

August 6, 2003

Mitsui Chemicals Announces First Quarter '03 Performance

Mitsui Chemicals, Inc. (MCI) of Japan announced its group consolidated financial performance for the First Quarter covering April 1 through June 30, 2003 (1Q/03), as shown below. This is the first time that the company has started to report quarterly performance figures.

Consolidated, Unit: million yen

Net Sales	Operating Income	Ordinary Income	Net Income
259,204	10,075	7,999	2,388

MCI's consolidated performance for the previous fiscal year, namely, Fiscal Year 2002 ending March 31, 2003, was:

Consolidated, Unit: million yen

Net Sales	Operating Income	Ordinary Income	Net Income
1,053,182	56,458	48,716	20,320

Qualitative Review of 1Q/03 Performance

Business environment in 1Q/03 remained severe due to the continued high level of feedstock prices. Despite such a situation, the company's Group Consolidated Sales registered ¥259 billion in 1Q/03 owing to the favorable performance of basic chemicals such as purified terephthalic acid (PTA) and phenol, as well as display materials such as optical filter for Plasma Display Panels (PDPs), despite the lackluster performance of the company's other businesses, namely, urethane chemicals such as TDI and MDI.

Moreover, group-wide efforts to improve sales and profits resulted in an Operating Income of ¥10.1 billion and Ordinary Income of ¥8 billion as well as Net Income of ¥2.4 billion for the Quarter, which all together were along the line of performance outlook announced by the company on May 19 this year.

Fiscal 2003 Full-year and Half-year Performance Outlook

As for Group Consolidated Performance for the Fiscal Year 2003 ending March 31, 2004, MCI's outlook is as follows for the Half Year ending September 30, 2003 and the entire Fiscal 2003:

Consolidated, Unit: million yen

	Net Sales	Ordinary Income	Net Income
Half-year Outlook	540,000	16,000	4,000
Full-year Outlook	1,130,000	60,000	25,000

The company's Group Consolidated Performance for Fiscal 2003 is expected to develop along the line of the outlook announced on May 19, and MCI sees no need to change the outlook figures either for the Half Year or the Full Year 2003.

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.