



Financial Summary

Results of the Nine Months of FY2013 & Forecast for FY2013

Mitsui Chemicals, Inc.

February 6, 2014

<Remarks>

FY2013 indicates the fiscal year starting on April 1, 2013 and ending on March 31, 2014

1. Results of the Nine Months of FY2013 (April 1, 2013 ~ December 31, 2013)

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1. Results of Nine Months of FY2013

(April 1, 2013 – December 31, 2013)

1) Operation Topics in Nine Months of FY2013 (April through December 2013)

Project	Production Capacity	Location	Date
◆Functional Chemicals			
1) Start of commercial operations of polypropylene catalyst plant in Korea	—	South Korea (Yeosu)	Apr.2013
2) Acquisition of dental business from Heraeus Holding GmbH	—	Germany (Hanau)	Jun.2013
3) Share Purchase of DENTCA, Inc. (Strengthening of dental material business through acquisition of advanced technology)	—	U.S.A (Los Angeles, CA)	Jun.2013
4) Start of commercial operations at expanded facilities for spunbonded nonwoven fabrics in China	15K t/y	China (Tianjin)	Sep.2013
◆Polyurethane			
5) Establishment of a new joint venture for Bio-Polyol in India	8K t/y	India (Gujarat)	Sep.2013

1) Operation Topics in Nine Months of FY2013 (April through December 2013)



Project	Production Capacity	Location	Date
◆Basic Chemicals			
6) Start-up of new facility for acetone-based isopropyl alcohol	60K t/y	Osaka	Apr. 2013
7) Change in status of Siam Mitsui PTA Co., Ltd. from a consolidated subsidiary to an equity method affiliate by share transfer	—	—	Nov. 2013
8) Completion of new manufacturing facilities for phenol and acetone with Sinopec	Phenol 250K t/y Acetone 150K t/y	China (Shanghai)	Dec. 2013
◆Petrochemicals			
9) Termination of one production line for high-density polyethylene in Chiba district	-130K t/y	Chiba (Prime polymer, Anesaki Works)	Apr. 2013
10) Termination of one production line for polypropylene in Chiba district	-90K t/y	Ichihara (Prime polymer, Ichihara Works)	Jul. 2013
11) Modifications to ethylene production line for higher efficiency at low operation rates	—	Ichihara	Aug. 2013
◆Other			
12) Establishment of a joint venture for electrolyte solution business with Formosa Plastics Corporation	5K t/y Operation from Oct 2014 (tentative)	China (Ningbo Zhejiang)	Aug. 2013

2) Number of Subsidiaries and Affiliates



Items	FY2012 (a)	FY2013 1st Half (b)	FY2013 1-3Q (c)	Incr. (Decr.) (c)-(a)	Incr. (Decr.) (c)-(b)
Number of consolidated subsidiaries	76	100	98	22	(2)
Number of non-consolidated subsidiaries and affiliates to which the equity method is applied	34	37	40	6	3
Total	110	137	138	28	1

3) Consolidated Financial Highlights



(Billions of Yen)

() Denotes a minus

Items	FY2012 1-3Q	FY2013 1-3Q	Increase (Decrease)	%
Sales	1,007.4	1,108.8	101.4	10%
Operating income (loss)	2.5	15.1	12.6	513%
Non-operating income/expenses	(1.1)	(1.0)	0.1	-
Ordinary income (loss)	1.4	14.1	12.7	880%
Special gains/losses	(5.3)	(22.9)	(17.6)	-
Net income (loss) before income taxes and minority interests	(3.9)	(8.8)	(4.9)	-
Net income (loss)	(9.7)	(18.5)	(8.8)	-
Exchange Rate (Yen/US\$)	80	99	19	
Domestic Standard Naphtha Price (Yen/KL)	55,400	65,700	10,300	

Items	End of FY2012	End of FY2013 1st Half	Increase (Decrease)	%
Interest-bearing liabilities	507.2	593.3	86.1	17%
Equity	376.8	375.4	(1.4)	(0%)
D/E Ratio(Times)	1.35	1.58	0.23	-
Net D/E Ratio(Times)	1.22	1.42	0.20	-
Equity ratio(%)	28.2	26.0	(2.2)	-

4) Sales and Operating Income/Loss by Business Segment



(Billions of Yen)

() Denotes a minus

Segment	Sales (Nine months)			Operating Income/Loss (Nine months)			Breakdown		
	FY2012 1-3Q	FY2013 1-3Q	Incr. (Decr.)	FY2012 1-3Q	FY2013 1-3Q	Incr. (Decr.)	Volume	* Price	Costs
Functional Chemicals	105.0	127.4	22.4	9.5	12.1	2.6	1.8	1.1	(0.3)
Functional Polymeric Materials	98.8	120.9	22.1	6.6	9.3	2.7	3.3	1.1	(1.7)
Polyurethane	106.0	118.3	12.3	(1.8)	(4.8)	(3.0)	0.2	(2.5)	(0.7)
Basic Chemicals	278.8	287.2	8.4	(12.6)	(13.9)	(1.3)	(1.4)	(0.1)	0.2
Petrochemicals	338.4	376.9	38.5	4.3	15.4	11.1	1.6	9.4	0.1
Films and Sheets	56.9	60.0	3.1	(2.2)	1.2	3.4	1.3	0.2	1.9
Others	23.5	18.1	(5.4)	(1.3)	(4.2)	(2.9)	0.0	0.0	(2.9)
Total	1,007.4	1,108.8	101.4	2.5	15.1	12.6	6.8	9.2	(3.4)

* Price: including both sale and purchase price variances

5) Non-Operating Income and Expenses



(Billions of yen)

() Denotes a minus

Items	FY2012 1-3Q	FY2013 1-3Q	Incr. (Decr.)
Equity in earnings of non-consolidated subsidiaries and affiliates	1.7	1.2	(0.5)
Interest expenses, interest and dividend income	(3.0)	(2.9)	0.1
Gain (loss) on foreign exchange	0.7	0.7	0.0
Other	(0.5)	0.0	0.5
Total	(1.1)	(1.0)	0.1

6) Special Gains and Losses

(Billions of yen)

() Denotes a minus

Items	FY2012 1-3Q	FY2013 1-3Q	Incr. (Decr.)	Notes
Special gains (a)	6.3	0.7	(5.6)	
Gain on sales of fixed assets	1.7	0.0	(1.7)	
Insurance income	4.6	0.7	(3.9)	
Special losses (b)	(11.6)	(23.6)	(12.0)	
Loss on sales and disposal of fixed assets	(2.7)	(1.4)	1.3	
Impairment loss	(1.7)	0.0	1.7	
Loss on restructuring of subsidiaries and affiliates	(1.0)	0.0	1.0	
Business restructure improvement expenses	0.0	(22.2)	(22.2)	Loss related to Phenol & Polyurethane Businesses etc.
Loss on valuation of investment securities	(0.8)	0.0	0.8	
Loss on explosion and fire	(4.8)	0.0	4.8	
Others	(0.6)	0.0	0.6	
Special gains and losses (a)+(b)	(5.3)	(22.9)	(17.6)	

7) Consolidated Balance Sheet



(Billions of yen)

() Denotes a minus

Items	End of Mar.2013	End of Dec.2013	Incr. (Decr.)	Items	End of Mar.2013	End of Dec.2013	Incr. (Decr.)
Current assets	715.4	756.2	40.8	Liabilities	909.1	1,028.8	119.7
Cash and deposits *	46.5	58.9	12.4	Notes and accounts payables	215.7	213.7	(2.0)
Notes and accounts receivables	298.4	303.9	5.5	Interest-bearing liabilities	507.2	593.3	86.1
Inventories	284.6	294.5	9.9	Other liabilities	186.2	221.8	35.6
Other current assets	85.9	98.9	13.0				
Fixed assets	622.6	688.7	66.1	Net assets	428.9	416.1	(12.8)
Tangible and intangible fixed assets	461.2	501.0	39.8	Shareholders' equity	382.3	357.8	(24.5)
[Intangible fixed assets]	[14.6]	[72.1]	[57.5]	Other accumulated comprehensive income	(5.5)	17.6	23.1
Investments & other non-current assets	161.4	187.7	26.3	Minority interest	52.1	40.7	(11.4)
Total	1,338.0	1,444.9	106.9	Total	1,338.0	1,444.9	106.9
				Contingent liabilities as guarantor of indebtedness	12.1	15.7	3.6

*This account has changed to "Cash and deposits" from "Cash and cash equivalents" in C/F on and after this fiscal year.

8) Consolidated Statement of Cash Flow



(Billions of yen)

() Denotes a minus

Items	FY2012 1-3Q	FY2013 1-3Q	Incr. (Decr.)
I. Cash flows from operating activities[A]	8.8	27.2	18.4
II. Cash flows from investing activities[B]	(41.2)	(99.4)	(58.2)
Free cash flows[A+B]	(32.4)	(72.2)	(39.8)
III. Cash flows from financing activities	12.5	81.5	69.0
IV. Others	0.3	3.3	3.0
Net incr.(decr.) in cash and cash equivalents	(19.6)	12.6	32.2

2. Forecast for FY2013

(April 1, 2013 – March 31, 2014)

1) Operation Topics in FY2013 (January 2014 through March 2014)



Project	Production Capacity	Location	Date
◆ Basic Chemicals			
1) Transfer of Shares in P. T. Amoco Mitsui PTA Indonesia	—	—	Mar.2014
◆ Films & Sheets			
2) Start of commercial operations for highly functional sealant film (T.U.X™) at joint venture company	15K t/y	Thailand (Rayong)	Jan.2014

2) Consolidated Financial Highlights



(Billions of yen)

() Denotes a minus

Items	FY2012		FY2013 forecast		FY2013 Forecast (on Nov.1)
	1-3Q	Full Year	1-3Q	Full Year	
Sales	1,007.4	1,406.2	1,108.8	1,570.0	1,550.0
Operating income (loss)	2.5	4.3	15.1	25.0	25.0
Non-operating income (expenses)	(1.1)	4.9	(1.0)	(4.0)	(4.0)
Ordinary income (loss)	1.4	9.2	14.1	21.0	21.0
Special gains/losses	(5.3)	(10.0)	(22.9)	(32.0)	(7.0)
Net income (loss) before income taxes and minority interests	(3.9)	(0.8)	(8.8)	(11.0)	14.0
Net income (loss)	(9.7)	(8.1)	(18.5)	(23.0)	1.0
Exchange Rate (Yen/US\$)	80	83	99	100	99
Domestic Standard Naphtha Price (Yen/KL)	55,400	57,500	65,700	67,300	64,900
Items	FY2012 1-3Q	FY2012 Full Year	FY2013 1-3Q	FY2013 Full Year	FY2013 Full Year
Dividend (Yen /Share)	3.0	6.0	3.0	3.0	not decided

3) Sales and Operating Income/Loss by Business Segment (compared with FY2012 results)



(Billions of Yen)

() Denotes a minus

Segment	Sales			Operating Income/Loss			Breakdown		
	FY2012 (Actual)	FY2013 (Forecast)	Incr.(Decr.)	FY2012 (Actual)	FY2013 (Forecast)	Incr.(Decr.)	Volume	* Price	Costs
Functional Chemicals	149.6	190.0	40.4	12.4	16.5	4.1	3.7	1.4	(1.0)
Functional Polymeric Materials	134.7	176.0	41.3	8.4	13.0	4.6	4.3	2.6	(2.3)
Polyurethane	146.2	170.0	23.8	(2.6)	(4.0)	(1.4)	3.4	(2.9)	(1.9)
Basic Chemicals	401.7	345.0	(56.7)	(18.9)	(18.5)	0.4	(2.3)	(1.1)	3.8
Petrochemicals	469.0	574.0	105.0	7.7	23.0	15.3	3.5	8.1	3.7
Films and Sheets	74.8	85.0	10.2	(3.3)	0.5	3.8	0.9	0.0	2.9
Others	30.2	30.0	(0.2)	0.6	(5.5)	(6.1)	0.0	0.0	(6.1)
Total	1,406.2	1,570.0	163.8	4.3	25.0	20.7	13.5	8.1	(0.9)

* Price: including both sale and purchase price variances

2. Forecast for FY2013

4) Operating Income/Loss by Business Segment (compared with previous forecast)



(Billions of Yen)

() Denotes a minus

Segment	Sales			Operating Income/Loss			Notes
	FY2013 Forecast (on Nov.1)	FY2013 Forecast	Incr. (Decr.)	FY2013 Forecast (on Nov.1)	FY2013 Forecast	Incr. (Decr.)	
Functional Chemicals	190.0	190.0	0.0	16.5	16.5	0.0	
Functional Polymeric Materials	176.0	176.0	0.0	13.0	13.0	0.0	
Polyurethane	172.0	170.0	(2.0)	(2.0)	(4.0)	(2.0)	Downturn in the TDI market
Basic Chemicals	371.0	345.0	(26.0)	(16.0)	(18.5)	(2.5)	Downturn in the PH/PTA market
Petrochemicals	537.0	574.0	37.0	19.5	23.0	3.5	Increase of PP compound sales Increase in the capacity utilization of Naphtha cracker etc.
Films and Sheets	77.0	85.0	8.0	(0.5)	0.5	1.0	Increase of sales volume in packaging and industrial films
Others	27.0	30.0	3.0	(5.5)	(5.5)	0.0	
Total	1,550.0	1,570.0	20.0	25.0	25.0	0.0	

* Price : including both sale and purchase price variances

5) Non-Operating Income and Expenses



(Billions of yen)

() Denotes a minus

Items	FY2012		FY2013 forecast		Incr. (Decr.) (b)-(a)	FY2013 Forecast (on Nov 1)
	1-3Q	Full year (a)	1-3Q	Full year (b)		
Equity in earnings of non-consolidated subsidiaries and affiliates	1.7	1.6	1.2	0.0	(1.6)	2.0
Interest expenses, interest and dividend income	(3.0)	(3.1)	(2.9)	(3.5)	(0.4)	(4.0)
Gain (loss) on foreign exchange	0.7	4.1	0.7	0.7	(3.4)	0.2
Other	(0.5)	2.3	0.0	(1.2)	(3.5)	(2.2)
Total	(1.1)	4.9	(1.0)	(4.0)	(8.9)	(4.0)

6) Special Gains and Losses



(Billions of yen)

() Denotes a minus

Items	FY2012		FY2013 Forecast		Incr.(Decr.)		FY2013 Forecast (on Nov.1)
	1-3Q	Full year	1-3Q	Full year	1-3Q	Full year	
Special gains and losses							
Gain on sales of fixed assets	1.7	1.7	0.0	0.0	(1.7)	(1.7)	0.0
Reversal of provision for environmental measures	0.0	3.3	0.0	0.0	0.0	(3.3)	0.0
Insurance income	4.6	5.5	0.7	0.7	(3.9)	(4.8)	0.0
Loss on sales and disposal of fixed assets	(2.7)	(4.5)	(1.4)	(2.0)	1.3	2.5	(4.0)
Impairment loss	(1.7)	(5.6)	0.0	0.0	1.7	5.6	0.0
Loss on restructuring of subsidiaries and affiliates	(1.0)	(4.1)	0.0	0.0	1.0	4.1	0.0
Business restructure improvement expenses	0.0	0.0	(22.2)	(32.0)	(22.2)	(32.0)	0.0
Loss on valuation of investment securities	(0.8)	(0.8)	0.0	0.0	0.8	0.8	0.0
Loss on explosion and fire	(4.8)	(4.9)	0.0	0.0	4.8	4.9	0.0
Others	(0.6)	(0.6)	0.0	1.3	0.6	1.9	(3.0)
Total	(5.3)	(10.0)	(22.9)	(32.0)	(17.6)	(22.0)	(7.0)

7) Consolidated Statement of Cash Flow



(Billions of yen)

() Denotes a minus

Items	FY2012		FY2013 forecast		Incr. (Decr.)	FY2013 Forecast (on Nov 1)
	1-3Q	Full year (a)	1-3Q	Full year (b)		
I. Cash flows from operating activities[A]	8.8	18.5	27.2	39.0	20.5	55.0
II. Cash flows from investing activities[B]	(41.2)	(58.1)	(99.4)	(114.0)	(55.9)	(120.0)
Free cash flows[A+B]	(32.4)	(39.6)	(72.2)	(75.0)	(35.4)	(65.0)
III. Cash flows from financing activities	12.5	27.3	81.5	85.0	57.7	55.0
IV. Others	0.3	2.7	3.3	0.0	(2.7)	0.0
Net incr.(decr.) in cash and cash equivalents	(19.6)	(9.6)	12.6	10.0	19.6	(10.0)

3. Appendix

1) Trends in Main Product Prices

(Naphtha prices are Domestic Standard Naphtha Price)

(PE, PP, PH, BPA(Japan) : Change in Prices and Raw Materials Prices in Japan / BPA(China), PTA, TDI : Chinese Market Price)

Year	2011			2012			2013				
Month	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.
Naphtha (Yen/KL)	59,000	54,900	51,700	54,100	60,600	49,800	55,800	63,800	65,500	63,900	67,800
PE (Yen/KG)	about +20	about (10)	about (5)	about (5)	about +20	about (20)	about +10	about +15	about +5		about +10
PP (Yen/KG)	about +20	about (10)	about (5)	about (5)	about +20	about (20)	about +10	about +15	about +5		about +10
PH (Yen/KG)	+25 Base Price of Formula										
BZ(ACP) (US\$/T)	\$1,160	\$1,130	\$1,000	\$1,160	\$1,160	\$1,110	\$1,320	\$1,430	\$1,310	\$1,250	\$1,290
BPA(Japan) (Yen/KG)				(30)	+25	(14) From Aug.	+13 From Nov	+36 From Mar			
	negotiation based on BZ price and BPA market price										
BPA (China) (US\$/T)	\$2,450	\$2,080	\$1,570	\$1,730	\$1,690	\$1,690	\$1,750	\$1,920	\$1,740	\$1,660	\$1,630
PTA (China) (US\$/T)	\$1,280	\$1,250	\$1,110	\$1,180	\$1,070	\$1,030	\$1,120	\$1,170	\$1,050	\$1,080	\$1,020
PX(ACP) (US\$/T)	\$1,600	\$1,530	\$1,480	\$1,560	\$1,500	\$1,340	\$1,530	\$1,630	\$1,410	\$1,450	\$1,440
TDI (US\$/T)	\$2,670	\$2,250	\$2,180	\$2,560	\$3,030	\$2,830	\$2,770	\$2,680	\$2,530	\$2,375	\$2,340

2) Sales results of Nine Months of FY2013 (compared with corresponding FY2012 by business segment)



(Billions of Yen)

() Denotes a minus

Segment	FY2012 1-3Q	FY2013 1-3Q	Incr. (Decr.)	Breakdown	
				Volume	Price
Functional Chemicals	105.0	127.4	22.4	16.6	5.8
Functional Polymeric Materials	98.8	120.9	22.1	8.7	13.4
Polyurethane	106.0	118.3	12.3	4.5	7.8
Basic Chemicals	278.8	287.2	8.4	(40.4)	48.8
Petrochemicals	338.4	376.9	38.5	(10.0)	48.5
Films and Sheets	56.9	60.0	3.1	1.8	1.3
Others	23.5	18.1	(5.4)	(5.4)	0.0
Total	1,007.4	1,108.8	101.4	(24.2)	125.6

3) Comprehensive Income



(Billions of yen)

() Denotes a minus

Items		FY2012 1-3Q	FY2013 1-3Q	Incr. (Decr.)															
Net income before Minority Interests	[A]	(8.6)	(16.4)	(7.8)															
Other Comprehensive Income	[B]	2.4	24.6	22.2															
<table border="0" style="width: 100%;"> <tr> <td style="border-left: 1px solid black; border-right: 1px solid black; padding: 0 10px;">Net unrealized holding gain on securities</td> <td style="padding: 0 10px;">}</td> <td style="padding: 0 10px;">0.5</td> <td style="padding: 0 10px;">7.2</td> <td style="padding: 0 10px;">6.7</td> </tr> <tr> <td style="border-left: 1px solid black; border-right: 1px solid black; padding: 0 10px;">Foreign currency translation adjustments</td> <td style="padding: 0 10px;">}</td> <td style="padding: 0 10px;">1.8</td> <td style="padding: 0 10px;">13.3</td> <td style="padding: 0 10px;">11.5</td> </tr> <tr> <td style="border-left: 1px solid black; border-right: 1px solid black; padding: 0 10px;">Others</td> <td style="padding: 0 10px;">}</td> <td style="padding: 0 10px;">0.1</td> <td style="padding: 0 10px;">4.1</td> <td style="padding: 0 10px;">4.0</td> </tr> </table>	Net unrealized holding gain on securities	}	0.5	7.2	6.7	Foreign currency translation adjustments	}	1.8	13.3	11.5	Others	}	0.1	4.1	4.0				
Net unrealized holding gain on securities	}	0.5	7.2	6.7															
Foreign currency translation adjustments	}	1.8	13.3	11.5															
Others	}	0.1	4.1	4.0															
Comprehensive Income[A+B]		(6.2)	8.2	14.4															

(Breakdown of the total Comprehensive Income)

Comprehensive Income for Parent company's Shareholder	(7.8)	4.7	12.5
Comprehensive Income for Minority Shareholder	1.6	3.5	1.9

This summary contains forward-looking statements about the future plans, strategies, belief and performance of the Mitsui Chemicals Group as a whole and its individual consolidated companies. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on information currently available to the Mitsui Chemicals Group and are subject to a number of risks, uncertainties and assumptions, which, without limitation, include economic trends, fluctuations in foreign currency exchange rates, fluctuations in the price of raw materials, competition in markets where the Company is active, personal consumption, market demand, the tax system and other legislation. As such, actual results may differ materially from those projected and the Mitsui Chemicals Group cannot guarantee that these forward-looking statements are accurate or will be achieved.