Summary of Financial Results
for the Third Quarter Ended December 31, 2010

Mitsui Chemicals, Inc. (4183)

Consolidated Financial Results (April 1, 2010–December 31, 2010)

1. Consolidated Financial Results

(1) Results of Operations

	Millions of Yen (Except per Share Data and Percentages)			
	Third Quarter Ended December 31,			
	2010	%	2009	%
Net Sales	1,020,547	18.1	864,230	(31.0)
Operating Income (Loss)	26,889	—	(14,902)	—
Ordinary Income (Loss)	24,381	—	(18,442)	—
Net Income (Loss)	21,000	—	(32,527)	—
Net Income (Loss) per Share (yen)	20.95		(40.80)	
Net Income (Loss) 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)	
	At December 31, 2010	At March 31, 2010
Total Assets	1,273,057	1,238,086
Net Assets	426,267	419,004
Shareholders' Equity Ratio	30.0%	30.5%
Shareholders' Equity per Share (yen)	380.72	376.41

Note: Shareholders' Equity — At December 31, 2010: 381,493 million yen; At March 31, 2010: 377,283 million yen

2. Dividends

	Fiscal Year Ended/Ending March 31,		
	2010	2011	2011 (Forecast*)
Annual Dividends per Share (yen)			
First Quarter	—	—	
Interim	0.00	3.00	
Third Quarter	—	—	—
End of Term	3.00		3.00
Annual Dividends	3.00		6.00

Note: Revisions to previously announced dividend forecast: None

3. Forecast of Operating Results for the Fiscal Year Ending March 31, 2011 (April 1, 2010–March 31, 2011)

	Millions of Yen (Except per Share Data and Percentages)	
	Full Fiscal Year	%
Net Sales	1,400,000	15.9
Operating Income	35,000	—
Ordinary Income	29,000	—
Net Income	24,000	—
Net Income per Share (yen)	23.95	

Note: Revisions to previously announced forecast of operating results: Yes

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

4. Other

(For more details, please refer to “Other Information” in the attached documents.)

(1) Significant changes in subsidiaries during the period: None

* Changes in certain subsidiaries that result in changes in the scope of consolidation in the period under review.

(2) Adoption of simplified accounting and special accounting treatments: Yes

* Simplified accounting and special accounting treatments used in the preparation of quarterly consolidated financial statements.

(3) Changes in accounting principles, procedures, and presentation methods for consolidated financial statements

1) Changes due to revisions of accounting standards, etc.: Yes

2) Changes other than 1): None

* Accounting principles, procedures, and presentation methods that are fundamental to the preparation of quarterly consolidated financial statements.

(4) Number of shares outstanding (common stock)

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

At December 31, 2010:	1,022,020,076 shares
At March 31, 2010:	1,022,020,076 shares

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

At December 31, 2010:	20,001,600 shares
At March 31, 2010:	19,701,571 shares

3) Average number of shares (Quarterly cumulative period)

Third quarter ended December 31, 2010:	1,002,210,859 shares
Third quarter ended December 31, 2009:	797,300,009 shares

Cautionary Statement and Other Explanatory Notes

** Presentation of quarterly review procedure implementation status*

This quarterly earnings report is exempt from the quarterly review procedure based upon the Financial Instruments and Exchange Act.

* *The aforementioned forecasts are based on management's assumptions and beliefs in light of currently available information and, accordingly, entail risks and uncertainties. Actual results may differ materially from forecasts due to a variety of factors. Please refer to* 1. Qualitative Information Concerning Consolidated Results (3) Qualitative Information Concerning Consolidated Results Forecasts *in the attached documents.*

Attached Documents

Table of Contents

*The Company held an Internet briefing with institutional investors and analysts on Friday, February 4, 2011. The Company displays the documents used in and recordings of this briefing, which is held in Japanese, on its website.

1. Qualitative Information Concerning Consolidated Results

(1) Qualitative Information Concerning Consolidated Operating Results

(Overview)

In the fiscal period under review (the nine-month period from April 1, 2010 to December 31, 2010, hereafter, the "third quarter"), the operating environment continued to recover, driven by steadily growing demand on the back of strong economic growth in China and other emerging markets. This recovery occurred despite sluggish demand in certain areas of personal consumption in Japan, which was primarily caused by the conclusion of economic stimulus-oriented subsidy systems for purchasing eco-friendly automobiles.

(Billions of Yen)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Third Quarter of the Current Fiscal Year	1,020.5	26.9	24.4	21.0
Third Quarter of the Previous Fiscal Year	864.2	(14.9)	(18.4)	(32.5)
Change	156.3	41.8	42.8	53.5
Change (%)	18.1	—	—	—

Net Sales rose 156.3 billion yen, or 18.1%, compared with the third quarter of the previous fiscal year to 1,020.5 billion yen. This was attributable to the impact of a 78.8 billion yen increase in sales volume in line with recovery in demand, beginning with the automotive sector, and a 77.5 billion yen boost due to sales price revisions associated with rising naphtha and other raw material and fuel costs.

Operating income for the third quarter was 26.9 billion yen, an improvement of 41.8 billion yen year on year. This was mainly the result of increased sales volume associated with recovery in demand, beginning with the automotive sector, as well as improved trading conditions in the Petrochemicals and Basic Chemicals segments.

Ordinary income was 24.4 billion yen, an improvement of 42.8 billion yen year on year. Coming despite a rise in foreign exchange losses, this result primarily reflected an improvement of operating income and an increase in equity in earnings of non-consolidated subsidiaries and affiliates.

Extraordinary income amounted to 10.4 billion yen, a year-on-year improvement of 17.8 billion yen, mainly due to a reversal of provision for retirement benefits of 14.6 billion yen, which is explained in "Other Information" ("Supplemental Information"). This improvement occurred despite the recording of a 1.0 billion yen loss caused by this being the first fiscal year that the Accounting Standard for Asset Retirement Obligations has been applied.

As a result of the aforementioned factors, **net income before income taxes and minority interests** amounted to 34.8 billion yen, up 60.6 billion yen year on year.

Net income after accounting for income taxes and minority interests in income improved 53.5 billion yen compared with the same period of the previous fiscal year to 21.0 billion yen, which translated to net income per share for the period of 20.95 yen.

(Results by segment)

Mitsui Chemicals changed its segment classifications in line with the restructuring of its organization in April 1, 2010. Comparisons with the corresponding period of the previous fiscal year are adjusted to correspond to segments following the change.

Petrochemicals

The Petrochemicals segment enjoyed steady overall sales.

In **ethylene and propylene**, production volume fell for both of these products, reflecting the carrying out of (scheduled) periodic maintenance undertaken sequentially from May 2010, by both Osaka Petrochemical Industries, Ltd. and Keiyo Ethylene Co., Ltd.

In **polyethylene and polypropylene**, net sales were strong due to the positive impact of a rise in sales prices following a hike in raw material and fuel prices. This result occurred despite a decrease in the sales volume of certain products.

As a result of the above, this segment's sales rose 64.6 billion yen compared with the same period of the previous fiscal year to 320.9 billion yen, and comprised 31% of total sales. Operating income improved 13.5 billion yen year on year to 9.8 billion yen. This was attributable to an increase in sales volume and healthy market conditions.

Basic Chemicals

The Basic Chemicals segment recorded favorable overall sales.

In **phenols**, net sales remained strong due to expanded demand in Asia, particularly in China.

In **bisphenol A**, net sales were robust owing to a rebound in demand for its main application, primarily polycarbonate resin.

In **purified terephthalic acid (PTA)**, net sales were favorable thanks to increased sales volume on the back of expanded demand and a rise in sales prices in the wake of increased raw material and fuel prices.

In **polyethylene terephthalate (PET)** resins, net sales were steady.

In **ethylene oxide and derivatives**, net sales increased owing to a rise in sales prices accompanying a rise in raw material and fuel prices.

As a result, this segment's net sales rose 66.2 billion yen to 314.2 billion yen year on year, and accounted for 31% of total sales. Operating income improved 18.9 billion yen year on year to 12.3 billion yen thanks to a rise in sales volume (excluding certain products) and strong markets.

Polyurethane

The Polyurethane segment experienced robust overall sales.

In **polyurethane materials**, although demand recovered in the automotive market, the surging strength of the yen and the stagnant TDI market resulted in sluggish sales.

In **coating materials**, net sales were favorable owing to expanded demand in the Asian automotive and consumer electronics markets, particularly in China.

In **adhesive materials**, net sales were robust. This was attributable to firm demand for adhesives used in soft packaging in Japan, as well as an increase in demand in China and the ASEAN region.

In **molding materials**, net sales were favorable thanks to steady domestic demand for waterproofing and housing equipment-related materials—in light of the expanding housing renovation market—as well as a rebound in demand in the IT-related market.

As a result, net sales in this segment increased 2.5 billion yen year on year to 109.8 billion yen, and comprised 11% of total sales. Operating loss rose 4.0 billion yen year on year, to 6.0 billion yen. This was the result of deteriorating performance on account of the appreciating yen, the stagnant TDI market, and the effect of difficulties on the side of raw material suppliers.

Functional Polymeric Materials

The Functional Polymeric Materials segment enjoyed strong overall sales.

In **elastomers**, which are used primarily in automotive components and resin modifiers, net sales were robust due to a steady increase in demand for industrial materials and a recovery in demand in the automotive market, particularly in Asia.

In **performance compounds**, which are used mainly in packaging materials, as well as in automotive and electronic components, net sales were strong. This was primarily attributable to a rebound in demand in the automotive segment.

In **specialty polyolefin and engineering plastics**, net sales were favorable due to a recovery in demand centering on IT-related applications.

As a result, net sales of this segment increased 15.2 billion yen compared with the same period of the previous fiscal year to 78.5 billion yen, and accounted for 8% of total sales. Operating income improved 10.9 billion yen to 6.1 billion yen year on year, primarily owing to a rise in sales volume.

Fabricated Products

The Fabricated Products segment experienced strong overall net sales.

In **hygiene materials**, net sales were steady thanks to expanded demand for disposable diapers in China and Southeast Asia.

In **semiconductor materials**, net sales were robust due to a recovery in demand in the semiconductor market.

In **energy materials**, net sales were favorable thanks to greater demand in the solar cell encapsulent market.

In **packaging films**, net sales were strong due to efforts to expand sales amid slumping demand.

As a result, net sales in this segment increased 6.8 billion yen compared with the same period of the previous fiscal year to 100.0 billion yen, and comprised 10% of total sales. Operating income improved 0.7 billion yen year on year to 1.7 billion yen due to such factors as a rise in sales volume.

Functional Chemicals

The Functional Chemicals segment experienced steady overall net sales.

In **optical lens materials and healthcare materials**, which include medical materials, net sales were favorable thanks to a rebound in demand that began in the third quarter of the previous fiscal year.

In **chemical products** and **specialty gas**, net sales decreased compared with the corresponding period of the previous fiscal year due to the reorganization of and elimination of unprofitable items from the chemical product portfolio and an accident related to specialty gas that occurred in autumn of 2009.

In **catalysts**, net sales experienced a slowdown due to the impact of the appreciating yen, despite an upswing in demand since the previous fiscal year.

In **agrochemical products**, net sales were stagnant due to declining sales volumes for such products as insecticides.

As a result, this segment experienced a 1.5 billion yen increase in sales year on year to 82.9 billion yen, accounting for 8% of total sales. Operating income rose 2.1 billion yen compared with the same period of the previous fiscal year to 4.9 billion yen. This was thanks to recovery in demand for certain products and other factors.

Others

In the Others segment, the Company recorded a 0.5 billion yen year on year decrease in net sales to 14.2 billion yen, or 1% of total sales. Operating income shrank 1.3 billion yen year on year.

(2) Qualitative Information Concerning Consolidated Financial Position

Status of Assets, Liabilities, and Net Assets

Total assets at the end of the third quarter stood at 1,273.1 billion yen, up 35.0 billion yen compared with the end of the previous fiscal year.

Total liabilities at the end of the third quarter increased 27.7 billion yen compared with the previous fiscal year-end to 846.8 billion yen. **Interest-bearing debt** amounted to 482.8 billion yen, a decrease of 11.4 billion yen compared with March 31, 2010. As a result, the interest-bearing debt ratio was 37.9%, an improvement of 2.0 of a percentage point.

Net assets stood at 426.3 billion yen, a rise of 7.3 billion yen compared with the previous fiscal year-end. The **ratio of shareholders' equity to total assets** was 30.0%, a decrease of 0.5 of a percentage point from the previous fiscal year-end.

Accounting for the aforementioned factors, the **debt-equity ratio** stood at 1.27 as of the end of the third quarter, an improvement of 0.04 of a percentage point from the previous fiscal year-end.

Cash Flow Status

Cash and cash equivalents (hereafter called "cash") were down 8.3 billion yen to 64.7 billion yen as of the end of the third quarter.

Cash Flows from Operating Activities

Net cash provided by operating activities was 40.4 billion yen. This decline of 3.8 billion yen compared with the same period of the previous fiscal year was mainly due to an increase in working capital following a rise in inventories and an increase in income taxes paid that offset the income before income taxes and minority interests recorded for the period.

Cash Flows from Investing Activities

Net cash used in investing activities decreased 13.3 billion yen compared with the same period of the previous fiscal year to 30.3 billion yen. This decline was mainly attributable to lower payments for the purchase of property, plant and equipment on a year-on-year basis.

Cash Flows from Financing Activities

Net cash used in financing activities was 17.3 billion yen due to the repayment of interest-bearing debt and cash dividends paid. Net cash provided by financing activities in the corresponding period of the previous fiscal year was 1.2 billion yen. This was primarily due to the issuance of new shares, which offset the repayment of interest-bearing debt.

(3) Qualitative Information Concerning Consolidated Results Forecasts

Consolidated earnings projections for the full-year results for the fiscal year ending March 31, 2011, announced on November 2, 2010, have been revised as follows.

Financial performance revisions are based on the following assumptions:
a) Exchange rate for the full year is 86 yen/U.S. dollar (January to March is 83 yen/U.S. dollar)
b) Average price of domestic naphtha for the full year period is 47,400 yen /kl (January to March is 52,000 yen/kl)

As a result, net sales are forecast to surpass the previously announced figures. This is expected because of sales price revisions following increases in raw material and fuel costs in the Petrochemicals and Basic Chemicals segments. The increases are anticipated despite declines in sales prices and sales amounts in the Polyurethane segment.

Although expectations are for the Polyurethane segment to see a deterioration in trading conditions and decreased sales, no change has been made to previously announced consolidated operating income forecasts because of an improvement of trading conditions in the Basic Chemicals segment.

(Billions of Yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast	1,340.0	35.0	29.0	24.0
Revised Forecast	1,400.0	35.0	29.0	24.0
Change	60.0	—	—	—

Net Sales by Segment

(Billions of Yen)

	Petrochemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Fabricated Products	Functional Chemicals	Others	Corporate expenses, etc.	Total
Previous Forecast	413.0	398.0	153.0	100.0	134.0	125.0	17.0	—	1,340.0
Revised Forecast	450.0	427.0	145.0	100.0	134.0	125.0	19.0	—	1,400.0
Change	37.0	29.0	(8.0)	—	—	—	2.0	—	60.0

Operating Income (Loss) by Segment

(Billions of Yen)

	Petrochemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Fabricated Products	Functional Chemicals	Others	Corporate expenses, etc.	Total
Previous Forecast	11.0	12.0	(6.0)	7.5	2.0	12.0	—	(3.5)	35.0
Revised Forecast	11.0	16.0	(10.0)	7.5	2.0	12.0	—	(3.5)	35.0
Change	—	4.0	(4.0)	—	—	—	—	—	—

2. Other Information

(1) Overview of Significant Changes in Subsidiaries

Not applicable

(2) Overview of Simplified Accounting and Special Accounting Treatments

(a) Simplified Accounting Treatments

Not applicable

(b) Special Accounting Treatments for Quarterly Consolidated Financial Statements

Calculation of tax expense

The effective tax rate after the 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 third quarter were calculated by multiplying the third quarter pretax net income by the estimated effective tax rate. The deferred income taxes were included in the "income taxes."

(3) Overview of Changes in Accounting Principles, Procedures, and Presentation

(Changes in accounting principles)

(a) Application of Accounting Standard for Equity Method of Accounting for Investments and Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method

Effective from the first quarter of the current fiscal year, the Company has adopted new accounting standards, “Accounting Standard for Equity Method of Accounting for Investments” (Accounting Standards Board of Japan [ASBJ] Statement No. 16, March 10, 2008) and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (Practical Issues Task Force [PITF] No. 24, March 10, 2008). This change had no impact on ordinary income and net income before income taxes and minority interests.

(b) Application of Accounting Standards for Asset Retirement Obligations

Effective from the first quarter of the current fiscal year, the Company has adopted new accounting standards, “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008). This change had only minor impact on operating income and ordinary income. Net income before income taxes and minority interests decreased by 1,028 million yen. The change in the asset retirement obligation due to the application of these accounting standards is 2,219 million yen.

(c) Application of Accounting Standard for Measurement of Inventories

Effective from the first quarter of the current fiscal year, the Company has adopted a new accounting standard, “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, September 26, 2008), and, as such, the method of valuation of inventories has changed from the last-in first- out method to the weighted-average method. As a result, operating income, ordinary income, and net income before income taxes and minority interests decreased by 479 million yen, respectively.

(d) Application of Accounting Standards for Business Combinations

Effective from the first quarter of the current fiscal year, the Company has adopted the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, December 26, 2008), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008), “Partial Amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No. 23, December 26, 2008), “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, December 26, 2008), “Revised Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16, revised December 26, 2008), and “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10 December 26, 2008). In connection with the adoption of these standards, the method for evaluating subsidiaries’ assets and liabilities changed from the partial revaluation under parent company approach to the full revaluation under economic unit approach. However, this change had only minor impact on assets, liabilities and income.

(Supplemental Information)

Review of Retirement Benefits and Pension Levels

In April 2010, the Company reviewed retirement benefits and pension levels as one initiative to improve its medium- to long-term profit structure. As part of this review, calculations were made under the premise that the interest rate on benefits would change and, therefore, retirement allowance liabilities declined 14,618 million yen. Because this reduction in retirement allowance liabilities corresponds to the prior service cost, during the first quarter of the consolidated fiscal year ending March 31, 2011, such liabilities were processed collectively in accordance with the Company’s accounting treatment methods. Consequently, extraordinary income of 14,618 million yen was recorded as reversal of provision for retirement benefits.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets (Summary)

	Millions of Yen	
	As of December 31, 2010	As of March 31, 2010
Assets		
Current Assets	**634,162**	**604,556**
Fixed Assets	**638,895**	**633,530**
Total Assets	**1,273,057**	**1,238,086**
Liabilities		
Current Liabilities	**410,438**	**386,203**
Long-Term Liabilities	**436,352**	**432,879**
Total Liabilities	**846,790**	**819,082**
Net Assets		
Shareholders' Equity		
Common stock	125,053	125,053
Capital surplus	91,065	91,065
Retained earnings	197,844	182,922
Treasury stock, at cost	(14,232)	(14,215)
Total Shareholders' Equity	**399,730**	**384,825**
Valuation and Translation Adjustments		
Net unrealized holding gain on securities	10,901	13,095
Net unrealized holding loss on hedging derivatives	20	0
Foreign currency translation adjustments	(29,158)	(20,637)
Total Valuation and Translation Adjustments	**(18,237)**	**(7,542)**
Minority Interests	**44,774**	**41,721**
Total Net Assets	**426,267**	**419,004**
Total Liabilities and Net Assets	**1,273,057**	**1,238,086**

(2) Consolidated Income Statements

	Millions of Yen	
	April 1, 2010 to December 31, 2010	April 1, 2009 to December 31, 2009
Net Sales	**1,020,547**	**864,230**
Cost of Sales	862,528	747,873
Gross Profit	**158,019**	**116,357**
Selling, general and administrative expenses	131,130	131,259
Operating Income (Loss)	**26,889**	**(14,902)**
Non-operating Income and Expenses		
Non-operating Income		
Interest income	110	413
Dividend income	1,491	1,795
Rent income	472	531
Equity in earnings of non-consolidated subsidiaries and affiliates	5,053	2,624
Other	3,580	3,335
Non-operating Income	**10,706**	**8,698**
Non-operating Expenses		
Interest expenses	5,810	6,498
Interest on commercial paper	6	25
Foreign exchange losses	2,805	1,395
Other	4,593	4,320
Non-operating Expenses	**13,214**	**12,238**
Ordinary Income (Loss)	**24,381**	**(18,442)**
Extraordinary Income and Loss		
Extraordinary Income		
Gain on sales of noncurrent assets	309	405
Gain on sales of investment securities	58	32
Reversal of provision for retirement benefits	14,618	—
Extraordinary Income	**14,985**	**437**
Extraordinary Loss		
Loss on disposal of noncurrent assets	2,006	3,876
Loss on sales of noncurrent assets	66	78
Impairment loss	779	618
Loss on restructuring of subsidiaries and affiliates	701	1,328
Loss on valuation of investment securities	80	1,754
Loss on adjustment for change of accounting standard for asset retirement obligations	970	–
Other	–	110
Extraordinary Loss	**4,602**	**7,764**
Net Income (Loss) before Income Taxes and Minority Interests	**34,764**	**(25,769)**
Income Taxes	**7,837**	**7,469**
Income before Minority Interests	26,927	—
Minority Interests in Income (Loss)	**5,927**	**(711)**
Net Income (Loss)	**21,000**	**(32,527)**

(3) Consolidated Cash Flow Statements (Summary)

		Millions of Yen	
		April 1, 2010 to December 31, 2010	April 1, 2009 to December 31, 2009
I.	Cash Flows from Operating Activities	40,375	44,162
II.	Cash Flows from Investing Activities	(30,322)	(43,599)
III.	Cash Flows from Financing Activities	(17,325)	1,171
IV.	Effect of Exchange Rate Changes on Cash and Cash Equivalents	(981)	249
V.	Net (Decrease) Increase in Cash and Cash Equivalents	(8,253)	1,983
VI.	Cash and Cash Equivalents at Beginning of Period	72,962	47,949
VII.	Increase in Cash and Cash Equivalents Resulting from Changes in Scope of Consolidation	—	369
VIII	Cash and Cash Equivalents at End of Period	64,709	50,301

(4) Notes Regarding Going Concern Assumption
None

(5) Segment Information
(a) Overview of Reportable Segments

The reportable segments of Mitsui Chemicals comprise those entities for which obtaining separate financial reports is possible and that are subject to regular review by the Board of Directors, which decides upon the distribution of management resources to said segments.

Mitsui Chemicals positions segments distinguished by their products and services within its headquarters. Each segment proposes comprehensive domestic and overseas strategies in addition to pursuing business expansion in its respective product and service area.

The six reportable segments (distinguished by products and services) that therefore comprise Mitsui Chemicals operations are: Petrochemicals, Basic Chemicals, Polyurethane, Functional Polymeric Materials, Fabricated Products, and Functional Chemicals.

Segment		Major Products
Reportable Segments	Petrochemicals	Ethylene, propylene, polyethylene, polypropylene
	Basic Chemicals	Phenols, bisphenol-A, PTA, PET, ethylene oxide
	Polyurethane	Polyurethane materials, coating materials, adhesive materials, and molding materials
	Functional Polymeric Materials	Elastomers, performance compounds, specialty polyolefin, engineering plastics
	Fabricated Products	Hygiene materials, semiconductor materials, energy materials, packaging films
	Functional Chemicals	Optical lens materials, healthcare materials, chemical products, specialty gas, catalysts, and agrochemical products
Others	Others	Other related businesses, etc.

(b) Information concerning net sales, profits and losses for each reportable segment

The previous third quarter (April 1, 2009 – December 31, 2009) (Millions of yen)

	Reportable Segment								
	Petro-chemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Fabricated Products	Functional Chemicals	Total	Others (Note)	Sum total
Net sales									
(1) To external customers	256,344	247,958	107,314	63,251	93,205	81,407	849,479	14,751	864,230
(2) Internal sales among segments and transfers	83,682	16,321	2,914	7,880	221	3,823	114,841	43,691	158,532
Total	340,026	264,279	110,228	71,131	93,426	85,230	964,320	58,442	1,022,762
Segment income (loss)	(3,727)	(6,643)	(2,018)	(4,761)	1,032	2,747	(13,370)	1,329	(12,041)

The current third quarter (April 1, 2010 – December 31, 2010) (Millions of yen)

	Reportable Segment								
	Petro-chemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Fabricated Products	Functional Chemicals	Total	Others (Note)	Sum total
Net sales									
(1) To external customers	320,879	314,178	109,861	78,515	100,038	82,911	1,006,382	14,165	1,020,547
(2) Internal sales among segments and transfers	92,273	19,430	3,093	11,849	225	3,843	130,713	38,327	169,040
Total	413,152	333,608	112,954	90,364	100,263	86,754	1,137,095	52,492	1,189,587
Segment income (loss)	9,818	12,265	(5,963)	6,054	1,686	4,904	28,764	17	28,781

Note: The "Other Business" category incorporates operations not included in reportable segments.

(c) Difference between Total Amount of Consolidated Income/Loss by Reportable Segment and Operating Income/Loss from Consolidated Income Statements (adjustment of difference)

The previous third quarter (April 1, 2009 – December 31, 2009) (Millions of yen)

Items	Amount
Total reportable segment loss	(13,370)
Income classified under "Others"	1,329
Elimination of intersegment transactions	261
Corporate expenses (note)	(3,112)
Operating loss recorded in Consolidated Income Statements	(14,902)

The current third quarter (April 1, 2010 – December 31, 2010) (Millions of yen)

Items	Amount
Total reportable segment income	28,764
Income classified under "Others"	17
Elimination of intersegment transactions	185
Corporate expenses (note)	(2,077)
Operating income recorded in Consolidated Income Statements	26,889

Note: Corporate mainly comprises strategic R&D expenses not usually attributed to segments

(d) Information on Change to Reportable Segments

(Change of Reportable Segments)

In line with the reorganization that took effect from April 1, 2010, Mitsui Chemicals has from the consolidated first quarter of the current fiscal year reorganized its previous three segments of Performance Materials, Advanced Chemicals, and Basic Chemicals into the six segments of Petrochemicals, Basic Chemicals, Polyurethane, Functional Polymeric Materials, Fabricated Products, and Functional Chemicals.

In the Basic Chemicals Business area, feedstocks, polyethylene, and polypropylene operations were reclassified into the Petrochemicals segment, while phenols, PTA & PET, and industrial chemicals were reclassified into the Basic Chemicals segment.

In the Performance Materials area, MCI reclassified polyurethane and coating materials into the Polyurethane segment. Automotive & industrial materials, information & electronics materials (except for functional film and certain other materials) were restructured into the Functional Polymeric Materials segment, and functional film, solar & cell & battery components, and living & energy materials were restructured into the Fabricated Products segment. The Advanced Chemicals area was reorganized into the Functional Chemicals segment.

Segment information for the corresponding period of the previous fiscal year is prepared based on reportable segments adopted in the current third quarter under review.

(Significant Changes in Calculation Method of Segment Income or Loss)

As stated in "2. Other Information (3) Overview of Changes in Accounting Principles, Procedures, and Presentation (c) Application of Accounting Standard for Measurement of Inventories" on page 7, Mitsui Chemicals has from the first quarter applied ASBJ Statement No. 9 (September 26, 2008) Accounting Standard for Measurement of Inventories and has changed from the "last-in, first-out" method to the "weighted-average" method for the valuation of inventories.

In accordance with this change, as compared to application of the previous method, segment income in the third quarter increased in the Basic Chemicals, Functional Polymeric Materials, and Fabricated Products segments by 302 million yen, 37 million yen, and 62 million yen, respectively, while decreasing in the Petrochemicals, Functional Chemicals, and Others segments by 328 million yen, 413 million yen, and 279 million yen, respectively. In addition, the Polyurethane segment loss decreased by 140 million yen.

(e) Information on Impairment Losses Related to Fixed Assets and Goodwill by Reportable Segment

This does not apply as Mitsui Chemicals does not recognize critical impairment loss on fixed assets, and because the amount of goodwill did not exert any material impact.

(Supplemental Information)

From the first quarter of the current fiscal year, Mitsui Chemicals has applied the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008).

(6) Notes in the Event of Significant Changes in Amount of Shareholders' Equity

None