn yen
	Per-share equity attributable to owners of the parent	1,026.03 yen	Net assets per share	1,187.59 yen
	Sales revenue	3,976,948 mn yen	Sales	1,365,371 mn yen
	Operating income	303,194 mn yen	Operating income	75,944 mn yen
	Income before taxes	290,370 mn yen	Ordinary income	128,315 mn yen
	Net income	209,405 mn yen	Net income	143,473 mn yen
	Basic net income per share	124.68 yen	Net income per share	250.81 yen

### (3) Summary of business divisions to be split in this absorption split

#### (i) Details of business operations at divisions to be split

- In North America, implements management of equity in subsidiaries that provide negotiation/PR activities, the intergroup management of various risks, and shared services as MCG's overseas administrative representative functions
- In Europe, implements management of equity in subsidiaries that provide negotiation/PR activities, the intergroup management of various risks, and shared services as MCG's overseas administrative representative functions

#### (ii) Business performance at divisions to be split

MCHA sales revenue USD10,579 thousand (FY2021)

MCHE sales revenue EUR4,415 thousand (FY2021)

#### (iii) Assets and book values to be split

MCHA and MCHE shares wholly-owned by MCG

MCHA shares 245 million yen

MCHE shares 3 million yen

#### (4) Trends after this absorption split

In tandem with this absorption split, there will be no changes to the name of the corporation, address, names and positions of representatives, business description, capital and fiscal year.

That being said, as a condition of this absorption split going into effect, MCC, the surviving company, as stated in 2. Above, will transfer all shares in MCHA and MCHE to MCA and MCE, respectively, through an investment-in-kind on the effective date of the absorption split. Furthermore, the overseas regional headquarters in North America and Europe will be integrated through the merger of MCA and MCHA in North America, and MCE and MCHE in Europe, with the goal of improving business efficiency and accelerating decision-making.

#### 4. Forecast

This organizational restructuring involves restructuring within the group between MCG and wholly-owned subsidiaries. The impact to the consolidated earnings of MCG is minor.

END

(Reference) FY2022 consolidated earnings forecast (disclosed on May 13, 2022) and FY2021 consolidated earnings results

	Sales revenue	Core operating income	Operating income	Net income	Net income attributable to owners of the parent	Basic net income per share
FY2022 consolidated earnings forecast (Fiscal year ending March 2023)	Million yen 4,436,000	Million yen 275,000	Million yen 277,000	Million yen 194,000	Million yen 153,000	Yen 107.66
FY2021 consolidated earnings results (Fiscal year ended March 2022)	3,976,948	272,342	303,194	209,405	177,162	124.68