

Notice on Extraordinary Losses and Revision of Consolidated Financial Outlook

Mitsui Chemicals, Inc. (Tokyo: 4183; President & CEO: Tsutomu Tannowa; "MCI") reported extraordinary losses (see section 1) for the 4th quarter of fiscal 2015 and revised its consolidated financial outlook for fiscal 2015 (April 1, 2015 – March 31, 2016) from that announced on October 30, 2015 (see section 2).

1. Extraordinary Losses

MCI examined future recoverability of investments in its dental materials business, which was acquired in fiscal 2013, by executing an impairment test based on Japan-GAAP and considering current business conditions. As a result, an impairment loss for goodwill was forecasted at approximately 19.5 billion yen.

The main reason for this loss is the delay in actualizing the profit forecast made at the acquisition due to downward swings in the North American market and rapid changes in digital technology market trends.

MCI is strengthening its sales activities in North America, strategically and aggressively responding to digital technology market needs, and restructuring its business regime with the aim to sustainably grow its dental materials business.

The effect on profit attributable to owners of parent is reduced to approximately 15.6 billion yen due to recording a part of impairment loss as loss attributable to non-controlling interests.

2. Revision of Consolidated Financial Outlook

1) Revised Consolidated Financial Outlook of fiscal 2015 (April 1, 2015 – March 31, 2016)

<i>(Millions of yen)</i>	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income per Share
Original Outlook (A) (announced October 30, 2015)	1,355,000	70,000	60,000	35,000	34.98yen
Revised Outlook (B)	1,343,900	70,900	63,200	23,000	22.98yen
Variance in Amount (B-A)	(11,100)	900	3,200	(12,000)	-
Variance in Percentage (%)	(0.8)	1.3	5.3	(34.3)	-
Fiscal 2014 Actual (Reference) (April 1, 2014 – March 31, 2015)	1,550,076	42,040	44,411	17,261	17.24yen

2) Reasons for the Revision

As per section 1, profit attributable to owners of parent is anticipated to fall short of the original outlook. Per-share dividend forecast is unchanged.

The above-mentioned outlooks and expectations, estimates, forecasts, and projections are based on information available at this point of time, and therefore involve certain risks and uncertainties. As such, actual results may differ materially from those projected in the outlook and the Mitsui Chemicals Group cannot guarantee that these outlooks are accurate or will be achieved. 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.