

Operational Summary

for the Fiscal Year Ended March 31, 2014

May 12, 2014

Mitsubishi Chemical Holdings Corporation

Table of Contents

Consolidated Financial Statements for FY2013	Page No.	Consolidated Financial Statements Forecasts for FY2014	Page No.
Statements of Operations	4	Statements of Operations	14
Net Sales and Operating Income by Business Segment	5	Net Sales and Operating Income by Business Segment	15
Net Sales and Operating Income by Business Sub-Segment	6	Net Sales and Operating Income by Business Sub-Segment	16
Analysis of Operating Income	8	Classification of Major Businesses under Business Segment and Growth Model	18
Extraordinary Gain and Loss	9	Trend of Operating Income by Type of Growth Model	19
Cash Flows	10	Cash Flows Targets	20
Balance Sheets	11	Cash Dividends	21
Statements of Changes in Net Assets	12	References	
Statements of Comprehensive Income	13	Scope of Consolidation and Overseas Sales and Operating Income	22
		Major Subsidiaries	23
		Capital Expenditure, Depreciation & Amortization, R&D Expenses, Total Assets, and Number of Employees by Business Segment	24
		Major Capital Expenditure	25
		Trend of Financial Position	26

List of Abbreviations

FY2014:	April 1, 2014 - March 31, 2015 1st Half ("1H") of FY2014: April 1, 2014 - September 30, 2014 2nd Half ("2H") of FY2014: October 1, 2014 - March 31, 2015
FY2013:	April 1, 2013 - March 31, 2014 1st Half ("1H") of FY2013: April 1, 2013- September 30, 2013 2nd Half ("2H") of FY2013: October 1, 2013 - March 31, 2014 4th Quarter ("4Q") of FY2013: January 1, 2014 - March 31, 2014
FY2012:	April 1, 2012 - March 31, 2013
MCHC:	Mitsubishi Chemical Holdings Corporation
MCC:	Mitsubishi Chemical Corporation
MTPC:	Mitsubishi Tanabe Pharma Corporation
MPI:	Mitsubishi Plastics, Inc.
MRC:	Mitsubishi Rayon Co., Ltd.

(Note)

Divisional numbers into following "business sub-segments" under the business segments of Designed Materials, Health Care, Chemicals, or Polymers are approximation for reference purpose only;

- Functional Products
- Performance Chemicals
- Pharmaceuticals
- Diagnostics, Clinical Testing and API
- Petrochemicals
- Carbon
- Polyolefins and Advanced Polymers
- MMA Monomers and Polymers

Consolidated Statements of Operations

Exchange rate (¥/US\$)	98.6	102.4	100.5	83.3	17.2	99.9
Naphtha price (¥/kl)	64,700	69,900	67,300	57,500	9,800	67,300
	(Billions of Yen)					<Reference>
	1H	2H	FY2013	FY2012	Change	FY2013 Forecast announced on Feb.5
Net sales	1,611.6	1,887.2	3,498.8	3,088.6	410.2	3,500.0
Operating income	51.4	59.1	110.5	90.2	20.3	110.0
Income (expenses) on financing activities	(2.7)	(3.8)	(6.5)	(4.1)	(2.4)	(7.0)
[Dividend income included in above]	[3.8]	[3.4]	[7.2]	[8.9]	[(1.7)]	[7.0]
Equity in Earnings of non-consolidated subsidiaries and affiliates	1.0	(1.4)	(0.4)	3.2	(3.6)	0.5
Other non-operating income (expenses)	0.5	(1.0)	(0.5)	(2.2)	1.7	(3.5)
Ordinary income	50.2	52.9	103.1	87.1	16.0	100.0
Extraordinary gain	23.7	7.1	30.8	21.2	9.6	28.5
Extraordinary loss	(2.8)	(14.5)	(17.3)	(25.4)	8.1	(24.5)
Income before income taxes and minority interests	71.1	45.5	116.6	82.9	33.7	104.0
Current and deferred income taxes	(28.1)	(28.2)	(56.3)	(40.1)	(16.2)	(48.0)
Income before minority interests	43.0	17.3	60.3	42.8	17.5	56.0
Minority interests in consolidated subsidiaries	(15.7)	(12.4)	(28.1)	(24.2)	(3.9)	(28.0)
Net income (loss)	27.3	4.9	32.2	18.6	13.6	28.0
Comprehensive income attributable to :	92.4	41.6	134.0	94.9	39.1	
Shareholders of the parent	70.9	25.9	96.8	59.5	37.3	
Minority interests	21.5	15.7	37.2	35.4	1.8	

Consolidated Net Sales and Operating Income by Business Segment

(Billions of Yen)

		1H	2H	FY2013	FY2012	Change
Total	Net Sales	1,611.6	1,887.2	3,498.8	3,088.6	410.2
	Operating Income	51.4	59.1	110.5	90.2	20.3
Electronics Applications	Net Sales	56.8	76.9	133.7	118.2	15.5
	Operating Income	(2.6)	(2.9)	(5.5)	(5.1)	(0.4)
Designed Materials	Net Sales	366.0	424.9	790.9	689.7	101.2
	Operating Income	22.4	24.1	46.5	22.5	24.0
Health Care	Net Sales	254.7	276.6	531.3	514.4	16.9
	Operating Income	35.1	33.2	68.3	74.9	(6.6)
Chemicals	Net Sales	460.8	494.3	955.1	903.6	51.5
	Operating Income	0.2	0.5	0.7	(0.2)	0.9
Polymers	Net Sales	380.2	478.2	858.4	675.7	182.7
	Operating Income	(1.0)	3.3	2.3	0.1	2.2
Others	Net Sales	93.1	136.3	229.4	187.0	42.4
	Operating Income	0.4	5.3	5.7	6.5	(0.8)
Corporate	Net Sales	-	-	-	-	-
	Operating Income	(3.1)	(4.4)	(7.5)	(8.5)	1.0

*1 The figures of ¥151.9 billion in net sales and ¥3.9 billion in operating income are included due to the effects of unifying accounting periods. 5

Consolidated Net Sales and Operating Income by Business Sub-segment

(Billions of Yen)

			1H	2H	FY2013	FY2012	Change	
Electronics Applications		Net Sales	56.8	76.9	133.7	118.2	15.5	
		Operating Income	(2.6)	(2.9)	(5.5)	(5.1)	(0.4) (a)	
Designed Materials	Functional Products		Net Sales	252.5	291.6	544.1	478.0	66.1
			Operating Income	11.6	10.6	22.2	7.6	14.6 (b)
	Performance Chemicals		Net Sales	113.5	133.3	246.8	211.7	35.1
			Operating Income	10.8	13.5	24.3	14.9	9.4 (c)
Health Care	Pharmaceuticals		Net Sales	202.8	209.8	412.6	419.1	(6.5)
			Operating Income	32.9	30.9	63.8	73.5	(9.7) (d)
	Diagnostics, Clinical Testing and API		Net Sales	51.9	66.8	118.7	95.3	23.4
			Operating Income	2.2	2.3	4.5	1.4	3.1 (e)

Major reasons for the change:

- (a) Declining price of red phosphor, etc.
- (b) Increased sales for carbon fiber, electronic and industrial film, and aluminum composite materials and increased income from exports due to depreciation of the yen offset decreased profits from polyester films.
- (c) Increased sales for OPL film, performance chemicals, food ingredients; increased royalty revenues on ion-exchange resin; and increased income from exports due to depreciation of the yen.
- (d) Decreased sales and margins for ethical pharmaceuticals in Japan were offset by increased royalty revenues, whereas R&D expenses increased due to advances in clinical trial phases overseas and acquisition of Medicago Inc..
- (e) Increased profits in the diagnostic testing business; Qualicaps Group was newly consolidated, and so on.

Consolidated Net Sales and Operating Income by Business Sub-segment

(Billions of Yen)

			1H	2H	FY2013	FY2012	Change
Chemicals	Petrochemicals	Net Sales	358.5	391.8	750.3	678.6	71.7
		Operating Income	(4.1)	(4.9)	(9.0)	(13.0)	4.0 (a)
	Carbon	Net Sales	102.3	102.5	204.8	225.0	(20.2)
		Operating Income	4.3	5.4	9.7	12.8	(3.1) (b)
Polymers	Polyolefins and Advanced Polymers	Net Sales	236.4	274.4	510.8	425.3	85.5
		Operating Income	(0.8)	3.7	2.9	(6.0)	8.9 (c)
	MMA Monomers and Polymers	Net Sales	143.8	203.8	347.6	250.4	97.2
		Operating Income	(0.2)	(0.4)	(0.6)	6.1	(6.7) (d)

Inventory valuation gain/loss	1H	2H	FY2013	FY2012	Change
Chemicals (Petrochemicals)	(1.0)	1.5	0.5	6.0	(5.5)
Chemicals (Carbon)	0.2	(0.5)	(0.3)	(0.4)	0.1
Polymers (Polyolefins and Advanced Polymers)	4.3	5.2	9.5	8.1	1.4
Total	3.5	6.2	9.7	13.7	(4.0)

Major reasons for the change:

- (a) Decreased loss due to improved utilization of domestic ethylene plants, cost reduction, etc.
- (b) Demand for coke was strong; spot royalty revenues from high-purity graphite in the previous year included; etc.
- (c) Improved profitability in polyolefin business; increased sales and acquisition of overseas operations in performance polymers business
- (d) Decreased margins in MMA due to unfavorable market in Asia; increased cost due to delay in resuming operation of U.S. plant

Analysis of Operating Income

(Billions of Yen)

	FY2013	FY2012	Analysis				
			Change	Price	Volume	Cost reduction	Others *
Total	110.5	90.2	20.3	(5.3)	0.3	29.6	(4.3)
Electronics Applications	(5.5)	(5.1)	(0.4)	(2.2)	(3.3)	5.3	(0.2)
Designed Materials	46.5	22.5	24.0	1.6	9.1	5.1	8.2
Health Care	68.3	74.9	(6.6)	0.3	(3.1)	1.8	(5.6)
Chemicals	0.7	(0.2)	0.9	(4.8)	(1.6)	10.0	(2.7)
Polymers	2.3	0.1	2.2	(0.2)	0.5	5.3	(3.4)
Others	5.7	6.5	(0.8)	-	(1.3)	1.8	(1.3)
Corporate	(7.5)	(8.5)	1.0	-	-	0.3	0.7

* Items included are impacts from unification of depreciation methods, unification of accounting periods, and inventory valuation gain/loss, etc.

Consolidated Extraordinary Gain and Loss

(Billions of Yen)

	4Q	FY2013	FY2012	Change
	Net of extraordinary gain and loss	(8.4)	13.5	(4.2)
Extraordinary gain	3.7	30.8	21.2	9.6
Gain on sales of investment securities	2.7	13.0	8.8	4.2
Profit on arbitration award	-	* 11.0	-	11.0
Gain on sales of property, plant and equipment	0.5	2.5	6.7	(4.2)
Others	0.5	4.3	5.7	(1.4)
Extraordinary loss	(12.1)	(17.3)	(25.4)	8.1
Business structure improvement expenses	(8.9)	(9.9)	(11.6)	1.7
Loss on sales and retirement of property, plant and equipment	(2.1)	(3.6)	(4.0)	0.4
Impairment loss	(0.3)	(1.9)	(2.1)	0.2
Others	(0.8)	(1.9)	(7.7)	5.8

* Including the reimbursement as the overpayment regarding the supply price of *Remicade* 100mg IV Solution attributable to previous years

Consolidated Cash Flows

	Based on statements of cash flows		Adjusted by excluding cash flows from investment of surplus funds	
	FY2013	FY2012	FY2013 Excluded 26.2 billion yen	FY2012 Excluded (12.4) billion yen
Net cash provided by operating activities	177.0	206.5	177.0	206.5
Income before income taxes and minority interests	116.6	82.9	116.6	82.9
Depreciation and amortization	131.6	129.5	131.6	129.5
Amortization of goodwill	14.7	11.8	14.7	11.8
Change in operating receivables/payables	(33.6)	13.4	(33.6)	13.4
Change in Inventories	(18.3)	(24.2)	(18.3)	(24.2)
Others	(34.0)	(6.9)	(34.0)	(6.9)
Net cash used in investment activities	(159.8)	(169.8)	(186.0)	(157.4)
Capital expenditure	(135.1)	(135.3)	(135.1)	(135.3)
Sale of fixed assets	42.7	41.9	42.7	41.9
Investment and loans receivable, etc	(67.4)	(76.4)	* (93.6)	(64.0)
Free cash flow	17.2	36.7	(9.0)	49.1
Net cash used in financing activities	(8.3)	(26.3)		
Interest bearing debts	22.2	7.7		
Dividends, etc.	(30.5)	(34.0)		
Increase (decrease) in cash and cash equivalents	8.9	10.4		
Effect of exchange rate changes and change in scope of consolidation	17.6	9.6		
Cash and cash equivalents at the beginning of the period	153.1	133.1		
Cash and cash equivalents at the end of the period	179.6	153.1		

(Billions of Yen)

*Including capital increase of Taiyo Nippon Sanso, Medicago acquisition, and purchase of additional Quadrant shares to make it a wholly owned subsidiary

Consolidated Balance Sheets

(Billions of Yen)

	Mar. 31, 2014	Mar. 31, 2013	Change
Cash and deposits	137.7	116.0	21.7
Inventories	591.1	547.0	44.1
Trade receivables	615.7	588.2	27.5
Others	218.9	205.5	13.4
Current assets	1,563.4	1,456.7	106.7
Tangible and Intangible fixed assets	1,234.5	1,126.8	107.7
Goodwill	180.1	179.9	0.2
Investment and Others	501.4	544.4	(43.0)
Non-current assets	1,916.0	1,851.1	64.9
Total assets	3,479.4	3,307.8	171.6

(Billions of Yen)

	Mar. 31, 2014	Mar. 31, 2013	Change
Interest-bearing debts	1,258.2	1,198.8	59.4
Trade payables	413.4	417.0	(3.6)
Others	492.9	488.7	4.2
Liabilities	2,164.5	2,104.5	60.0
Shareholders' equity	849.6	835.5	14.1
Accumulated other comprehensive income	51.2	(20.0)	71.2
Minority interests, etc.	414.1	387.8	26.3
Net assets	1,314.9	1,203.3	111.6
Total liabilities and net assets	3,479.4	3,307.8	171.6

Net interest-bearing debts (*1)	998.0	938.6	59.4
Net D/E ratio	1.11	1.15	(0.04)
Net D/E ratio (incl. minority interests in the denominator)	0.76	0.78	(0.02)

Shareholders' equity (*2)	900.8	815.5	85.3
Shareholders' equity ratio	25.8%	24.6%	1.2%

*1. Net interest-bearing debts (998.0 billion yen)
= interest bearing debts (1,258.2 billion yen)
- {cash and cash equivalents (179.6 billion yen) + investments of surplus funds (80.6 billion yen)}

*2. Represents the sum of shareholders' equity and accumulated other comprehensive income per the above B/S.

Consolidated Statements of Changes in Net Assets

(Billions of Yen)

	Common stock	Additional paid-in capital	Retained earnings	Treasury stock at cost	Total shareholders' equity	Net unrealized holding gain (loss) on other securities	Gain (loss) on deferred hedges	Land revaluation surplus	Foreign currency translation adjustments	Remeasurements of accrued retirement benefits	Accumulated other comprehensive income (loss)	Warrants	Minority interests in consolidated subsidiaries	Total net assets
Beginning of period	50.0	317.7	479.1	(11.3)	835.5	14.0	1.0	1.6	(31.7)	(4.9)	(20.0)	0.6	387.2	1,203.3
Cash dividends			(17.7)		(17.7)						-			(17.7)
Net income			32.2		32.2						-			32.2
Purchase of treasury stock				(0.5)	(0.5)						-			(0.5)
Disposal of treasury stock		0.0		0.1	0.1						-			0.1
Change in scope of consolidation					-						-			-
Change in scope of equity method			(0.0)		(0.0)						-			(0.0)
Net change in items other than those in shareholders' equity						6.8	(0.8)		57.2	8.0	71.2	(0.1)	26.4	97.5
Net changes during the period	-	0.0	14.5	(0.4)	14.1	6.8	(0.8)	-	57.2	8.0	71.2	(0.1)	26.4	111.6
End of period	50.0	317.7	493.6	(11.7)	849.6	20.8	0.2	1.6	25.5	3.1	51.2	0.5	413.6	1,314.9

Consolidated Statements of Comprehensive Income

Exchange rate used to convert balance sheets for foreign subsidiaries	Dec. 2013	Dec. 2012
	Mar. 2014	Mar. 2013
For subsidiaries with calender-year accounting peirod (¥/US\$)	105.4	86.6
For subsidiaries with April-March accounting peirod (¥/US\$)	102.9	94.1
For subsidiaries with calender-year accounting peirod (¥/€)	145.1	114.7
For subsidiaries with April-March accounting peirod (¥/€)	141.7	120.7

(Billions of Yen)

	FY2013	FY2012	Change
Net income	32.2	18.6	13.6
Minority interests in consolidated subsidiaries	28.1	24.2	3.9
Income before minority interests	60.3	42.8	17.5
Other comprehensive income (loss):			
Net unrealized holding gain (loss) on other securities	7.5	12.7	(5.2)
Gain (loss) on deferred hedges	(1.2)	1.8	(3.0)
Foreign currency translation adjustments	58.8	32.6	26.2
Unfunded retirement benefit obligation with respect to a foreign subsidiary	1.4	(0.0)	1.4
Other comprehensive income (loss) for affiliates accounted for using equity method	7.2	5.0	2.2
Other comprehensive income (loss), net	73.7	52.1	21.6
Total comprehensive income (loss)	134.0	94.9	39.1
Total comprehensive income (loss) attributable to :			
Shareholders of the parent	96.8	59.5	37.3
Minority interests	37.2	35.4	1.8

Consolidated Statements of Operations

(FY2014 Forecast)

Forecast

Exchange rate (¥/US\$)	102.0	102.0	102.0	100.5	1.5
Naphtha price (¥/kl)	70,000	70,000	70,000	67,300	2,700

(Billions of Yen)

	FY2014 Forecast			FY2013 Actual	Change
	1H	2H			
Net sales	1,720.0	1,810.0	3,530.0	3,498.8	31.2
Operating income	56.5	79.5	136.0	110.5	25.5
Income (expenses) on financing activities	(3.0)	(5.0)	(8.0)	(6.5)	(1.5)
[Dividend income included in above]	[4.5]	[2.5]	[7.0]	[7.2]	[(0.2)]
Equity in Earnings of non-consolidated subsidiaries and affiliates	1.0	3.0	4.0	(0.4)	4.4
Other non-operating income (expenses)	(2.5)	(2.5)	(5.0)	(0.5)	(4.5)
Ordinary income	52.0	75.0	127.0	103.1	23.9
Extraordinary gain/loss	(6.0)	(6.0)	(12.0)	13.5	(25.5)
Income before income taxes and minority interests	46.0	69.0	115.0	116.6	(1.6)
Current and deferred income taxes	(21.5)	(26.5)	(48.0)	(56.3)	8.3
Income before minority interests	24.5	42.5	67.0	60.3	6.7
Minority interests in consolidated subsidiaries	(14.5)	(14.5)	(29.0)	(28.1)	(0.9)
Net income (loss)	10.0	28.0	38.0	32.2	5.8

Consolidated Net Sales and Operating Income by Business Segment (FY2014 Forecast)

Forecast

(Billions of Yen)

		1H	2H	FY2014 Forecast	FY2013 Actual	Change
Total	Net Sales	1,720.0	1,810.0	3,530.0	3,498.8	31.2
	Operating Income	56.5	79.5	136.0	*1 110.5	25.5
Electronics Applications	Net Sales	60.0	65.0	125.0	133.7	(8.7)
	Operating Income	(2.5)	(0.5)	(3.0)	(5.5)	2.5
Designed Materials	Net Sales	405.0	430.0	835.0	799.1	35.9
	Operating Income	23.0	27.0	50.0	*2 47.5	2.5
Health Care	Net Sales	261.0	269.0	530.0	523.1	6.9
	Operating Income	34.0	36.0	70.0	*2 67.3	2.7
Chemicals	Net Sales	455.0	465.0	920.0	955.1	(35.1)
	Operating Income	(2.0)	6.0	4.0	0.7	3.3
Polymers	Net Sales	430.0	450.0	880.0	858.4	21.6
	Operating Income	8.0	11.0	19.0	2.3	16.7
Others	Net Sales	109.0	131.0	240.0	229.4	10.6
	Operating Income	0.0	4.0	4.0	5.7	(1.7)
Corporate	Net Sales	-	-	-	-	-
	Operating Income	(4.0)	(4.0)	(8.0)	(7.5)	(0.5)

*1 The figures of ¥151.9 billion in net sales and ¥3.9 billion in operating income are included due to the effects of unifying accounting periods.

*2 Effective from FY2014 segmentation for certain consolidated subsidiaries has changed from the Health Care segment to the Designed Materials segment. The segment information for FY2013 is accordingly restated to match.

Consolidated Net Sales and Operating Income by Business Sub-segment

Forecast

(Billions of Yen)

			1H	2H	FY2014 Forecast	FY2013 Actual	Change	
Electronics Applications		Net Sales	60.0	65.0	125.0	133.7	(8.7)	
		Operating Income	(2.5)	(0.5)	(3.0)	(5.5)	2.5	
Designed Materials	Functional Products		Net Sales	280.0	300.0	580.0	544.1	35.9
			Operating Income	11.0	14.5	25.5	22.2	3.3
	Performance Chemicals		Net Sales	125.0	130.0	255.0	*1 255.0	0.0
			Operating Income	12.0	12.5	24.5	25.3	(0.8)
Health Care	Pharmaceuticals		Net Sales	201.0	208.0	409.0	412.6	(3.6)
			Operating Income	32.0	33.0	65.0	63.8	1.2
	Diagnostics and Pharmaceutical ingredients/formulations		Net Sales	60.0	61.0	121.0	*1 110.5	10.5
			Operating Income	2.0	3.0	5.0	3.5	1.5

*1 Effective from FY2014 segmentation for certain consolidated subsidiaries has changed from the Health Care segment to the Designed Materials segment. The segment information for FY2013 is accordingly restated to match.

Consolidated Net Sales and Operating Income by Business Sub-segment (Continued)

Forecast

(Billions of Yen)

		1H	2H	FY2014 Forecast	FY2013 Actual	Change	
Chemicals	Petrochemicals	Net Sales	345.0	355.0	700.0	750.3	(50.3)
		Operating Income	(6.5)	1.5	(5.0)	(9.0)	4.0
	Carbon	Net Sales	110.0	110.0	220.0	204.8	15.2
		Operating Income	4.5	4.5	9.0	9.7	(0.7)
Polymers	Polyolefins and Advanced Polymers	Net Sales	260.0	275.0	535.0	510.8	24.2
		Operating Income	3.0	6.0	9.0	2.9	6.1
	MMA Monomers and Polymers	Net Sales	170.0	175.0	345.0	347.6	(2.6)
		Operating Income	5.0	5.0	10.0	(0.6)	10.6

Inventory valuation gain/loss	1H	2H	FY2014 Forecast	FY2013 Actual	Change
Chemicals (Petrochemicals)	(0.6)	(0.1)	(0.7)	0.5	(1.2)
Chemicals (Carbon)	0.2	0.0	0.2	(0.3)	0.5
Polymers (Polyolefins and Advanced Polymers)	1.3	0.4	1.7	9.5	(7.8)
Total	0.9	0.3	1.2	9.7	(8.5)

Classification of Major Businesses under Business Segment and Growth Model

Forecast

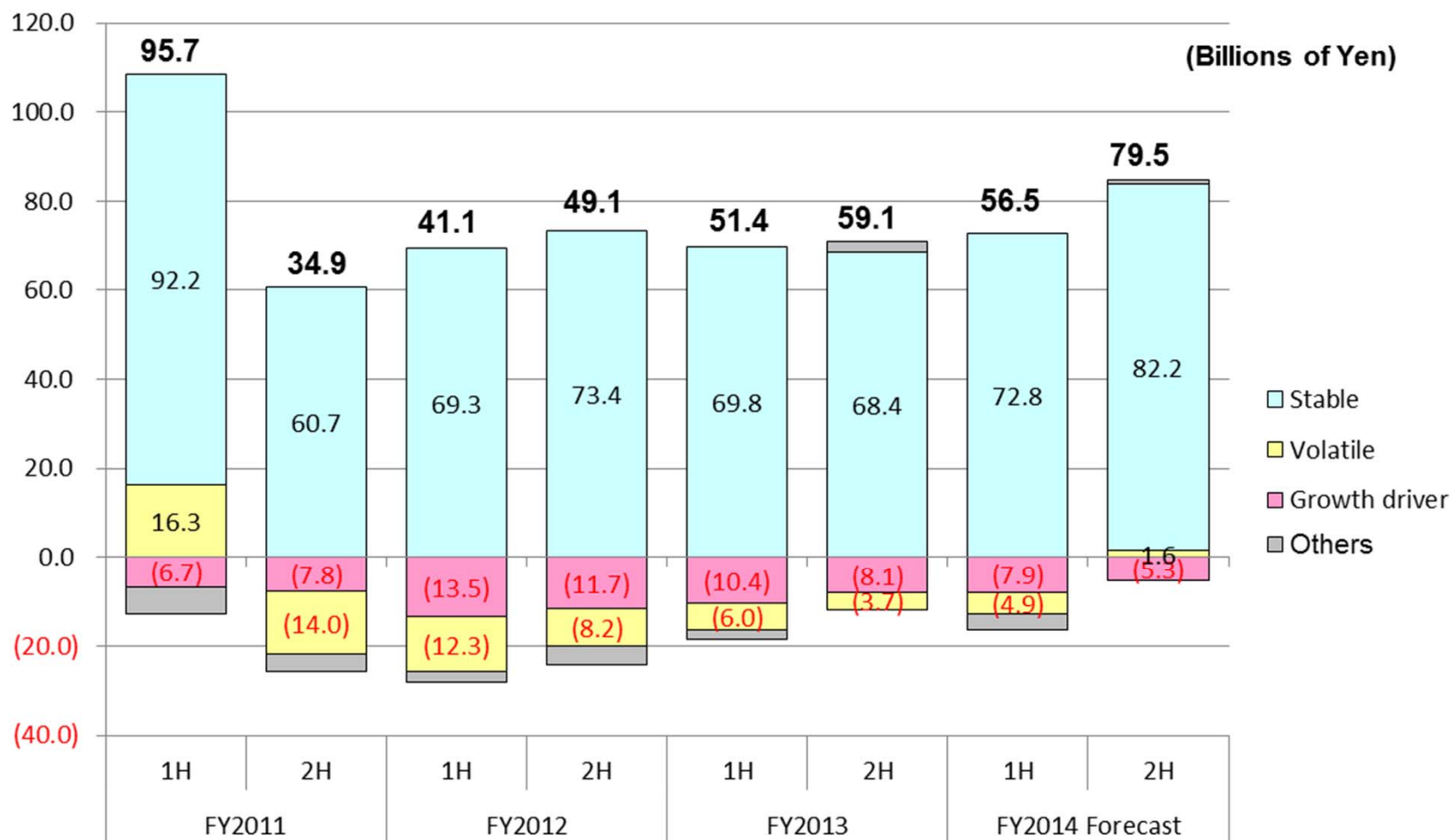
		Type of growth model			
		Stable Businesses	Growth driver businesses	Volatile Businesses	
Business Segment	Designed Materials	Electronics Applications	LED materials *1 Display materials *2	White LED lighting and materials *3 Organic photovoltaic modules and materials	Printer supplies Recording media
		Functional Products	Polyester film Engineering plastic products	Carbon fiber and composite materials Water treatment systems and services	Electronic and industrial films
		Performance Chemicals	OPL film, EVOH Food ingredients	Lithium-ion battery materials	Epoxy resin
	Health Care	Pharmaceuticals	Pharmaceuticals	—	—
		Diagnostics and Pharmaceutical ingredients/formulations	Diagnostics Support for new pharmaceutical development Pharmaceutical formulation materials	—	—
	Chemicals	Petrochemicals	Ethylene oxyde and others Acrylates	—	PTA Basic petrochemicals
		Carbon	Blast furnace coke High performance graphite	—	Carbon black Synthetic rubber
	Polymers	Polyolefins and Advanced Polymers	Performance polymers	Sustainable resources	Phenol-polycarbonate chain Polyolefins
		MMA Monomers and Polymers	MMA/PMMA	—	—

Main product *1 Phosphor

*2 Color filter resist

*3 GaN (Gallium-Nitride) substrates

Trend of Operating Income by Type of Growth Model



Consolidated Cash Flow Targets

Forecast

Adjusted by excluding cash flows from investment of surplus funds

(Billions of Yen)

	FY2014 Target	FY2013 Actual
Net cash provided by operating activities	233.0	177.0
Income before income taxes	115.0	116.6
Depreciation and amortization	132.0	131.6
Amortization of goodwill	16.0	14.7
Change in working capital	6.0	(51.9)
Others	(36.0)	(34.0)
Net cash used in investment activities	(133.0)	(186.0)
Capital expenditure	(135.0)	(135.1)
Investment and loans receivables, etc.	2.0	(50.9)
Free cash flow	100.0	(9.0)

Cash Dividends

Forecast

		FY2014 Forecast	FY2013 Actual	FY2012 Actual	FY2011 Actual	FY2010 Actual
Cash dividends per share (Yen)	Interim	6	6	6	5	5
	Year-end	6	6	6	5	5
	Total (Annual)	12	12	12	10	10
Total of cash dividends (Billions of Yen)	Interim		8.8	8.8	7.4	6.9
	Year-end		8.8	8.8	7.4	7.4
	Total (Annual)		17.7	17.7	14.8	14.3
Net income per share (Yen)	-	¥25.81	¥21.89	¥12.61	¥24.06	¥58.72
Consolidated dividend pay out ratio	-	46.5%	54.8%	95.2%	41.6%	17.0%

Scope of Consolidation and Overseas Sales and Operating Income

Reference

(Number of companies)

Scope of consolidation	FY2013	FY2012	FY2011	FY2010	FY2009
MCHC and affiliated companies	450	429	448	472	491
Companies in consolidation scope	414	392	404	411	421
MCHC and consolidated subsidiaries	361	340	341	341	345
Japan	135	130	130	127	129
Overseas	226	210	211	214	216
Affiliates accounted for by the equity method	53	52	63	70	76

Net sales and operating income by geographic area based on location of MCHC and consolidated subsidiaries

(Billions of Yen)

Japan	2,415.1	2,320.5	2,352.5	2,436.8	2,116.4
Overseas	1,083.7	768.1	855.7	730.0	398.7
Net sales	*1 3,498.8	3,088.6	3,208.2	3,166.8	2,515.1
Japan	103.7	78.8	72.6	153.2	44.9
Overseas	6.8	11.4	58.0	73.3	21.4
Operating income	*1 110.5	90.2	130.6	226.5	66.3

Overseas sales based on location of customers

(Billions of Yen)

Overseas sales	*2 1,321.6	1,107.6	1,184.4	1,087.6	637.2
Overseas sales ratio	39.5%	35.9%	36.9%	34.3%	25.3%

*1 The figures of ¥151.9 billion in net sales and ¥3.9 billion in operating income are included due to the effects of unifying accounting periods.

*2 The figure of ¥145.6 billion in net sales is included due to the effect of unifying accounting periods.

Major Subsidiaries

Reference

Company (Consolidated)	Net Sales			Operating Income		
	(Billions of Yen)					
	FY2013	FY2012	Change	FY2013	FY2012	Change
MCC	2,159.7	1,961.8	197.9	23.1	4.2	18.9
MTPC	412.7	419.2	(6.5)	59.1	69.0	(9.9)
MPI	442.7	398.1	44.6	20.1	12.8	7.3
MRC	606.2	456.9	149.3	8.8	6.8	2.0
Adjustments etc*	(122.5)	(147.4)	24.9	(0.6)	(2.6)	2.0
MCHC	3,498.8	3,088.6	410.2	110.5	90.2	20.3

*Adjustments, etc., to MCHC consolidation

- Net sales include no internal transactions.
- Operating income primarily represents amortization of goodwill, and internal transactions have been eliminated.
- Also, adjustments include net sales and operating income for companies that are MCHC subsidiaries, but are not subsidiaries of either of MCC, MTPC, MPI, or MRC.

Consolidated Capital Expenditure, Depreciation & Amortization, R&D Expenses, Total Assets, and Number of Employees by Business Segment

Reference

(Billions of Yen, until otherwise noted)

	Capital Expenditure		Depreciation & Amortization (excluding goodwill)		R&D Expenses		Total Assets	Number of Employees
	FY2014 Forecast	FY2013 Actual	FY2014 Forecast	FY2013 Actual	FY2014 Forecast	FY2013 Actual	FY2013 Actual	FY2013 Actual
Electronics Applications	5.0	6.7	6.0	5.7	9.0	9.1	116.1	2,853
Designed Materials	49.0	51.2	39.0	38.5	22.0	22.5	814.4	16,278
Health Care	25.0	20.3	16.0	16.0	82.0	80.4	1,028.6	13,672
Chemicals	22.0	25.5	29.0	28.0	3.0	3.4	670.9	4,786
Polymers	30.0	25.5	37.0	38.4	13.0	14.1	799.7	7,973
Others	3.0	3.2	3.0	3.2	1.0	0.6	663.7	9,581
Corporate	1.0	0.9	2.0	1.8	4.0	4.2	(614.0)	888
Total	135.0	133.3	132.0	131.6	134.0	134.3	3,479.4	56,031

Major Capital Expenditure

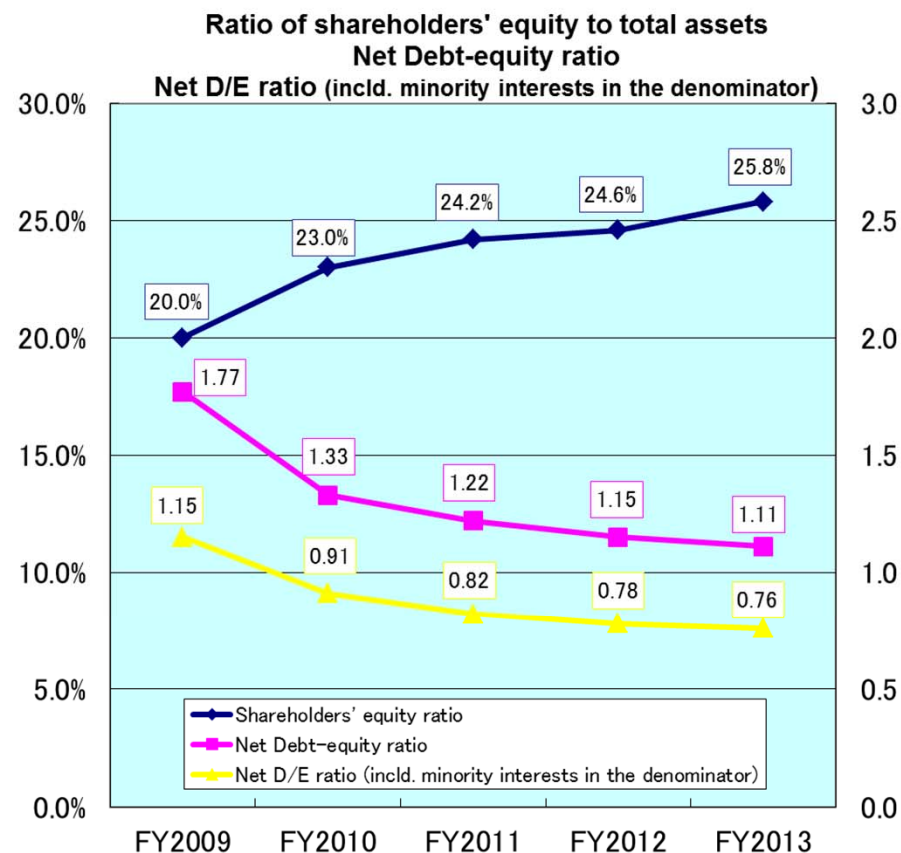
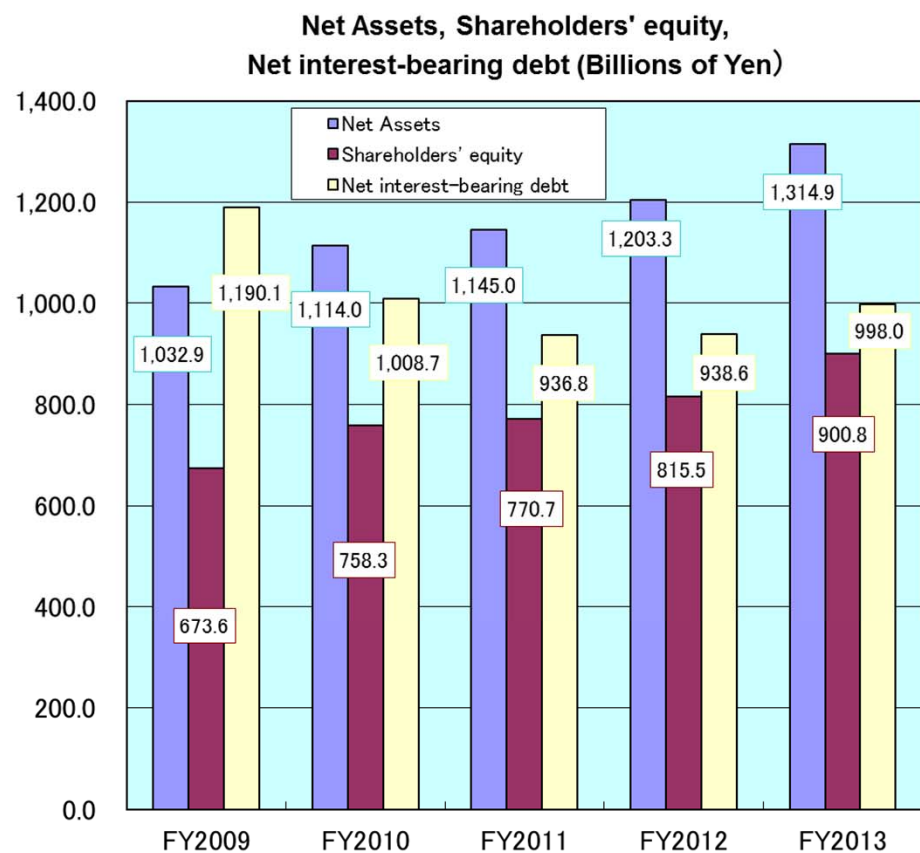
Reference

Segments	Projects Completed in FY2013				Projects in Progress			
	Company	Facility	Completion	Capacity increase	Company	Facility	Completion (Plan)	Capacity increase
Designed Materials	Mitsubishi Polyester Film Suzhou Co., Ltd. (PRC)	Polyester film* (New)	Oct. 2013	22,500 t/y	The Nippon Synthetic Chemical Industry Co., Ltd. Kumamoto Plant	PVOH film* (Expansion)	Apr. 2014	18M m ² /y
					Mitsubishi Plastics Converting Film Wuxi Co., Ltd. (PRC)	Processed polyester film products* (New)	Apr. 2015	--
					Mitsubishi Polyester Film GmbH (Germany)	Aluminum composite materials* (New)	May. 2014	1.5M m ² /y
					PT. MC PET FILM INDONESIA (Indonesia)	Moisture transmission film* (New)	1H of 2015	240M m ² /y
Health Care					Tianjin Tanabe Seiyaku Co., Ltd. (PRC)	Pharmaceutical formulation* (New)	Mar. 2015	--
Chemicals	Mitsubishi Chemical Corporation Kashima Plant	Ethylene, etc.* (Enhancement)	Oct. 2013	--	MCC PTA India Corp. Private Limited (India)	Coal hot heating system CHH (New)	Mar. 2016	--
					MCC PTA India Corp. Private Limited (India)	Connection with grid power (New)	Mar. 2015	--
Polymers	Lucite International Inc (USA)	MMA monomers* (Improvement)	Nov. 2013	--	Lucite International Inc (USA)	Methacrylic acid* (New)	1H of 2014	23,000 t/y

*Production facility

Trend of Financial Position

Reference



The forward-looking statements are based largely on company expectations and information available as of the date hereof, and are subject to risks and uncertainties, which may be beyond company control.

Actual results could differ materially due to numerous factors, including without limitation, marketing conditions and the effects of industry competition.