

Summary of Consolidated Financial Results for First Quarter of FY2011

Aug. 4, 2011
Mitsui Chemicals, Inc.

1. Summary of Income Statement

(Unit : Billions of Yen)

	1st Q of FY2010	1st Q of FY2011	Incr. (Decr.)	
Net sales	339.4	386.7	47.3	
Operating income	11.8	22.0	10.2	
Ordinary income	11.4	23.3	11.9	
Net income	18.7	12.3	(6.4)	
Exchange rate	Yen / US\$	92	82	(10)
Domestic standard naphtha price	Yen / KL	49,600	59,000	9,400

FY2010	Outlook for FY2011 (announced Aug 4)	
	Interim	Full Year*
1,391.7	770.0	1,580.0
40.5	26.0	52.0
38.9	27.0	53.0
24.9	13.0	28.0
86	82	—
47,500	57,000	—

	Jul.-Sep.	Oct.-Mar.
Exchange rate	82	85
Domestic standard naphtha price	55,000	62,000

* Outlook for Oct~Mar, included in full year outlook, is not revised from the announced May 11.

2. Net Sales and Operating Income (Loss) (by business segment)

·Net Sales

(Unit : Billions of Yen)

	1st Q of FY2010	1st Q of FY2011	Incr. (Decr.)	Breakdown	
				Volume	Price
Petrochemicals	110.3	116.0	5.7	(3.6)	9.3
Basic Chemicals	102.3	140.5	38.2	12.2	26.0
Polyurethane	35.9	31.5	(4.4)	(3.3)	(1.1)
Functional Polymeric Materials	25.9	29.1	3.2	1.9	1.3
Fabricated Products	32.5	35.8	3.3	3.1	0.2
Functional Chemicals	27.8	29.4	1.6	2.1	(0.5)
Others	4.7	4.4	(0.3)	(0.3)	-
Total	339.4	386.7	47.3	12.1	35.2

FY2010	Outlook for FY2011 (announced Aug 4)	
	Interim	Full Year*
434.0	229.0	482.0
435.7	274.0	531.0
144.8	68.0	153.0
106.2	60.0	122.0
132.0	70.0	145.0
119.8	60.0	128.0
19.2	9.0	19.0
1,391.7	770.0	1,580.0

·Operating Income (Loss)

(Unit : Billions of Yen)

	1st Q of FY2010	1st Q of FY2011	Incr. (Decr.)	Breakdown		
				Volume	Price [※]	Fixed Costs etc.
Petrochemicals	5.8	6.1	0.3	(1.4)	3.0	(1.3)
Basic Chemicals	3.6	12.9	9.3	2.1	7.2	-
Polyurethane	(1.3)	(2.6)	(1.3)	(0.9)	(1.9)	1.5
Functional Polymeric Materials	2.3	2.2	(0.1)	-	(0.1)	-
Fabricated Products	0.9	2.0	1.1	0.5	0.1	0.5
Functional Chemicals	1.4	2.3	0.9	1.4	(0.5)	-
Others	(0.2)	(0.5)	(0.3)	-	-	(0.3)
Adjustment	(0.7)	(0.4)	0.3	-	-	0.3
Total	11.8	22.0	10.2	1.7	7.8	0.7

FY2010	Outlook for FY2011 (announced Aug 4)	
	Interim	Full Year*
12.8	5.5	12.5
20.4	17.5	23.5
(9.0)	(5.5)	(8.0)
7.2	4.0	10.0
1.4	2.0	5.0
10.0	3.5	11.0
0.2	(0.5)	(1.0)
(2.5)	(0.5)	(1.0)
40.5	26.0	52.0

※ Price includes both selling and purchasing price variances

3. Special Gains and Losses

(Unit : Billions of Yen)

	1st Q of FY2010	1st Q of FY2011	Incr. (Decr.)
Gain on sales of fixed assets	0.1	0.2	0.1
Reversal of provision for retirement benefits	14.6	-	(14.6)
Loss on sales and disposal of fixed assets	(0.4)	(0.3)	0.1
Loss on impairment	-	-	-
Loss on related activities etc.	(0.7)	-	0.7
Loss on valuation of investment securities	-	-	-
Others	(1.0)	(1.3)	(0.3)
Total	12.6	(1.4)	(14.0)

FY2010	Outlook for FY2011 (announced Aug 4)	
	Interim	Full Year*
0.7	0.2	0.2
14.6	-	-
(2.9)	(0.9)	(0.9)
(2.2)	-	-
(1.0)	-	-
(0.7)	-	-
(2.4)	(1.3)	(1.3)
6.1	(2.0)	(2.0)

4. Summary of Balance Sheet

(Unit : Billions of Yen)

	Assets				Liabilities and Net assets		
	As of Mar. 31, 2011	As of Jun. 30, 2011	Incr. (Decr.)		As of Mar. 31, 2011	As of Jun. 30, 2011	Incr. (Decr.)
Current assets	666.0	689.2	23.2	Interest-bearing liabilities	480.7	484.2	3.5
Tangible fixed assets	467.7	461.9	(5.8)	Other liabilities	383.8	388.7	4.9
Intangible fixed assets	11.3	12.9	1.6	Shareholders' equity	383.7	393.2	9.5
Investments and others	150.6	150.4	(0.2)	Minority interests	47.4	48.3	0.9
Total assets	1,295.6	1,314.4	18.8	Total liabilities and net assets	1,295.6	1,314.4	18.8
				[D/E Ratio]	1.25	1.23	(0.02)

5. Summary of Cash Flow

(Unit : Billions of Yen)

	1st Q of FY2010	1st Q of FY2011	Incr. (Decr.)	FY2010	Outlook for FY2011 (announced Aug 4)	
					Interim	Full Year*
Cash flows from operating activities	1.7	2.6	0.9	73.2	25.0	60.0
Cash flows from investing activities	(9.0)	(12.4)	(3.4)	(43.2)	(35.0)	(75.0)
<i>Free cash flows</i>	(7.3)	(9.8)	(2.5)	30.0	(10.0)	(15.0)
Cash flows from financing activities	(9.0)	(5.0)	4.0	(20.1)	5.0	5.0
Others	(0.1)	0.1	0.2	(1.8)	-	-
Net incr.(decr.) in cash and cash equivalents	(16.4)	(14.7)	1.7	8.1	(5.0)	(10.0)

6. Topic

- Acquisition of Acomon AG , a manufacturer and distributor of monomers for optical lenses, in Switzerland, Apr 2011
- 1-hexene, mainly used as co-monomer for EVORUE™, in Ichihara works starting commercial operation, Apr 2011
- Foshan Mitsui Chemicals Polyurethanes Co.,Ltd. , a System house which manufactures and sells polyurethane foam materials , in China starting commercial operation, May 2011