

May 16, 2005

Mitsui Chemicals Announces Consolidated Financial Performance for the Fiscal Year 2004

Mitsui Chemicals, Inc. (MCI) of Japan announced its consolidated financial performance for the Fiscal Year 2004 (FY04) covering April 1, 2004 through March 31, 2005.

Summary of the announcement is as follows:

1. Annual Financial results of FY04 (April 1, 2004 ~ March 31, 2005)

(1) Summary of Income Statement

100million yen

| | 2004.4.1 ~ 2005.3.31 (FY04) | 2003.4.1 ~ 2004.3.31 (FY03) | Increase (Decrease) |
|------------------|--------------------------------|--------------------------------|------------------------|
| Net sales | 12,275 | 10,895 | 1,380 |
| Operating income | 805 | 539 | 266 |
| Ordinary income | 797 | 477 | 320 |
| Net income | 262 | 125 | 137 |

(2) Summary of Balance Sheet

million yen

| | 2005.3.31 | 2004.3.31 | | 2005.3.31 | 2004.3.31 |
|--|-----------|-----------|--|-----------|-----------|
| Current assets | 497,287 | 440,517 | Current liabilities | 440,566 | 440,869 |
| Property, plant & equipment | 520,886 | 548,799 | Long-term liabilities | 313,389 | 325,342 |
| Investments & other non-current assets | 187,012 | 199,150 | Minority interests | 45,457 | 38,890 |
| | | | Stockholders' equity | 405,773 | 383,365 |
| Total assets | 1,205,185 | 1,188,466 | Total liabilities & stockholders' equity | 1,205,185 | 1,188,466 |

(3) Segment Information

million yen

| Segment | | 2004.4.1 ~ 2005.3.31 (FY04) | 2003.4.1 ~ 2004.3.31 (FY03) | Increase (Decrease) |
|--|------------------|-----------------------------------|-----------------------------------|------------------------|
| Functional Chemicals & Engineered Materials | Net sales | 183,434 | 180,339 | 3,095 |
| | Operating income | 9,055 | 12,712 | 3,657 |
| Functional Polymeric Materials | Net sales | 262,861 | 233,081 | 29,780 |
| | Operating income | 8,478 | 4,967 | 3,511 |
| Basic Chemicals | Net sales | 427,202 | 335,986 | 91,216 |
| | Operating income | 36,046 | 21,141 | 14,905 |
| Petrochemicals | Net sales | 316,564 | 298,756 | 17,808 |
| | Operating income | 25,418 | 13,214 | 12,204 |
| Others | Net sales | 37,486 | 41,356 | 3,870 |
| | Operating income | 1,281 | 1,844 | 563 |
| Eliminations | Net sales | — | — | — |
| | Operating income | 213 | 64 | 149 |
| Total | Net sales | 1,227,547 | 1,089,518 | 138,029 |
| | Operating income | 80,491 | 53,942 | 26,549 |

(4) Overseas Sales

million yen

| | Asia | America | Europe | Others | Total overseas |
|--------------------------------|---------|---------|--------|--------|----------------|
| 2004.4.1 ~ 2005.3.31 (FY04) | 335,090 | 53,573 | 38,069 | 7,864 | 434,596 |
| 2003.4.1 ~ 2004.3.31 (FY03) | 257,920 | 51,090 | 30,833 | 4,734 | 344,577 |

2. Performance Forecast for the Fiscal Year 2005 (FY05) (April 1, 2005 ~ March 31, 2006)

(1) Summary of Income Statement

100million yen

| | 2005.4.1 ~ 2006.3.31 (FY05, Forecast) | 2004.4.1 ~ 2005.3.31 (FY04) | Increase (Decrease) |
|------------------|--|--------------------------------|------------------------|
| Net sales | 15,000 | 12,275 | 2,725 |
| Operating income | 810 | 805 | 5 |
| Ordinary income | 800 | 797 | 3 |
| Net income | 490 | 262 | 228 |

(2) Segment Information

100million yen

| Segment | | 2005.4.1 ~ 2006.3.31 (FY05. Forecast) | 2004.4.1 ~ 2005.3.31 (FY04) | Increase (Decrease) |
|--|------------------|---|-----------------------------------|------------------------|
| Functional Chemicals & Engineered Materials | Net sales | 2,000 | 1,834 | 166 |
| | Operating income | 90 | 91 | 1 |
| Functional Polymeric Materials | Net sales | 3,000 | 2,628 | 372 |
| | Operating income | 130 | 85 | 45 |
| Basic Chemicals | Net sales | 4,900 | 4,272 | 628 |
| | Operating income | 310 | 360 | 50 |
| Petrochemicals | Net sales | 4,700 | 3,166 | 1,534 |
| | Operating income | 270 | 254 | 16 |
| Others | Net sales | 400 | 375 | 25 |
| | Operating income | 10 | 13 | 3 |
| Eliminations | Net sales | | | 0 |
| | Operating income | | 2 | 2 |
| Total | Net sales | 15,000 | 12,275 | 2,725 |
| | Operating income | 810 | 805 | 5 |

3. Major Indices

| | | 2005.4.1- 2006.3.31 (FY05, Forecast) | 2004.4.1- 2005.3.31 (FY04) | 2003.4.1- 2004.3.31 (FY03) |
|-----------------------------|-------------------|---|----------------------------------|----------------------------------|
| R & D expenses | 100 million yen | 410 | 349 | 329 |
| Depreciation & amortization | 100 million yen | 710 | 568 | 561 |
| Investments | 100 million yen | 980 | 471 | 457 |
| Head count at the end | - | 12,700 | 12,228 | 12,348 |
| Exchange rate | yen per US\$ | 105 | 108 | 113 |
| Domestic naphtha price | yen per kiloliter | 38,000 | 32,150 | 25,575 |

Note: The above-mentioned outlook constitutes projection based on information available at this point in time, and therefore involves certain risk and uncertainty. Therefore, there is a possibility that actual performance figures would differ largely from the outlook due to various factors that may arise henceforth.