



Financial Summary

Results of FY2008 & Outlook for FY2009

Mitsui Chemicals, Inc.

< Remarks >

FY2008 indicates the fiscal year starting from April 1 of 2008 and ending at March 31 of 2009

FY2009 indicates the fiscal year starting from April 1 of 2009 and ending at March 31 of 2010

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1. Results of FY2008

(April 1, 2008 – March 31, 2009)

1) Operation Topics in FY2008

Project	Action	Production Capacity	Location	Date
Performance Materials				
1) Expand EPT Production Capacity	Start commercial operation	+75K t/y (45-120K t/y)	Ichihara	Apr. 08
2) Establish Mitsui Chemicals India PVT LTD	Establish new subsidiary		India	Apr. 08
3) Expand Cycloolefin Copolymer(APEL™) Production Capacity	Start commercial operation	+3K t/y (3.4-6.4K t/y)	Osaka	May. 08
4) Commence Joint Development of Silane Gas Manufacturing Process (Mitsui Chemicals and Tokuyama Corporation)	Jointly develop manufacturing process			Aug. 08
5) Expand Solar Cell Encapsulant Production Capacity (Mitsui Chemicals Fabro, Inc)	Expand production capacity	+11K t/y (9-20K t/y)	Nagoya	Oct. 08
6) Exit C9 Petroleum Resin(trade name:PETROSIN) Business	Terminate production	20K t/y	Ichihara	Mar. 09
Advanced Chemicals				
7) Acquire SDC Technologies, Inc	Acquisition		USA	Jun. 08

1) Operation Topics in FY2008

Project	Action	Production Capacity	Location	Date
Basic Chemicals				
8) Announce Establishment of Joint Venture to Construct Nghi Son Complex	Decision to participate in joint venture		Vietnam	Apr. 08
9) Develop Highly Active Catalyst for 1-Hexene Production (plan to establish a 1-Hexene Plant in 2010)		(30K t/y)	(Ichihara)	Jun. 08
10) New BPA Plant	Start commercial operation	120K t/y	Shanghai, China (SSMC)	Dec. 08
11) Terminate EOG plant		119Kton/year	Ichihara	Jan. 09
12) Terminate Aniline Production		66K t/y	Osaka	Mar. 09
13) Terminate Polystyrene Production		62K t/y	Osaka	Mar. 09
14) Establish Pilot Facility to Study Methanol Synthesis Process from CO ₂	Construct pilot facility	100 tons/year (Translated into methanol production volume)	Osaka	Mar. 09

2) Number of Subsidiaries and Affiliates

Items	FY2007 (a)	FY2008 (b)	Incr. (Decr.) (b)-(a)
Number of consolidated subsidiaries	63	66	3
Number of non-consolidated subsidiaries and affiliates to which the equity method is applied	38	32	(6)
Total	101	98	(3)

3) Consolidated Financial Highlights

(Billions of yen)

Items	FY2007	FY2008	Increase (Decrease)	%
Sales	1,786.7	1,487.6	(299.1)	(17%)
Operating income	77.2	(45.5)	(122.7)	(159%)
None-Operating income/expenses	(11.1)	(5.3)	5.8	-
Recurring income	66.1	(50.8)	(116.9)	(177%)
Special gains/losses	(21.5)	(14.6)	6.9	-
Income before income taxes	44.6	(65.4)	(110.0)	(247%)
Net income	24.8	(95.2)	(120.0)	(484%)
Earnings Per Share (Yen/Share)	32.22	(125.46)	(157.68)	-
Exchange Rate (Yen/US\$)	114	101	(13)	
Domestic Standard Naphtha Price (Yen/KL)	61,430	58,930	(2,500)	
Interest-bearing liabilities	486.0	535.4	49.4	10%
D/E Ratio	0.97	1.53	0.56	-
Dividend (Yen/Share)	12.00	9.00	3.00	-

4) Sales (by Business Segment)

(Billions of Yen)

Segment	FY2007	FY2008	Incr. (Decr.)	Breakdown	
				Volume	Price
Performance Materials	504.1	431.8	(72.3)	(81.9)	9.6
Advanced Chemicals	122.1	118.7	(3.4)	(5.0)	1.6
Basic Chemicals	1,111.2	912.8	(198.4)	(192.6)	(5.8)
Others	49.3	24.3	(25.0)	(24.8)	(0.2)
Total	1,786.7	1,487.6	(299.1)	(304.3)	5.2

5) Operating Income (by Business Segment)

(Billions of Yen)

Segment	FY2007	FY2008	Incr. (Decr.)	Breakdown		
				Volume	* Price	Costs
Performance Materials	35.9	(16.0)	(51.9)	(27.4)	(13.2)	(11.3)
Advanced Chemicals	10.8	7.3	(3.5)	(0.5)	(1.0)	(2.0)
Basic Chemicals	33.4	(32.0)	(65.4)	(46.5)	(16.0)	(2.9)
Others	(2.9)	(4.8)	(1.9)	(2.0)	(1.5)	1.6
Total	77.2	(45.5)	(122.7)	(76.4)	(31.7)	(14.6)

* Price ; including both selling and purchase price variances

6) Operating Income (vs. Jan.30 forecast)

(Billions of Yen)

Segment	FY2008 Outlook Jan.30(a)	FY2008 Actual (b)	Incr. (Decr.) (b)-(a)	Breakdown			FY2008 Outlook Apr.21
				Volume	* Price	Costs	
Performance Materials	(6.0)	(16.0)	(10.0)	(3.4)	(5.7)	(0.9)	(16.0)
Advanced Chemicals	8.0	7.3	(0.7)	(0.7)	(0.4)	0.4	7.0
Basic Chemicals	(21.0)	(32.0)	(11.0)	(5.7)	(6.3)	1.0	(32.0)
Others	(6.0)	(4.8)	1.2	0.0	0.0	1.2	(5.0)
Total	(25.0)	(45.5)	(20.5)	(9.8)	(12.4)	1.7	(46.0)

* Price ; including both selling and purchasing price variances

7) Operating Income (by Quarter)

(Billions of Yen)

Segment	Operating Income for FY2008				
	1st Q	2nd Q	3rd Q	4th Q	Full Year
Performance Materials	5.6	3.6	0.6	(25.8)	(16.0)
Advanced Chemicals	3.8	(0.2)	1.5	2.2	7.3
Basic Chemicals	12.4	(12.6)	0.9	(32.7)	(32.0)
Others	(1.1)	(1.5)	(1.0)	(1.2)	(4.8)
Total	20.7	(10.7)	2.0	(57.5)	(45.5)

8) Non-Operating Income and Expenses

(Billions of yen)

Items	FY2007	FY2008	Incr. (Decr.)
Equity in earnings of non-consolidated subsidiaries and affiliates	5.9	3.0	(2.9)
Interest expenses, interest and dividend income	(5.5)	(5.3)	0.2
Gain (loss) on Foreign exchange	(6.1)	(4.4)	1.7
Other net	(5.4)	1.4	6.8
Total	(11.1)	(5.3)	5.8

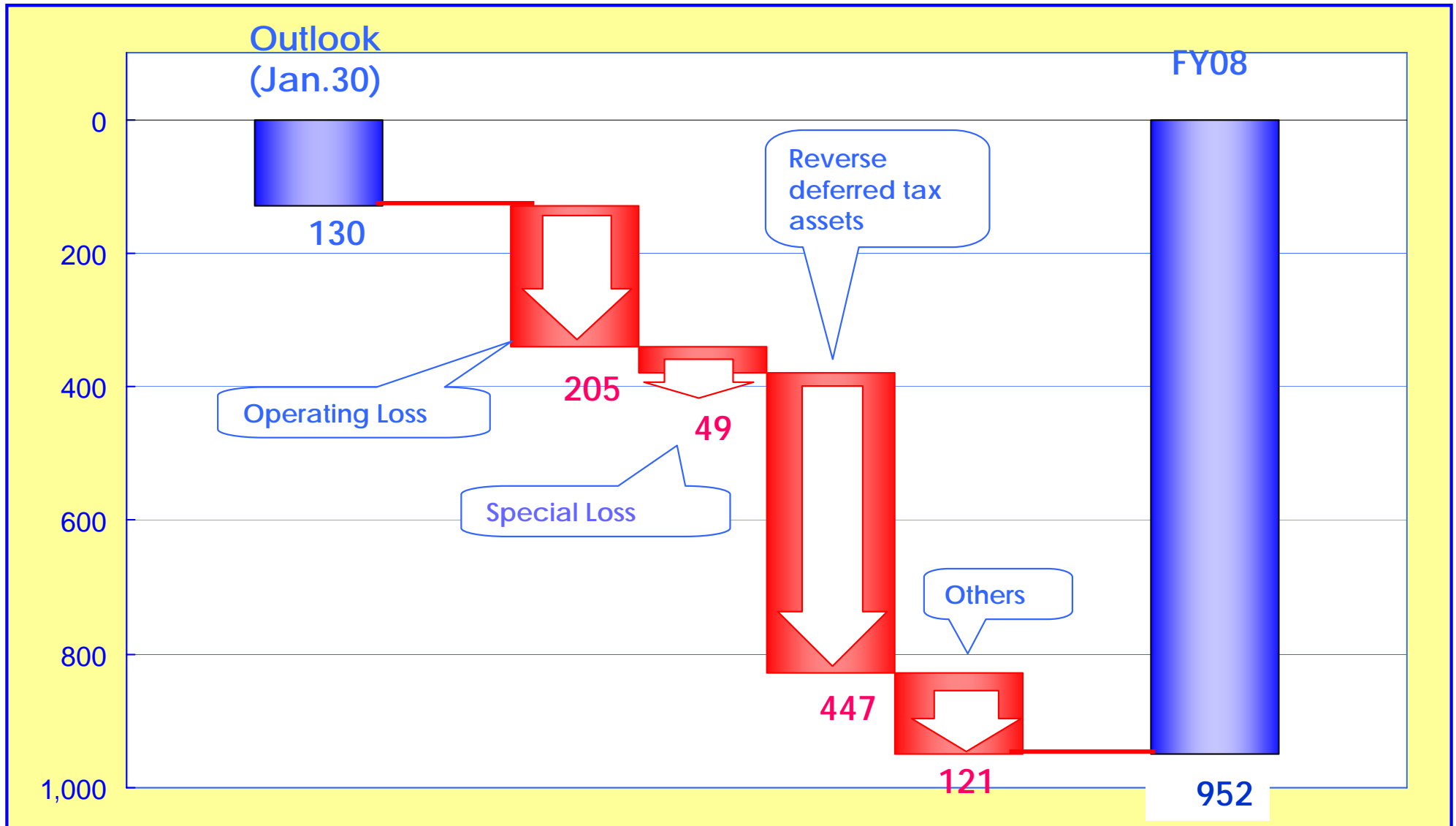
9) Special Gains and Losses

(Billions of yen)

Items	FY2007	FY2008	Incr. (Decr.)
Special gains (a)	2.9	2.4	(0.5)
Gain on sales of fixed assets	2.9	2.4	(0.5)
Special losses (b)	(24.4)	(17.0)	7.4
Loss on sales and disposal of fixed assets	(5.4)	(7.1)	(1.7)
Impairment loss	(0.7)	(3.9)	(3.2)
Loss on restructuring of subsidiaries and affiliates etc.	(3.2)	(2.7)	0.5
Environmental measure expenses	(11.7)	(1.4)	10.3
Loss on valuation of investment securities	(0.8)	(1.9)	(1.1)
Loss on business withdrawal	(2.6)	0.0	2.6
Special gains and losses (a)+(b)	(21.5)	(14.6)	6.9

10) Net Income (vs. Jan.30 forecast)

Billions of Yen



11) Consolidated Balance Sheets

(Billions of Yen)

Items	End of 08/3	End of 09/3	Incr. (Decr.)	Items	End of 08/3	End of 09/3	Incr. (Decr.)
Current assets	726.3	529.6	(196.7)	Liabilities	905.0	790.8	(114.2)
Cash and cash equivalents	25.5	47.9	22.4	Notes and accounts payables	239.5	98.4	(141.1)
Notes and accounts receivables	332.9	174.8	(158.1)	Interest-bearing liabilities	486.0	535.4	49.4
Inventories	269.2	250.7	(18.5)	Other liabilities	179.5	157.0	(22.5)
Other current assets	98.7	56.2	(42.5)				
				Net assets	564.2	398.1	(166.1)
Fixed assets	742.9	659.3	(83.6)	Shareholders' equity	479.5	364.4	(115.1)
Tangible fixed assets	564.8	522.6	(42.2)	Appraisal and Translation Differences	20.5	(14.5)	(35.0)
Investments & other non-current assets	178.1	136.7	(41.4)	Minority interest	64.2	48.2	(16.0)
Total	1,469.2	1,188.9	(280.3)	Total	1,469.2	1,188.9	(280.3)

Contingent liabilities as
guarantor of indebtedness

11.5

8.7

(2.8)

12) Consolidated Statements of Cash Flow

(Billions of yen)

Items	FY2007	FY2008	Incr. (Decr.)
I. Cash flows from operating activities[A]	92.4	54.9	(37.5)
II. Cash flows from investing activities[B]	(78.2)	(76.3)	1.9
Free cash flows[A+B]	14.2	(21.4)	(35.6)
III. Cash flows from financing activities	(28.7)	48.3	77.0
IV. Others	(0.4)	(4.5)	(4.1)
Net incr.(decr.) in cash and cash equivalents	(14.9)	22.4	37.3

2. Outlook for FY2009

(April 1, 2009 – March 31, 2010)

This summary contains forward-looking statements about the future plans, strategies, belief and performance of the Mitsui Chemicals Group as a whole and its individual consolidated companies. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on information currently available to the Mitsui Chemicals Group and are subject to a number of risks, uncertainties and assumptions, which, without limitation, include economic trends, fluctuations in foreign currency exchange rates, fluctuations in the price of raw materials, competition in markets where the Company is active, personal consumption, market demand, the tax system and other legislation. As such, actual results may differ materially from those projected and the Mitsui Chemicals Group cannot guarantee that these forward-looking statements are accurate or will be achieved.

1) Operation Topics in FY2009

Project	Action	Production Capacity	Location	Date
Performance Materials				
1) TOHCELLO CO.,LTD. Became a Wholly Owned Subsidiary through Share Exchange				Apr. 09
2) Merger of Mitsui Chemicals Polyurethanes, Inc.				Apr. 09
3) Expand MDI Production Capacity (Kumho Mitsui Chemicals)	Plant completed	+65K t/y (65 130K t/y)	Korea	May. 09
4) Expand Alpha-Olefin Copolymer (TAFMER™) Production Capacity (Mitsui Elastmers Singapore)	Plant completed	+100K t/y (100 200K t/y)	Singapore	Dec. 09
Advanced Chemicals				
5) Split Agrochemicals Division and Integrate with Sankyo Agro Co.,Ltd				Apr. 09

1) Operation Topics in FY2009

Project	Action	Production Capacity	Location	Date
Basic Chemicals				
6)Memorandum of Agreement to Strengthen Collaboration with SINOPEC	Start commercial operation	15K t/y	India (ACI)	Apr. 09
7) New PP Automotive Materials Plant				Apr. 09
8)Expand Collaboration with Idemitsu Kosan to Optimize Naphtha Supply	Expand Production Capacity	30K t/y	Ichihara	May. 09
9) Expand 1-HEX Production Capacity				Nov. 09

2) Consolidated Financial Highlights

(Billions of yen)

Items	FY2008	FY2009 Outlook		Increase (Decrease)	%
		1-2Q	Full Year		
Sales	1,487.6	520.0	1,150.0	(337.6)	(23%)
Operating income	(45.5)	(42.0)	(38.0)	7.5	-
(Equity in earnings of non-consolidated subsidiaries&affiliates)	3.0	1.5	4.0	1.0	-
Recurring income	(50.8)	(46.0)	(47.0)	3.8	-
Specail gains/losses	(14.6)	(4.0)	(6.0)	8.6	-
Net income	(95.2)	(48.0)	(56.0)	39.2	-
Earnings Per Share (Yen/Share)	(125.46)	(62.11)	(72.46)	53.00	-
Exchange Rate (Yen/US\$)	101	95	95	(6)	
Domestic Standard Naphtha Price (Yen/KL)	58,930	38,000	38,000	(20,930)	
Dividend (Yen/Share)	9.00	0.00	TBD	-	-

3) Sales (by Business Segment)

(Billions of Yen)

Segment	FY2008	FY2009 Outlook	Incr. (Decr.)	Breakdown	
				Volume	Price
Performance Materials	431.8	380.0	(51.8)	5.1	(56.9)
Advanced Chemicals	118.7	120.0	1.3	4.3	(3.0)
Basic Chemicals	912.8	620.0	(292.8)	(65.1)	(227.7)
Others	24.3	30.0	5.7	9.8	(4.1)
Total	1,487.6	1,150.0	(337.6)	(45.9)	(291.7)

4) Operating Income (by Business Segment)

(Billions of Yen)

Segment	FY2008	FY2009 Outlook	Incr. (Decr.)	Breakdown		
				Volume	* Price	Costs
Performance Materials	(16.0)	(21.0)	(5.0)	(0.3)	(10.4)	5.7
Advanced Chemicals	7.3	8.0	0.7	0.1	0.0	0.6
Basic Chemicals	(32.0)	(20.0)	12.0	0.6	4.2	7.2
Others	(4.8)	(5.0)	(0.2)	0.0	0.0	(0.2)
Total	(45.5)	(38.0)	7.5	0.4	(6.2)	13.3

* Price ; including both selling and purchase price variances

5) Sales and Operating Income (1-2Q and 3-4Q)

(Billions of yen)

Segment	Sales			Operating Income		
	1-2Q	3-4Q	Incr. (Decr.)	1-2Q	3-4Q	Incr. (Decr.)
Performance Materials	170.0	210.0	40.0	(18.0)	(3.0)	15.0
Advanced Chemicals	50.0	70.0	20.0	2.0	6.0	4.0
Basic Chemicals	285.0	335.0	50.0	(24.0)	4.0	28.0
Others	15.0	15.0	0.0	(2.0)	(3.0)	(1.0)
Total	520.0	630.0	110.0	(42.0)	4.0	46.0

6) Special Gains and Losses

(Billions of yen)

Items	FY2008	FY2009 Outlook	Incr. (Decr.)
Special gains (a)	2.4	0.0	(2.4)
Gain on sales of fixed assets	2.4	0.0	(2.4)
Special losses (b)	(17.0)	(6.0)	11.0
Loss on sales and disposal of fixed assets	(7.1)	(6.0)	1.1
Impairment loss	(3.9)	0.0	3.9
Loss on restructuring of subsidiaries and affiliates etc.	(2.7)	0.0	2.7
Environmental measure expenses	(1.4)	0.0	1.4
Loss on valuation of investment securities	(1.9)	0.0	1.9
Special gains and losses (a)+(b)	(14.6)	(6.0)	8.6

7) Consolidated Statements of Cash Flow

(Billions of yen)

Items	FY2008	FY2009 Outlook	Incr. (Decr.)
I. Cash flows from operating activities[A]	54.9	35.0	(19.9)
II. Cash flows from investing activities[B]	(76.3)	(70.0)	6.3
Free cash flows[A+B]	(21.4)	(35.0)	(13.6)
III. Cash flows from financing activities	48.3	55.0	6.7
IV. Others	(4.5)	0.0	4.5
Net incr.(decr.) in cash and cash equivalents	22.4	20.0	(2.4)

8) Consolidated Accounting Fundamentals

Items		FY2008		FY2009 Outlook	
		1-2Q	Full Year	1-2Q	Full Year
Exchange Rate	Yen/US\$	106	101	95	95
Domestic Standard Naptha Price	Yen/KL	78,350	58,930	38,000	38,000
R&D Expenditures	¥ Billions	20.4	40.6	21.0	43.0
Depreciation & Amortization	¥ Billions	38.8	81.4	39.0	79.0
Capital Expenditure	¥ Billions	40.9	81.0	45.0	73.0
Financing income and expense	¥ Billions	(2.2)	(5.3)	(4.0)	(9.0)
Interest-bearing liabilities	¥ Billions	506.1	535.4	550.0	590.0
Number of Employees	person	13,124	12,964	13,200	13,100

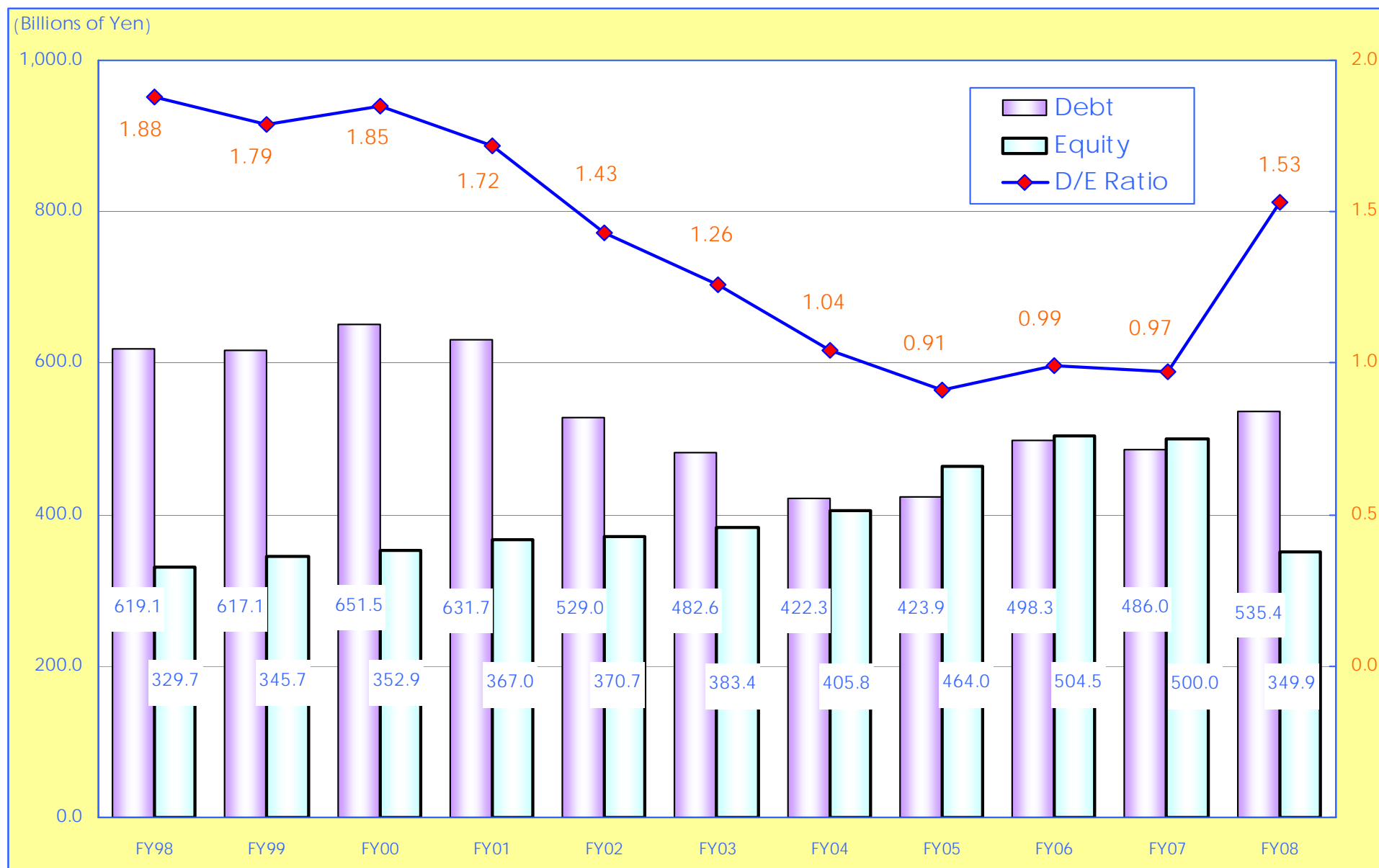
3. Appendix

1) History of Main Products Prices

(PE, PP, PH, BPA : Change of Price and Raw Materials Price to Products Price / PTA, TDI : Asian Market Price)

Year	2006			2007				2008				2009
Month	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.
Naphtha (Yen/KL)	48,800	54,100	48,100	48,800	57,800	59,700	61,600	66,700	70,900	85,200	52,000	27,000
PE (Yen/KG)		about +12	about +10	about (10)	about +13	about +13		about +15		about +30	about (30)	about (60)
(HN)		approx. 50,000	approx. 55,000	approx. 50,000	approx. 56,000	approx. 62,000		approx. 68,000		approx. 83,000	approx. 68,000	approx. 38,000
PP (Yen/KG)		about +12	about +10	about (10)	about +13	about +13		about +15		about +30	about (30)	about (60)
(HN)		approx. 50,000	approx. 55,000	approx. 50,000	approx. 56,000	approx. 62,000		approx. 68,000		approx. 83,000	approx. 68,000	approx. 38,000
PH (Yen/KG)		+10 Base Price of Formula					+15 Base Price of Formula			+17 Base Price of Formula		
BZ(ACP) (US\$/T)	\$820	\$925	\$900	\$985	\$1,075	\$1,010	\$1,015	\$1,030	\$1,180	\$1,265	\$580	\$350
BPA (Yen/KG)		25		15	22		17			48	(10)	(30)
	negotiation based on BZ price and BPA market price											
BPA Price of Asian Market	\$1,450	\$1,500	\$1,700	\$1,850	\$2,000	\$2,000	\$2,000	\$2,030	\$1,970	\$2,020	\$1,200	\$950
PTA (US\$/T)	\$915	\$1,030	\$880	\$860	\$70 [*]	(\$30) [*]	(\$60) [*]	\$60 [*]	\$155 [*]	(\$30) [*]	(\$420) [*]	\$80 [*]
(PX)	\$1,070	\$1,320	\$1,160	\$1,110	\$120 [*]	(\$60) [*]	(\$30) [*]	\$40 [*]	\$200 [*]	\$40 [*]	(\$750) [*]	\$60 [*]
	* Change from a former quarter											
TDI (US\$/T)	\$2,500	\$2,500	\$3,100	\$3,500	\$3,500	\$3,600	\$4,000	\$4,000	\$4,200	\$4,300	\$2,900	\$2,200

2) History of Consolidated D/E Ratio



3) Main Subsidiaries and Affiliates

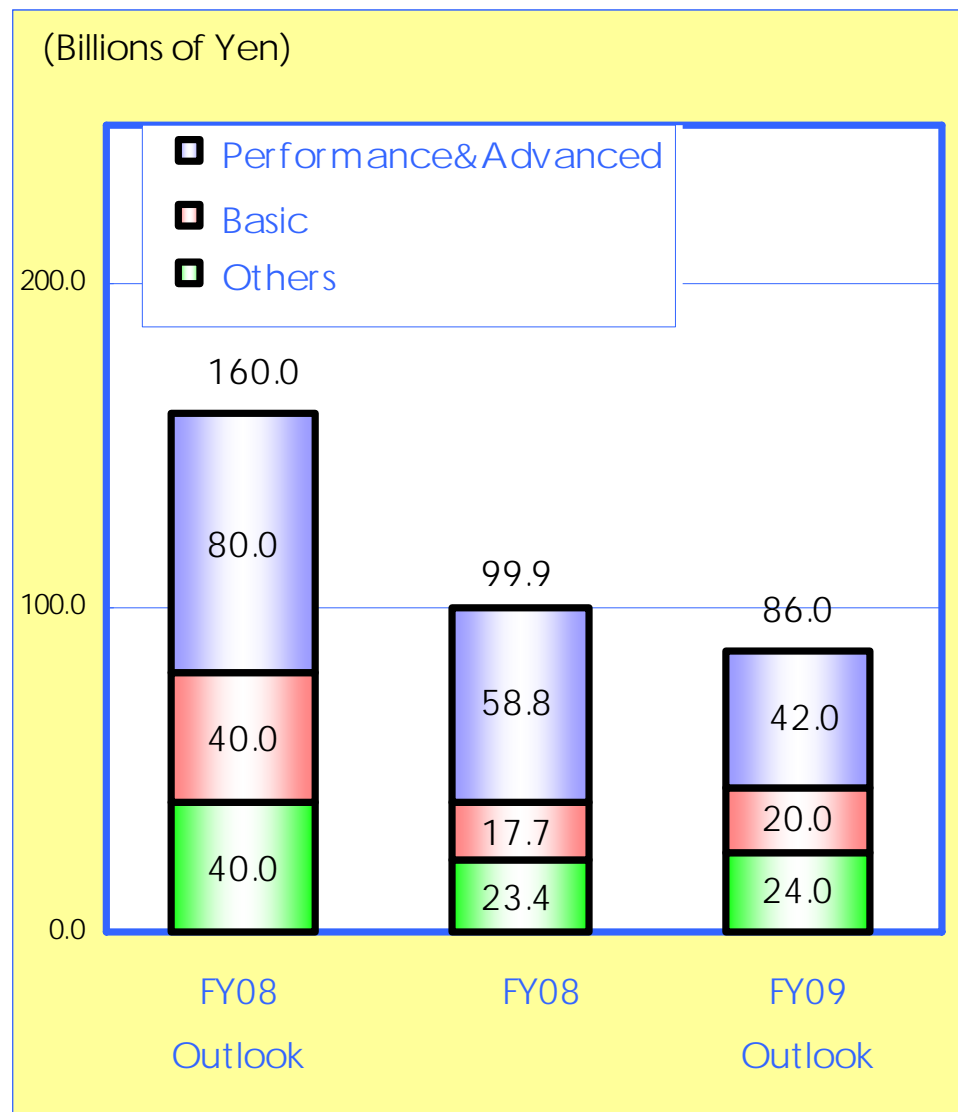
Item	Common stock		Our share	Sales amount	Operating Income	
					FY2008	FY2009 Outlook
Subsidiaries			%	Billions of Yen		
Prime Polymer	Billions of Yen	20	65.0	340	loss	
Osaka Petrochemical Industries	Billions of Yen	5	100.0	130	loss	
Mitsui Chemicals America	Millions of USD	156	100.0	70	loss	
Siam Mitsui PTA	Millions of BAHT	3,300	50.02	100	loss	
Mitsui Phenols Singapore	Millions of USD	120	95.0	60	gain	
Mitsui Elastomers Singapore	Millions of USD	96	100.0	20	gain	
Mitsui Chemicals Agro, Inc.	Billions of Yen	0.35	100.0	50	gain	
Affiliates						
DU PONT-Mitsui Polychemicals	Billions of Yen	6.5	50.0	40	gain	
Amoco Mitsui PTA Indonesia	Millions of USD	160	45.0	40	loss	

Operating Income :

" " represents "flat", or a gain/loss under 500million yen compared to FY2007.

4) Capital Expenditure and R&D

Capital Expenditure



R&D

