

Operational Summary

for the First Nine Months of the Fiscal Year Ending March 31, 2009

February 4, 2009

Mitsubishi Chemical Holdings Corporation

Table of Contents

Consolidated Financial Statements for the First Nine Months of FY2008	Page No.	Consolidated Financial Statements Forecasts for FY2008	Page No.
Statements of Operations	3	Revised Major Assumptions	10
Net Sales by Business Segments	4	Statements of Operations	11
Operating Income by Business Segments	5	Operating Income by Business Segments	12
Operating Analysis (Chemicals Segment)	6	Revision of Dividends	13
Operating Analysis (Polymers Segment)	7	Measures	14
Balance Sheets	8		
Cash Flows	9		

Notes:

FY2007: April 1, 2007 - March 31, 2008

FY2008: April 1, 2008 - March 31, 2009

1Q of FY2008: April 1, 2008 - June 30, 2008

2Q of FY2008: July 1, 2008 - September 30, 2008

3Q of FY2008: October 1, 2008 - December 31, 2008

4Q of FY2008: January 1, 2009 - March 31, 2009

}
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}
}

First Half of FY2008

First Nine Months of FY2008

Second Half of FY2008

Consolidated Statements of Operations

Exchange rate (¥/US\$)	107	117
Naphtha price (¥/KI)	52,800	61,700

(Billions of Yen)

	3Q of FY2008	3Q of FY2007	Change
Net sales	743.4	771.9	(28.5)
Operating income	(5.9)	47.9	(53.8)
Income (expenses) on financing activities	(0.8)	(1.0)	0.2
[Dividend income included in above]	[1.9]	[1.6]	[0.3]
Other non-operating income (expenses)	(9.9)	0.8	(10.7)
Equity in Earnings of non-consolidated subsidiaries and affiliates	(2.1)	2.4	(4.5)
Ordinary income	(18.7)	50.1	(68.8)
Extraordinary gain	7.6	118.0	(110.4)
Extraordinary loss	(15.3)	(3.1)	(12.2)
Income before income taxes	(26.4)	165.0	(191.4)
Current and deferred income taxes	(4.7)	(19.8)	15.1
Minority interests in consolidated subsidiaries	(3.8)	(8.3)	4.5
Net income	(34.9)	136.9	(171.8)

105	119
69,700	59,700

(Billions of Yen)

First 9 Months of FY2008	First 9 Months of FY2007	Change
2,331.2	2,161.7	169.5
50.3	114.4	(64.1)
(1.8)	(5.1)	3.3
[5.7]	[4.4]	[1.3]
0.0	2.8	(2.8)
(1.7)	8.6	(10.3)
46.8	120.7	(73.9)
8.5	120.0	(111.5)
(22.2)	(12.2)	(10.0)
33.1	228.5	(195.4)
(31.4)	(44.8)	13.4
(13.1)	(8.6)	(4.5)
(11.4)	175.1	(186.5)

Change in accounting standards included in operating income	First 9 Months of FY2008
Method of inventory valuation	(10.3)
Method of depreciation of tangible fixed assets	(1.8)
Total	(12.1)

Consolidated Net Sales by Business Segments

(Billions of Yen)

	3Q of FY2008	3Q of FY2007	Change
Total	743.4	771.9	(28.5)
Electronics Applications	79.4	100.1	(20.7)
Designed Materials	72.9	76.9	(4.0)
Health Care	140.0	134.6	5.4
Chemicals	273.6	302.4	(28.8)
Polymers	143.1	116.1	27.0
Others	34.4	41.8	(7.4)

(Billions of Yen)

	First 9 Months of FY2008	First 9 Months of FY2007	Change
Total	2,331.2	2,161.7	169.5
Electronics Applications	262.8	297.4	(34.6)
Designed Materials	220.0	223.0	(3.0)
Health Care	386.5	289.1	97.4
Chemicals	890.8	884.8	6.0
Polymers	457.0	344.6	112.4
Others	114.1	122.8	(8.7)

Consolidated Operating Income by Business Segments

(Billions of Yen)

	3Q of FY2008	3Q of FY2007	Change
Total	(5.9)	47.9	(53.8)
Electronics Applications	0.8	7.5	(6.7)
Designed Materials	(0.2)	2.8	(3.0)
Health Care	32.8	31.5	1.3
Chemicals	(29.8)	3.8	(33.6)
Polymers	(8.2)	0.5	(8.7)
Others	2.3	4.1	(1.8)
Corporate	(3.6)	(2.3)	(1.3)

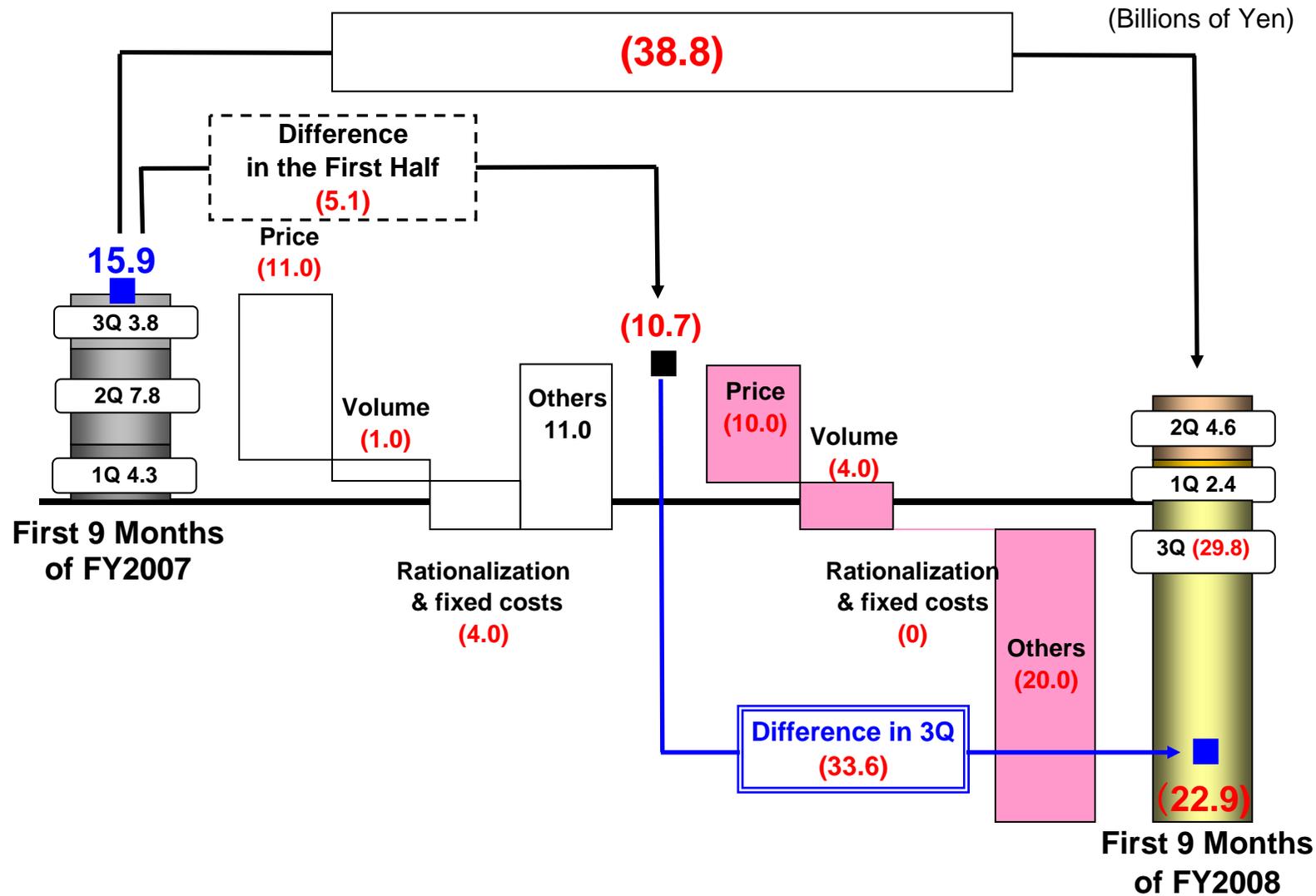
(Billions of Yen)

	First 9 Months of FY2008	First 9 Months of FY2007	Change
Total	50.3	114.4	(64.1)
Electronics Applications	11.5	24.3	(12.8)
Designed Materials	2.5	9.0	(6.5)
Health Care	70.0	52.7	17.3
Chemicals	(22.9)	15.9	(38.8)
Polymers	(8.7)	11.2	(19.9)
Others	8.5	9.2	(0.7)
Corporate	(10.6)	(7.9)	(2.7)

Analysis of Operating Income

(First Nine Months of FY2007 vs. First Nine Months of FY2008)

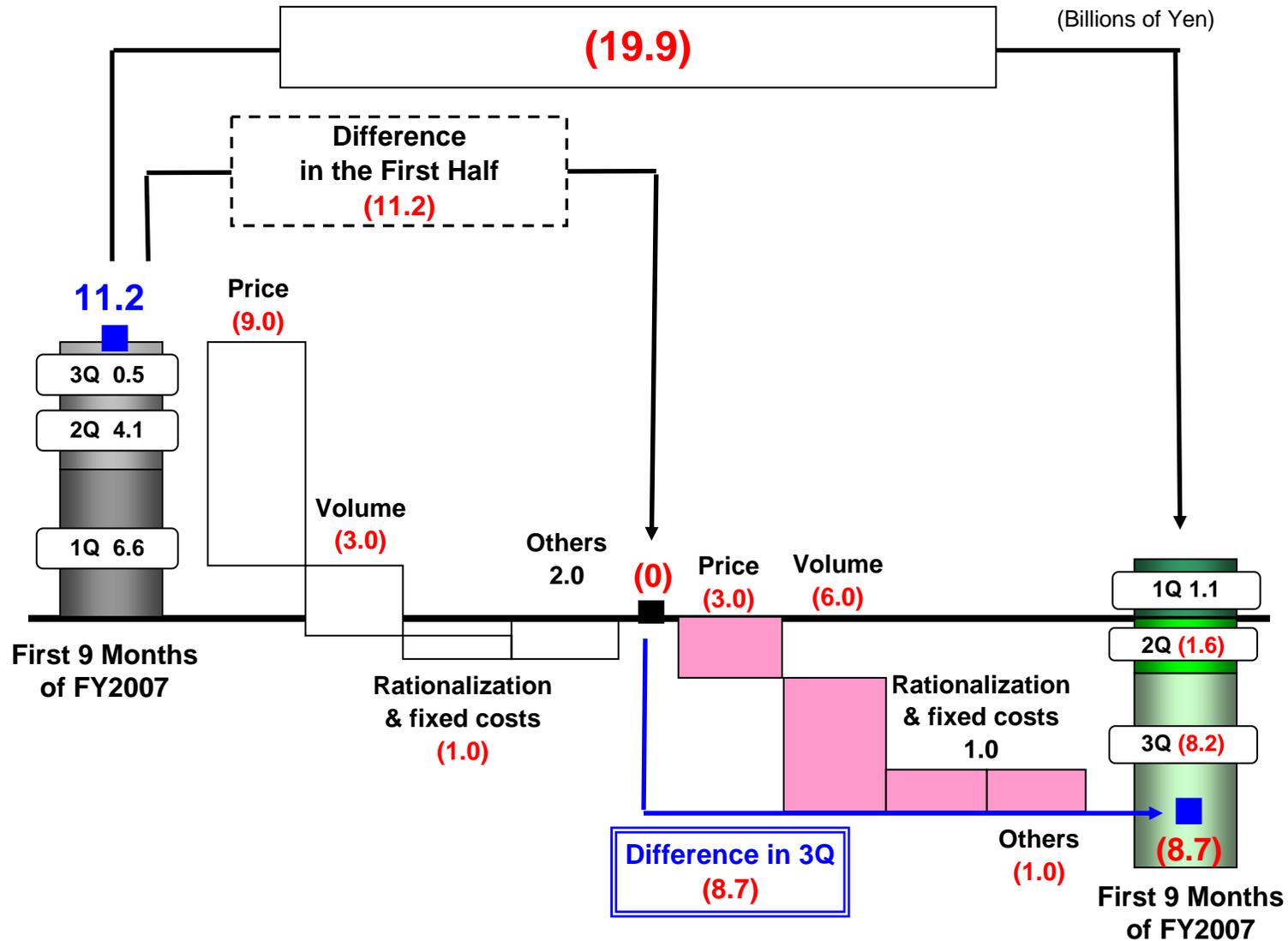
Chemicals Segment



Analysis of Operating Income

(First Nine Months of FY2007 vs. First Nine Months of FY2008)

Polymers Segment



Consolidated Balance Sheets

(Billions of Yen)

Debitor	December, 31, 2008	March 31, 2008	Change
Cash and deposits	91.8	116.1	(24.3)
Inventories	538.7	427.1	111.6
Trade receivables	664.0	599.9	64.1
Others	144.4	181.8	(37.4)
Current assets	1,438.9	1,324.9	114.0
Fixed assets	969.9	972.0	(2.1)
Investment and others	453.0	468.9	(15.9)
Fixed assets	1,422.9	1,440.9	(18.0)
Total assets	2,861.8	2,765.8	96.0

Creditor	December, 31, 2008	March 31, 2008	Change
Interest-bearing debts	945.8	822.5	123.3
Trade payables	493.2	435.1	58.1
Others	399.3	412.3	(13.0)
Liabilities	1,838.3	1,669.9	168.4
Shareholders' equity	748.3	781.6	(33.3)
Valuation and others	△ 1.6	46.2	(47.8)
Minorities interests	276.8	268.1	8.7
Net assets	1,023.5	1,095.9	(72.4)
Total liabilities and net assets	2,861.8	2,765.8	96.0

	December, 31, 2008	March 31, 2008	Change
Interest-bearing debts (incl. notes)	946.0	823.1	122.9
Debt-equity ratio	1.27	0.99	0.28
Net debt-equity ratio	0.99	0.75	0.24

Shareholders' equity (*1)	746.7	827.8	(81.1)
Shareholders' equity ratio	26.0%	29.9%	(3.9%)

(*1) Net assets -minority interests-stock warrant

Reference: Simple summation of newly consolidated subsidiaries

Debitor		Creditor	
Inventories	39.0	Interest-bearing debts	21.0
Trade receivables	48.0	Trade payables	60.0
Fixed assets	23.0	Others	19.0
Others	20.0	Net assets	30.0
Total assets	130.0	Total liabilities and net assets	130.0

Consolidated Cash Flows

(Billions of Yen)	First 9 Months of FY2008	First 9 Months of FY2008	
Net cash provided by operating activities	13.7	13.7	<ul style="list-style-type: none"> • EBIT 33.1 • Depreciation 85.7 • Inventories (80.2) • Operating cash flow (14.8) • Others (10.1)
Net cash used in investment activities [Financial investments of cash in hands included in above]	(152.2) [(55.5)]	(96.7)	<ul style="list-style-type: none"> • Capex (102.3) • Investment (10.5) • Others 16.1
Free cash flows [Financial investments of cash in hands included in above]	(138.5) [(55.5)]	(83.0)	
Net cash provided by finance activities	83.7	83.7	<ul style="list-style-type: none"> • Interest bearing debt 114.3 • Dividends, etc. (22.0) • Others (8.6)
Increase (decrease) in cash and cash equivalents	(54.8)	0.7	
Balance of cash and cash equivalents on December 31, 2008	110.6	204.4*	*Including financial investments of cash in hands

Revised Major Assumptions for FY2008

	Revised Forecast (February 4, 2009)		Previous Forecast (October 31, 2008)	
Exchange rate (¥/US\$)	1st Half	105		105
	3Q	107	} 2nd Half	100
	4Q	95		
	FY2008	103		103
	Naphtha price (¥/KI)	1st Half	78,100	
	3Q	52,800	} 2nd Half	60,000
	4Q	25,000		
	FY2008	58,500		69,000

Consolidated Statements of Operations (FY2008 Forecast)

	1Q	2Q	3Q	4Q	FY2008 Forecast
Exchange rate (VUS\$)	104	105	107	95	103
Naphtha price (VKI)	70,900	85,300	52,800	25,000	58,500

Announced on Oct. 31
103
69,000

FY2007
118
61,500

(Billions of Yen)

	1Q-2Q	3Q	4Q	FY2008 Forecast
Net sales	1,587.7	743.4	638.9	2,970.0
Operating income	56.2	(5.9)	(28.3)	22.0
Income (expenses) on financing activities	(1.0)	(0.8)	(2.2)	(4.0)
Other non-operating income (expenses)	10.0	(9.9)	(9.1)	(9.0)
Equity in earnings of non-consolidated subsidiaries and affiliates	0.3	(2.1)	(1.2)	(3.0)
Ordinary income	65.5	(18.7)	(40.8)	6.0
Extraordinary gain	0.9	7.6	2.5	11.0
Extraordinary loss	(6.9)	(15.3)	(13.8)	(36.0)
Income before income taxes	59.5	(26.4)	(52.1)	(19.0)
Current and deferred income taxes	(26.7)	(4.7)	7.4	(24.0)
Minority interests in consolidated subsidiaries	(9.3)	(3.8)	(1.9)	(15.0)
Net income	23.5	(34.9)	(46.6)	(58.0)

Announced on Oct. 31	Change
3,270.0	(300.0)
125.0	(103.0)
(5.0)	1.0
1.0	(10.0)
0.0	(3.0)
121.0	(115.0)
12.0	(1.0)
(24.0)	(12.0)
109.0	(128.0)
(54.0)	30.0
(20.0)	5.0
35.0	(93.0)

FY2007 Actual	Change
2,929.8	40.2
125.0	(103.0)
(6.3)	2.3
2.1	(11.1)
8.1	(11.1)
128.9	(122.9)
123.3	(112.3)
(34.4)	(1.6)
217.8	(236.8)
(46.0)	22.0
(7.7)	(7.3)
164.1	(222.1)

Consolidated Operating Income by Business Segments (FY2008 Forecast)

(Billions of Yen)

	1Q	2Q	3Q	4Q	FY2008 Forecast	Announced on Oct. 31	Change	FY2007 Actual	Change
Total	34.6	21.6	(5.9)	(28.3)	22.0	125.0	(103.0)	125.0	(103.0)
Electronics Applications	5.7	4.9	0.8	(3.4)	8.0	25.0	(17.0)	31.6	(23.6)
Designed Materials	0.8	1.9	(0.2)	(1.5)	1.0	8.0	(7.0)	9.7	(8.7)
Health Care	26.6	10.6	32.8	9.0	79.0	79.0	0.0	57.2	21.8
Chemicals	2.4	4.6	(29.8)	(24.2)	(47.0)	7.0	(54.0)	10.9	(57.9)
Polymers	1.1	(1.6)	(8.2)	(3.3)	(12.0)	9.0	(21.0)	11.2	(23.2)
Others	1.4	4.8	2.3	(0.5)	8.0	12.0	(4.0)	14.1	(6.1)
Corporate	(3.4)	(3.6)	(3.6)	(4.4)	(15.0)	(15.0)	0.0	(9.7)	(5.3)
Inventory valuation gain (loss)	12.7	12.9	(6.8)	(35.1)	(16.3)	9.6	(25.9)	14.4	(30.7)
Chemicals (Petrochemicals)	3.7	5.5	(16.8)	(20.6)	(28.2)	(4.9)	(23.3)	9.6	(37.8)
Chemicals (Carbon)	5.4	3.2	2.2	0.8	11.6	11.6	0.0	(0.6)	12.2
Polymers	3.6	4.2	7.8	(15.3)	0.3	2.9	(2.6)	5.4	(5.1)
Change method of inventory valuation	(1.7)	(0.2)	(5.2)	2.2	(4.9)	(0.3)	(4.6)	0.0	(4.9)
Chemicals	(1.5)	0.2	(3.3)	1.8	(2.8)	(0.1)	(2.7)	0.0	(2.8)
Polymers	(0.2)	(0.4)	(1.9)	0.4	(2.1)	(0.2)	(1.9)	0.0	(2.1)

Revision of Dividends

(Unit: Yen)

		FY2007	Revised Forecast (Feb. 4, 2009)	Previous Forecast (Oct. 31, 2008)
Cash dividends per share	First half	8	8	8
	Year end	8	TBD	8
	Total	16	TBD	16
Net profit per share	Year end	119.51	—	25.43
Dividend pay out ratio (Consolidated)	Total	13.4%	—	62.9%

Reasons for revision

Mitsubishi Chemical Holdings Corporation's basic policy is to pay dividends on the levels of our results of operations while considering other factors such as our aim to pay stable dividends over the medium- to long-term and our need to strengthen earnings as resources for future business development.

Forecast of the year-end dividend for FY2008 is suspended, due to revision mentioned above on the full year business forecast in accordance with abruptly deteriorating business environment.

Measures

Mitsubishi Chemical Holdings Corporation faced ever-severe business conditions in a broad range of fields. In order to cope with continuing significantly tough business climate, the following urgent measures are taken to recover profits in FY2009.

<Thorough fixed cost reduction>

- Zero-based review of every budget
- Rigorous cost reduction including personnel measures
such as remuneration for directors, employee bonus, personnel assignment
- Offensive R&D expenditure control through thorough selection and focus of projects

<Reduction in assets>

- Significant control of capital expenditure
- Asset light measures such as reduction in inventories,
shortening the accounts receivable term, and asset sale

<Reformation of business structure>

- Acceleration of business restructuring measures as previously announced on December 9, 2008

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.