

Summary of Consolidated Financial Results for Second Quarter of FY2010

November 2, 2010

Mitsui Chemicals, Inc.

1. Scope of Consolidation and Equity Method

(Unit : Number of Companies)

	As of Mar. 31, 2010	As of Sep. 30, 2010	Increase (Decrease)	As of Mar. 31, 2010	Outlook for FY2010 [※]	Increase (Decrease)
Consolidated subsidiaries	66	66	-	66	65	(1)
Non-consolidated subsidiaries and affiliates	30	29	(1)	30	28	(2)
Total	96	95	(1)	96	93	(3)

2. Summary of Income Statement

(Unit : Billions of Yen)

	2nd Q of FY2009	2nd Q of FY2010	Increase (Decrease)	FY2009	Outlook for FY2010 [※]	Increase (Decrease)
Net sales	549.9	672.8	122.9	1,207.7	1,340.0	132.3
Operating income (loss)	(19.0)	17.4	36.4	(9.5)	35.0	44.5
Ordinary income (loss)	(22.1)	14.6	36.7	(13.1)	29.0	42.1
Net income (loss)	(31.4)	17.1	48.5	(28.0)	24.0	52.0

·Special Gains and Losses

(Unit : Billions of Yen)

	2nd Q of FY2009	2nd Q of FY2010	Increase (Decrease)	FY2009	Outlook for FY2010 [※]	Increase (Decrease)
Gain on sales of fixed assets	0.3	0.3	-	11.6	0.3	(11.3)
Reversal of provision for retirement benefits	-	14.6	14.6	-	14.6	14.6
Loss on sales and disposal of fixed assets	(3.4)	(1.6)	1.8	(6.1)	(1.6)	4.5
Loss on impairment	(0.6)	(0.6)	-	(4.3)	(0.6)	3.7
Loss on related activities etc.	(0.5)	(0.7)	(0.2)	(2.4)	(0.7)	1.7
Loss on valuation of investment securities	(1.7)	-	1.7	(1.8)	-	1.8
Others	-	(1.0)	(1.0)	-	(1.0)	(1.0)
Total	(5.9)	11.0	16.9	(3.0)	11.0	14.0

3. Net Sales and Operating Income (loss) (by business segment) : please see appendix for details

(Unit : Billions of Yen)

		2nd Q of FY2009	2nd Q of FY2010	Increase (Decrease)	FY2009	Outlook for FY2010 [※]	Increase (Decrease)
Petrochemicals	Net sales	162.3	211.2	48.9	364.5	413.0	48.5
	Operating income(loss)	(6.7)	6.2	12.9	(3.4)	11.0	14.4
Basic Chemicals	Net sales	155.7	206.0	50.3	348.8	398.0	49.2
	Operating income(loss)	(5.0)	6.5	11.5	(4.8)	12.0	16.8
Polyurethane	Net sales	67.5	71.2	3.7	145.6	153.0	7.4
	Operating income(loss)	(3.4)	(4.3)	(0.9)	(2.1)	(6.0)	(3.9)
Functional Polymeric Materials	Net sales	39.1	52.6	13.5	86.0	100.0	14.0
	Operating income(loss)	(5.1)	4.5	9.6	(4.4)	7.5	11.9
Fabricated Products	Net sales	59.9	65.5	5.6	125.0	134.0	9.0
	Operating income(loss)	(0.2)	1.2	1.4	0.8	2.0	1.2
Functional Chemicals	Net sales	54.9	56.9	2.0	118.6	125.0	6.4
	Operating income(loss)	2.4	4.5	2.1	7.4	12.0	4.6
Others	Net sales	10.5	9.4	(1.1)	19.2	17.0	(2.2)
	Operating income(loss)	1.0	0.1	(0.9)	1.1	-	(1.1)
Adjustment	Net sales	-	-	-	-	-	-
	Operating income(loss)	(2.0)	(1.3)	0.7	(4.1)	(3.5)	0.6
Total	Net sales	549.9	672.8	122.9	1,207.7	1,340.0	132.3
	Operating income(loss)	(19.0)	17.4	36.4	(9.5)	35.0	44.5

The Company and its consolidated subsidiaries changed their business segment, effective April 1, 2010.

(for reference)

4. Summary of Balance Sheet

(Unit : Billions of Yen)

	Assets				Liabilities and Net Assets		
	As of Mar. 31, 2010	As of Sep. 30, 2010	Increase (Decrease)		As of Mar. 31, 2010	As of Sep. 30, 2010	Increase (Decrease)
Current assets	604.6	615.7	11.1	Interest-bearing liabilities	494.2	499.5	5.3
Tangible fixed assets	498.2	484.6	(13.6)	Other liabilities	324.9	336.9	12.0
Intangible fixed assets	16.5	13.9	(2.6)	Shareholders' equity	377.3	380.6	3.3
Investments and others	118.8	145.2	26.4	Minority interests	41.7	42.4	0.7
Total assets	1,238.1	1,259.4	21.3	Total liabilities and net assets	1,238.1	1,259.4	21.3
				[D/E Ratio]	1.31	1.31	0.00

5. Summary of Cash Flow

(Unit : Billions of Yen)

	2nd Q of FY2009	2nd Q of FY2010	Increase (Decrease)	FY2009	Outlook for	Increase (Decrease)
					FY2010	
Cash flows from operating activities	60.2	35.6	(24.6)	70.2	65.0	(5.2)
Cash flows from investing activities	(28.8)	(17.7)	11.1	(42.9)	(55.0)	(12.1)
Free cash flows	31.4	17.9	(13.5)	27.3	10.0	(17.3)
Cash flows from financing activities	(14.5)	2.2	16.7	(2.5)	-	2.5
Others	1.1	(0.6)	(1.7)	0.3	-	(0.3)
Net incr.(decr.) in cash and cash equivalents	18.0	19.5	1.5	25.1	10.0	(15.1)

6. Accounting Fundamentals

		2nd Q of FY2009	2nd Q of FY2010	Increase (Decrease)	FY2009	Outlook for	Increase (Decrease)
						FY2010	
R & D expenses	¥ Billions	18.5	18.3	(0.2)	38.1	38.0	(0.1)
Depreciation & amortization	¥ Billions	35.9	33.9	(2.0)	74.9	72.0	(2.9)
Capital expenditures	¥ Billions	25.9	22.1	(3.8)	49.1	59.0	9.9
Financing incomes & expenses	¥ Billions	(2.6)	(2.7)	(0.1)	(5.6)	(6.0)	(0.4)
Interest-bearing liabilities	¥ Billions	524.4	499.5	(24.9)	494.2	500.0	5.8
Number of employees	person	12,970	12,860	(110)	12,892	12,800	(92)
Exchange rate	Yen / US\$	96	89	(7)	93	85	(8)
Domestic standard naphtha price	Yen / KL	37,250	46,200	8,950	41,200	45,600	4,400

[Outlook for Oct.~Mar.] Exchange rate: 80 Yen / US\$
Naphtha price: 45,000 Yen / KL

7. Topics

- Chiba Chemicals Manufacturing LLP

A newly established Limited Liability Partnership based on a agreement between Idemitsu Kosan Co., Ltd. and the Company for joint operation of ethylene complex in Chiba-area, Apr. 2010

※ Outlook for FY2010 is announced on November 2, 2010

Breakdown of Increase (Decrease) by Business Segment

· Net Sales

(Unit : Billions of Yen)

	2nd Q of FY2009	2nd Q of FY2010	Increase (Decrease)	Breakdown	
				Volume	Price
Petrochemicals	162.3	211.2	48.9	21.7	27.2
Basic Chemicals	155.7	206.0	50.3	18.1	32.2
Polyurethane	67.5	71.2	3.7	3.5	0.2
Functional Polymeric Materials	39.1	52.6	13.5	9.3	4.2
Fabricated Products	59.9	65.5	5.6	5.1	0.5
Functional Chemicals	54.9	56.9	2.0	3.0	(1.0)
Others	10.5	9.4	(1.1)	(1.1)	-
Total	549.9	672.8	122.9	59.6	63.3

· Operating income (loss)

(Unit : Billions of Yen)

	2nd Q of FY2009	2nd Q of FY2010	Increase (Decrease)	Breakdown		
				Volume	Price *	Fixed Costs etc.
Petrochemicals	(6.7)	6.2	12.9	2.6	7.5	2.8
Basic Chemicals	(5.0)	6.5	11.5	2.6	7.6	1.3
Polyurethane	(3.4)	(4.3)	(0.9)	0.8	(0.5)	(1.2)
Functional Polymeric Materials	(5.1)	4.5	9.6	6.1	(0.3)	3.8
Fabricated Products	(0.2)	1.2	1.4	2.2	(0.5)	(0.3)
Functional Chemicals	2.4	4.5	2.1	1.0	0.1	1.0
Others	1.0	0.1	(0.9)	-	-	(0.9)
Adjustment	(2.0)	(1.3)	0.7	-	-	0.7
Total	(19.0)	17.4	36.4	15.3	13.9	7.2

* Price includes both selling and purchasing price variances.