

Operational Summary

for the First Quarter of the Fiscal Year Ending March 31, 2009

July 31, 2008

Mitsubishi Chemical Holdings Corporation

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Notes:

FY2007: April 1, 2007 - March 31, 2008

FY2008: April 1, 2008 - March 31, 2009

Consolidated Statements of Operations

Exchange rate (¥/US\$)	104	119
Naphtha price (¥/KI)	70,500	57,800

(Billions of Yen)

	1Q of FY2008	1Q of FY2007	Change	Percentage of change
Net sales	763.8	665.0	98.8	15%
Operating income	34.6	33.4	1.2	4%
Income (expenses) on financing activities	0.3	(1.5)	1.8	
[Dividend income included in above]	[3.0]	[2.1]	[0.9]	
Other non-operating income (expenses)	3.2	1.1	2.1	
Equity in Earnings of non-consolidated subsidiaries and affiliates	0.9	3.9	(3.0)	
Ordinary income	39.0	36.9	2.1	6%
Extraordinary gain	0.3	0.7	(0.4)	
Extraordinary loss	(1.3)	(1.6)	0.3	
Income before income taxes	38.0	36.0	2.0	6%
Current and deferred income taxes	(17.0)	(15.6)	(1.4)	
Minority interests in consolidated subsidiaries	(7.9)	0.3	(8.2)	
Net income	13.1	20.7	(7.6)	(37%)

Change in accounting standards included in operating income	1Q of FY2008
Method of inventory valuation	(3.3)
Method of depreciation of tangible fixed assets	(0.7)
Total	(4.0)

Consolidated Net Sales by Business Segments

(Billions of Yen)

	1Q of FY2008	1Q of FY2007	Change
Total	763.8	665.0	98.8
Electronics Applications	92.4	97.9	(5.5)
Designed Materials	69.7	72.1	(2.4)
Health Care	128.2	76.2	52.0
Chemicals	281.6	272.2	9.4
Polymers	155.3	113.9	41.4
Others	36.6	32.7	3.9

Consolidated Operating Income by Business Segments

(Billions of Yen)

	1Q of FY2008	1Q of FY2007	Change
Total	34.6	33.4	1.2
Electronics Applications	5.7	8.3	(2.6)
Designed Materials	0.8	2.7	(1.9)
Health Care	26.6	11.5	15.1
Chemicals	2.4	4.3	(1.9)
Polymers	1.1	6.6	(5.5)
Others	1.4	2.4	(1.0)
Corporate	(3.4)	(2.4)	(1.0)

	FY2008	FY2007	Change
Difference in scale of regular plant maintenance	(3.3)	(2.8)	(0.5)
Inventory valuation gain	12.7	5.9	6.8
Difference in plant trouble	(1.0)		(1.0)

Consolidated Balance Sheets

(Billions of Yen)

Debitor	June 30, 2008	March 31, 2008	Change
Cash and deposits	77.0	116.1	(39.1)
Inventories	500.1	427.1	73.0
Trade receivables	611.8	599.9	11.9
Others	177.4	181.8	(4.4)
Current assets	1,366.3	1,324.9	41.4
Fixed assets	978.2	972.0	6.2
Investment and others	488.2	468.9	19.3
Fixed assets	1,466.4	1,440.9	25.5
Total assets	2,832.7	2,765.8	66.9

	June 30, 2008	March 31, 2008	Change
Interest-bearing debts (incl. notes)	849.1	823.1	260.0
Debt-equity ratio	1.03	0.99	0.04
Net debt-equity ratio	0.92	0.79	0.13

Shareholders' equity (*1)	824.1	827.8	(3.7)
Shareholders' equity ratio	29.0%	29.9%	(0.9%)

(*1) Net assets -minority interests-stock warrant

Creditor	June 30, 2008	March 31, 2008	Change
Interest-bearing debts	848.7	822.5	26.2
Trade payables	457.5	435.1	22.4
Others	421.9	412.3	9.6
Liabilities	1,728.1	1,669.9	58.2
Shareholders' equity	783.9	781.6	2.3
Valuation and others	41.0	47.0	(6.0)
Minorities interests	279.7	267.3	12.4
Net assets	1,104.6	1,095.9	8.7
Total liabilities and net assets	2,832.7	2,765.8	66.9

Reference: Simple summation of newly consolidated subsidiaries

Debitor		Creditor	
Inventories	39.0	Interest-bearing debts	21.0
Trade receivables	48.0	Trade payables	60.0
Fixed assets	23.0	Others	19.0
Others	20.0	Net assets	30.0
Total assets	130.0	Total liabilities and net assets	130.0

Consolidated Cash Flows

(Billions of Yen)	1Q of FY2008		Reference: Excluding financial investments
			1Q of FY2008
Net cash provided by operating activities	14.8		14.8
Net cash used in investment activities	(92.1)	Capital expenditures (37.6) Financial investments (56.5)	(35.6)
Free cash flows	(77.3)		(20.8)
Net cash provided by finance activities	1.8	Interest-bearing debts +17.4 Dividend payments (11.0)	1.8
Increase (decrease) in cash and cash equivalents	(75.5)		(19.0)
Beginning balance of cash and cash equivalents	165.7		165.7
Newly consolidated and translation adjustment, etc.	0.4		0.4
Balance of cash and cash equivalents on June 30, 2008	90.6		147.1

Revised Major Assumptions (The First Half of FY2008 Forecast)

	Revision	Announced on May 8, 2008
Exchange rate (¥/US\$)	105	105
Naphtha price (¥/KI)	1Q: 70,500 2Q: 89,700	68,000
	Jul.: 85,000 Aug.: 91,000 Sep.: 93,000	
Sales price adjustment	Naphtha price level: ¥ 83,000/KI (From July 2008) [Mostly accepted by customers] Naphtha price level: ¥ 92,000/KI (From August 2008) [Announced to customers]	

Consolidated Statements of Operations (The First Half of FY2008 Forecast)

Exchange rate (¥/US\$)	105	105			121
Naphtha price (¥/Kl)	80,100	68,000			58,800
(Billions of Yen)					
	1st Half of FY2008 Forecast				1st Half of FY2007
	Revision	Announced on May 8	Change	Percentage of change	
Net sales	1,600.0	1,600.0	0.0		1,389.8
Operating income	57.0	62.0	(5.0)	(8.1%)	66.5
Income (expenses) on financing activities	(2.0)	(3.0)	1.0		(4.1)
Other non-operating income (expenses)	9.0	10.0	(1.0)		2.0
Equity in earnings of non-consolidated subsidiaries and affiliates	1.0	3.0	(2.0)		6.2
Ordinary income	65.0	72.0	(7.0)	(9.7%)	70.6
Extraordinary gain	5.0	5.0	0.0		2.0
Extraordinary loss	(10.0)	(10.0)	0.0		(9.1)
Income before income taxes	60.0	67.0	(7.0)	(10.4%)	63.5
Current and deferred income taxes	(25.0)	(28.0)	3.0		(25.0)
Minority interests in consolidated subsidiaries	(8.0)	(9.0)	1.0		(0.3)
Net income	27.0	30.0	(3.0)	(10.0%)	38.2

Consolidated Operating Income by Business Segments (The First Half of FY2008 Forecast)

(Billions of Yen)

	1st Half of FY2008 Forecast			1st Half of FY2007
	Revision	Announced on May 8	Change	
Total	57.0	62.0	(5.0)	66.5
Electronics Applications	14.0	15.0	(1.0)	16.8
Designed Materials	3.0	6.0	(3.0)	6.2
Health Care	36.0	36.0	0.0	21.2
Chemicals	7.0	7.0	0.0	12.1
Polymers	0.0	2.0	(2.0)	10.7
Others	4.0	4.0	0.0	5.1
Corporate	(7.0)	(8.0)	1.0	(5.6)

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.