

Operational Summary

for the Third Quarter of the Fiscal Year Ending March 31, 2020

February 6, 2020

Mitsubishi Chemical Holdings Corporation

Table of Contents

Consolidated Financial Statements for FY2019 3Q		FY2019 Forecasts	
	Page No.		Page No.
Statements of Operations	4	Statement of Operations	15
Sales Revenue and Core Operating Income by Business Segment	5	Sales Revenue and Core Operating Income by Business Segment	16
Analysis of Core Operating Income	6		
Overview of Business Segments	7		
Special Items	11		
Cash Flows	12		
Statements of Financial Positions	13		
		References	
			Page No.
		Statements of Operations [Quarterly Data]	18
		Sales Revenue and Core Operating Income by Business Segment [Quarterly Data]	19
		Business Segment Information	20

List of Abbreviations

FY2019	April 1, 2019 – March 31, 2020	
	1st Quarter (1Q):	April 1, 2019 – June 30, 2019
	2nd Quarter (2Q):	July 1, 2019 – September 30, 2019
	3rd Quarter (3Q):	October 1, 2019 – December 31, 2019
	4th Quarter (4Q):	January 1, 2020 – March 31, 2020
	1st Half (1H):	April 1, 2019 – September 30, 2019
	2nd Half (2H):	October 1, 2019 – March 31, 2020
FY2018	April 1, 2018 – March 31, 2019	
	1st Quarter (1Q):	April 1, 2018 – June 30, 2018
	2nd Quarter (2Q):	July 1, 2018 – September 30, 2018
	3rd Quarter (3Q):	October 1, 2018 – December 31, 2018
	4th Quarter (4Q):	January 1, 2019 – March 31, 2019
	1st Half (1H):	April 1, 2018 – September 30, 2018
	2nd Half (2H):	October 1, 2018 – March 31, 2019
MCHC	Mitsubishi Chemical Holdings Corporation	
MCC	Mitsubishi Chemical Corporation	
MTPC	Mitsubishi Tanabe Pharma Corporation	
LSII	Life Science Institute, Inc.	
TNSC	Taiyo Nippon Sanso Corporation	

Consolidated Statements of Operations

		109.3	108.9	112.6	111.3	(2.4)	(2%)
Exchange Rate (¥/\$)							
Naphtha Price (¥/kl)		41,300	42,300	54,200	52,100	(9,800)	(19%)
(Billions of Yen)							
		3Q	Nine Months Ended Dec. 31, 2019	3Q	Nine Months Ended Dec. 31, 2018	Difference	%
Continuing Operations * 2	Sales Revenue	903.1	2,730.8	988.5	2,870.4	(139.6)	(5%)
	Core Operating Income *1	50.2	181.0	77.6	264.8	(83.8)	(32%)
	Special Items	(20.2)	(20.4)	4.9	3.3	(23.7)	
	Operating Income	30.0	160.6	82.5	268.1	(107.5)	(40%)
	Financial Income/Expenses	(7.7)	(15.9)	(2.3)	(4.9)	(11.0)	
	(Dividend included above)	[1.1]	[4.1]	[1.3]	[5.0]	[(0.9)]	
	(Foreign Exchange Gain/Loss included above)	[(2.8)]	[(2.4)]	[0.1]	[0.9]	[(3.3)]	
	Income before Taxes	22.3	144.7	80.2	263.2	(118.5)	
	Income Taxes	(15.7)	(53.3)	(21.6)	(58.5)	5.2	
	Net Income from Continuing Operations	6.6	91.4	58.6	204.7	(113.3)	
Net Income from Discontinued Operations *3		-	16.9	0.9	1.7	15.2	
Net Income		6.6	108.3	59.5	206.4	(98.1)	
Net Income Attributable to Owners of the Parent		(5.0)	76.3	45.8	166.0	(89.7)	(54%)
Net Income Attributable to Non-Controlling Interests		11.6	32.0	13.7	40.4	(8.4)	
		2.6	10.7	5.4	21.6	(10.9)	

*1 Share of profit of associates and joint ventures included.

*2 Discontinued operations not included.

*3 Figures for FY2019, include ¥15.8 billion from gain on share exchanges after tax.

Core operating income is calculated as operating income (loss) excluding certain gains and expenses attributable to non-recurring factors (losses incurred by business withdrawal and streamlining, etc.).

Sales Revenue and Core Operating Income by Business Segment

(Billions of Yen)

		1Q	2Q	3Q	Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	Difference
Total Consolidated	Sales Revenue	916.4	911.3	903.1	2,730.8	2,870.4	(139.6)
	Core Operating Income	70.1	60.7	50.2	181.0	264.8	(83.8)
Functional Products	Sales Revenue	170.2	174.1	171.0	515.3	544.1	(28.8)
	Core Operating Income	12.0	13.3	8.3	33.6	35.3	(1.7)
Performance Chemicals	Sales Revenue	102.4	102.2	101.2	305.8	325.7	(19.9)
	Core Operating Income	7.5	7.7	5.6	20.8	28.0	(7.2)
Performance Products	Sales Revenue	272.6	276.3	272.2	821.1	869.8	(48.7)
	Core Operating Income	19.5	21.0	13.9	54.4	63.3	(8.9)
MMA	Sales Revenue	81.0	75.6	62.9	219.5	307.8	(88.3)
	Core Operating Income	13.8	11.5	0.7	26.0	79.8	(53.8)
Petrochemicals	Sales Revenue	134.7	137.1	137.3	409.1	459.8	(50.7)
	Core Operating Income	0.8	1.0	1.0	2.8	10.1	(7.3)
Carbon Products	Sales Revenue	71.6	63.7	62.1	197.4	207.8	(10.4)
	Core Operating Income	6.0	2.9	1.0	9.9	17.9	(8.0)
Chemicals	Sales Revenue	287.3	276.4	262.3	826.0	975.4	(149.4)
	Core Operating Income	20.6	15.4	2.7	38.7	107.8	(69.1)
Industrial Gases	Sales Revenue	208.6	210.9	208.8	628.3	512.4	115.9
	Core Operating Income	21.1	23.2	22.2	66.5	42.1	24.4
Health Care	Sales Revenue	107.9	97.4	116.6	321.9	360.4	(38.5)
	Core Operating Income	9.3	0.5	11.0	20.8	54.4	(33.6)
Others	Sales Revenue	40.0	50.3	43.2	133.5	152.4	(18.9)
	Core Operating Income	(0.4)	0.6	0.4	0.6	(2.8)	3.4

[Inventory valuation gain/loss]

Performance Chemicals	(0.7)	(0.4)	0.1	(1.0)	0.7	(1.7)
Petrochemicals	0.9	(4.3)	(0.1)	(3.5)	9.2	(12.7)
Carbon Products	0.0	(0.6)	(0.7)	(1.3)	(0.4)	(0.9)
Total	0.2	(5.3)	(0.7)	(5.8)	9.5	(15.3)

*1 All figures are approximation for reference purpose only.

*2 Discontinued operations in the Health Care segment not included.

*3 Starting from FY2019, the segmentation of certain businesses and consolidated subsidiaries in MCC has been reviewed and revised the method of allocating certain common expenses. The segment information for FY2018 is accordingly restated.

Analysis of Core Operating Income

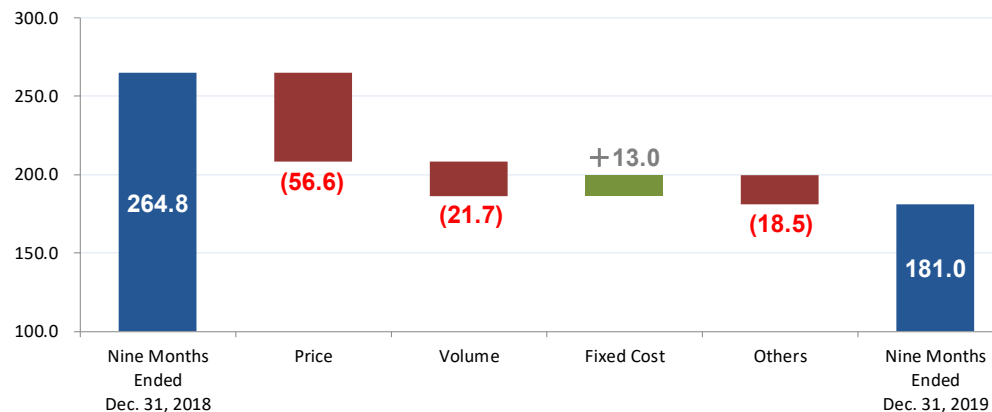
(Billions of Yen)

	Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	Difference	Difference Breakdown			
				Price	Volume	Fixed Cost	Others *1
Total Consolidated	181.0	264.8	(83.8)	(56.6)	(21.7)	13.0	(18.5)
Performance Products	54.4	63.3	(8.9)	(2.2)	(7.0)	4.3	(4.0)
Chemicals	38.7	107.8	(69.1)	(50.4)	1.6	2.1	(22.4)
Industrial Gases	66.5	42.1	24.4	(1.7)	22.2	0.8	3.1
Health Care *2	20.8	54.4	(33.6)	(2.4)	(39.9)	5.8	2.9
Others	0.6	(2.8)	3.4	0.1	1.4	0.0	1.9

*1 Items included are impacts from inventory valuation gain/loss and share of profit of associates and joint ventures etc.

*2 Discontinued operations not included.

Changes in exchange rates	(3.5)	(4.5)	(0.3)	-	1.3
Changes in foreign currency translation included in above		(2.5)			

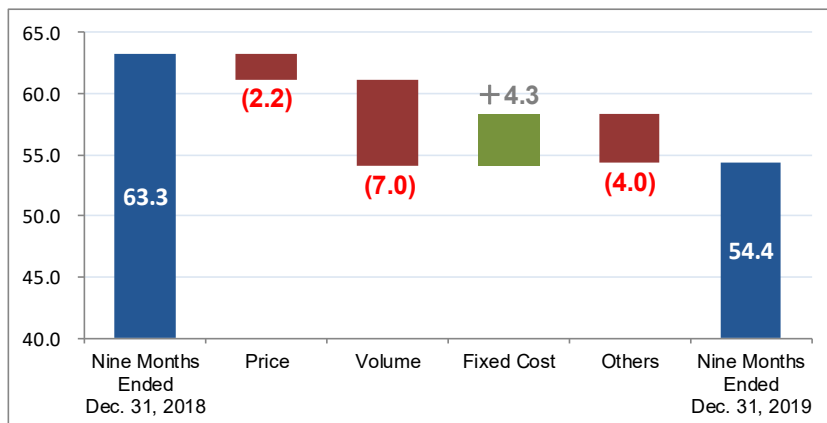


Performance Products Segment

(Billions of Yen)

		Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	Difference
Functional Products	Sales Revenue	515.3	544.1	(28.8)
	Core Operating Income	33.6	35.3	(1.7)
Performance Chemicals	Sales Revenue	305.8	325.7	(19.9)
	Core Operating Income	20.8	28.0	(7.2)
Performance Products	Sales Revenue	821.1	869.8	(48.7)
	Core Operating Income	54.4	63.3	(8.9)

< Analysis of Core Operating Income >



- MC PET Film Indonesia, a consolidated subsidiary of MCC, in September 2019 decided to lift its polyester film production capacity. The move enables the company to cater to optical applications for displays and to growing demand for multilayer ceramic capacitors and other industrial offerings in response to the expanding use of automotive electronics and a rising number of 5G-compatible base stations. Once the upgrade is completed at the end of 2021, annual production capacity in Indonesia will increase from 20,000 metric tons to 45,000 metric tons.

Functional Products	
Sales Revenue	Although sales volumes increased in environment and living solutions, sales volumes were down in high-performance engineering plastics and other products owing to weaker demand, primarily for semiconductor and automotive applications.
Core Operating Income	Sales volumes rose in environment and living solutions, but profit was down because of reduced high-performance engineering plastics and other products.
Performance Chemicals	
Sales Revenue	Revenue decreased amid a decline in the market for phenol-polycarbonate chain materials, while the impact of scheduled maintenance and repairs at these production facilities being resolved.
Core Operating Income	Profit fell owing mainly to a drop in market prices for phenol-polycarbonate chain materials.

<Major initiatives>

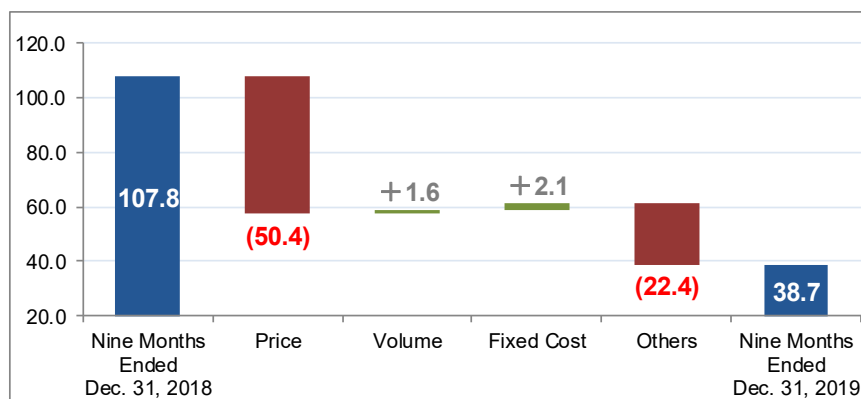
- MCC in April 2019 decided to increase the annual production capacity of Soarnol ethylene vinyl alcohol copolymer resin of consolidated subsidiary Noltex LLC by 3,000 metric tons, to 41,000 metric tons. This development, effective in mid-2020, is in response to rising global demand for food packaging materials.
- In June 2019, MCC agreed to transfer the storage media and other global businesses of the Verbatim brand of Mitsubishi Chemical Media Co., Ltd., and assets related to that consolidated subsidiary to CMC Magnetics Corporation. This accord was part of business portfolio reforms under the MCHC Group's medium-term management plan. The transaction was completed in December that year.

Chemicals Segment

(Billions of Yen)

		Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	Difference
MMA	Sales Revenue	219.5	307.8	(88.3)
	Core Operating Income	26.0	79.8	(53.8)
Petrochemicals	Sales Revenue	409.1	459.8	(50.7)
	Core Operating Income	2.8	10.1	(7.3)
Carbon Products	Sales Revenue	197.4	207.8	(10.4)
	Core Operating Income	9.9	17.9	(8.0)
Chemicals	Sales Revenue	826.0	975.4	(149.4)
	Core Operating Income	38.7	107.8	(69.1)

< Analysis of Core Operating Income >



<Major initiatives>

- Japan Polypropylene Corporation, a consolidated subsidiary of MCC, in July 2019 decided to halt production at one polypropylene line at its Kashima Plant, effective April 2020. This move is designed to reinforce the production infrastructure and rationalize amid the construction of a new polypropylene line at the Goi Plant as part of structural reforms to bolster profitability.

MMA	
Sales Revenue	Revenue declined amid weaker demand and a downturn in MMA monomer and other markets.
Core Operating Income	Profit decreased primarily as a result of a smaller variance in prices between raw materials and products amid a market downturn.
Petrochemicals	
Sales Revenue	While sales volumes were up because of a smaller impact from scheduled maintenance and repairs at the ethylene production facility, prices declined owing to lower raw materials costs and other factors.
Core Operating Income	Profit was down owing mainly to a smaller variance in prices between raw materials and products amid a market downturn and a deterioration of inventory valuation, notwithstanding the lower impact of scheduled maintenance and repairs at the ethylene production facility.
Carbon	
Sales Revenue	Revenue was down as a result of lower prices accompanying raw material cost declines and reduced needle coke sales volumes.
Core Operating Income	Profit decreased owing to a smaller variance between raw materials and products amid a downturn in the exported coke market and a reduction in needle coke sales volumes.

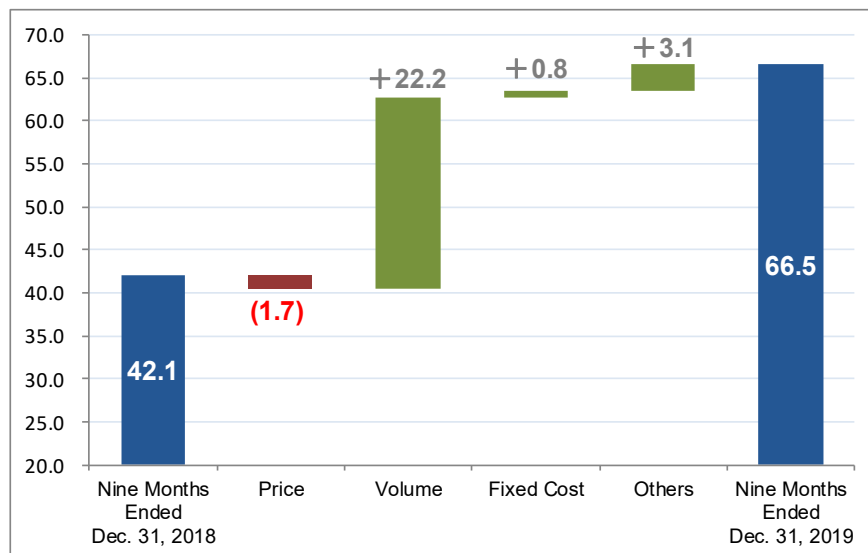
Industrial Gases Segment

(Billions of Yen)

		Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	Difference
Industrial Gases	Sales Revenue	628.3	512.4	115.9
	Core Operating Income	66.5	42.1	24.4

Industrial Gases	
Sales Revenue	Revenue rose as a result of the impact of European and U.S. businesses acquired in the second half of the previous fiscal year.
Core Operating Income	Profit increased owing to the impact of acquired European and U.S. businesses and from the solid performance of the U.S. gas business.

<Analysis of Core Operating Income>



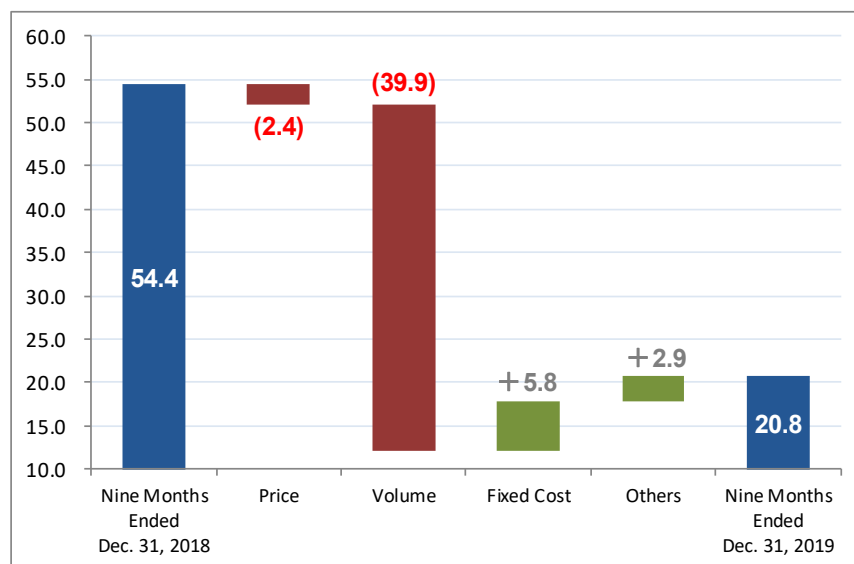
Health Care Segment

(Billions of Yen)

		Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	Difference
Health Care	Sales Revenue	321.9	360.4	(38.5)
	Core Operating Income	20.8	54.4	(33.6)

*Discontinued operations not included.

<Analysis of Core Operating Income>



- MCHC commenced a tender offer in November 2019 for MTPC to expand the drug discovery modality and otherwise tackle a changing medical treatment climate, generating more synergies within the Group. In January 2020, MCHC lifted its voting rights ownership ratio in that consolidated subsidiary from 56.4%, to 91.6%, and plans to make that company a wholly owned subsidiary in March 2020.

Health Care	
Sales Revenue	Revenue was down because some royalty revenue was not recognized owing to arbitration proceedings relating to <i>Gilenya</i> , despite growth in priority products in domestic ethical pharmaceuticals.
Core Operating Income	Profit was down mainly because some <i>Gilenya</i> royalty revenue was not recognized.

Note:

Royalty revenue from Novartis Pharma AG for *Gilenya*, a treatment agent for multiple sclerosis, was reduced, because a part of the royalty revenue was not recognized as sales revenue in accordance with IFRS 15 due to the start of arbitration proceedings.

<Major initiatives>

- LSII in August 2019 completed an exchange of shares with PHC Holdings Corporation (PHCHD) after obtaining competition low-related regulatory approval as part of a strategic capital partnership announced in May 2019. PHCHD thereby acquired all shares of LSI Medience Corporation. LSII obtained a 13.7% stake in PHCHD.
- LSII in July 2019 started clinical trials with the Muse cell-based product CL2020 in patients with spinal cord injuries. Trials previously began for patients with acute myocardial infarction, ischemic stroke, and epidermolysis bullosa. Also in July 2019, cell processing center Tonomachi CPC was authorized to manufacture regenerative medicine products. LSII plans to apply for marketing approval in fiscal 2020.
- MTPC in July 2019 received approval from China's National Medical Products Administration for Ederavone (the U.S. brand name is *Radicava*) for a treatment for amyotrophic lateral sclerosis. The company previously obtained approval in Japan, Korea, the United States, Canada, and Switzerland.

Consolidated Special Items

(Billions of Yen)

	3Q	Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	Difference
	Total Special Items	(20.2)	(20.4)	3.3
Impairment loss	(18.0)	(19.4)	(2.5)	(16.9)
Loss on sale and disposal of fixed assets	(2.3)	(3.4)	(3.0)	(0.4)
Loss on sale of intercompany securities	(1.4)	(1.5)	-	(1.5)
Special retirement expenses	(0.1)	(1.1)	(0.2)	(0.9)
Gain on sale of property, plant and equipment	2.5	4.4	2.4	2.0
Reversal of Impairment Loss	-	1.7	-	1.7
Gain on sale of intercompany securities	-	0.5	7.3	(6.8)
Others	(0.9)	(1.6)	(0.7)	(0.9)

[Special Items by Business Segment]

Performance Products	(1.5)	(1.7)	(3.1)	1.4
Chemicals	(0.2)	(1.3)	5.6	(6.9)
Industrial Gases	1.7	2.1	0.3	1.8
Health Care	(17.1)	(16.3)	1.0	(17.3)
Others	(3.1)	(3.2)	(0.5)	(2.7)

Consolidated Cash Flows

	Based on statements of cash flows		Adjusted cash flows *		<reference> Target for FY2019 Forecast (announced on May.14)
	Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2019	Nine Months Ended Dec. 31, 2018	
Net cash provided by (used in) operating activities	337.8	276.7	337.8	276.7	464.0
Income before taxes	170.3	265.5	170.3	265.5	278.0
Depreciation and amortization	179.4	143.5	179.4	143.5	239.0
Change in operating receivables/payables	31.8	1.7	31.8	1.7	} 5.0
Change in Inventories	5.9	(28.4)	5.9	(28.4)	
Others	(49.6)	(105.6)	(49.6)	(105.6)	(58.0)
Net cash provided by (used in) investment activities	(115.0)	(816.2)	(143.0)	(801.9)	(274.0)
Capital expenditure	(167.7)	(167.3)	(167.7)	(167.3)	(298.0)
Sale of assets	16.7	31.3	16.7	31.3	} 24.0
Investment and loans receivable, etc.	36.0	(680.2)	8.0	(665.9)	
Free cash flow	222.8	(539.5)	194.8	(525.2)	190.0
Net cash provided by (used in) financing activities	(294.3)	568.8			
Interest bearing debts	(206.7)	676.3			
Dividends, etc.	(87.6)	(107.5)			
Net increase (decrease) in cash and cash equivalents	(71.5)	29.3			
Effect of exchange rate changes and changes in scope of consolidation	(4.7)	3.1			
Cash and cash equivalents at the beginning of the period	321.5	277.6			
Cash and cash equivalents at the end of the period	245.3	310.0			

* Adjusted cash flows based on actual results are calculated by excluding cash flows from investment of surplus funds for explanatory purposes.

Consolidated Statements of Financial Positions

	(Billions of Yen)				(Billions of Yen)		
	Dec. 31, 2019	Mar. 31, 2018	Difference		Dec. 31, 2019	Mar. 31, 2018	Difference
Cash and cash equivalents	245.3	321.5	(76.2)	Interest-bearing debt	2,162.6	2,246.8	(84.2)
Trade receivables	772.3	855.1	(82.8)	Trade payables	457.4	492.4	(35.0)
Inventories	611.3	623.0	(11.7)	Other liabilities	754.1	807.4	(53.3)
Other current assets	333.0	342.2	(9.2)	Total liabilities	3,374.1	3,546.6	(172.5)
Total current assets	1,961.9	2,141.8	(179.9)	Shareholders' equity	1,409.1	1,381.8	27.3
Tangible and Intangible fixed assets	2,290.5	2,252.1	38.4	Other components of equity	(17.2)	(3.8)	(13.4)
Goodwill	627.2	648.8	(21.6)	Total equity attributable to owners of the parent	1,391.9	1,378.0	13.9
Investment and other non-current assets	533.5	529.8	3.7	Non-controlling interests	647.1	647.9	(0.8)
Total non-current assets	3,451.2	3,430.7	20.5	Total equity	2,039.0	2,025.9	13.1
Total assets	5,413.1	5,572.5	(159.4)	Total liabilities and equity	5,413.1	5,572.5	(159.4)
				Net interest-bearing debt *1	1,756.8	1,736.2	20.6
				Net D/E ratio	1.26	1.26	0.00
				Ratio of equity attributable to owners of the parent	25.7%	24.7%	1.0%
				ROE *2	-	12.7%	-

*1 Net interest-bearing debt (End of Dec. 31, 2019)
 = interest-bearing debt (2,162.6 billion yen)
 - {cash and cash equivalents (245.3 billion yen) + investments of surplus funds (160.5 billion yen)}
 Note: Interest-bearing debt includes lease obligations.

*2 Ratio of net income attributable to owners of the parent.

Consolidated Financial Results Forecasts for FY2019

Consolidated Statements of Operations

Exchange Rate (¥/\$)	108.7	109.3	108.5	108.9	108.8	108.6	0.2	0%
Naphtha Price (¥/kl)	42,800	41,300	44,700	43,000	42,900	41,900	1,000	2%

(Billions of Yen)

		1H Actual	3Q Actual	4Q Forecast	2H Forecast	FY2019 Forecast	FY2019 Forecast (Announced on Nov.1)	Difference	%
Continuing Operations	Sales Revenue	1,827.7	903.1	899.2	1,802.3	3,630.0	3,765.0	(135.0)	(4%)
	Core Operating Income	130.8	50.2	29.0	79.2	210.0	250.0	(40.0)	(16%)
	Special Items	(0.2)	(20.2)	(7.6)	(27.8)	(28.0)	(9.0)	(19.0)	
	Operating Income	130.6	30.0	21.4	51.4	182.0	241.0	(59.0)	(24%)
	Financial Income/Expenses	(8.2)	(7.7)	(7.1)	(14.8)	(23.0)	(20.0)	(3.0)	
	Income before Taxes	122.4	22.3	14.3	36.6	159.0	221.0	(62.0)	
	Income Taxes	(37.6)	(15.7)	(0.7)	(16.4)	(54.0)	(68.0)	14.0	
	Net Income from Continuing Operations	84.8	6.6	13.6	20.2	105.0	153.0	(48.0)	
Net Income from Discontinued Operations		16.9	-	0.1	0.1	17.0	17.0	0.0	
Net Income		101.7	6.6	13.7	20.3	122.0	170.0	(48.0)	
Net Income Attributable to Owners of the Parent		81.3	(5.0)	4.7	(0.3)	81.0	131.0	(50.0)	(38%)
Net Income Attributable to Non-Controlling Interests		20.4	11.6	9.0	20.6	41.0	39.0	2.0	

* Discontinued operations are not included.

Consolidated Sales Revenue and Core Operating Income by Business Segment

* All figures are approximation for reference purpose only.

		1H Actual	3Q Actual	4Q Forecast	2H Forecast	FY2019 Forecast	FY2019 Forecast (Announced on Nov.1)	Difference
Total Consolidated	Sales Revenue	1,827.7	903.1	899.2	1,802.3	3,630.0	3,765.0	(135.0)
	Core Operating Income	130.8	50.2	29.0	79.2	210.0	250.0	(40.0)
Functional Products	Sales Revenue	344.3	171.0	166.7	337.7	682.0	713.0	(31.0)
	Core Operating Income	25.3	8.3	9.4	17.7	43.0	52.0	(9.0)
Performance Chemicals	Sales Revenue	204.6	101.2	104.2	205.4	410.0	422.0	(12.0)
	Core Operating Income	15.2	5.6	6.2	11.8	27.0	29.0	(2.0)
Performance Products	Sales Revenue	548.9	272.2	270.9	543.1	1,092.0	1,135.0	(43.0)
	Core Operating Income	40.5	13.9	15.6	29.5	70.0	81.0	(11.0)
MMA	Sales Revenue	156.6	62.9	60.5	123.4	280.0	305.0	(25.0)
	Core Operating Income	25.3	0.7	4.0	4.7	30.0	45.0	(15.0)
Petrochemicals	Sales Revenue	271.8	137.3	138.9	276.2	548.0	561.0	(13.0)
	Core Operating Income	1.8	1.0	(0.8)	0.2	2.0	9.0	(7.0)
Carbon products	Sales Revenue	135.3	62.1	59.6	121.7	257.0	273.0	(16.0)
	Core Operating Income	8.9	1.0	3.1	4.1	13.0	19.0	(6.0)
Chemicals	Sales Revenue	563.7	262.3	259.0	521.3	1,085.0	1,139.0	(54.0)
	Core Operating Income	36.0	2.7	6.3	9.0	45.0	73.0	(28.0)
Industrial Gases	Sales Revenue	419.5	208.8	219.7	428.5	848.0	882.0	(34.0)
	Core Operating Income	44.3	22.2	22.5	44.7	89.0	93.0	(4.0)
Health Care	Sales Revenue	205.3	116.6	88.1	204.7	410.0	410.0	0.0
	Core Operating Income	9.8	11.0	(14.8)	(3.8)	6.0	6.0	0.0
Others	Sales Revenue	90.3	43.2	61.5	104.7	195.0	199.0	(4.0)
	Core Operating Income	0.2	0.4	(0.6)	(0.2)	0.0	(3.0)	3.0

(Billions of Yen)

References

Statement of Operations [Quarterly Data]

Exchange Rate (¥/\$)	109.5	111.9	112.6	110.3	109.7	107.7	109.3
Naphtha Price (¥/kl)	48,700	53,500	54,200	41,200	45,400	40,200	41,300

(Billions of Yen)

		FY2018				FY2019		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q
Continuing Operations * 2	Sales Revenue	921.8	960.1	988.5	969.9	916.4	911.3	903.1
	Core Operating Income *1	92.3	94.9	77.6	49.3	70.1	60.7	50.2
	Special Items	0.8	(2.4)	4.9	(22.6)	(0.2)	0.0	(20.2)
	Operating Income	93.1	92.5	82.5	26.7	69.9	60.7	30.0
	Financial Income/Expenses	0.9	(3.5)	(2.3)	(5.1)	(3.3)	(4.9)	(7.7)
	(Dividend included above)	[3.4]	[0.3]	[1.3]	[0.2]	[2.9]	[0.1]	[1.1]
	(Foreign Exchange Gain/Loss included above)	[0.8]	[0.0]	[0.1]	[(0.5)]	[(0.3)]	[0.7]	[(2.8)]
	Income before Taxes	94.0	89.0	80.2	21.6	66.6	55.8	22.3
	Income Taxes	(22.2)	(14.7)	(21.6)	(12.0)	(18.2)	(19.4)	(15.7)
	Net Income from Continuing Operations	71.8	74.3	58.6	9.6	48.4	36.4	6.6
Net Income from Discontinued Operations	0.4	0.4	0.9	0.7	0.5	16.4	-	
Net Income	72.2	74.7	59.5	10.3	48.9	52.8	6.6	
Net Income Attributable to Owners of the Parent	58.1	62.1	45.8	3.5	37.8	43.5	(5.0)	
Net Income Attributable to Non-Controlling Interests	14.1	12.6	13.7	6.8	11.1	9.3	11.6	

8.6 7.6 5.4 5.2 5.0 3.1 2.6

*1 Share of profit of associates and joint ventures included.

*2 Discontinued operations not included.

Sales Revenue and Core Operating Income by Business Segment [Quarterly Data]

(Billions of Yen)

		FY2018				FY2019		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q
Total Consolidated	Sales Revenue	921.8	960.1	988.5	969.9	916.4	911.3	903.1
	Core Operating Income	92.3	94.9	77.6	49.3	70.1	60.7	50.2
Functional Products	Sales Revenue	179.1	180.5	184.5	182.0	170.2	174.1	171.0
	Core Operating Income	13.9	9.8	11.6	2.9	12.0	13.3	8.3
Performance Chemicals	Sales Revenue	107.0	109.0	109.7	103.7	102.4	102.2	101.2
	Core Operating Income	10.6	11.4	6.0	5.1	7.5	7.7	5.6
Performance Products	Sales Revenue	286.1	289.5	294.2	285.7	272.6	276.3	272.2
	Core Operating Income	24.5	21.2	17.6	8.0	19.5	21.0	13.9
MMA	Sales Revenue	108.3	110.6	88.9	81.0	81.0	75.6	62.9
	Core Operating Income	31.0	32.5	16.3	14.6	13.8	11.5	0.7
Petrochemicals	Sales Revenue	134.3	158.5	167.0	147.0	134.7	137.1	137.3
	Core Operating Income	(0.5)	7.7	2.9	(1.4)	0.8	1.0	1.0
Carbon Products	Sales Revenue	72.5	64.7	70.6	72.5	71.6	63.7	62.1
	Core Operating Income	5.7	5.6	6.6	7.0	6.0	2.9	1.0
Chemicals	Sales Revenue	315.1	333.8	326.5	300.5	287.3	276.4	262.3
	Core Operating Income	36.2	45.8	25.8	20.2	20.6	15.4	2.7
Industrial Gases	Sales Revenue	156.8	168.9	186.7	220.4	208.6	210.9	208.8
	Core Operating Income	13.3	13.6	15.2	21.2	21.1	23.2	22.2
Health Care	Sales Revenue	115.4	113.9	131.1	102.2	107.9	97.4	116.6
	Core Operating Income	19.6	14.7	20.1	(0.6)	9.3	0.5	11.0
Others	Sales Revenue	48.4	54.0	50.0	61.1	40.0	50.3	43.2
	Core Operating Income	(1.3)	(0.4)	(1.1)	0.5	(0.4)	0.6	0.4

*1 All figures are approximation for reference purpose only.

*2 Discontinued operations in the Health Care segment not included.

*3 Starting from FY2019, the segmentation of certain businesses and consolidated subsidiaries in MCC has been reviewed and revised the method of allocating certain common expenses. The segment information for FY2018 is accordingly restated.

Business Segment Information

Business Domain	Business Segment	Business Sub-Segment		
			Businesses	
Performance Products	Performance Products	Functional Products	Information, Electronics and Displays	Optical films, Electronics and displays, Acetyl
			High Performance Films	Packaging films, Industrial films
			Environment and Living Solutions	Aqua and separator solutions, Infrastructure solutions and agricultural materials
			Advanced Moldings and Composites	High performance engineering plastics, Fibers and textile, Carbon fiber and composite materials, Functional moldings and composites, Almina fiber and light metal products
		Performance Chemicals	Advanced Polymers	Performance polymers, Engineering polymers, Sustainable resources
			High Performance Chemicals	Performance chemicals, Performance materials, Food ingredients
			New Energy	Lithium ion battery materials, Energy transduction materials
Industrial Materials	Chemicals	MMA	MMA	MMA
		Petrochemicals	Petrochemicals	Basic petrochemicals, Polyolefins, Basic chemical derivatives
		Carbon Products	Carbon	Carbon Products
	Industrial Gases		Industrial gases	
Health Care	Health Care			Pharmaceuticals
				Life science

The forward-looking statements are based largely on company expectations and information available as of the date hereof, and are subject to risks and uncertainties, which may be beyond company control.

Actual results could differ materially due to numerous factors, including without limitation, marketing conditions and the effects of industry competition.