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Revision of Targets under Medium-Term Management Plan *APTSIS 20*

Mitsubishi Chemical Holdings Corporation announced revisions of numerical targets for fiscal 2020 in its five-year medium-term management plan, *APTSIS 20*, which was announced on December 9, 2015, as set out below.

1. Background

Based on our basic policy of aiming to be a high growth, high profit-model company through businesses in the Performance Products, Industrial Materials, and Health Care domains, we have been developing our business in *APTSIS 20* with the following key initiatives: (1) intensifying and expanding our earning base by reinforcing portfolio management; (2) realizing integration effects and synergies due to the integration of three chemical companies; (3) early commercialization of the seeds of next-generation businesses; and (4) accelerating marketing and access to the global market.

In addition to the progress of the plan up to fiscal 2018, we have decided to revise the financial index targets for fiscal 2020, the final year of the plan, taking into account the further development of growth and integration effects centered on the Performance Products segment due to the acceleration of the above initiatives, the risk of market fluctuations in the Chemicals segment, and the acquisition made in the Industrial Gas segment.

2. Revision of Numerical Targets

We revised the targets of financial index for fiscal 2020 as set out below.

| Financial Index | FY2018 Forecasts | FY2020 Targets (Revised) | (IFRS-base) |
|---|---------------------------|-----------------------------|------------------------------|
| | | | FY2020 Targets (Original) |
| Core operating income* ¹ | ¥368.0 billion | ¥410.0 billion | ¥380.0 billion |
| ROS (core operating income) | 9% | 9% | 8% |
| Net income attributable to shareholders of the parent | ¥213.0 billion | ¥220.0 billion | ¥180.0 billion |
| ROE | 16% | 13% | 12% |
| Net D/E ratio | 0.77 (1.2* ²) | 1.0 | 0.8 |

*1 Ordinary income, excluding gain/loss arising from non-recurring factors from operating income based on IFRS standards

*2 Estimated in consideration of the acquisition made in fiscal 2018 in Industrial Gas segment based on published figures

< Prerequisites >

Crude oil / naphtha FY2018-FY2020 Brent crude oil US\$70/bbl Domestic-standard naphtha ¥52,000 /kl
 Exchange rates ¥110/US\$, ¥130/€

(¥ billion, IFRS-base)

| Core operating income by domain | | FY2018 Forecasts | FY2020 Targets (Revised) | FY2020 Targets (Original) |
|---------------------------------|------------------|------------------|-----------------------------|------------------------------|
| Performance Products | | 87.5 | 120.0 | 125.0 |
| Industrial Materials | Chemicals | 151.5 | 125.0 | 130.0 |
| | Industrial Gases | 61.5 | 100.0 | |
| Health Care | | 72.5 | 66.0 | 125.0 |
| Corporate and others | | (5.0) | (1.0) | — |
| Total | | 368.0 | 410.0 | 380.0 |

* Related link:

http://www.mitsubishichem-hd.co.jp/english/ir/library/analysts_meeting.html

The forward-looking statements are based largely on information available as of the date hereof, and are subject to risks and uncertainties which may be beyond Company control. Actual results could differ largely, due to numerous factors, including but not limited to the following: Group companies execute businesses in many different fields, such as information and electronics, performance products, polymers and processed products, pharmaceuticals, carbon and inorganic products, industrial gases and petrochemicals, and these business results are subjected to influences of world demands, exchange rates, price and procurement volume of crude oil and naphtha, trends in market prices, speed in technology innovation, National Health Insurance price revision, product liabilities, lawsuits, laws, and regulations.