

Summary of Financial Results for the Third Quarter Ended December 31, 2009

Mitsui Chemicals, Inc. (4183)

I. Consolidated Financial Results (April 1, 2009–December 31, 2009)

1. Consolidated Financial Results

(1) Results of Operations

	Millions of Yen (Except per Share Data and Percentages)			
	Third Quarter Ended December 31,			
	2009	%	2008	%
Net Sales.....	864,230	(31.0)	1,252,059	—
Operating Income (Loss).....	(14,902)	—	11,997	—
Ordinary Income (Loss).....	(18,442)	—	9,035	—
Net Income (Loss).....	(32,527)	—	3,550	—
Net Income (Loss) per Share (yen).....	(40.80)		4.66	
Net Income per Share, Diluted (yen)...	—		—	

* Figures in the percentage column indicate the percentage increase (decrease) for each item compared with the corresponding period of the previous fiscal year.

(2) Financial Position

	Millions of Yen (Except per Share Data and Percentages)	
	Third Quarter Ended December 31, 2009	FY Ended March 31, 2009
Total Assets	1,209,710	1,188,939
Net Assets.....	405,740	398,131
Shareholders' Equity Ratio.....	30.4%	29.4%
Shareholders' Equity per Share (yen).....	366.58	465.56

Note: Equity Third quarter ended December 31, 2009.....367,486 million yen
 Fiscal year ended March 31, 2009.....349,908 million yen

2. Dividends

	Fiscal Year Ended/Ending March 31,		
	2009	2010	2010 (Forecast*)
Annual Dividends per Share			
First Quarter (yen)	—	—	
First Half (yen)	6.00	0.00	
Third Quarter (yen)	—	—	
End of Term (yen)	3.00		3.00
Annual Dividends (yen)	9.00		3.00

Note: Revisions in this quarter to dividend forecast: Yes

3. Forecast of Operating Results for the Fiscal Year Ending March 31, 2010 (April 1, 2009–March 31, 2010)

	Millions of Yen (Except per Share Data and Percentages)	
	Full Fiscal Year	%
Net Sales	1,200,000	(19.3)
Operating Loss	(10,000)	—
Ordinary Loss	(16,000)	—
Net Loss	(25,000)	—
Net Loss per Share (yen)	(29.48)	

Note: Revisions in this quarter to the full year operating results forecast: Yes

* Figures in the percentage column indicate the percentage increase (decrease) for each item compared with the corresponding period of the previous fiscal year.

4. Others

(1) Significant changes in subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation): Yes

Decrease: 1 (Mitsui Chemicals Polyurethanes, Inc.)

For details, please refer to page 9, “4. Other Information (1)” under “Operating Results and Financial Position”.

(2) Adoption of simplified accounting treatment and special accounting treatments for quarterly consolidated financial statements: Yes

For details, please refer to page 9, “4. Other Information (2)” under “Operating Results and Financial Position”.

(3) Change in accounting principles, procedures and presentation for quarterly consolidated financial statements (entries of changes in material matters that are basic to preparation of

quarterly consolidated financial statements)

1) Changes due to revisions of accounting standards, etc: None

2) Changes other than 1): None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at term-end (including treasury stock):

Third quarter ended December 31, 2009: 1,022,020,076 shares

Fiscal year ended March 31, 2009: 792,020,076 shares

2) Number of shares of treasury stock at term-end:

Third quarter ended December 31, 2009: 19,546,610 shares

Fiscal year ended March 31, 2009: 40,428,862 shares

3) Average number of outstanding shares (during the third quarter ended December 31):

Third quarter ended December 31, 2009: 797,300,009 shares

Third quarter ended December 31, 2008: 761,594,056 shares

Cautionary Statement and Other Explanatory Notes

(1) With respect to the per share dividend forecast for the fiscal year ending March 31, 2010, which was announced as being undecided on May 11, 2009, the year-end dividend forecast was announced in the *Notice on Revised Financial Performance Outlook, Cash Dividend Projection, and Extraordinary Income (Gain on Sale of Investment Securities)*.

(2) With respect to the consolidated financial performance outlook, which was announced on October 30, 2009, the full-year outlook has been revised as noted in the *Notice on Revised Financial Performance Outlook, Cash Dividend Projection, and Extraordinary Income (Gain on Sale of Investment Securities)*.

(3) The aforementioned forecasts are based on management's assumptions in light of currently available information and, accordingly, entail risks and uncertainties. Actual performance may differ materially from forecasts due to a variety of factors. For details regarding earning forecast assumptions and other related matters, please refer to "3. Outlook for the Fiscal Year Ending March 31, 2010" on page 8 under "Operating Results and Financial Position".

(4) Based on the issue of new shares through public offering and third party allotment that was implemented pursuant to a resolution of the Board of Directors meeting held on November 13, 2009, the number of new shares issued increased by 230 million shares. The consolidated financial performance outlook for net loss per share for the fiscal year ending March 31, 2010 was calculated inclusive of this data.

II. Operating Results and Financial Position

1. Operating Results

The business environment through the third quarter of the current fiscal year (the nine months from April 1, 2009 through December 31, 2009; referred to below as the “third quarter”) remained harsh due to the ongoing downturn in domestic demand, despite a recovery trend in newly emerging economies, such as China, and a partial recovery trend in industrial nation economies. Under these circumstances, the Mitsui Chemicals Group recorded the following earnings through the third quarter.

(Billions of Yen)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Current third quarter	864.2	(14.9)	(18.4)	(32.5)
Previous third quarter	1,252.1	12.0	9.0	3.6
Change	(387.9)	(26.9)	(27.4)	(36.1)
Change (%)	(31.0)	—	—	—

Net sales declined 387.9 billion yen (31.0%) compared with the previous third quarter to 864.2 billion yen. This was due to sluggish demand in the first half and the effects of falling sales prices, despite the fact that demand had recently gained momentum.

An **operating loss** of 14.9 billion yen was recorded, a turnaround of 26.9 billion yen compared with the previous third quarter. This can be attributed to the impact of declining sales volume in the first half and worsening terms of trade, despite the implementation of emergency measures, such as cost reductions, and the recent rebound in demand.

An **ordinary loss** of 18.4 billion yen was recorded, a turnaround of 27.4 billion yen compared with the previous third quarter. This was due in part to a 0.5 billion yen rise in the non-operating loss of 3.5 billion yen compared with the previous third quarter, on the back of declining equity in earnings of non-consolidated subsidiaries and affiliates.

An **extraordinary loss** of 7.4 billion yen, an increase of 3.1 billion yen compared with the previous third quarter, was recorded. This is the result of losses on the disposal and sale of noncurrent assets of 4.0 billion yen, a loss on impairment of 0.6 billion yen and a loss on restructuring of subsidiaries and affiliates of 1.4 billion yen, each attributable to structural business reforms, as well as a loss on valuation of investment securities of 1.8 billion yen.

These factors resulted in a **net loss before income taxes and minority interests** of 25.8 billion yen, a turnaround of 30.5 billion yen compared with the previous third quarter.

After the deduction of corporate taxes and minority interest, **net income** deteriorated 36.1 billion yen compared with the previous third quarter, resulting in a **net loss** of 32.5 billion yen. There was a net loss per share for the third quarter of 40.80 yen.

Performance Materials

Except for energy materials, which fared well, sales in the performance materials segment faced difficult circumstances due to the following reasons.

While **automotive and industrial materials** such as ethylene propylene rubber and alpha olefin copolymer have steadily developed new customers, particularly in Asian markets where demand has rebounded sharply, and sales have recently recovered to the previous year's level, sales of these materials were affected by a substantial fall in demand in the first half.

Industrial materials experienced a drop in demand in the automotive, consumer electronics and household equipment markets in the first half.

Hygiene materials were affected by declining demand for non-woven fabrics from certain customers and a drop in sales prices associated with falling raw material costs.

Specialty polyolefin and engineering plastics experienced a slowdown in demand, particularly for IT-related uses.

Semiconductor material was affected by a decline in production volume owing to a slowdown in demand in the semiconductor and LCD markets in the first half and an accident at the nitrogen trifluoride production facility.

Sales of **energy materials** were strong following robust demand for solar cell encapsulant materials.

Polyurethanes were affected by sluggish demand for urethane resin and raw materials, deteriorating overseas market conditions for TDI /MDI and other factors.

These factors contributed to an 83.6 billion yen decrease in segment sales from the previous third quarter to 276.5 billion yen, which comprised 32% of total sales. Furthermore, despite cost reduction efforts, operating income showed a 16.7 billion yen deterioration, resulting in an operating loss of 6.9 billion yen attributable to a decrease in sales volume, poor market conditions and other factors.

Advanced Chemicals

Sales in the advanced chemicals segment faced difficult circumstances due to the following reasons.

Optical lens materials as well as medical and healthcare materials did not achieve a full-scale recovery, despite signs of a rebound in demand, and sales volumes were slack.

Chemical products experienced a slowdown in demand and a decline in sales prices.

Agrochemical product sales of insecticides and other products were sluggish.

These factors contributed to a 16.0 billion yen decrease in segment sales from the previous third quarter to 72.9 billion yen, which comprised 8% of total sales. Operating income slipped 1.6 billion yen to 3.5 billion yen.

Basic Chemicals

Sales in the basic chemicals segment faced difficult circumstances due to the following reasons.

Despite the fact that production volumes were maintained at the same level as in the previous third quarter, sales of **ethylene and propylene** were affected by a decline in sales prices associated with falling raw material costs.

Although sales volumes had rebounded, **phenol** was affected by declining sales prices associated with falling raw material costs.

Bisphenol A also experienced declining sales prices associated with falling raw material costs, despite the fact that sales volumes had been on a recovery track, particularly for polycarbonate resin, the main application for bisphenol A.

Even though sales volumes had rebounded, **purified terephthalic acid (PTA)** was also affected by declining sales prices associated with falling raw material costs.

PET resins (polyethylene terephthalate) were affected by sluggish demand for pet bottles for the domestic market due to unseasonable weather.

Ethylene glycol, ethylene oxide and derivatives sales experienced price declines associated with falling raw material costs.

Polyethylene and polypropylene were affected by a decline in sales prices on the back of falling raw material costs, despite a rebound in sales volume.

The above factors contributed to a 283.2 billion yen decrease in segment sales from the previous third quarter to 500.0 billion yen, which comprised 58% of total sales. Furthermore, operating income deteriorated 10.8 billion yen due to a decrease in sales volume (excluding certain products) caused by flagging demand, which resulted in an operating loss of 10.1 billion yen.

Others

Sales for this segment recorded a 5.1 billion yen decrease from the previous third quarter to 14.8 billion yen, which accounted for 2% of total sales. Nevertheless, operating income amounted to 1.4 billion yen, a 1.3 billion yen increase.

2. Financial Position

(1) Status of Assets, Liabilities and Net Assets

Total assets at the end of the third quarter increased 20.8 billion yen from the end of the preceding fiscal year to 1,209.7 billion yen.

Total liabilities at the end of the third quarter increased 13.2 billion yen from the end of the preceding fiscal year to 804.0 billion yen. On the other hand, **interest-bearing debt** decreased 40.6 billion yen to 494.8 billion yen, while the ratio of interest-bearing debt improved 4.1 percentage points compared with the end of the preceding fiscal year to 40.9%.

Net assets as of the end of the third quarter were 405.7 billion yen, an increase of 7.6 billion yen from the previous fiscal year. The **ratio of shareholders' equity to total assets** was 30.4%, a 1.0 percentage point improvement from the end of the previous fiscal year. Effective April 1, 2009, Tohcello Co., Ltd. became a wholly owned subsidiary of Mitsui Chemicals, Inc. through a share exchange based on the allotment of treasury stock held by the Company. As a result, treasury stock and minority interests decreased 15.6 billion yen and 9.8 billion yen, respectively. A treasury stock disposal loss of 8.4 billion yen incurred through the share exchange was posted to retained earnings. In addition, common stock and capital surplus increased 21.8 billion yen each due to the issue of new shares in the third quarter. For details, please refer to “New Share Issue” under “Other Information” on page 17.

These factors contributed to a **debt-equity ratio (D/E ratio)** of 1.35 as of the end of the third quarter, a 0.18 point improvement from the end of previous full year.

(2) Cash Flow Status

Cash and cash equivalents (hereafter “cash”) increased 2.4 billion yen from the previous fiscal year-end to 50.3 billion yen at the end of the third quarter.

Cash Flow from Operating Activities

Net cash provided by operating activities was 44.2 billion yen, an increase of 31.4 billion yen from the previous third quarter. This increase was recorded despite the net loss before income taxes and minority interests, and was due to the effects of reducing working capital by implementing such emergency measures as inventory reductions, a corporate tax refund and other factors.

Cash Flow from Investing Activities

Net cash used in investing activities amounted to 43.6 billion yen, a decrease of 17.4 billion yen from the previous third quarter. The decrease was attributable to a decline in expenditures to acquire property, plant and equipment in line with a strict selective approach toward investment projects.

Cash Flow from Financing Activities

Net cash provided by financing activities was 1.2 billion yen. Despite the repayment of interest-bearing debt, contributing factors included the raising of funds through the issue of new

shares. In addition, net cash provided by financing activities during the previous third quarter totaled 54.8 billion yen. This was due to the procurement of interest-bearing debt and other factors.

3. Outlook for the Fiscal Year Ending March 31, 2010

(1) Overall Outlook for Operating Results

The earnings forecast for the full fiscal year announced on October 30, 2009 was revised. The revisions are noted in *Revised Financial Performance Outlook, Cash Dividend Projection, and Extraordinary Income (Gain on Sale of Investment Securities)* announced on February 3, 2010 and are explained below.

Operating income and ordinary income are expected to improve compared with the previously announced projections thanks to the steady implementation of rigorous cost reductions, one of the emergency measures set out in the profit structure improvement plan. In addition to improvements in operating and ordinary income, net income is also expected to improve from the previous projection due to the posting of a gain on sales of investment securities as shown under “6. Other Information (Important Subsequent Events)” on page 17.

The Mitsui Chemicals Group has set the year-end dividend for the fiscal year ending March 31, 2010 at 3 yen per share, which is the same as the dividend per share at the end of the previous fiscal year. Consequently, the dividend for the full fiscal year will be set at 3 yen per share.

(Billions of Yen)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Previous Projections	1,210.0	(15.0)	(23.0)	(39.0)
Revised Projections	1,200.0	(10.0)	(16.0)	(25.0)
Difference	(10.0)	5.0	7.0	14.0

The above is based on the assumption of an exchange rate of 93 yen/dollar for the full fiscal year (90 yen/dollar from January through March) and an average price of 41,800 yen/kl for domestic naphtha for the full fiscal year (50,000 yen/kl from January through March).

(2) Outlook by Business Segment

(Billions of Yen)

Net Sales						
	Performance Materials	Advanced Chemicals	Basic Chemicals	Others	Elimination and Corporate	Total
Previous Projections	380.0	115.0	690.0	25.0	—	1,210.0
Current Projections	370.0	110.0	700.0	20.0	—	1,210.0
Difference	(10.0)	(5.0)	10.0	(5.0)	—	(10.0)

(Billions of Yen)

Operating Income (Loss)						
	Performance Materials	Advanced Chemicals	Basic Chemicals	Others	Elimination and Corporate	Total
Previous Projections	(10.5)	9.0	(9.5)	1.0	(5.0)	(15.0)
Current Projections	(9.5)	9.0	(6.0)	1.5	(5.0)	(10.0)
Difference	1.0	—	3.5	0.5	—	5.0

4. Other Information

(1) Significant changes in subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation):

In the first quarter, the consolidated subsidiary (specified subsidiary) Mitsui Chemicals Polyurethanes, Inc. was integrated into Mitsui Chemicals, Inc., and therefore ceased to exist as a company. Consequently, it is no longer included within the scope of consolidation.

(2) Adoption of simplified accounting treatment and special accounting treatments for quarterly consolidated financial statements:

1) Simplified accounting methods

None

2) Special accounting treatments for quarterly consolidated financial statements

Calculation of tax expense:

The effective tax rate after adoption of tax effect accounting applicable to the whole fiscal year, including the period under review, was reasonably estimated against pretax net income. Then, tax expenses for the first three quarters were calculated by multiplying the quarterly pretax net income by the estimated effective tax rate. The deferred income taxes were included in the “income taxes.”

(3) Change in accounting principles, procedures and presentation for quarterly consolidated financial Statements:

None

(4) Additional Information

Share Issue Expense

The issue of 230 million new shares through public offering and third-party allotment, which was resolved at the meeting of the board of directors held on November 13, 2009, was underwritten by an underwriting syndicate at subscription price. This was performed through a so-called “spread method” trade underwriting agreement, in which shares are sold to general investors at an issue price that differs from the subscription price.

While the conventional method is to pay an underwriting fee to the underwriters, under the spread method the difference between the issue price and the subscription price is the actual underwriting fee; therefore, an underwriting fee is not paid to the underwriters.

Under the conventional method, the 1,886 yen total difference between the subscription price and the issue price for the new share issue corresponds to an amount that is accounted for as share issue expense.

Therefore, the Company posted a combined total of common stock and capital surplus and a share issue expense for the third quarter of the current fiscal year that was 1,886 million yen less, respectively, and ordinary loss and net loss before income taxes and minority interests that was 1,886 million yen less respectively, compared with using the conventional method.

III Consolidated Financial Statements

1. Consolidated Balance Sheet (Summary)

	Millions of Yen	
	As of December 31, 2009	As of March 31, 2009
Assets		
Current Assets	567,994	529,606
Fixed Assets	641,716	659,333
Total Assets	1,209,710	1,188,939
Liabilities		
Current Liabilities	350,289	377,858
Long-term Liabilities	453,681	412,950
Total Liabilities	803,970	790,808
Net Assets		
Shareholders' Equity		
Common stock	125,053	103,226
Capital surplus	91,065	69,238
Retained earnings	178,441	221,721
Treasury stock, at cost	(14,213)	(29,827)
Total Shareholders' Equity	380,346	364,358
Valuation and Translation Adjustments		
Net unrealized holding gain on securities	9,779	7,319
Net unrealized holding loss on hedging derivatives	(5)	(3)
Foreign currency translation adjustments	(22,634)	(21,766)
Total Valuation and Translation Adjustments...	(12,860)	(14,450)
Minority Interests	38,254	48,223
Total Net Assets	405,740	398,131
Total Liabilities and Net Assets	1,209,710	1,188,939

2. Consolidated Statements of Income

	Millions of Yen	
	April 1, 2009 to December 31, 2009	April 1, 2008 to December 31, 2008
Net Sales	864,230	1,252,059
Cost of Sales	747,873	1,093,369
Gross Profit	116,357	158,690
Selling, general and administrative expenses ...	131,259	146,693
Operating Income (Loss)	(14,902)	11,997
Non-operating Income and Expenses		
Non-operating Income		
Interest income	413	393
Dividend income	1,795	2,437
Rent income	531	564
Equity in earnings of non-consolidated subsidiaries and affiliates	2,624	3,928
Other	3,335	3,982
Non-operating Income	8,698	11,304
Non-operating Expenses		
Interest expenses	6,498	6,426
Interest on commercial paper.....	25	526
Foreign exchange losses.....	1,395	3,699
Other	4,320	3,615
Non-operating Expenses	12,238	14,266
Ordinary Income (Loss)	(18,442)	9,035
Extraordinary Income and Loss		
Extraordinary Income		
Gain on sales of noncurrent assets	405	679
Gain on sales of investment securities	32	1,523
Extraordinary Income	437	2,202
Extraordinary Loss		
Loss on disposal of noncurrent assets	3,876	2,089
Loss on sales of noncurrent assets	78	403
Impairment loss	618	640
Loss on restructuring of subsidiaries and affiliates	1,328	458
Loss on valuation of investment securities ...	1,754	1,233
Environmental measure expenses	--	1,400
Other	110	357
Extraordinary Loss	7,764	6,580
Net Income (Loss) before Income Taxes and Minority Interests	(25,769)	4,657
Income Taxes	7,469	2,091
Minority Interests in Income (Loss)	(711)	(984)
Net Income (Loss)	(32,527)	3,550

3. Consolidated Statements of Cash Flows (Summary)

		Millions of Yen	
		April 1, 2009 to December 31, 2009	April 1, 2008 to December 31, 2008
I.	Cash Flows from Operating Activities	44,162	12,816
II.	Cash Flows from Investing Activities	(43,599)	(60,964)
III.	Cash Flows from Financing Activities	1,171	54,764
IV.	Effect of Exchange Rate Changes on Cash and Cash Equivalents	249	(2,318)
V.	Net Increase in Cash and Cash Equivalents	1,983	4,298
VI.	Cash and Cash Equivalents at Beginning of Period	47,949	25,502
VII.	Increase in Cash and Cash Equivalents Resulting from Changes in Scope of Consolidation	369	81
VIII.	Cash and Cash Equivalents at End of Period	50,301	29,881

4. Notes regarding assumptions of ongoing concern

None

5. Segment Information

Business Segment Information

Previous Third Quarter (April 1 – December 31, 2008)

(Millions of Yen)

	Performance Materials	Advanced Chemicals	Basic Chemicals	Other	Total	Elimination/ Corporate	Consolidated
Sales							
Sales from external (1) clients	360,079	88,868	783,236	19,876	1,252,059	-	1,252,059
Internal sales or transfer (2) between segments	15,793	2,461	120,825	61,438	200,517	(200,517)	-
Total	375,872	91,329	904,061	81,314	1,452,576	(200,517)	1,252,059
Operating Income	9,793	5,122	703	89	15,707	(3,710)	11,997

Current Third Quarter (April 1 – December 31, 2009)

(Millions of Yen)

	Performance Materials	Advanced Chemicals	Basic Chemicals	Other	Total	Elimination/ Corporate	Consolidated
Sales							
Sales from external (1) clients	276,525	72,916	500,039	14,750	864,230	-	864,230
Internal sales or transfer (2) between segments	10,195	2,220	54,861	43,719	110,995	(110,995)	-
Total	286,720	75,136	554,900	58,469	975,225	(110,995)	864,230
Operating Income (Loss)	(6,898)	3,522	(10,065)	1,333	(12,108)	(2,794)	(14,902)

Notes: 1 Method of Business Segment Organization

Organized into four areas in consideration of factors that include similarities in product type and manufacturing method, business segments are based on categories adopted in accordance with internal management

2 Main Product in Each Segment

	Main Products
Performance Materials	Automotive and industrial materials, living and energy materials, information and electronics materials, polyurethane, coating and engineering materials
Advanced Chemicals	Fine and performance chemicals, and agrochemicals
Basic Chemicals	Petrochemical feedstocks, phenol, synthetic fiber raw materials and PET resin, industrial chemicals, polyethylene and polypropylene
Other	Other related businesses

Regional Segment Information

Previous Third Quarter (April 1 – December 31, 2008)

(Millions of Yen)

	Japan	Asia	Other	Total	Elimination	Consolidated
Sales						
(1) Sales from external clients	1,014,278	161,828	75,953	1,252,059	-	1,252,059
(2) Internal sales or transfer between segments	47,517	58,278	1,154	106,949	(106,949)	-
Total	1,061,795	220,106	77,107	1,359,008	(106,949)	1,252,059
Operating Income	10,768	271	851	11,890	107	11,997

Current Third Quarter (April 1 – December 31, 2009)

(Millions of Yen)

	Japan	Asia	Other	Total	Elimination	Consolidated
Sales						
(1) Sales from external clients	713,985	103,414	46,831	864,230	-	864,230
(2) Internal sales or transfer between segments	41,280	47,934	873	90,087	(90,087)	-
Total	755,265	151,348	47,704	954,317	(90,087)	864,230
Operating Income (Loss)	(19,476)	4,397	71	(15,008)	106	(14,902)

Notes: 1 Country or regional categories are based on proximity.

2 Country or regional categories other than Japan:

(1) Asia: China, Taiwan, South Korea, Thailand and Singapore

(2) Other: Americas and Europe

Overseas Sales

Previous Third Quarter (April 1 – December 31, 2008)

	Asia	Americas	Europe	Other Regions	Total
I. Overseas Sales (Millions of Yen)	331,229	59,868	42,995	10,365	444,457
II. Consolidated Sales (Millions of Yen)					1,252,059
III. Overseas sales as a percentage of consolidated sales (%)	26.5	4.8	3.4	0.8	35.5

Current Third Quarter (April 1 – December 31, 2009)

	Asia	Americas	Europe	Other Regions	Total
I. Overseas Sales (Millions of Yen)	263,869	38,252	29,651	4,811	336,583
II. Consolidated Sales (Millions of Yen)					864,230
III. Overseas sales as a percentage of consolidated sales (%)	30.5	4.4	3.4	0.6	38.9

Notes: 1 Country or regional categories are based on proximity.

2 Principal countries or regions of each category:

- (1) Asia: China, Taiwan, South Korea, Thailand and Singapore
- (2) Americas: United States and Mexico
- (3) Europe: Germany and France
- (4) Other: Oceania and Africa regions

3. Overseas sales are the sales of Mitsui Chemicals and its consolidated subsidiaries in countries or regions outside of Japan.

(6) Notice in the event of significant changes in the amount of shareholder equity

Mitsui Chemicals has issued new shares through public offering and third party allotment pursuant to a resolution of the Board of Directors meeting held on November 13, 2009, thereby increasing common stock and capital surplus by 21,827 million yen, respectively. As a result, common stock amounted to 125,053 million yen and capital surplus was 91,065 million yen.

6. Other Information

(New Share Issue)

Based on a resolution of the Board of Directors meeting held on November 13, 2009, Mitsui Chemicals, Inc. issued new shares through public offering and third party allotment, thereby raising 43,654 million yen in funds.

To respond to the now drastically changing business environment, Mitsui Chemicals reexamined its growth strategy at the end of October 2009.

In order to turn its growth strategy into reality, the Company needs to strengthen its financial standing so that it can promptly respond to business opportunities and speedily make decisions on investment projects that will lead to increased corporate value. To speed up management's decision making, Mitsui Chemicals has determined that it needs to increase capital by raising funds.

Furthermore, the Company is fortifying its business foundation through rigorous cost reductions with the aim of converting to a more robust business structure. By promoting a new growth strategy, fortifying its business foundation and strengthening its financial standing, the Company is steadily pushing forward on a new growth track.

On December 8, 2009, Mitsui Chemicals signed a Fundamental Agreement on Collaboration with China Petroleum & Chemical Corp. (Sinopec), China's largest petrochemical producer, concerning the construction of new facilities for phenols (the raw material for Bisphenol A) and specialty rubber (EPT: raw material for automotive components, etc.). Demand for capital is expected in association with this growth strategy, and, by effectively using funds through capital increases and the steady implementation of its growth strategy, Mitsui Chemicals believes that it can increase its corporate value.

(Important Subsequent Events)

Upon a request of Mitsui & Co., Ltd. (MBK) to purchase the investment securities (Shares) of Mitsui Oil Exploration Co., Ltd. (MOECO) owned by Mitsui Chemicals, Inc. (MCI), MCI decided at its February 3, 2010 Board of Director's Meeting to sell the Shares to MBK. MCI and MBK executed an agreement on the transfer of the Shares on the same day.

MCI and MBK will proceed to transfer the Shares by the end of February upon receiving required approval from shareholders of MOECO and other concerned shareholders.

Expected gain from the sale of MOECO shares is 10,626 million yen.