

# Supplementary Information on Financial Summary for the Nine Months of FY2014

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Mitsui Chemicals, Inc.

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Please note that this document has been translated from the original Japanese into English for the convenience of our stakeholders. The information was originally provided in Japanese. If there is any discrepancy, the Japanese language version is the official document and is available on our Japanese language website.

# 1) Consolidated Financial Highlights of the Nine Months of FY2014

(Billions of Yen)

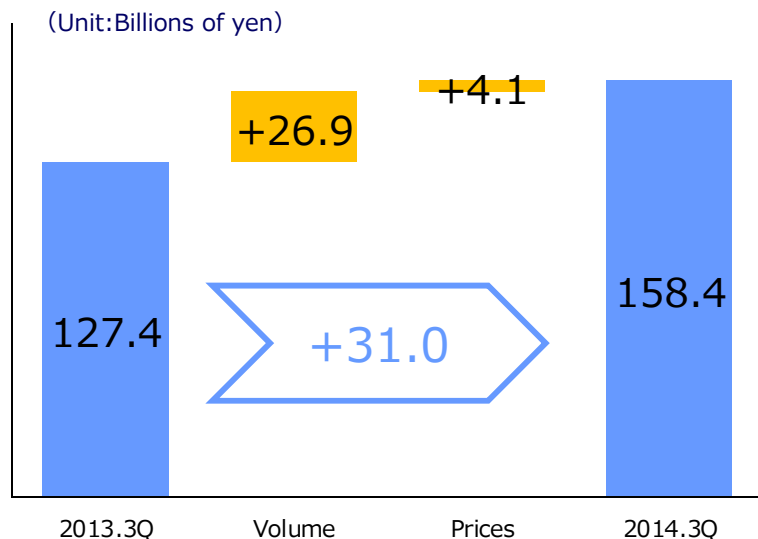
( ) Denotes a minus

Items	FY2013 1-3Q	FY2014 1-3Q	Increase (Decrease)	%
Sales	1,108.8	1,165.2	56.4	5%
Operating income (loss)	15.1	32.7	17.6	116%
Non-operating income/expenses	(1.0)	3.9	4.9	-
Ordinary income (loss)	14.1	36.6	22.5	160%
Extraordinary gains/losses	(22.9)	(3.4)	19.5	-
Net income (loss) before income taxes and minority interests	(8.8)	33.2	42.0	-
Net income (loss)	(18.5)	19.0	37.5	-
Exchange Rate (Yen/US\$)	99	107	8	
Domestic Standard Naphtha Price (Yen/KL)	65,700	68,900	3,200	

## 2) Increase/Decrease in Functional Chemicals

(Sales and Operating Income, year on year)

### Increase/Decrease of Net Sales (Nine Months of FY2014 vs. Nine Months of FY2013)



**158.4 billion yen (+31.0 billion yen year on year)**

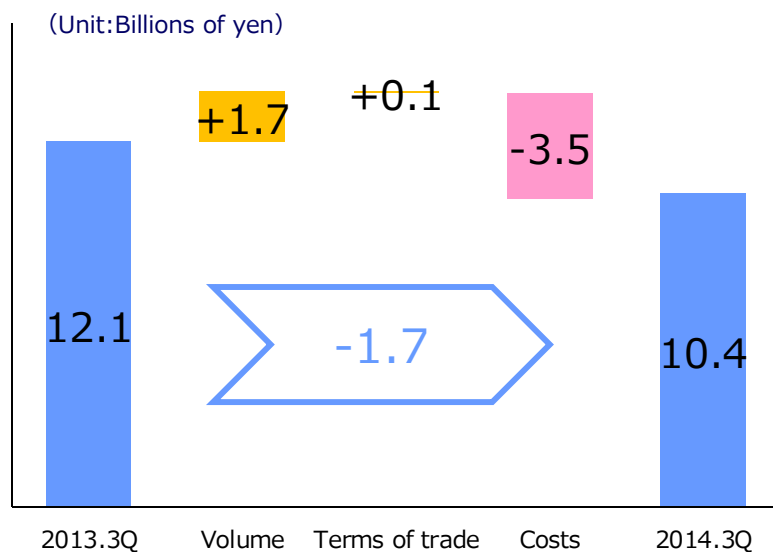
#### **Volume + 26.9 billion yen**

- Increase in overseas demand for ophthalmic lens monomers, nonwovens, and agrochemicals etc.
- Increase from acquisition of dental material business

#### **Price + 4.1 billion yen**

- Increase from foreign exchange gains in agrochemicals and healthcare

### Increase/Decrease of Operating Income (Nine Months of FY2014 vs. Nine Months of FY2013)



**10.4 billion yen (-1.7 billion yen year on year)**

#### **Volume +1.7 billion yen**

- Sales growth from expanded export of ophthalmic lens materials, nonwovens, and agrochemicals, etc.

#### **Terms of trade +0.1 billion yen**

- Improvement from weak yen, etc.

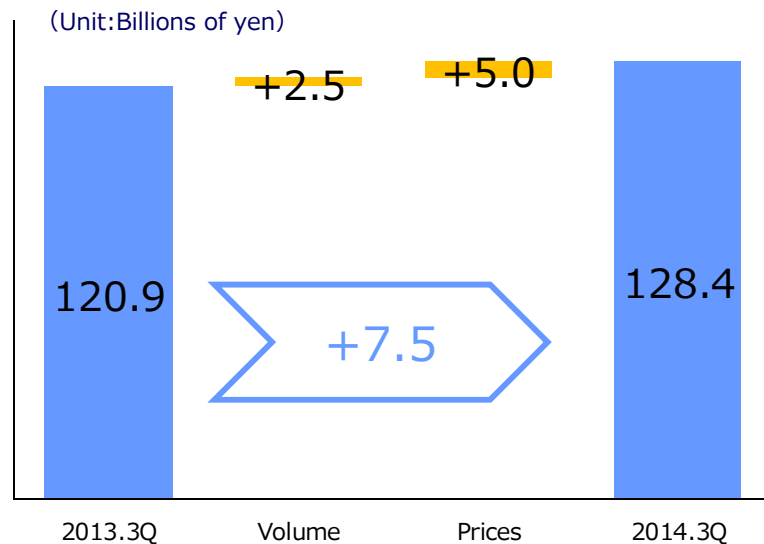
#### **Costs -3.5 billion yen**

- Increase in fixed costs from depreciation of goodwill related to acquisition of dental material business
- Increase in fixed costs, etc.

### 3) Increase/Decrease in Functional Polymeric Materials

(Sales and Operating Income, year on year)

#### Increase/Decrease of Net Sales (Nine Months of FY2014 vs. Nine Months of FY2013)



**128.4 billion yen (+7.5 billion yen year on year)**

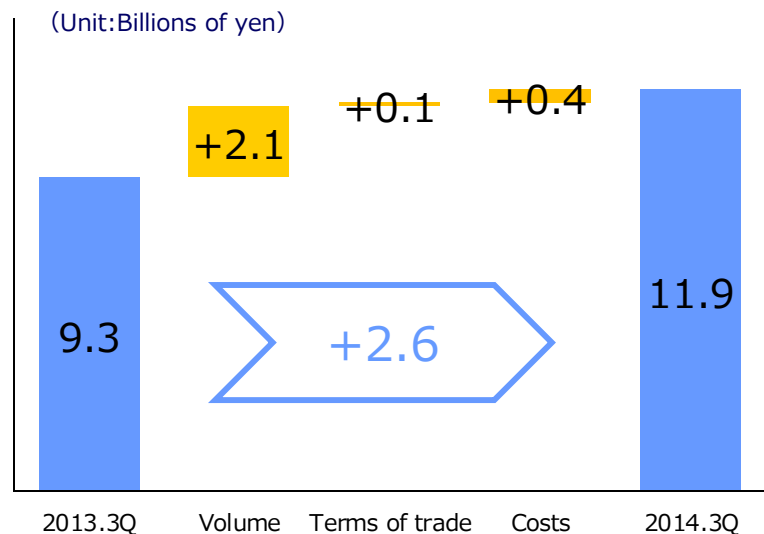
##### **Volume +2.5 billion yen**

- Increase from brisk sales in elastomers and functional compounds attributed to expanded automotive use demand mainly in North America
- Increase from brisk sales in functional polymers from expanded demand for use in smartphones, electronic and information film applications

##### **Price +5.0 billion yen**

- Increase from foreign exchange gains

#### Increase/Decrease of Operating Income (Nine Months of FY2014 vs. Nine Months of FY2013)



**11.9 billion yen (+2.6 billion yen year on year)**

##### **Volume +2.1 billion yen**

- Increase from brisk sales in elastomers and functional compounds attributed to expanded automotive use demand
- Increase from brisk sales in functional polymers from expanded demand for use in smartphones, electronic and information film applications

##### **Terms of trade +0.1 billion yen**

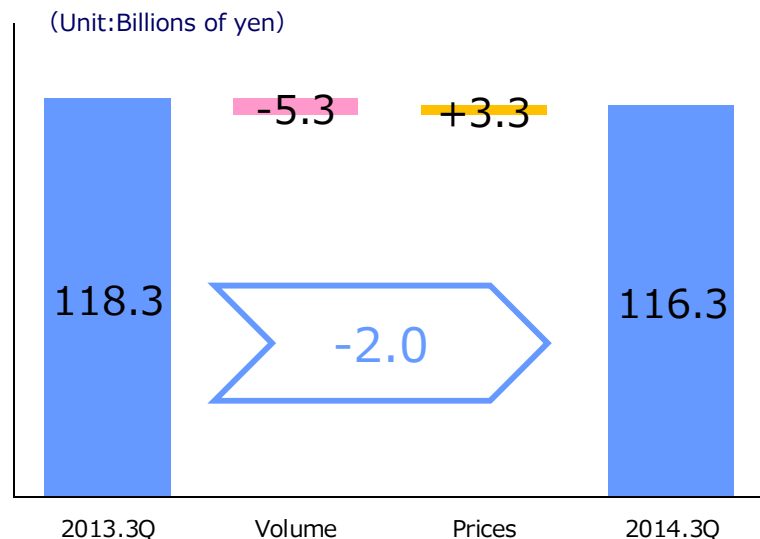
- Increase from weak yen, etc.

##### **Costs +0.4 billion yen**

- Decrease in fixed costs related to sales administration and R&D, etc.

## 4) Increase/Decrease in Polyurethane (Sales and Operating Income, year on year)

### Increase/Decrease of Net Sales (Nine Months of FY2014 vs. Nine Months of FY2013)



**116.3 billion yen (-2.0 billion yen year on year)**

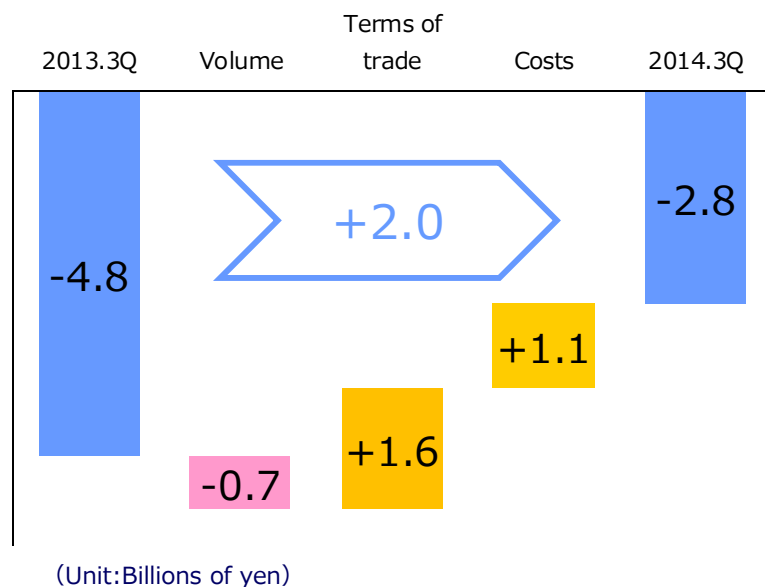
#### **Volume -5.3 billion yen**

- Decrease from drop in sales volume of polyurethane materials such as TDI

#### **Price +3.3 billion yen**

- Increase from foreign exchange gains

### Increase/Decrease of Operating Income (Nine Months of FY2014 vs. Nine Months of FY2013)



**-2.8 billion yen (+2.0 billion yen year on year)**

#### **Volume -0.7 billion yen**

- Decrease from drop in sales volume of polyurethane materials, etc.

#### **Terms of trade +1.6 billion yen**

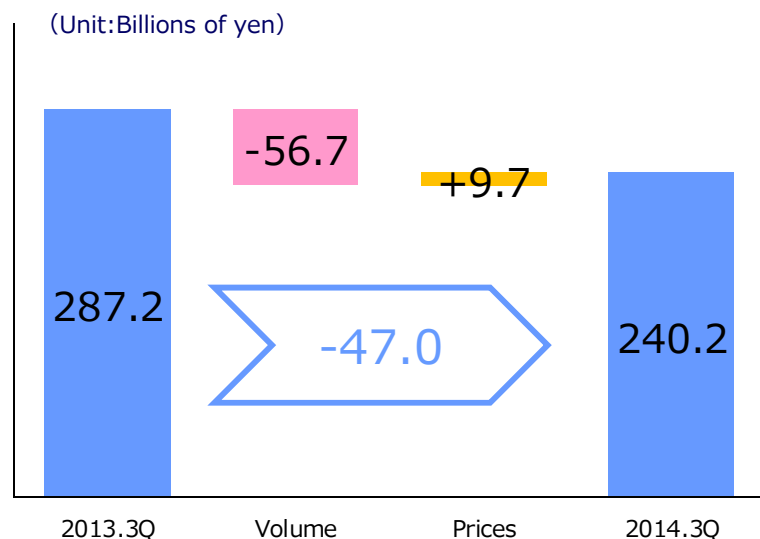
- Increase from weak yen offset drop in overseas market prices of TDI

#### **Costs +1.1 billion yen**

- Increase from cost cuts for general cost, etc.

## 5) Increase/Decrease in Basic Chemicals (Sales and Operating Income, year on year)

### Increase/Decrease of Net Sales (Nine Months of FY2014 vs. Nine Months of FY2013)



**240.2 billion yen (-47.0 billion yen year on year)**

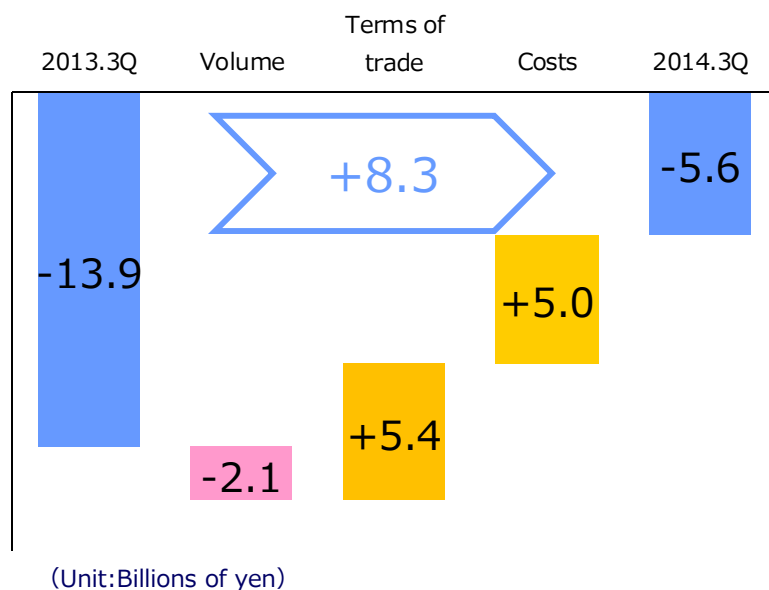
#### **Volume -56.7 billion yen**

- Decrease from drop in PTA sales due to change in status of "Siam Mitsui PTA Co., Ltd." ("SMPC") from a consolidated subsidiary to an equity method affiliate by share transfer
- Decrease from drop in phenol sales attributed to "local production for local consumption", etc.

#### **Price +9.7 billion yen**

- Increase in exports and foreign exchange gains in overseas products
- Increased in domestic sales prices especially for phenols

### Increase/Decrease of Operating Income (Nine Months of FY2014 vs. Nine Months of FY2013)



**-5.6 billion yen (+8.3 billion yen year on year)**

#### **Volume -2.1 billion yen**

- Decrease from drop in PTA sales due to change in status of SMPC from a consolidated subsidiary to an equity method affiliate

#### **Terms of trade +5.4 billion yen**

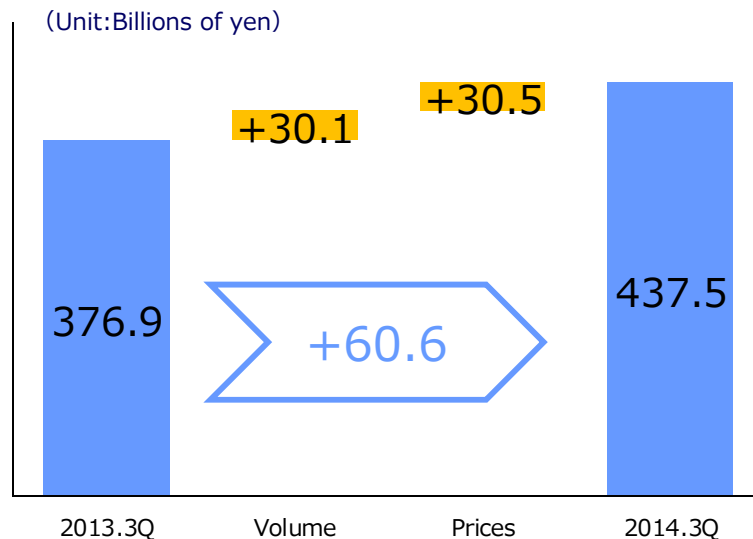
- Phenols, etc.

#### **Costs +5.0 billion yen**

- Gains from decrease in fixed costs due to change in status of SMPC from a consolidated subsidiary to an equity method affiliate
- Decrease in fixed costs from termination of phenol and BPA plants, etc.

## 6) Increase/Decrease in Petrochemicals (Sales and Operating Income, year on year)

### Increase/Decrease of Net Sales (Nine Months of FY2014 vs. Nine Months of FY2013)



**437.5 billion yen (+60.6 billion yen year on year)**

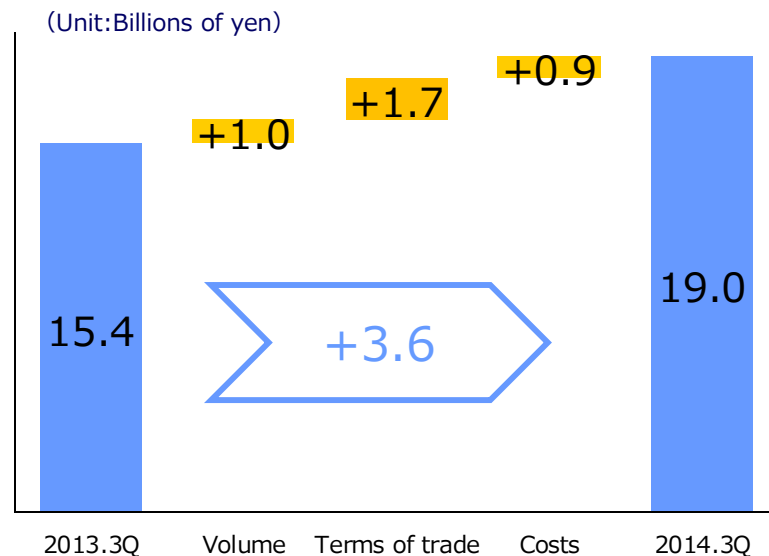
#### **Volume +30.1 billion yen**

- Increase from strong demand for overseas automotive PP compounds

#### **Price +30.5 billion yen**

- Gains from weak yen and higher polyolefin prices from increase in raw material costs

### Increase/Decrease of Operating Income (Nine Months of FY2014 vs. Nine Months of FY2013)



**19.0 billion yen (+3.6 billion yen year on year)**

#### **Volume +1.0 billion yen**

- Increase from strong demand for overseas PP compound

#### **Terms of trade +1.7 billion yen**

- Increase from upswing in operating rates of naphtha crackers, etc.

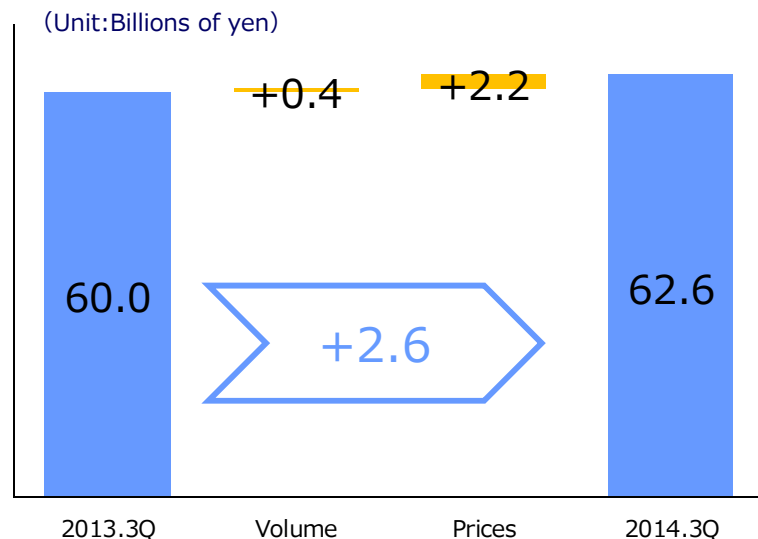
#### **Costs +0.9 billion yen**

- Decrease in fixed costs related to termination of polyolefin plants, etc.



## 7) Increase/Decrease in Films and Sheets (Sales and Operating Income, year on year)

### Increase/Decrease of Net Sales (Nine Months of FY2014 vs. Nine Months of FY2013)



**62.6 billion yen (+2.6 billion yen year on year)**

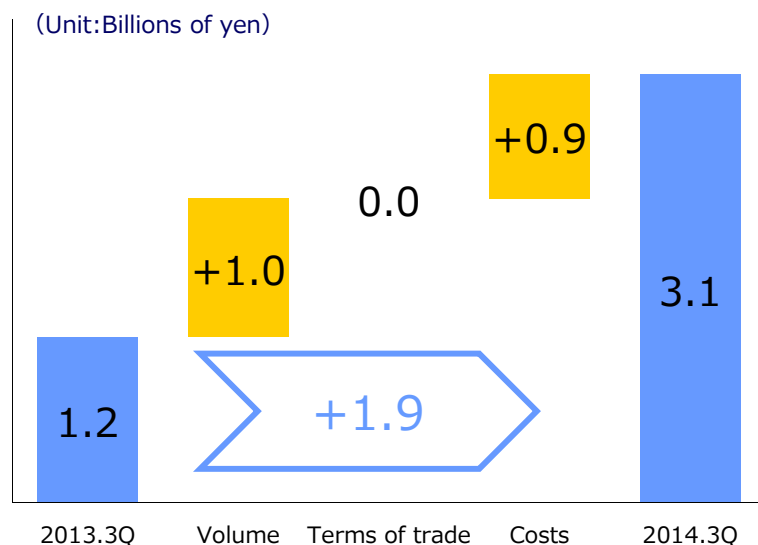
#### **Volume +0.4 billion yen**

- Increase in demand for industrial films for electronic and information applications offset decreases in packaging films and functional sheets

#### **Price +2.2 billion yen**

- Increase from foreign exchange gains
- Increase from higher sales prices offset increases in raw material costs in packaging films

### Increase/Decrease of Operating Income (Nine Months of FY2014 vs. Nine Months of FY2013)



**3.1 billion yen (+1.9 billion yen year on year)**

#### **Volume +1.0 billion yen**

- Increase in sales of industrial films for electronic and information applications, etc.

#### **Terms of trade 0.0 billion yen**

- Decrease from rising raw materials costs corresponding to increase in naphtha prices
- Increase from sales price revisions based on higher raw material costs
- Increase from weak yen, etc.

#### **Costs +0.9 billion yen**

- Gains from cost reductions in general costs