

# Operational Summary

**for the First Quarter of the Fiscal Year Ending March 31, 2010**

July 31, 2009

Mitsubishi Chemical Holdings Corporation

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## Consolidated Statements of Operations

Exchange rate (¥/US\$)	95	104	
Naphtha price (¥/KI)	33,300	70,900	
			(Billions of yen)
	1Q of FY2009	1Q of FY2008	Change
<b>Net sales</b>	<b>549.7</b>	<b>763.8</b>	<b>(214.1)</b>
<b>Operating income</b>	<b>(10.6)</b>	<b>34.6</b>	<b>(45.2)</b>
Income (expenses) on financing activities	(1.1)	0.3	(1.4)
[Dividend income included in above]	[1.7]	[3.0]	[(1.3)]
Other non-operating income (expenses)	(6.6)	3.2	(9.8)
Equity in Earnings of non-consolidated subsidiaries and affiliates	1.1	0.9	0.2
<b>Ordinary income</b>	<b>(17.2)</b>	<b>39.0</b>	<b>(56.2)</b>
Extraordinary gain	2.9	0.3	2.6
Extraordinary loss	(4.5)	(1.3)	(3.2)
<b>Income before income taxes</b>	<b>(18.8)</b>	<b>38.0</b>	<b>(56.8)</b>
Current and deferred income taxes	2.1	(17.0)	19.1
Minority interests in consolidated subsidiaries	(0.1)	(7.9)	7.8
<b>Net income</b>	<b>(16.8)</b>	<b>13.1</b>	<b>(29.9)</b>

## Consolidated Net Sales by Business Segments

(Billions of yen)

	1Q of FY2009	1Q of FY2008	Change
<b>Total</b>	<b>549.7</b>	<b>763.8</b>	<b>(214.1)</b>
<b>Electronics Applications</b>	<b>66.8</b>	<b>92.4</b>	<b>(25.6)</b>
<b>Designed Materials</b>	<b>57.4</b>	<b>69.7</b>	<b>(12.3)</b>
<b>Health Care</b>	<b>126.5</b>	<b>128.2</b>	<b>(1.7)</b>
<b>Chemicals</b>	<b>174.2</b>	<b>281.6</b>	<b>(107.4)</b>
<b>Polymers</b>	<b>92.1</b>	<b>155.3</b>	<b>(63.2)</b>
<b>Others</b>	<b>32.7</b>	<b>36.6</b>	<b>(3.9)</b>

## Consolidated Operating Income by Business Segments

(Billions of yen)

	1Q of FY2009	1Q of FY2008	Change
<b>Total</b>	<b>(10.6)</b>	<b>34.6</b>	<b>(45.2)</b>
<b>Electronics Applications</b>	<b>(0.9)</b>	<b>5.7</b>	<b>(6.6)</b>
<b>Designed Materials</b>	<b>(0.8)</b>	<b>0.8</b>	<b>(1.6)</b>
<b>Health Care</b>	<b>25.2</b>	<b>26.6</b>	<b>(1.4)</b>
<b>Chemicals</b>	<b>(2.9)</b>	<b>2.4</b>	<b>(5.3)</b>
<b>Polymers</b>	<b>(28.1)</b>	<b>1.1</b>	<b>(29.2)</b>
<b>Others</b>	<b>0.3</b>	<b>1.4</b>	<b>(1.1)</b>
<b>Corporate</b>	<b>(3.4)</b>	<b>(3.4)</b>	<b>0.0</b>

## Consolidated Operating Income by Business Segments

### 1Q of FY2009 vs. 4Q of FY2008

(Billions of yen)

	1Q of FY2009	4Q of FY2008	Change
<b>Total</b>	<b>(10.6)</b>	<b>(42.1)</b>	<b>31.5</b>
<b>Electronics Applications</b>	<b>(0.9)</b>	<b>(6.7)</b>	<b>5.8</b>
<b>Designed Materials</b>	<b>(0.8)</b>	<b>(4.6)</b>	<b>3.8</b>
<b>Health Care</b>	<b>25.2</b>	<b>9.3</b>	<b>15.9</b>
<b>Chemicals</b>	<b>(2.9)</b>	<b>(32.6)</b>	<b>29.7</b>
<b>Polymers</b>	<b>(28.1)</b>	<b>(4.3)</b>	<b>(23.8)</b>
<b>Others</b>	<b>0.3</b>	<b>0.3</b>	<b>0.0</b>
<b>Corporate</b>	<b>(3.4)</b>	<b>(3.5)</b>	<b>0.1</b>

## Consolidated Statements of Operations

### 1Q of FY2009 Actual vs. 1Q of FY2009 Forecast

Exchange rate (¥/US\$)	95	95
Naphtha price (¥/Kl)	33,300	36,000

(Billions of yen)

	1Q of FY2009 Actual	1Q of FY2009 Forecast <small>(Announced on May 12, 2009)</small>	Change
<b>Net sales</b>	549.7	570.0	(20.3)
<b>Operating income</b>	(10.6)	(23.0)	12.4
Income (expenses) on financing activities	(1.1)	(2.0)	0.9
Other non-operating income (expenses)	(6.6)	(6.0)	(0.6)
Equity in Earnings of non-consolidated subsidiaries and affiliates	1.1	0.0	1.1
<b>Ordinary income</b>	(17.2)	(31.0)	13.8
Extraordinary gain	2.9	2.0	0.9
Extraordinary loss	(4.5)	0.0	(4.5)
<b>Income before income taxes</b>	(18.8)	(29.0)	10.2
Current and deferred income taxes	2.1	1.0	1.1
Minority interests in consolidated subsidiaries	(0.1)	3.0	(3.1)
<b>Net income</b>	(16.8)	(25.0)	8.2

## Consolidated Operating Income by Business Segments

### 1Q of FY2009 Actual vs. 1Q of FY2009 Forecast

(Billions of yen)

	1Q of FY2009 Actual	1Q of FY2009 Forecast <small>(Announced on May 12, 2009)</small>	Change
<b>Total</b>	<b>(10.6)</b>	<b>(23.0)</b>	<b>12.4</b>
<b>Electronics Applications</b>	<b>(0.9)</b>	<b>(2.0)</b>	<b>1.1</b>
<b>Designed Materials</b>	<b>(0.8)</b>	<b>(1.0)</b>	<b>0.2</b>
<b>Health Care</b>	<b>25.2</b>	<b>11.0</b>	<b>14.2</b>
<b>Chemicals</b>	<b>(2.9)</b>	<b>(6.0)</b>	<b>3.1</b>
<b>Polymers</b>	*2 style="color: red;"> <b>(28.1)</b>	<b>(22.0)</b>	<b>(6.1)</b>
<b>Others</b>	<b>0.3</b>	<b>0.0</b>	<b>0.3</b>
<b>Corporate</b>	<b>(3.4)</b>	<b>(3.0)</b>	<b>(0.4)</b>

\*1

\*1 The following factors that were estimated to book in 1Q, will be accounted on or after 2Q.

- (1) Sales and general expenses (including R&D expenses) of MTPC 14.0
- (2) Inventory evaluation losses (1.0)
- (3) License revenue (1.0)

\*2 Operating loss of 24.0 billion yen was arisen from the December-settlement companies.

	1Q of FY2009 Actual	1Q of FY2009 Forecast	Change
Inventory valuation gain/loss	(17.6)	(16.0)	(1.6)
Chemicals (Petrochemicals business)	(2.8)	(3.0)	0.2
Chemicals (Carbon business)	1.6	4.0	(2.4)
Polymers	(16.4)	(17.0)	0.6
Losses by inventory valuation method	(9.2)	(8.0)	(1.2)
Chemicals (Petrochemicals business)	1.3	(3.0)	4.3
Chemicals (Carbon business)	2.0	4.0	(2.0)
Polymers	(12.5)	(9.0)	(3.5)



## Consolidated Balance Sheets

(Billions of yen)

Debitor	June 30, 2009	March 31, 2009	Change
Cash and deposits	91.0	96.4	(5.4)
Inventories	418.5	463.3	(44.8)
Trade receivables	476.9	499.7	(22.8)
Others	215.5	265.3	(49.8)
<b>Current assets</b>	<b>1,201.9</b>	<b>1,324.7</b>	<b>(122.8)</b>
Fixed assets	952.0	947.3	4.7
Investment and others	520.8	468.9	51.9
<b>Fixed assets</b>	<b>1,472.8</b>	<b>1,416.2</b>	<b>56.6</b>
<b>Total assets</b>	<b>2,674.7</b>	<b>2,740.9</b>	<b>(66.2)</b>

Creditor	June 30, 2009	March 31, 2009	Change
Interest-bearing debts	1,043.7	1,033.2	10.5
Trade payables	296.4	368.0	(71.6)
Others	394.0	399.6	(5.6)
<b>Liabilities</b>	<b>1,734.1</b>	<b>1,800.8</b>	<b>(66.7)</b>
Shareholders' equity	670.5	692.3	(21.8)
Valuation and others	1.8	△ 23.3	25.1
Minorities interests	268.3	271.1	(2.8)
<b>Net assets</b>	<b>940.6</b>	<b>940.1</b>	<b>0.5</b>
<b>Total liabilities and net assets</b>	<b>2,674.7</b>	<b>2,740.9</b>	<b>(66.2)</b>

	June 30, 2009	March 31, 2009	Change
Interest-bearing debts (incl. notes)	1,043.9	1,033.8	10.1
Debt-equity ratio	1.6	1.6	0.0
Net debt-equity ratio	1.1	1.1	0.0

Shareholders' equity (*1)	672.3	669.0	3.3
Shareholders' equity ratio	25.1%	24.4%	0.7%

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

# Consolidated Cash Flows

(Billions of yen)	1Q of FY2009	Actual results excluding financial investments of of cash in hands		Actual results excluding financial investments of of cash in hands	
		1Q of FY2009		1Q of FY2008	
Net cash provided by operating activities	5.9	5.9	<ul style="list-style-type: none"> <li>• EBIT (18.8)</li> <li>• Depreciation 27.5</li> <li>• Inventories 49.3</li> <li>• Operating cash flow (54.6)</li> <li>• Others 2.5</li> </ul>	14.8	<ul style="list-style-type: none"> <li>• EBIT 38.0</li> <li>• Depreciation 27.0</li> <li>• Inventories (41.0)</li> <li>• Operating cash flow (4.8)</li> <li>• Others (4.4)</li> </ul>
Net cash used in investment activities [Financial investments of cash in hands included in above]	(63.9) [(32.6)]	(31.3)	<ul style="list-style-type: none"> <li>• Capex (29.1)</li> <li>• Investment, etc (2.2)</li> </ul>	(35.6)	<ul style="list-style-type: none"> <li>• Capex (37.6)</li> <li>• Investment, etc 2.0</li> </ul>
Free cash flows [Financial investments of cash in hands included in above]	(58.0) [(32.6)]	(25.4)		(20.8)	
Net cash provided by finance activities	(9.4)	(9.4)	<ul style="list-style-type: none"> <li>• Interest bearing debt 0.8</li> <li>• Dividends, etc. (10.2)</li> </ul>	1.8	<ul style="list-style-type: none"> <li>• Interest bearing debt 17.4</li> <li>• Dividends, etc. (15.6)</li> </ul>
Increase (decrease) in cash and cash equivalents	(67.4)	(34.8)		(19.0)	
Balance of cash and cash equivalents on June 30, 2009	161.5	* 290.7	* Including financial investments of cash in hands	* 185.5	

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.