

Operational Summary

for the Fiscal Year Ended March 31, 2013

May 9, 2013

Mitsubishi Chemical Holdings Corporation

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List of Abbreviations

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
FY2012:	April 1, 2012 - March 31, 2013 1st Half ("1H") of FY2012: April 1, 2012- September 30, 2012 2nd Half ("2H") of FY2012: October 1, 2012 - March 31, 2013 4th Quarter ("4Q") of FY2012: January 1, 2013 - March 31, 2013
FY2011:	April 1, 2011 - March 31, 2012
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\$)	79.0	87.7	83.3	79.0	4.3
Exchange rate used to convert income statements for foregin subsidiaries with calender-year accounting peirod (¥/US\$)	79.8	80.5	80.1	79.6	0.5
Naphtha price (¥/kl)	55,200	59,800	57,500	54,900	2,600
	(Billions of Yen)				
	1H	2H	FY2012	FY2011	Change
Net sales	1,529.8	1,558.8	3,088.6	3,208.2	(119.6)
Operating income	41.1	49.1	90.2	130.6	(40.4)
Income (expenses) on financing activities [Dividend income included in above]	(1.3) [5.3]	(2.8) [3.6]	(4.1) [8.9]	(6.7) [7.0]	2.6 [1.9]
Equity in Earnings of non-consolidated subsidiaries and affiliates	0.2	3.0	3.2	14.9	(11.7) (a)
Other non-operating income (expenses)	(6.1)	3.9	(2.2)	(5.2)	3.0
Ordinary income	33.9	53.2	87.1	133.6	(46.5)
Extraordinary gain	8.9	12.3	21.2	23.6	(2.4) (b)
Extraordinary loss	(12.6)	(12.8)	(25.4)	(29.7)	4.3
Income before income taxes and minority interests	30.2	52.7	82.9	127.5	(44.6)
Current and deferred income taxes	(15.7)	(24.4)	(40.1)	(53.2)	13.1
Income before minority interests	14.5	28.3	42.8	74.3	(31.5)
Minority interests in consolidated subsidiaries	(11.2)	(13.0)	(24.2)	(38.8)	14.6 (c)
Net income (loss)	3.3	15.3	18.6	35.5	(16.9)
Comprehensive income attributable to :	10.6	84.3	94.9	64.2	30.7
Shareholders of the parent	(0.5)	60.0	59.5	25.3	34.2
Minority interests	11.1	24.3	35.4	38.9	(3.5)

Major reasons for the change

(a) Equity in earnings of non-consolidated subsidiaries and affiliates (11.7) : Sam Nam Petrochemical Co., Ltd., and TAIYO NIPPON SANZO CORPORATION

(b) Extraordinary gain (2.4) : FY2011 included gain on forgiveness of debts relating to liquidation of a subsidiary (5.7)

Gain on sale of investment securities +5.5

(c) Minority interests in consolidated subsidiaries +14.6 : FY2011 Included (5.7) corresponding to the forgiveness of debts relating to liquidation of a subsidiary

Consolidated Net Sales and Operating Income by Business Segment

		(Billions of Yen)				
		1H	2H	FY2012	FY2011	Change
Total	Net Sales	1,529.8	1,558.8	3,088.6	3,208.2	(119.6)
	Operating Income	41.1	49.1	90.2	130.6	(40.4)
Electronics Applications	Net Sales	60.5	57.7	118.2	133.8	(15.6)
	Operating Income	(1.3)	(3.8)	(5.1)	(5.3)	0.2
Designed Materials	Net Sales	340.5	349.2	689.7	699.9	(10.2)
	Operating Income	10.5	12.0	22.5	25.6	(3.1)
Health Care	Net Sales	250.8	263.6	514.4	502.5	11.9
	Operating Income	36.0	38.9	74.9	76.4	(1.5)
Chemicals	Net Sales	443.6	460.0	903.6	1,007.5	(103.9)
	Operating Income	(5.4)	5.2	(0.2)	14.8	(15.0)
Polymers	Net Sales	341.9	333.8	675.7	658.6	17.1
	Operating Income	2.9	(2.8)	0.1	23.8	(23.7)
Others	Net Sales	92.5	94.5	187.0	205.9	(18.9)
	Operating Income	2.5	4.0	6.5	6.1	0.4
Corporate	Net Sales	-	-	-	-	-
	Operating Income	(4.1)	(4.4)	(8.5)	(10.8)	2.3

Included in the change reclassification of (2.6) billion yen for expenses for certain basic research activities ^{*2}

Impact of the earthquake

Operating income exclud. impact of the earthquake

(17.6)
148.2

*1 Effective as from FY2012, segmentation for certain consolidated subsidiaries has changed from the Polymers segment to the Designed Materials segment. The segment information for FY2011 is accordingly restated.

*2 Effective as from FY2012, expenses for certain basic research activities, previously included in the Corporate, are stated in the Designed Materials segment due to progress in the research. The expenses for FY2011 were 2.6 billion yen.

Consolidated Net Sales and Operating Income by Business Sub-segment

		(Billions of Yen)					
		1H	2H	FY2012	FY2011	Change	
Electronics Applications		Net Sales	60.5	57.7	118.2	133.8	(15.6)
		Operating Income	(1.3)	(3.8)	(5.1)	(5.3)	0.2
Designed Materials	Functional Products	Net Sales	237.1	240.9	478.0	497.6	(19.6)
		Operating Income	3.0	4.6	7.6	13.7	(6.1) (a)
	Performance Chemicals	Net Sales	103.4	108.3	211.7	202.3	9.4
		Operating Income	7.5	7.4	14.9	11.9	3.0 (b)
Health Care	Pharmaceuticals	Net Sales	203.8	215.3	419.1	407.1	12.0
		Operating Income	34.6	38.9	73.5	73.1	0.4 (c)
	Diagnostics, Clinical Testing and API	Net Sales	47.0	48.3	95.3	95.4	(0.1)
		Operating Income	1.4	0.0	1.4	3.3	(1.9) (d)

Included in the change reclassification of (2.6) billion yen for expenses for certain basic research activities ^{*2}

*1 Effective as from FY2012, segmentation for certain consolidated subsidiaries has changed from the Polymers segment to the Designed Materials segment. The segment information for FY2011 is accordingly restated.

*2 Effective as from FY2012, expenses for certain basic research activities, previously included in the Corporate, are stated in the Designed Materials segment due to progress in the research. The expenses for FY2011 were 2.6 billion yen.

Major reasons for the change:

- (a) Decreased margin for carbon fiber and decreased overseas sales for polyester films
- (b) Increased sales of optical films for FPD as opposed to decreased sales of Lithium-ion battery materials
- (c) Sales expansion of Remicade and new drugs and increase in royalty revenues offset adverse effect of NHI drug price revisions and generics
- (d) Decreased sales in drug discovery support business

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

(Billions of Yen)

		1H	2H	FY2012	FY2011	Change	
Chemicals	Petrochemicals	Net Sales	323.7	354.9	678.6	737.0	(58.4)
		Operating Income	(10.8)	(2.2)	(13.0)	1.3	(14.3) (a)
	Carbon	Net Sales	119.9	105.1	225.0	270.5	(45.5)
		Operating Income	5.4	7.4	12.8	13.5	(0.7) (b)
Polymers	Polyolefins and Advanced Polymers	Net Sales	211.1	214.2	425.3	394.7	30.6
		Operating Income	(2.0)	(4.0)	(6.0)	(1.9) ^{*1}	(4.1) (c)
	MMA Monomers and Polymers	Net Sales	130.8	119.6	250.4	263.9	(13.5)
		Operating Income	4.9	1.2	6.1	25.7	(19.6) (d)

*1 Effective as from FY2012, segmentation for certain consolidated subsidiaries has changed from the Polymers segment to the Designed Materials segment. The segment information for FY2011 is accordingly restated.

Inventory valuation gain/loss	1H	2H	FY2012	FY2011	Change
Chemicals (Petrochemicals)	(1.4)	7.4	6.0	5.1	0.9
Chemicals (Carbon)	(0.4)	0.0	(0.4)	1.3	(1.7)
Polymers (Polyolefins and Advanced Polymers)	0.9	7.2	8.1	4.4	3.7
Total	(0.9)	14.6	13.7	10.8	2.9

Major reasons for the change:

- (a) Decreased margin for PTA
- (b) Adverse effect of inventory valuation for coal and decreased margin for blast furnace coke, almost offset by royalty revenues
- (c) Decreased margin for polyolefins
- (d) Decreased margin for MMA

Analysis of Operating Income

(Billions of Yen)

	FY2012	FY2011	Analysis				
			Change	Price	Volume	Cost reduction	Others
Total	90.2	130.6	(40.4)	(101.9)	29.4	29.6	2.5
Electronics Applications	(5.1)	(5.3)	0.2	(4.5)	(1.5)	6.2	0.0
Designed Materials	22.5	25.6	(3.1)	(6.2)	(3.0)	8.7	(2.6)
Health Care	74.9	76.4	(1.5)	(19.4)	15.3	0.6	2.0
Chemicals	(0.2)	14.8	(15.0)	(28.9)	11.3	3.4	(0.8)
Polymers	0.1	23.8	(23.7)	(42.9)	7.3	8.2	3.7
Others	6.5	6.1	0.4	-	0.0	1.3	(0.9)
Corporate	(8.5)	(10.8)	2.3	-	-	1.2	1.1

Note: Effective as from FY2012, segmentation for certain consolidated subsidiaries has changed from the Polymers segment to the Designed Materials segment. The segment information for FY2011 is accordingly restated.

Consolidated Extraordinary Gain and Loss

(Billions of Yen)

			FY2011	Change
	4Q	FY2012		
Net of extraordinary gain and loss	7.3	(4.2)	(6.1)	1.9
Extraordinary gain	11.3	21.2	23.6	(2.4)
Gain on sales of investment securities	6.8	8.8	3.3	5.5
Gain on sales of property, plant and equipment	2.8	6.7	2.7	4.0
Others	1.7	5.7	17.6	(11.9)
Extraordinary loss	(4.0)	(25.4)	(29.7)	4.3
Business structure improvement expenses	(0.7)	(11.6)	(4.6)	(7.0)
Others	(3.3)	(13.8)	(25.1)	11.3
Loss on sales and retirement of property, plant and equipment	(1.6)	(4.0)	(5.9)	1.9
Others	(1.7)	(9.8)	(19.2)	9.4

Consolidated Cash Flows

	Based on statements of cash flows		Adjusted by excluding cash flows from investment of surplus funds	
	FY2012	FY2011	FY2012 Excluded (12.4) billion yen	FY2011 Excluded 57.5 billion yen
Net cash provided by operating activities	206.5	218.0	206.5	218.0
Income before income taxes and minority interests	82.9	127.5	82.9	127.5
Depreciation and amortization	129.5	145.7	129.5	145.7
Amortization of goodwill	11.8	12.3	11.8	12.3
Change in operating receivables/payables	13.4	40.1	13.4	40.1
Change in Inventories	(24.2)	(33.5)	(24.2)	(33.5)
Others	(6.9)	(74.1)	(6.9)	(74.1)
Net cash used in investment activities	(169.8)	(63.4)	(157.4)	(120.9)
Capital expenditure	(135.3)	(116.0)	(135.3)	(116.0)
Investment and loans receivable	(75.1)	(8.3)	(69.7)	(8.3)
Sale of fixed assets, etc	40.6	60.9	47.6	3.4
Free cash flow	36.7	154.6	49.1	97.1
Net cash used in financing activities	(26.3)	(164.1)		
Interest bearing debts	7.7	(131.1)		
Dividends, etc.	(34.0)	(33.0)		
Increase (decrease) in cash and cash equivalents	10.4	(9.5)		
Effect of exchange rate changes and change in scope of consolidation	9.6	(1.1)		
Cash and cash equivalents at the end of the period	153.1	133.1		

(Billions of Yen)

Consolidated Balance Sheets

(Billions of Yen)

	Mar. 31, 2013	Mar. 31, 2012	Change
Cash and deposits	116.0	114.8	1.2
Inventories	547.0	516.1	30.9
Trade receivables	588.2	593.4	(5.2)
Others	205.5	153.5	52.0
Current assets	1,456.7	1,377.8	78.9
Tangible and Intangible fixed assets	1,126.8	1,099.1	27.7
Goodwill	179.9	141.8	38.1
Investment and Others	544.4	555.3	(10.9)
Non-current assets	1,851.1	1,796.2	54.9
Total assets	3,307.8	3,174.0	133.8

(Billions of Yen)

	Mar. 31, 2013	Mar. 31, 2012	Change
Interest-bearing debts	1,198.8	1,164.1	34.7
Trade payables	417.0	411.3	5.7
Others	488.7	453.6	35.1
Liabilities	2,104.5	2,029.0	75.5
Shareholders' equity	835.5	831.6	3.9
Accumulated other comprehensive income	(20.0)	(60.8)	40.8
Minority interests, etc.	387.8	374.2	13.6
Net assets	1,203.3	1,145.0	58.3
Total liabilities and net assets	3,307.8	3,174.0	133.8

Net interest-bearing debts (*1)	938.6	936.8	1.8
Net D/E ratio	1.15	1.22	(0.07)
Net D/E ratio (incl. minority interests in the denominator)	0.78	0.82	(0.04)

Shareholders' equity (*2)	815.5	770.7	44.8
Shareholders' equity ratio	24.6%	24.2%	0.4%

*1. Net interest-bearing debts (938.6 billion yen)
 = interest bearing debts (1,198.8 billion yen)
 - {cash and cash equivalents (153.1 billion yen) + investments of surplus funds (107.1 billion yen)}

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

Consolidated Statement of Changes in Net Assets

(Billions of Yen)

	Shareholders' Equity					Other Comprehensive Income (Loss)					Warrants	Minority interests in consolidated subsidiaries	Total net assets	
	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	Unfunded retirement benefit obligation with respect to a foreign subsidiary				Accumulated other comprehensive income (loss)
Beginning of period	50.0	317.6	474.8	(10.8)	831.6	4.6	(0.1)	1.6	(62.0)	(4.9)	(60.8)	0.7	373.6	1,145.0
Cash dividends			(16.2)		(16.2)						-			(16.2)
Net income			18.6		18.6						-			18.6
Purchase of treasury stock				(0.5)	(0.5)						-			(0.5)
Disposal of treasury stock		0.1			0.1						-			0.1
Change in scope of consolidation			(0.0)		(0.0)						-			(0.0)
Change in scope of equity method			1.9		1.9						-			1.9
Net change in items other than those in shareholders' equity	/	/	/	/	/	9.4	1.1	-	30.3	(0.0)	40.8	(0.1)	13.6	54.3
Net changes during the period	-	0.1	4.4	(0.5)	3.9	9.4	1.1	-	30.3	(0.0)	40.8	(0.1)	13.6	58.3
End of period	50.0	317.7	479.2	(11.3)	835.5	14.0	1.0	1.6	(31.7)	(4.9)	(20.0)	0.6	387.2	1,203.3

Consolidated Statements of Comprehensive Income

Exchange rate used to convert balance sheets for foreign subsidiaries	Dec. 2012	Dec. 2011
	Mar. 2013	Mar. 2012
For subsidiaries with calendar-year accounting period (¥/US\$)	86.6	77.7
For subsidiaries with April-March accounting period (¥/US\$)	94.1	82.2
For subsidiaries with calendar-year accounting period (¥/€)	114.7	100.7
For subsidiaries with April-March accounting period (¥/€)	120.7	109.8

	(Billions of Yen)		
	FY2012	FY2011	Change
Net income	18.6	35.5	(16.9)
Minority interests in consolidated subsidiaries	24.2	38.8	(14.6)
Income before minority interests	42.8	74.3	(31.5)
Other comprehensive income (loss):			
Net unrealized holding gain (loss) on other securities	12.7	0.7	12.0
Gain (loss) on deferred hedges	1.8	1.2	0.6
Foreign currency translation adjustments	32.6	(10.3)	42.9
Unfunded retirement benefit obligation with respect to a foreign subsidiary	(0.0)	(0.8)	0.8
Other comprehensive income (loss) for affiliates accounted for using equity method	5.0	(0.9)	5.9
Other comprehensive income (loss), net	52.1	(10.1)	62.2
Total comprehensive income (loss)	94.9	64.2	30.7
Total comprehensive income (loss) attributable to :			
Shareholders of the parent	59.5	25.3	34.2
Minority interests	35.4	38.9	(3.5)

Unification of Depreciation Method

Forecast

Depreciation method for domestic consolidated subsidiaries with the declining balance method will change to the straight-line method effective from FY2013 to be consistent with the accounting policy of MCHC for adequacy of consolidated financial statements.

This will result that depreciation method of the MCHC Group will have been unified into the straight-line method and will encourage better response to the change of business environment.

<History>

	Straight-line method as from:	
	FY2010	FY2013
<small>Referring to domestic sites for major businesses</small> MCC Petrochemicals (Basic petrochemicals, C4 chemicals) Carbon (Blast furnace coke, Carbon black, Synthetic rubber) Polyolefin and Advanced Polymers (Phenol-polycarbonate chain)		Electronics Applications (White LED lighting and materials) Performance Chemicals (Organic synthesis) Diagnostics and Pharmaceutical ingredients/formulations (Diagnostic reagents and instruments, drug discovery support, active pharmaceutical intermediate)
MTPC		Pharmaceuticals
MPI		Functional Products (Polyester film, Almina fiber, High performance films)
MRC		Functional Products (PAN-based carbon fibers) Petrochemicals (AN) MMA Monomers and Polymers (MMA, PMMA)

Unification of Accounting Period

Forecast

Considering increasing materiality of foreign subsidiaries with calendar-year accounting period, the MCHC Group has been making progress for unification of accounting period, which should improve management. We will take a further step, to result that accounting periods for all of major subsidiaries will have been unified to April-March, the accounting period for the parent company MCHC, as of FY2013.

<History>	April-March accounting period as from:		
	FY2011	FY2012	FY2013
<small>Referring to major businesses</small>			
MCC	Petrochemicals (PTA)		Electronics Applications (Recording media) Performance Chemicals (Organic synthesis) Polyolefin and Advanced Polymers (Performance polymers)
MTPC		Pharmaceuticals	
MPI			Functional Products (Polyester film)
MRC			Functional Products (PAN-based carbon fibers) MMA Monomers and Polymers (MMA, PMMA)

Impact of the Unifications on Sales and Operating Income for FY2013

(Billions of Yen)

	Depreciation method	Accounting period	Total
Sales	-	143.0	143.0
Operating Income	11.5	8.5	20.0

Consolidated Statement of Operations

(FY2013 Forecast)

Forecast

Exchange rate (¥/US\$)	95.0	95.0	95.0	83.3	11.7
Exchange rate used to convert income statements for foreign subsidiaries with calendar-year accounting period (¥/US\$)	93.8	95.0	94.4	80.1	14.3
Naphtha price (¥/kl)	64,000	64,000	64,000	57,500	6,500
	(Billions of Yen)				
	1H	2H	FY2013 Forecast	FY2012 Actual	Change
Net sales	1,660.0	1,910.0	3,570.0	3,088.6	481.4
Operating income	57.0	101.0	158.0	90.2	67.8
Income (expenses) on financing activities	(4.0)	(4.0)	(8.0)	(4.1)	(3.9)
[Dividend income included in above]	[3.0]	[3.0]	[6.0]	[8.9]	[(2.9)]
Equity in Earnings of non-consolidated subsidiaries and affiliates	1.5	2.5	4.0	3.2	0.8
Other non-operating income (expenses)	(5.0)	(6.0)	(11.0)	(2.2)	(8.8)
Ordinary income	49.5	93.5	143.0	87.1	55.9
Extraordinary gain	6.0	6.0	12.0	21.2	(9.2)
Extraordinary loss	(6.0)	(13.0)	(19.0)	(25.4)	6.4
Income before income taxes and minority interests	49.5	86.5	136.0	82.9	53.1
Current and deferred income taxes	(22.0)	(30.0)	(52.0)	(40.1)	(11.9)
Income before minority interests	27.5	56.5	84.0	42.8	41.2
Minority interests in consolidated subsidiaries	(13.0)	(20.0)	(33.0)	(24.2)	(8.8)
Net income (loss)	14.5	36.5	51.0	18.6	32.4

Consolidated Net Sales and Operating Income by Business Segment (FY2013 Forecast)

Forecast

(Billions of Yen)

		1H	2H	FY2013 Forecast	FY2012 Actual	Change	Impact of the unifications out of the change		Others
							Depreciation method	Accounting period	
Total	Net Sales	1,660.0	1,910.0	3,570.0	3,088.6	481.4	-	143.0	338.4
	Operating Income	57.0	101.0	158.0	90.2	67.8	11.5	8.5	47.8
Electronics Applications	Net Sales	65.0	95.0	160.0	118.2	41.8	-	24.0	17.8
	Operating Income	(1.5)	0.5	(1.0)	(5.1)	4.1	0.5	0.5	3.1
Designed Materials	Net Sales	380.0	440.0	820.0	689.7	130.3	-	34.0	96.3
	Operating Income	18.0	27.0	45.0	22.5	22.5	7.5	2.5	12.5
Health Care	Net Sales	255.0	282.0	537.0	514.4	22.6	-	-	22.6
	Operating Income	33.5	46.5	80.0	74.9	5.1	1.0	-	4.1
Chemicals	Net Sales	485.0	505.0	990.0	903.6	86.4	-	2.0	84.4
	Operating Income	3.5	11.0	14.5	(0.2)	14.7	1.0	0.0	13.7
Polymers	Net Sales	385.0	465.0	850.0	675.7	174.3	-	63.0	111.3
	Operating Income	7.0	15.5	22.5	0.1	22.4	1.5	5.5	15.4
Others	Net Sales	90.0	123.0	213.0	187.0	26.0	-	20.0	6.0
	Operating Income	0.5	4.5	5.0	6.5	(1.5)	0.0	0.0	(1.5)
Corporate	Net Sales	-	-	-	-	-	-	-	-
	Operating Income	(4.0)	(4.0)	(8.0)	(8.5)	0.5	0.0	-	0.5

Consolidated Net Sales and Operating Income by Business Sub-segment (FY2013 Forecast)

Forecast

(Billions of Yen)

				FY2013 Forecast	FY2012 Actual	Change	Impact of the unifications out of the change		Others	
		1H	2H				Depreciation method	Accounting period		
Electronics Applications	Net Sales	65.0	95.0	160.0	118.2	41.8	-	24.0	17.8	
	Operating Income	(1.5)	0.5	(1.0)	(5.1)	4.1	0.5	0.5	3.1	
Designed Materials	Functional Products	Net Sales	265.0	300.0	565.0	478.0	87.0	-	21.0	66.0
		Operating Income	8.0	13.0	21.0	7.6	13.4	6.0	1.0	6.4
	Performance Chemicals	Net Sales	115.0	140.0	255.0	211.7	43.3	-	13.0	30.3
		Operating Income	10.0	14.0	24.0	14.9	9.1	1.5	1.5	6.1
Health Care	Pharmaceuticals	Net Sales	200.0	217.0	417.0	419.1	(2.1)	-	-	(2.1)
		Operating Income	32.0	42.5	74.5	73.5	1.0	-	-	1.0
	Diagnostics and Pharmaceutical ingredients/formulations *1	Net Sales	55.0	65.0	120.0	95.3	24.7	-	-	24.7
		Operating Income	1.5	4.0	5.5	1.4	4.1	1.0	-	3.1

*1 Name changes effective from FY2013 from "Diagnostics, Clinical Testing and API" to "Diagnostics and Pharmaceutical ingredients/formulations" due to the acquisition of Qualicaps in March 2013, Only nine months period (April to December 2013) of business performance for Qualicaps will be consolidated for FY2013, which is included in the forecasts of consolidated sales and operating income for FY2013 as forecasted figures.

Consolidated Net Sales and Operating Income by Business Sub-segment (Continued) (FY2013 Forecast)

Forecast

(Billions of Yen)

			FY2013 Forecast		FY2012 Actual	Change	
			1H	2H			
Chemicals	Petrochemicals	Net Sales	380.0	400.0	780.0	678.6	101.4
		Operating Income	(1.0)	5.5	4.5	(13.0)	17.5
	Carbon	Net Sales	105.0	105.0	210.0	225.0	(15.0)
		Operating Income	4.5	5.5	10.0	12.8	(2.8)
Polymers	Polyolefins and Advanced Polymers	Net Sales	240.0	260.0	500.0	425.3	74.7
		Operating Income	2.0	4.0	6.0	(6.0)	12.0
	MMA Monomers and Polymers	Net Sales	145.0	205.0	350.0	250.4	99.6
		Operating Income	5.0	11.5	16.5	6.1	10.4

Impact of the unifications out of the change		Others
Depreciation method	Accounting period	
-	2.0	99.4
0.5	0.0	17.0
-	-	(15.0)
0.5	-	(3.3)
-	8.0	66.7
-	0.5	11.5
-	55.0	44.6
1.5	5.0	3.9

Inventory valuation gain/loss	1H	2H	FY2013 Forecast	FY2012 Actual	Change
Chemicals (Petrochemicals)	(0.6)	0.2	(0.4)	6.0	(6.4)
Chemicals (Carbon)	0.1	0.0	0.1	(0.4)	0.5
Polymers (Polyolefins and Advanced Polymers)	3.4	1.2	4.6	8.1	(3.5)
Total	2.9	1.4	4.3	13.7	(9.4)

Classification of Major Businesses under Business Segment and Growth Model

Forecast

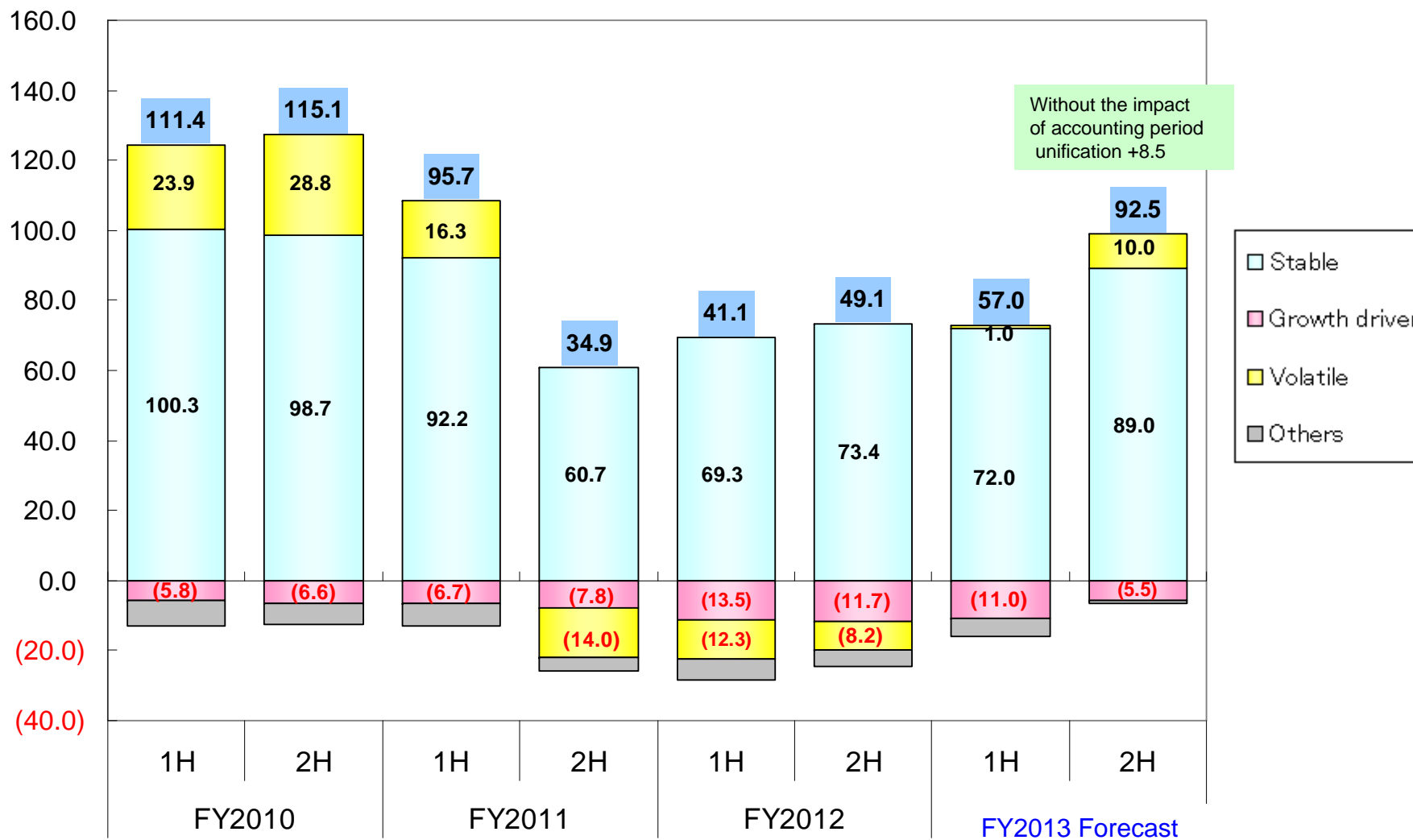
		Type of growth model			
		Stable Businesses	Growth driver businesses	Volatile Businesses	
Business Segment	Electronics Applications		LED materials *1 Display materials *2	White LED lighting and materials *3 Organic photovoltaic modules and materials	Printer supplies Recording media
	Designed Materials	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 oxyide 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 Polyolefines
		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

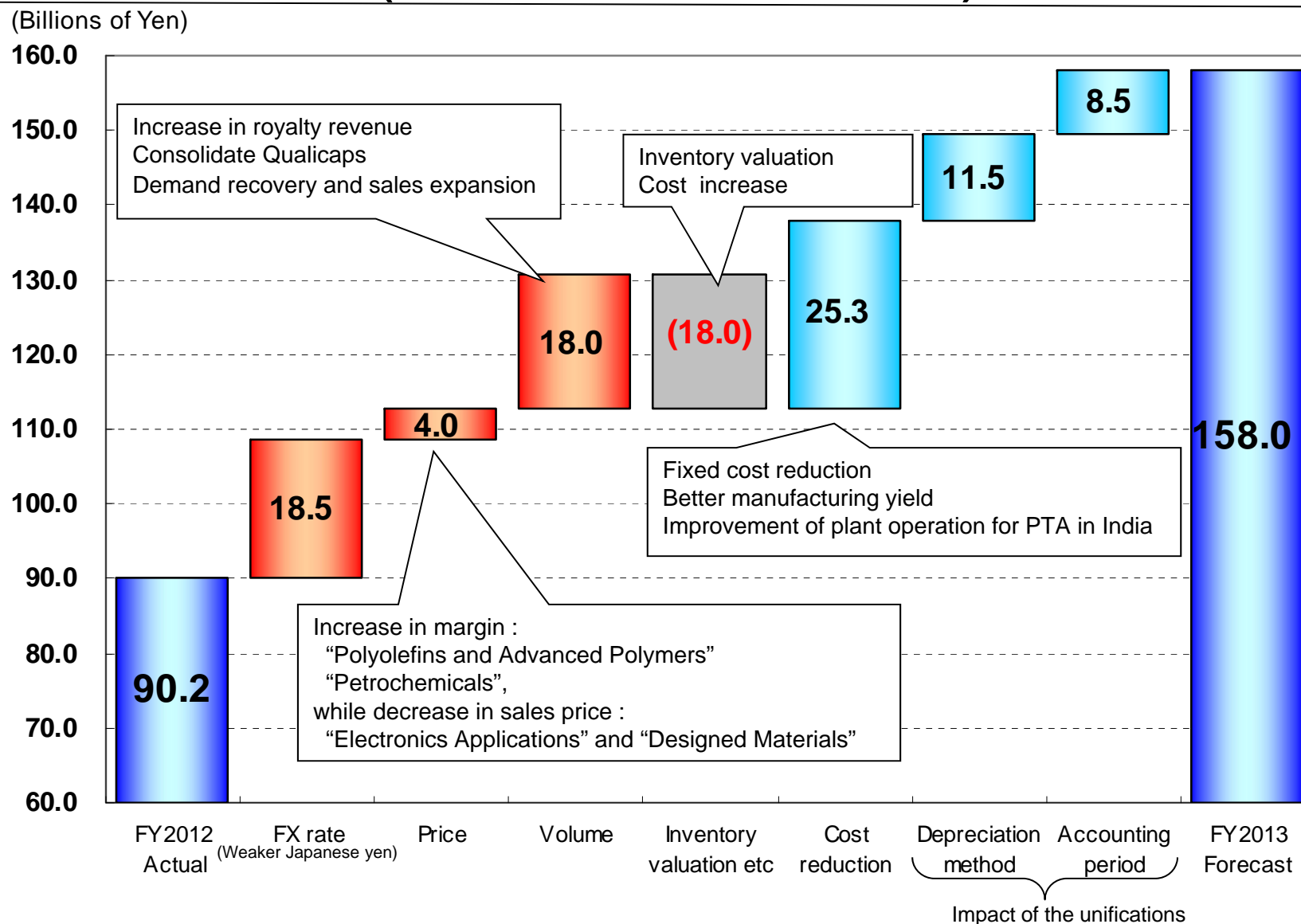
Forecast

(Billions of Yen)



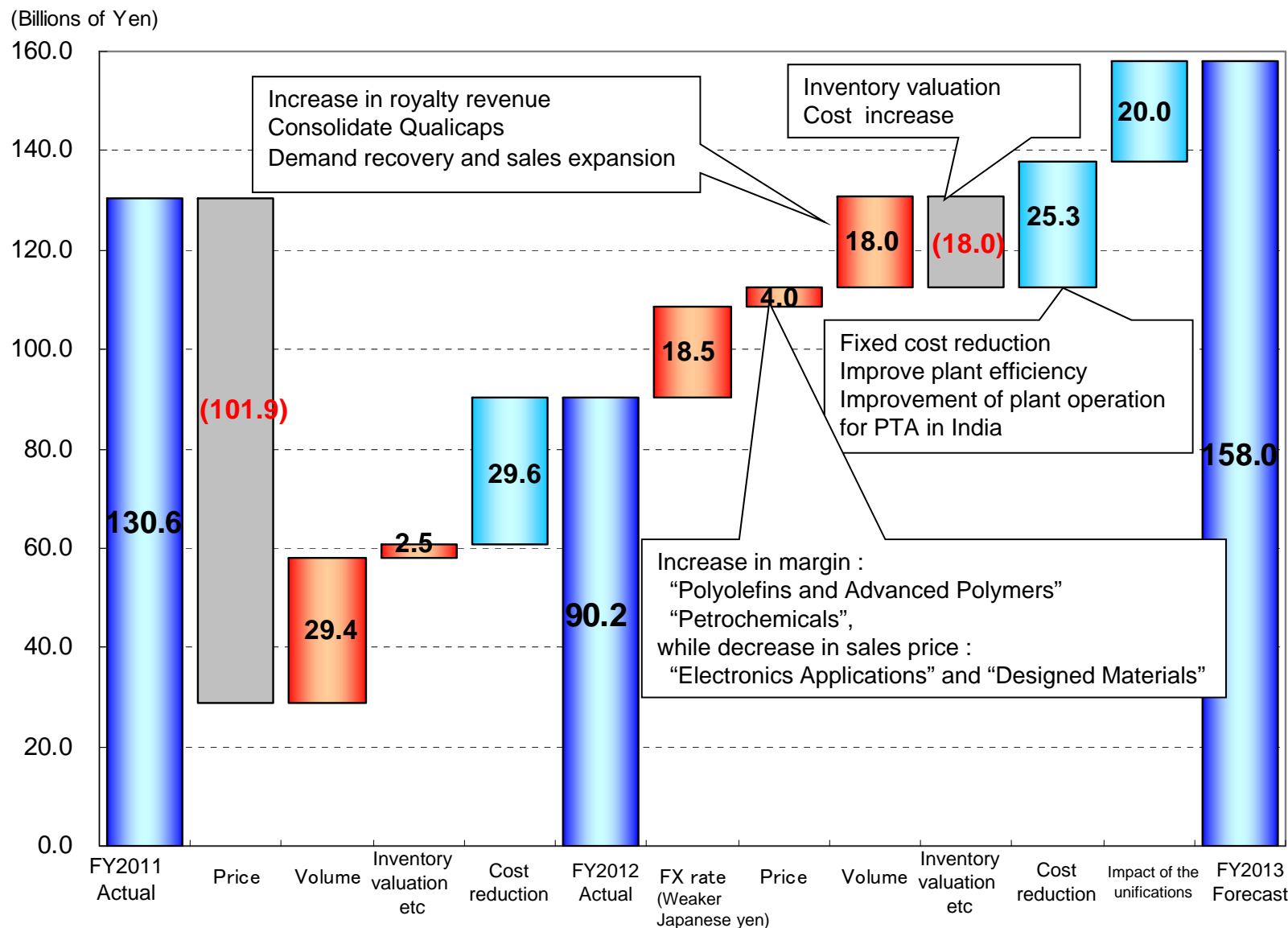
Analysis of Operating Income (FY2012 vs. FY2013 Forecast)

Forecast



Analysis of Operating Income (FY 2011 vs. FY2012 vs. FY2013 Forecast)

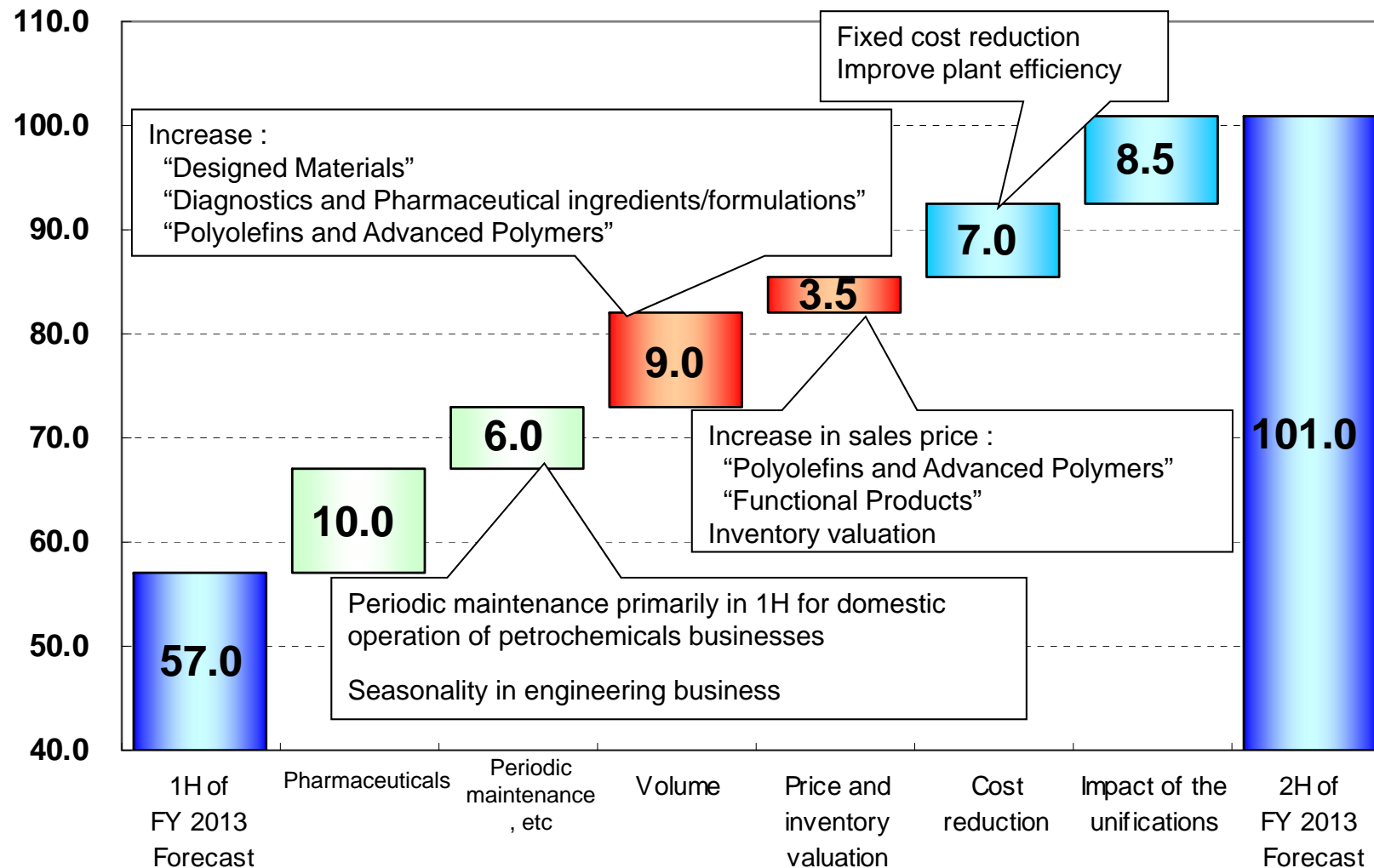
Forecast



Analysis of Operating Income (1H vs. 2H of FY 2013 Forecast)

Forecast

(Billions of Yen)



Consolidated Cash Flow Targets

Forecast

	Adjusted by excluding cash flows from investment of surplus funds	
	FY2013 Target	FY2012 Actual
	(Billions of Yen)	
Net cash provided by operating activities	261.0	206.5
Income before income taxes	136.0	82.9
Depreciation and amortization	130.0	129.5
Amortization of goodwill	14.0	11.8
Change in working capital	0.0	(10.8)
Others	(19.0)	(6.9)
Net cash used in investment activities	(161.0)	(157.4)
Capital expenditure	(132.0)	(135.3)
Investment and loans receivables, etc.	(29.0)	(22.1)
Free cash flow	100.0	49.1

Cash Dividends

Forecast

		FY2013 Forecast	FY2012 Actual	FY2011 Actual	FY2010 Actual	FY2009 Actual
Cash dividends per share (Yen)	Interim	6	6	5	5	4
	Year-end	6	6	5	5	4
	Total (Annual)	12	12	10	10	8
Total of cash dividends (Billions of Yen)	Interim	/	8.8	7.4	6.9	5.5
	Year-end	/	8.8	7.4	7.4	5.5
	Total (Annual)	/	17.7	14.8	14.3	11.0
Net income per share (Yen)	-	¥34.61	¥12.61	¥24.06	¥58.72	¥9.32
Consolidated dividend pay out ratio	-	34.7%	95.2%	41.6%	17.0%	85.8%

Scope of Consolidation and Overseas Sales and Operating Income

Reference

Scope of consolidation	(Number of companies)				
	FY2012	FY2011	FY2010	FY2009	FY2008
MCHC and affiliated companies	429	448	472	491	324
Companies in consolidation scope	392	404	411	421	240
MCHC and consolidated subsidiaries	340	341	341	345	177
Japan	130	130	127	129	95
Overseas	210	211	214	216	82
Affiliates accounted for by the equity method	52	63	70	76	63

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

(Billions of Yen)

Japan	2,320.5	2,352.5	2,436.8	2,116.4	2,477.4
Overseas	768.1	855.7	730.0	398.7	431.6
Net sales	3,088.6	3,208.2	3,166.8	2,515.1	2,909.0
Japan	78.8	72.6	153.2	44.9	11.7
Overseas	11.4	58.0	73.3	21.4	(3.5)
Operating income	90.2	130.6	226.5	66.3	8.2

Overseas sales based on location of customers

(Billions of Yen)

Overseas sales	1,107.6	1,184.4	1,087.6	637.2	668.1
Overseas sales ratio	35.9%	36.9%	34.3%	25.3%	22.9%

Major Subsidiaries

Reference

Company (Consolidated)	Net Sales			Operating Income		
	(Billions of Yen)					
	FY2012	FY2011	Change	FY2012	FY2011	Change
MCC	1,961.8	2,080.9	(119.1)	4.2	23.1	(18.9)
MTPC	419.2	407.2	12.0	69.0	69.0	0.0
MPI	398.1	379.0	19.1	12.8	10.6	2.2
MRC	456.9	474.0	(17.1)	6.8	30.3	(23.5)
Adjustments etc*	(147.4)	(132.9)	(14.5)	(2.6)	(2.4)	(0.2)
MCHC	3,088.6	3,208.2	(119.6)	90.2	130.6	(40.4)

*Adjustments etc for MCHC consolidation

- Those for net sales represent elimination of internal transactions.
- Those for operating income represent primarily amortization of goodwill as well as elimination of internal transactions.
- Also, included in the adjustments are net sales and operating income for the companies which are MCHC's 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
	FY2013 Forecast	FY2012 Actual	FY2013 Forecast	FY2012 Actual	FY2013 Forecast	FY2012 Actual	FY2012 Actual	FY2012 Actual
Electronics Applications	6.0	6.0	6.0	6.3	9.0	9.0	117.6	3,118
Designed Materials	54.0	56.3	38.0	44.7	23.0	24.5	747.0	15,281
Health Care	20.0	15.5	15.0	14.3	81.0	76.5	971.6	13,563
Chemicals	21.0	20.5	28.0	28.0	3.0	5.0	669.1	5,039
Polymers	26.0	24.2	38.0	30.7	16.0	14.3	715.7	7,478
Others	3.0	3.9	3.0	3.4	1.0	0.6	516.2	9,771
Corporate	2.0	5.8	2.0	2.1	5.0	4.8	(429.4)	881
Total	132.0	132.2	130.0	129.5	138.0	134.7	3,307.8	55,131

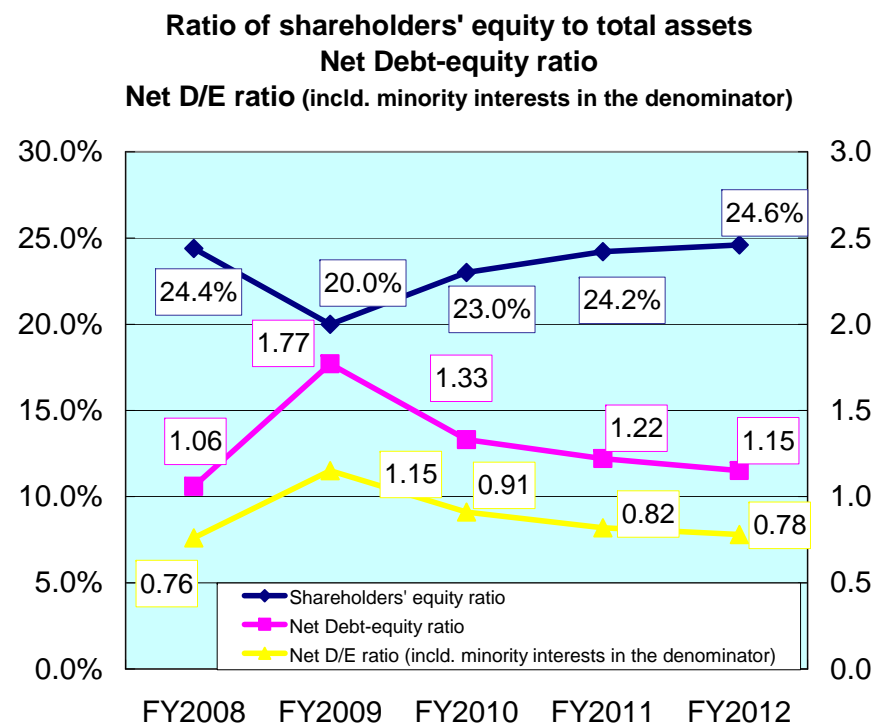
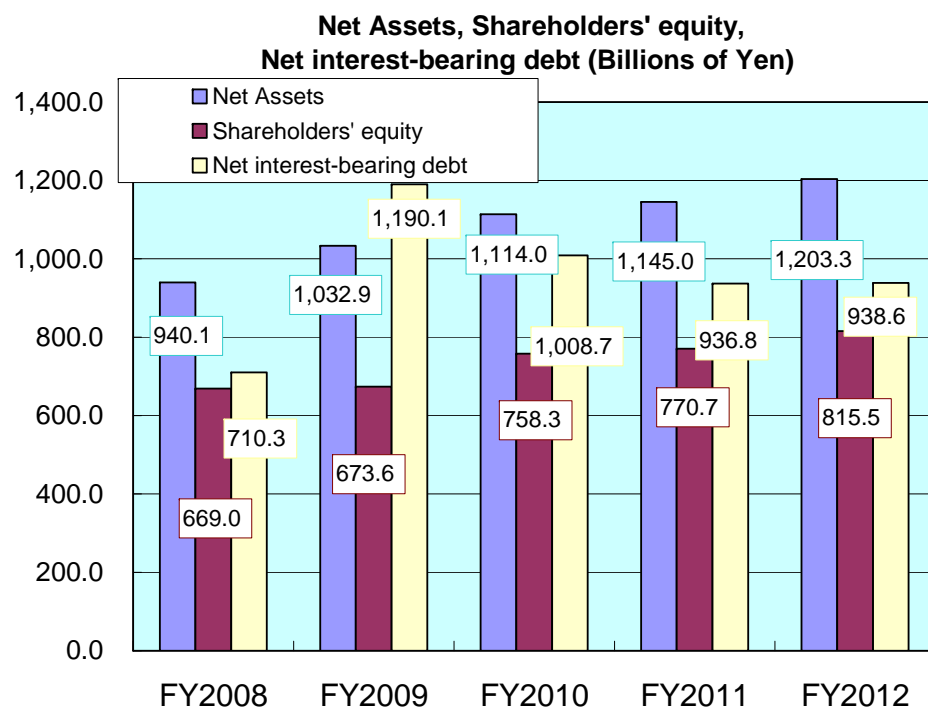
Major Capital Expenditure

Reference

	Major new and additional facilities completed during FY2012				Major facilities under construction			
	Company	Name of project	Completion date	Capacity increase	Company	Name of project	Planned completion date	Capacity increase
Designed Materials	MC Ionic Solutions UK Ltd. (UK)	Production facility for electrolyte for lithium-ion battery (new)	Apr. 2012	10,000t/y	The Nippon Synthetic Chemical Industry Co., Ltd. Kumamoto Plant	Production facility for Polyvinyl alcohol film (addition)	1Q of FY2014	18 million m ² /y
	MC Ionic Solutions US Ltd. (US)	Production facility for electrolyte for lithium-ion battery (new)	May 2012	10,000t/y	Mitsubishi Polyester Film Suzhou Co., Ltd.	Production facility for polyester film (new)	Jul. - Sep. 2013	22,500t/y
	Qingdao Anode Kasei Co., Ltd.	Production facility for electrolyte for lithium-ion battery (new)	Nov. 2012	4,000t/y	-			
	Changshu MC Ionic Solution CN Co., Ltd.	Production facility for electrolyte for lithium-ion battery (new)	Dec. 2012	10,000t/y				
	The Nippon Synthetic Chemical Industry Co., Ltd. Kumamoto Plant	Production facility for Polyvinyl alcohol film (addition)	Jul. 2012	15 million m ² /y				
	MPI Sakaide Plant	Production facility for alumina fiber (addition)	May 2012 Jan. 2013	800t/y				
	MPI Nagahama Plant	Production facility for separators for lithium-ion battery (addition)	Jul. 2012	15 million m ² /y				
Health Care	-	-	-	-	Tianjin Tanabe Seiyaku Co., Ltd. (China)	Production facility for pharmaceutical products (new)	Mar. 2015	-
Chemicals	-	-	-	-	P. T. Mitsubishi Chemical Indonesia	Electric source conversion	Dec. 2013	-
					MCC kashima Plant	Ethylene Plant and Incidental facilities (facility conversion)	May - Jun. 2014	-
Polymers	-	-	-	-	Lucite International (US)	Production facility for Methacrylic Acid (new)	1Q of FY2014	23,000t/y
					Lucite International (US)	Production facility for MMA monomer (improvement)	1Q of FY2013	-

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.