

# Operational Summary

for the Fiscal Year Ended March 31, 2012

May 10, 2012

Mitsubishi Chemical Holdings Corporation

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## List of Abbreviations

<b>FY2012:</b>	April 1, 2012 - March 31, 2013 <b>1st Half ("1H") of FY2012:</b> April 1, 2012 - September 30, 2012 <b>2nd Half ("2H") of FY2012:</b> October 1, 2012 - March 31, 2013
<b>FY2011:</b>	April 1, 2011 - March 31, 2012 <b>1st Half ("1H") of FY2011:</b> April 1, 2011 - September 30, 2011 <b>2nd Half ("2H") of FY2011:</b> October 1, 2011 - March 31, 2012 <b>4th Quarter ("4Q") of FY2011:</b> January 1, 2012 - March 31, 2012
<b>FY2010:</b>	April 1, 2010 - March 31, 2011
<b>FY2011 Forecast:</b>	Company's forecasts for FY2011 disclosed on February 3, 2012
<b>MCHC:</b>	Mitsubishi Chemical Holdings Corporation
<b>MCC:</b>	Mitsubishi Chemical Corporation
<b>MTPC:</b>	Mitsubishi Tanabe Pharma Corporation
<b>MPI:</b>	Mitsubishi Plastics, Inc.
<b>MRC:</b>	Mitsubishi Rayon Co., Ltd.

### (Note)

Divisional numbers in the following "business sub-segments" under the business segments of Designed Materials, Health Care, Chemicals, or Polymers are approximation for reference purpose only;

- Functional Products
- Performance Chemicals
- Pharmaceuticals
- Diagnostics, Clinical Testing and API
- Petrochemicals
- Carbon
- Polyolefins and Advanced Polymers
- MMA Monomers and Polymers

# Consolidated Statements of Operations

	79.2	78.8	79.0	85.2	(6.2)	77.9
Exchange rate (¥/US\$)	79.2	78.8	79.0	85.2	(6.2)	77.9
Exchange rate to translate foreign statements with calender-year accounting peirod (¥/US\$)	81.8	77.5	79.6	87.3	(7.7)	79.4
Naphtha price (¥/kl)	57,000	52,900	54,900	47,500	7,400	54,500
	(Billions of Yen)					(Reference)
	1H	2H	FY2011 Actual	FY2010 Actual	Change	FY2011 Forecast
<b>Net sales</b>	1,570.2	1,638.0	<b>3,208.2</b>	<b>3,166.8</b>	<b>41.4</b>	<b>3,220.0</b>
<b>Operating income</b>	95.7	34.9	<b>130.6</b>	<b>226.5</b>	<b>(95.9)</b>	<b>135.0</b>
Income (expenses) on financing activities	(4.1)	(2.6)	(6.7)	(8.9)	2.2	(7.0)
[Dividend income included in above]	[2.7]	[4.3]	[7.0]	[5.0]	[2.0]	-
Equity in Earnings of non-consolidated subsidiaries and affiliates	8.5	6.4	14.9	15.1	(0.2)	15.0
Other non-operating income (expenses)	(7.2)	2.0	(5.2)	(8.8)	3.6	(11.0)
<b>Ordinary income</b>	92.9	40.7	<b>133.6</b>	<b>223.9</b>	<b>(90.3)</b>	<b>132.0</b>
Extraordinary gain	7.0	16.6	23.6	6.7	16.9	18.0
Extraordinary loss	(16.5)	(13.2)	(29.7)	(61.0)	31.3	(34.0)
<b>Income before income taxes and minority interests</b>	83.4	44.1	<b>127.5</b>	<b>169.6</b>	<b>(42.1)</b>	<b>116.0</b>
Current and deferred income taxes	(26.2)	(27.0)	(53.2)	(47.0)	(6.2)	(47.0)
<b>Income before minority interests</b>	57.2	17.1	<b>74.3</b>	<b>122.6</b>	<b>(48.3)</b>	<b>69.0</b>
Minority interests in consolidated subsidiaries	(19.7)	(19.1)	(38.8)	(39.0)	0.2	(39.0)
<b>Net income (loss)</b>	37.5	(2.0)	<b>35.5</b>	<b>83.6</b>	<b>(48.1)</b>	<b>30.0</b>
<b>Comprehensive income attributable to :</b>	60.4	3.8	<b>64.2</b>	<b>86.7</b>	<b>(22.5)</b>	
Shareholders of the parent	40.7	(15.4)	25.3	51.6	(26.3)	
Minority interests	19.7	19.2	38.9	35.1	3.8	

Major reasons for the change

- (a) Dividend income +2.0: Dividend income from SPDC Ltd.
- (b) Other non-operating income (expenses) +3.6: Insurance income +3.2,
- (c) Current and deferred income taxes (6.2): Expenses increased for FY2011 due to amendment of tax laws (14.9)

# Consolidated Net Sales and Operating Income by Business Segment

		(Billions of Yen)				(Reference)	
		1H	2H	FY2011 Actual	FY2010 Actual	Change	FY2011 Forecast
<b>Total</b>	Net Sales	1,570.2	1,638.0	3,208.2	3,166.8	41.4	3,220.0
	Operating Income	<b>95.7</b>	<b>34.9</b>	<b>130.6</b>	<b>226.5</b>	<b>(95.9)</b>	<b>135.0</b>
<b>Electronics Applications</b>	Net Sales	69.8	64.0	133.8	152.4	<b>(18.6)</b>	135.0
	Operating Income	<b>(1.2)</b>	<b>(4.1)</b>	<b>(5.3)</b>	<b>1.0</b>	<b>(6.3)</b>	<b>(5.0)</b>
<b>Designed Materials</b>	Net Sales	338.5	322.8	661.3	657.5	3.8	670.0
	Operating Income	<b>17.3</b>	<b>6.7</b>	<b>24.0</b>	<b>36.5</b>	<b>(12.5)</b>	<b>23.0</b>
<b>Health Care</b>	Net Sales	246.7	255.8	502.5	505.0	<b>(2.5)</b>	505.0
	Operating Income	<b>39.7</b>	<b>36.7</b>	<b>76.4</b>	<b>85.1</b>	<b>(8.7)</b>	<b>77.0</b>
<b>Chemicals</b>	Net Sales	466.2	541.3	1,007.5	895.4	112.1	1,000.0
	Operating Income	<b>19.4</b>	<b>(4.6)</b>	<b>14.8</b>	<b>53.0</b>	<b>(38.2)</b>	<b>20.0</b>
<b>Polymers</b>	Net Sales	352.0	345.2	697.2	731.2	<b>(34.0)</b>	700.0
	Operating Income	<b>23.3</b>	<b>2.1</b>	<b>25.4</b>	<b>55.0</b>	<b>(29.6)</b>	<b>26.0</b>
<b>Others</b>	Net Sales	97.0	108.9	205.9	225.3	<b>(19.4)</b>	210.0
	Operating Income	<b>1.6</b>	<b>4.5</b>	<b>6.1</b>	<b>4.5</b>	<b>1.6</b>	<b>3.0</b>
<b>Corporate</b>	Net Sales	-	-	-	-	-	-
	Operating Income	<b>(4.4)</b>	<b>(6.4)</b>	<b>(10.8)</b>	<b>(8.6)</b>	<b>(2.2)</b>	<b>(9.0)</b>
Impact of the earthquake		<b>(14.6)</b>	<b>(3.0)</b>	<b>(17.6)</b>	<b>1.7</b>	<b>(19.3)</b>	<b>(17.4)</b>
Operating income exclud. impact of the earthquake		<b>110.3</b>	<b>37.9</b>	<b>148.2</b>	<b>224.8</b>	<b>(76.6)</b>	<b>152.4</b>

# Consolidated Net Sales and Operating Income by “Business Sub-segment”

		(Billions of Yen)					(Reference)	
		1H	2H	FY2011 Actual	FY2010 Actual	Change	FY2011 Forecast	
<b>Electronics Applications</b>	Net Sales	69.8	64.0	133.8	152.4	(18.6)	135.0	
	Operating Income	(1.2)	(4.1)	(5.3)	1.0	(6.3)	(5.0)	
Designed Materials	<b>Functional Products*</b>	Net Sales	235.0	224.0	459.0	448.0	11.0	460.0
		Operating Income	9.3	2.8	12.1	15.2	(3.1)	11.5
	<b>Performance Chemicals*</b>	Net Sales	103.5	98.8	202.3	209.5	(7.2)	210.0
		Operating Income	8.0	3.9	11.9	21.3	(9.4)	11.5
Health Care	<b>Pharmaceuticals*</b>	Net Sales	200.3	206.8	407.1	409.5	(2.4)	405.0
		Operating Income	37.8	35.3	73.1	81.6	(8.5)	72.0
	Diagnostics, Clinical Testing and API*	Net Sales	46.4	49.0	95.4	95.5	(0.1)	100.0
		Operating Income	1.9	1.4	3.3	3.5	(0.2)	5.0
Chemicals	<b>Petrochemicals*</b>	Net Sales	329.3	407.7	737.0	656.0	81.0	730.0
		Operating Income	11.0	(9.7)	1.3	31.3	(30.0)	7.0
	<b>Carbon*</b>	Net Sales	136.9	133.6	270.5	239.4	31.1	270.0
		Operating Income	8.4	5.1	13.5	21.7	(8.2)	13.0
Polymers	Polyolefins and Advanced Polymers*	Net Sales	207.2	226.1	433.3	461.4	(28.1)	440.0
		Operating Income	3.9	(4.2)	(0.3)	18.2	(18.5)	0.0
	MMA Monomers and Polymers*	Net Sales	144.8	119.1	263.9	269.8	(5.9)	260.0
		Operating Income	19.4	6.3	25.7	36.8	(11.1)	26.0

\* Approximation for reference purpose only

FY2011 vs. FY2010

Inventory valuation gain/loss	1H	2H	FY2011 Actual	FY2010 Actual	Change	FY2011 Forecast
Chemicals (Petrochemicals)	3.2	1.9	5.1	4.7	0.4	0.5
Chemicals (Carbon)	1.7	(0.4)	1.3	3.8	(2.5)	1.3
Polymers (Polyolefins and Advanced Polymers)	5.2	(0.8)	4.4	5.6	(1.2)	3.2
Total	10.1	0.7	10.8	14.1	(3.3)	5.0

Major reasons for the change

- (a) Decreased sales for display materials
- (b) Decreased sales for polyester film
- (c) Decreased sales for OPL film and impact of the earthquake
- (d) Increase in SGA expenses and decrease in sales
- (e) Decreased margin for PTA and low operating rate for the No.2 PTA production facility in India
- (f) Decreased export margin for blast furnace coke
- (g) Impact of the earthquake and decreased margin for polyolefin and phenol-polycarbonate chain
- (h) Decreased demand for acrylic resin

# Analysis of Operating Income (FY2010 vs. FY2011)

(Billions of Yen)

	FY2011 Actual	FY2010 Actual	Change	Analysis			
				Price	Volume	Impact of the earthquake	Fixed costs and others
<b>Total</b>	<b>130.6</b>	<b>226.5</b>	<b>(95.9)</b>	<b>(39.4)</b>	<b>(30.8)</b>	<b>(19.3)</b>	<b>(6.4)</b>
Electronics Applications	(5.3)	1.0	(6.3)	(2.0)	(3.2)	(1.6)	0.5
Designed Materials	24.0	36.5	(12.5)	(4.6)	(9.0)	(1.1)	2.2
Health Care	76.4	85.1	(8.7)	0.9	4.3	(6.5)	(7.4)
Chemicals	14.8	53.0	(38.2)	(22.5)	(11.6)	(4.0)	(0.1)
Polymers	25.4	55.0	(29.6)	(11.2)	(13.1)	(5.9)	0.6
Others	6.1	4.5	1.6	-	1.8	(0.2)	0.0
Corporate	(10.8)	(8.6)	(2.2)	-	-	0.0	(2.2)

## Consolidated Extraordinary Gain (Loss)

(Billions of Yen)

	4Q	FY2011 Actual	FY2010 Actual	Change
	<b>Total</b>	0.1	<b>(6.1)</b>	<b>(54.3)</b>
<b>Extraordinary gain</b>	6.9	<b>23.6</b>	<b>6.7</b>	<b>16.9</b>
Gain on forgiveness of debts	-	5.7	-	5.7
Gain on sales of investment securities	0.9	3.3	2.0	1.3
Reversal of provision for loss on disaster	3.1	3.1	-	3.1
Gain on sales of noncurrent assets	0.7	2.7	1.2	1.5
Insurance income	-	1.2	-	1.2
Others	2.2	7.6	3.5	4.1
<b>Extraordinary loss</b>	<b>(6.8)</b>	<b>(29.7)</b>	<b>(61.0)</b>	<b>31.3</b>
Impairment loss	<b>(4.0)</b>	<b>(10.2)</b>	<b>(3.7)</b>	<b>(6.5)</b>
Loss on sales and retirement of noncurrent assets	<b>(3.6)</b>	<b>(6.0)</b>	<b>(12.4)</b>	6.4
Loss on valuation of investment securities	6.1	<b>(3.9)</b>	<b>(10.8)</b>	6.9
Losses on the Great East Japan Earthquake	<b>(1.5)</b>	<b>(2.3)</b>	<b>(22.5)</b>	20.2
Others	<b>(3.8)</b>	<b>(7.3)</b>	<b>(11.6)</b>	4.3



# Consolidated Cash Flows

	Based on statements of cash flows		Adjusted by excluding financial investments of cash in hands	
	FY2011 Actual	FY2010 Actual	FY2011 Actual Excluded 57.5 billion yen	FY2010 Actual Excluded (0.8) billion yen
<b>Net cash provided by operating activities</b>	<b>218.0</b>	<b>288.9</b>	<b>218.0</b>	<b>288.9</b>
Income before income taxes and minority interests	127.5	169.6	127.5	169.6
Depreciation and amortization	145.7	148.7	145.7	148.7
Amortization of goodwill	12.3	12.1	12.3	12.1
Change in operating receivables/payables	40.1	7.7	40.1	7.7
Change in Inventories	(33.5)	(17.4)	(33.5)	(17.4)
Others	(74.1)	(31.8)	(74.1)	(31.8)
<b>Net cash (used in) provided by investing activities</b>	<b>(63.4)</b>	<b>(101.1)</b>	<b>(120.9)</b>	<b>(100.3)</b>
Capital expenditure	(116.0)	(115.4)	(116.0)	(115.4)
Investment and loans receivables, etc.	52.6	14.3	(4.9)	15.1
<b>Free cash flow</b>	<b>154.6</b>	<b>187.8</b>	<b>97.1</b>	<b>188.6</b>
<b>Net cash (used in) provided by financing activities</b>	<b>(164.1)</b>	<b>(149.5)</b>		
Interest bearing debts	(131.1)	(126.4)		
Dividends, etc.	(33.0)	(23.1)		
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(9.5)</b>	<b>38.3</b>		
<b>Cash and cash equivalents at the end of the period</b>	<b>133.1</b>	<b>143.7</b>		

(Billions of Yen)

# Consolidated Balance Sheets

(Billions of Yen)

	Mar. 31, 2012 Actual	Mar. 31, 2011 Actual	Change
Cash and deposits	114.8	130.2	(15.4)
Inventories	516.1	485.1	31.0
Trade receivables	593.4	597.2	(3.8)
Others	153.5	184.2	(30.7)
<b>Current assets</b>	<b>1,377.8</b>	<b>1,396.7</b>	<b>(18.9)</b>
Fixed assets	1,099.1	1,160.4	(61.3)
Goodwill	141.8	154.8	(13.0)
Investment and Others	555.3	582.1	(26.8)
<b>Fixed assets</b>	<b>1,796.2</b>	<b>1,897.3</b>	<b>(101.1)</b>
<b>Total assets</b>	<b>3,174.0</b>	<b>3,294.0</b>	<b>(120.0)</b>

(Billions of Yen)

	Mar. 31, 2012 Actual	Mar. 31, 2011 Actual	Change
Interest-bearing debts	1,164.1	1,304.6	(140.5)
Trade payables	411.3	378.4	32.9
Others	453.6	497.0	(43.4)
<b>Liabilities</b>	<b>2,029.0</b>	<b>2,180.0</b>	<b>(151.0)</b>
Shareholders' equity	831.6	808.8	22.8
Accumulated other comprehensive income	(60.8)	(50.5)	(10.3)
Minorities interests, etc.	374.2	355.7	18.5
<b>Net assets</b>	<b>1,145.0</b>	<b>1,114.0</b>	<b>31.0</b>
<b>Total liabilities and net assets</b>	<b>3,174.0</b>	<b>3,294.0</b>	<b>(120.0)</b>

Interest-bearing debts (incl. notes)	1,164.5	1,304.6	(140.1)
Debt-equity ratio	1.51	1.72	(0.21)
Net interest-bearing debts (*1)	936.8	1,008.7	(71.9)
Net debt-equity ratio	1.22	1.33	(0.11)
Shareholders' equity (*2)	770.7	758.3	12.4
Shareholders' equity ratio	24.2%	23.0%	1.2%

\*1. Net interest-bearing debts (936.8 billion yen)  
 = interest bearing debts, including discounted notes (1,164.5 billion yen)  
 - (cash and cash equivalents (133.1 billion yen + financial investments of cash-in-hands (94.6 billion yen))

\*2. Represents the sum of shareholders' equity and accumulated other comprehensive income per the above B/S.

# Consolidated Statement of Changes in Net Assets

(Billions of Yen)

	Common stock	Additional paid-in capital	Retained earnings	Treasury stock at cost	Total shareholders' equity	Net unrealized holding gain (loss) on other securities	Gain (loss) on deferred hedges	Land revaluation surplus	Foreign currency translation adjustments	Unfunded retirement benefit obligation with respect to a foreign subsidiary	Accumulated other comprehensive income (loss)	Warrants	Minority interests in consolidated subsidiaries	Total net assets
<b>Beginning of period</b>	<b>50.0</b>	<b>317.6</b>	<b>451.9</b>	<b>(10.8)</b>	<b>808.8</b>	<b>5.2</b>	<b>(0.7)</b>	<b>1.4</b>	<b>(52.4)</b>	<b>(4.0)</b>	<b>(50.5)</b>	<b>0.7</b>	<b>355.1</b>	<b>1,114.0</b>
Cash dividends			(14.8)		(14.8)						-			(14.8)
Net income			35.5		35.5						-			35.5
Purchase of treasury stock				(0.1)	(0.1)						-			(0.1)
Disposal of treasury stock		0.0		0.0	0.1						-			0.1
Increase due to merger of non-consolidated subsidiaries by consolidated subsidiaries			0.0		0.0						-			0.0
Increase due to merger of non-consolidated subsidiaries by equity-method affiliates			0.0		0.0						-			0.0
Change in scope of consolidation			1.2		1.2						-			1.2
Change in scope of equity method			0.8		0.8						-			0.8
Net change in items other than those in shareholders' equity	/	/	/	/	/	(0.6)	0.6	0.2	(9.6)	(0.8)	(10.3)	(0.0)	18.5	8.1
<b>Net change during the period</b>	<b>-</b>	<b>0.0</b>	<b>22.8</b>	<b>(0.0)</b>	<b>22.8</b>	<b>(0.6)</b>	<b>0.6</b>	<b>0.2</b>	<b>(9.6)</b>	<b>(0.8)</b>	<b>(10.3)</b>	<b>(0.0)</b>	<b>18.5</b>	<b>31.0</b>
<b>End of period</b>	<b>50.0</b>	<b>317.6</b>	<b>474.8</b>	<b>(10.8)</b>	<b>831.6</b>	<b>4.6</b>	<b>(0.1)</b>	<b>1.6</b>	<b>(62.0)</b>	<b>(4.9)</b>	<b>(60.8)</b>	<b>0.7</b>	<b>373.6</b>	<b>1,145.0</b>

# Consolidated Statements of Comprehensive Income

	(Dec. 2010) Dec. 2011	(Dec. 2009) Dec. 2010
Exchange rate to translate foreign statements with calender-year accounting peiod (¥/US\$)	(81.5) 77.7	(92.1) 81.5
Exchange rate to translate foreign statements with calender-year accounting peiod (¥/€)	(107.9) 100.7	(132.0) 107.9

(Billions of Yen)

	FY2011 Actual	FY2010 Actual	Change
<b>Net income</b>	<b>35.5</b>	<b>83.6</b>	<b>(48.1)</b>
Minority interests in consolidated subsidiaries	38.8	39.0	(0.2)
Income before minority interests	74.3	122.6	(48.3)
Other comprehensive income (loss):			
<b>Net unrealized holding gain (loss) on other securities</b>	<b>0.7</b>	<b>(6.5)</b>	<b>7.2</b>
<b>Gain (loss) on deferred hedges</b>	<b>1.2</b>	<b>(1.0)</b>	<b>2.2</b>
<b>Foreign currency translation adjustments</b>	<b>(10.3)</b>	<b>(25.0)</b>	<b>14.7</b>
<b>Unfunded retirement benefit obligation with respect to a foreign subsidiary</b>	<b>(0.8)</b>	<b>(0.8)</b>	<b>0.0</b>
<b>Other comprehensive income (loss) for affiliates accounted for using equity method</b>	<b>(0.9)</b>	<b>(2.6)</b>	<b>1.7</b>
<b>Other comprehensive income (loss), net</b>	<b>(10.1)</b>	<b>(35.9)</b>	<b>25.8</b>
<b>Total comprehensive income (loss)</b>	<b>64.2</b>	<b>86.7</b>	<b>(22.5)</b>
Total comprehensive income (loss) attributable to :			
<b>Shareholders of the parent</b>	<b>25.3</b>	<b>51.6</b>	<b>(26.3)</b>
<b>Minority interests</b>	<b>38.9</b>	<b>35.1</b>	<b>3.8</b>

# Consolidated Statement of Operations

## (FY2012 Forecast)

**Forecast**

	79.2	78.8	79.0	81.0	81.0	81.0	2.0
Exchange rate (¥/US\$)	79.2	78.8	79.0	81.0	81.0	81.0	2.0
Exchange rate to translate foreign statements with calendar-year accounting period (¥/US\$)	81.8	77.5	79.6	81.6	81.0	81.3	1.7
Naphtha price (¥/kl)	57,000	52,900	54,900	62,000	62,000	62,000	7,100
	(Billions of Yen)						
	1H	2H	FY2011 Actual	1H	2H	FY2012 Forecast	Change
<b>Net sales</b>	1,570.2	1,638.0	<b>3,208.2</b>	1,653.0	1,797.0	<b>3,450.0</b>	<b>241.8</b>
<b>Operating income</b>	95.7	34.9	<b>130.6</b>	52.0	108.0	<b>160.0</b>	<b>29.4</b>
Income (expenses) on financing activities	(4.1)	(2.6)	<b>(6.7)</b>	(5.0)	(4.0)	<b>(9.0)</b>	<b>(2.3)</b>
[Dividend income included in above]	[2.7]	[4.3]	<b>[7.0]</b>	[2.0]	[3.0]	<b>[5.0]</b>	<b>[(2.0)]</b>
Equity in Earnings of non-consolidated subsidiaries and affiliates	8.5	6.4	<b>14.9</b>	6.0	6.0	<b>12.0</b>	<b>(2.9)</b>
Other non-operating income (expenses)	(7.2)	2.0	<b>(5.2)</b>	(8.0)	(7.0)	<b>(15.0)</b>	<b>(9.8)</b>
<b>Ordinary income</b>	92.9	40.7	<b>133.6</b>	45.0	103.0	<b>148.0</b>	<b>14.4</b>
Extraordinary gain	7.0	16.6	<b>23.6</b>	2.0	1.0	<b>3.0</b>	<b>(20.6)</b>
Extraordinary loss	(16.5)	(13.2)	<b>(29.7)</b>	(10.0)	(14.0)	<b>(24.0)</b>	<b>5.7</b>
<b>Income before income taxes and minority interests</b>	83.4	44.1	<b>127.5</b>	37.0	90.0	<b>127.0</b>	<b>(0.5)</b>
Current and deferred income taxes	(26.2)	(27.0)	<b>(53.2)</b>	(14.0)	(28.0)	<b>(42.0)</b>	<b>11.2</b>
<b>Income before minority interests</b>	57.2	17.1	<b>74.3</b>	23.0	62.0	<b>85.0</b>	<b>10.7</b>
Minority interests in consolidated subsidiaries	(19.7)	(19.1)	<b>(38.8)</b>	(12.0)	(23.0)	<b>(35.0)</b>	<b>3.8</b>
<b>Net income (loss)</b>	37.5	(2.0)	<b>35.5</b>	11.0	39.0	<b>50.0</b>	<b>14.5</b>

# Consolidated Net Sales and Operating Income by Business Segment (FY2012 Forecast)

**Forecast**

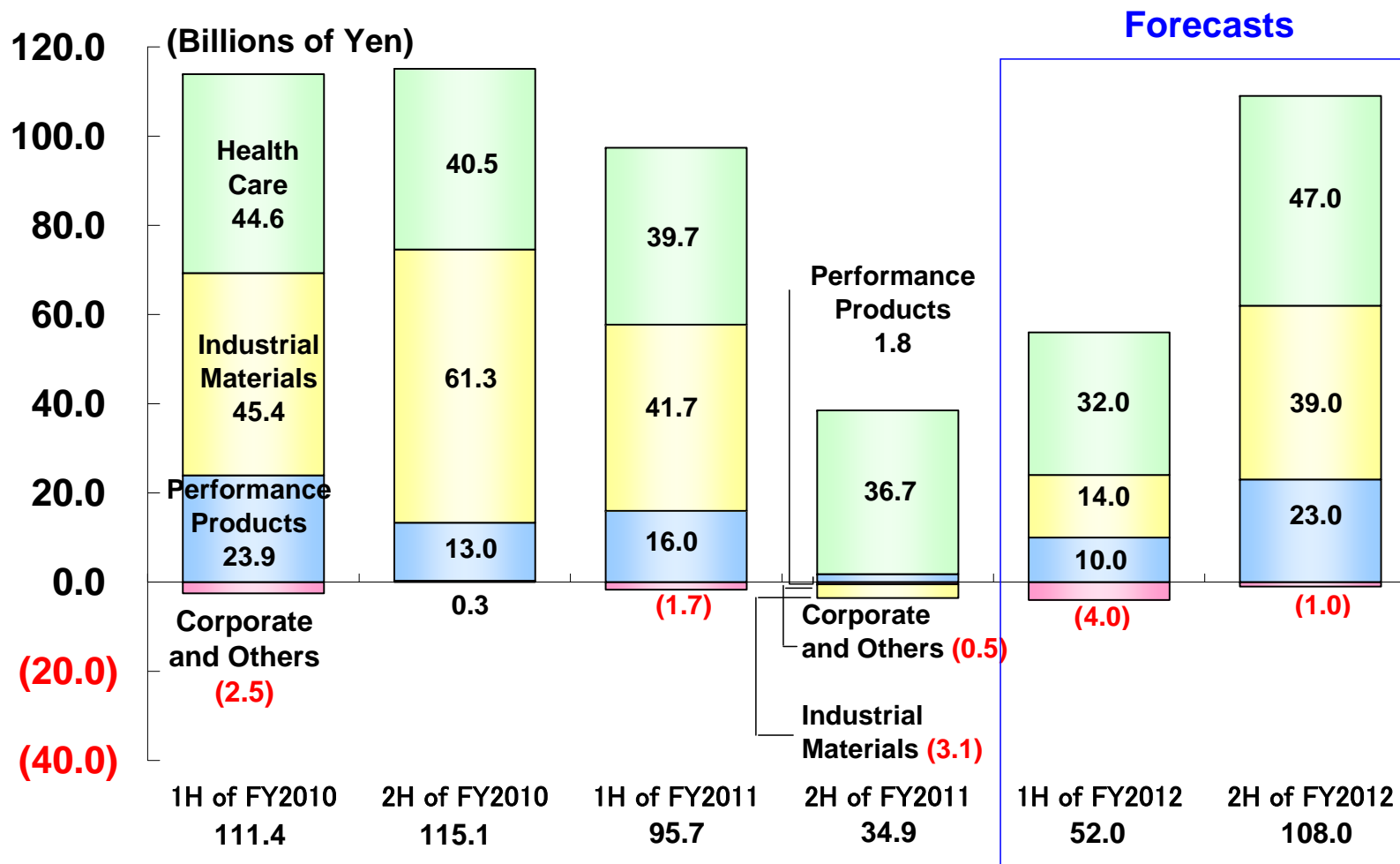
					(Billions of Yen)			
		1H	2H	FY2011 Actual	1H	2H	FY2012 Forecast	Change
<b>Total</b>	Net Sales	1,570.2	1,638.0	3,208.2	1,653.0	1,797.0	3,450.0	241.8
	Operating Income	<b>95.7</b>	<b>34.9</b>	<b>130.6</b>	<b>52.0</b>	<b>108.0</b>	<b>160.0</b>	<b>29.4</b>
<b>Electronics Applications</b>	Net Sales	69.8	64.0	133.8	65.0	80.0	145.0	11.2
	Operating Income	<b>(1.2)</b>	<b>(4.1)</b>	<b>(5.3)</b>	<b>(2.0)</b>	<b>2.0</b>	<b>0.0</b>	<b>5.3</b>
<b>Designed Materials</b>	Net Sales	355.0	344.9	699.9	370.0	400.0	770.0	70.1
	Operating Income	<b>17.2</b>	<b>5.9</b>	<b>23.1</b>	<b>12.0</b>	<b>21.0</b>	<b>33.0</b>	<b>9.9</b>
<b>Health Care</b>	Net Sales	246.7	255.8	502.5	253.0	277.0	530.0	27.5
	Operating Income	<b>39.7</b>	<b>36.7</b>	<b>76.4</b>	<b>32.0</b>	<b>47.0</b>	<b>79.0</b>	<b>2.6</b>
<b>Chemicals</b>	Net Sales	466.2	541.3	1,007.5	475.0	510.0	985.0	<b>(22.5)</b>
	Operating Income	<b>19.4</b>	<b>(4.6)</b>	<b>14.8</b>	<b>7.0</b>	<b>22.0</b>	<b>29.0</b>	<b>14.2</b>
<b>Polymers</b>	Net Sales	335.5	323.1	658.6	390.0	420.0	810.0	151.4
	Operating Income	<b>22.3</b>	<b>1.5</b>	<b>23.8</b>	<b>7.0</b>	<b>17.0</b>	<b>24.0</b>	<b>0.2</b>
<b>Others</b>	Net Sales	97.0	108.9	205.9	100.0	110.0	210.0	4.1
	Operating Income	<b>1.6</b>	<b>4.5</b>	<b>6.1</b>	<b>1.0</b>	<b>3.0</b>	<b>4.0</b>	<b>(2.1)</b>
<b>Corporate</b>	Net Sales	-	-	-	-	-	-	-
	Operating Income	<b>(3.3)</b>	<b>(5.0)</b>	<b>(8.3)</b>	<b>(5.0)</b>	<b>(4.0)</b>	<b>(9.0)</b>	<b>(0.7)</b>
<b>Impact of the earthquake</b>		<b>(14.6)</b>	<b>(3.0)</b>	<b>(17.6)</b>	-	-	-	-
<b>Operating income exclud. impact of the earthquake</b>		<b>110.3</b>	<b>37.9</b>	<b>148.2</b>	<b>52.0</b>	<b>108.0</b>	<b>160.0</b>	<b>11.8</b>

Segmentation changes effective from fiscal 2012:

Some consolidated subsidiaries in the Polymers segment will be transferred to the Designed Materials segment.

Part of expenses for basic research activities in the Corporate segment will be transferred to the Designed Materials segment, as a result of progress in the research. In associated with these changes, fiscal 2011 results have been reclassified for comparison with fiscal 2012 forecasts.

# Trend of Operating Income



Note: 'Performance Products' represent the Electronics Applications segment and the Designed Materials segment.  
 'Industrial Materials' represent the Chemicals segment and the Polymers segment.

# Consolidated Net Sales and Operating Income by “Business Sub-segment” (FY2012 Forecast)

Forecast

(Billions of Yen)

								Change	
		1H	2H	FY2011 Actual	1H	2H	FY2012 Forecast		
Electronics Applications	Net Sales	69.8	64.0	133.8	65.0	80.0	145.0	11.2	
	Operating Income	(1.2)	(4.1)	(5.3)	(2.0)	2.0	0.0	5.3	
Designed Materials	Functional Products*	251.5	246.1	497.6	255.0	275.0	530.0	32.4	
	Operating Income	9.2	2.0	11.2	5.0	9.5	14.5	3.3	
Performance Chemicals*	Net Sales	103.5	98.8	202.3	115.0	125.0	240.0	37.7	
	Operating Income	8.0	3.9	11.9	7.0	11.5	18.5	6.6	
Health Care	Pharmaceuticals*	Net Sales	200.3	206.8	407.1	203.0	226.0	429.0	21.9
		Operating Income	37.8	35.3	73.1	30.0	44.5	74.5	1.4
	Diagnostics, Clinical Testing and API*	Net Sales	46.4	49.0	95.4	50.0	51.0	101.0	5.6
		Operating Income	1.9	1.4	3.3	2.0	2.5	4.5	1.2
Chemicals	Petrochemicals*	Net Sales	329.3	407.7	737.0	355.0	385.0	740.0	3.0
		Operating Income	11.0	(9.7)	1.3	1.0	11.0	12.0	10.7
	Carbon*	Net Sales	136.9	133.6	270.5	120.0	125.0	245.0	(25.5)
		Operating Income	8.4	5.1	13.5	6.0	11.0	17.0	3.5
Polymers	Polyolefins and Advanced Polymers*	Net Sales	190.7	204.0	394.7	245.0	265.0	510.0	115.3
		Operating Income	2.9	(4.8)	(1.9)	1.0	6.0	7.0	8.9
	MMA Monomers and Polymers*	Net Sales	144.8	119.1	263.9	145.0	155.0	300.0	36.1
		Operating Income	19.4	6.3	25.7	6.0	11.0	17.0	(8.7)

\* Approximation for reference purpose only FY2012 vs. FY2011

Inventory valuation gain/loss	1H	2H	FY2011 Actual	1H	2H	FY2012 Forecast	Change
Chemicals (Petrochemicals)	3.2	1.9	5.1	0.3	0.7	1.0	(4.1)
Chemicals (Carbon)	1.7	(0.4)	1.3	1.3	0.0	1.3	0.0
Polymers (Polyolefins and Advanced Polymers)	5.2	(0.8)	4.4	4.4	0.5	4.9	0.5
Total	10.1	0.7	10.8	6.0	1.2	7.2	(3.6)

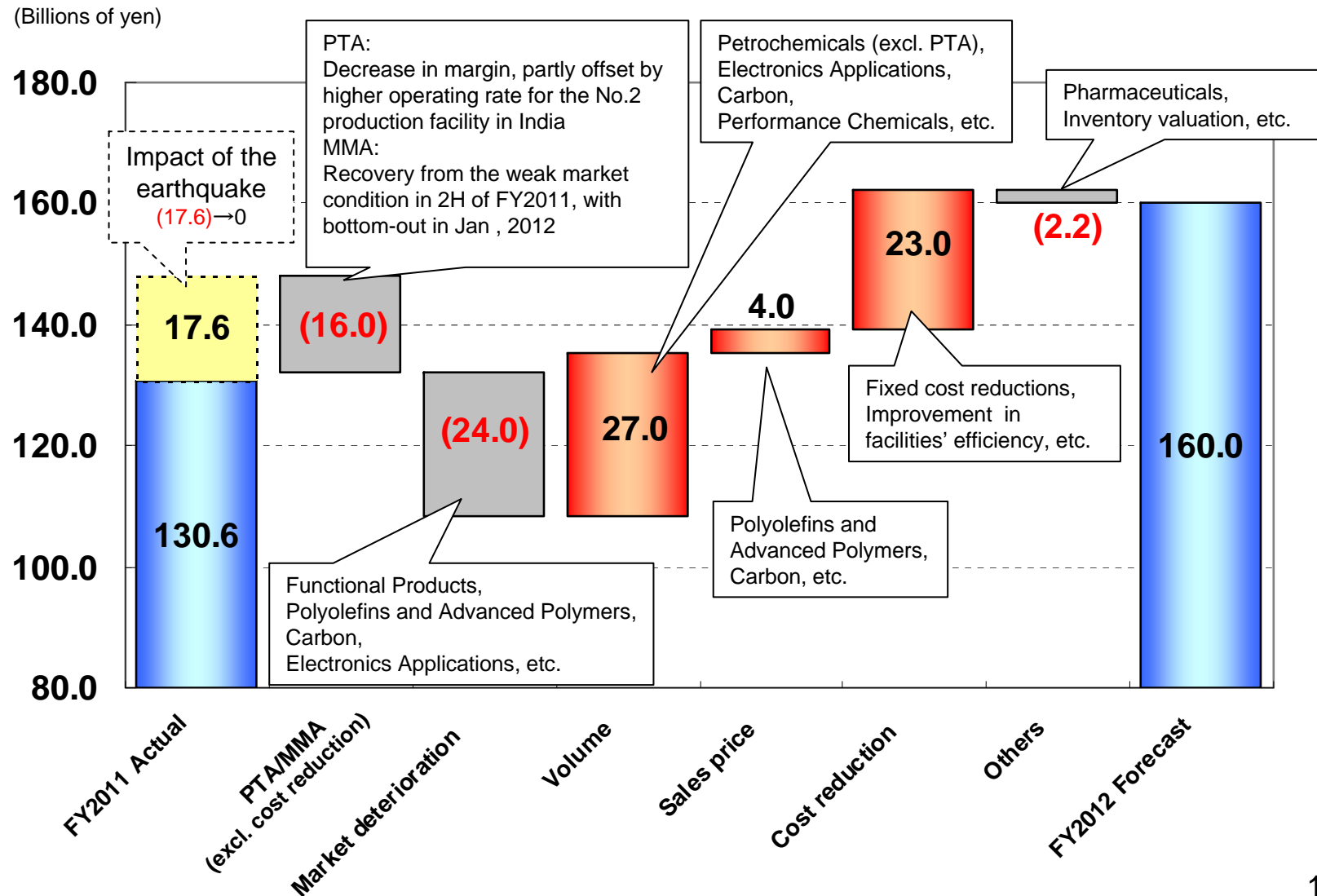
Segmentation changes effective from fiscal 2012:

Some consolidated subsidiaries in the Polymers segment will be transferred to the Designed Materials segment.

Part of expenses for basic research activities in the Corporate segment will be transferred to the Designed Materials segment, as a result of progress in the research. In associated with these changes, fiscal 2011 results have been reclassified for comparison with fiscal 2012 forecasts.

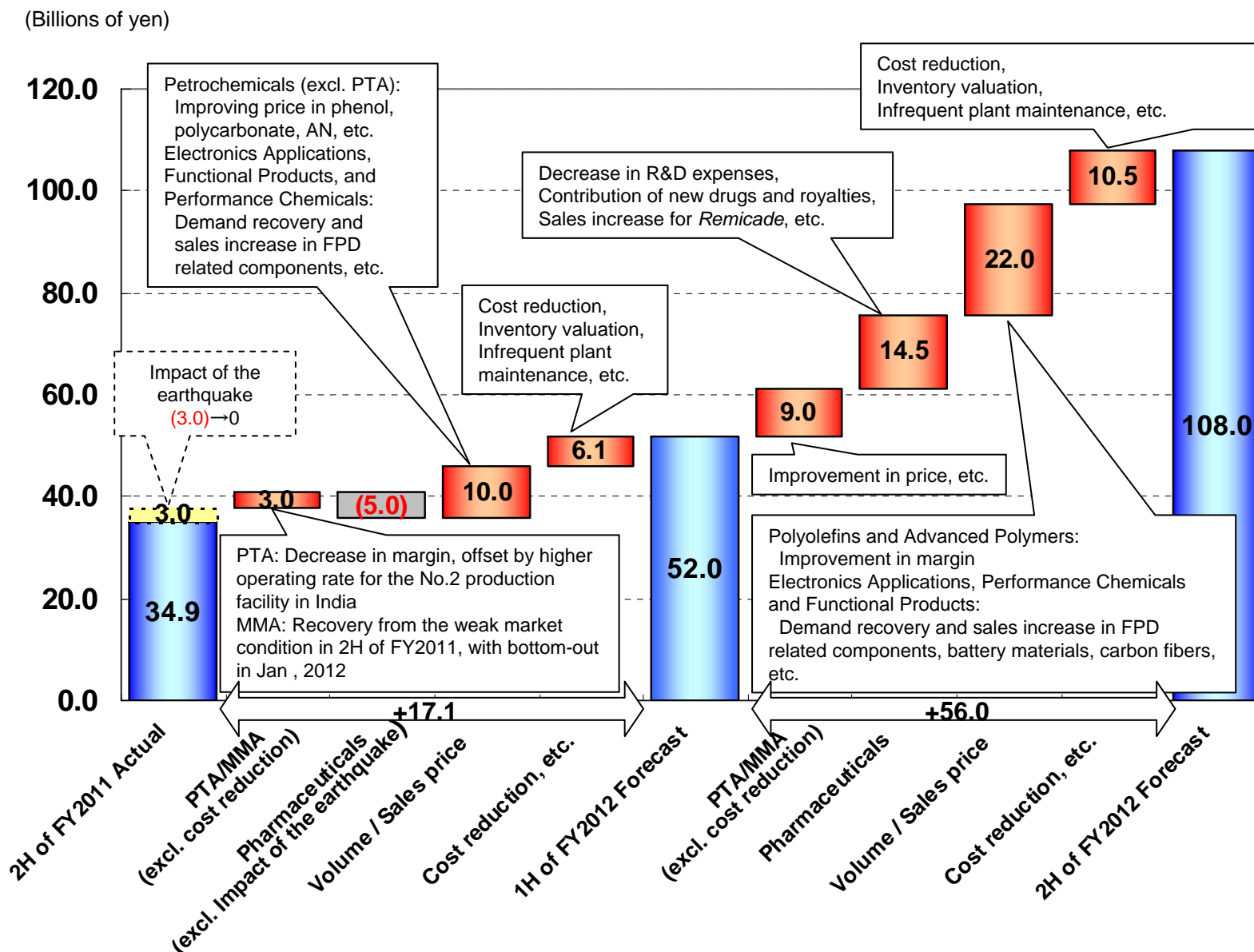


# Analysis of Operating Income (FY2011 Actual vs. FY2012 Forecast)



# Analysis of Operating Income (2H of FY2011 vs. 1H & 2H of FY2012 Forecast)

Forecast



# Consolidated Cash Flows and Other Numerical Targets

	Adjusted by excluding financial investments of cash in hands	
	(Billions of Yen)	
	FY2012 Target	FY2011 Actual
<b>Net cash provided by operating activities</b>	<b>228.0</b>	<b>218.0</b>
Income before income taxes and minority interests	127.0	127.5
Depreciation and amortization	136.0	145.7
Amortization of goodwill	12.0	12.3
Change in working capital	(24.0)	6.6
Others	(23.0)	(74.1)
<b>Net cash used in investing activities</b>	<b>(123.0)</b>	<b>(120.9)</b>
Capital expenditures	(140.0)	(116.0)
Investment and loans receivables, etc.	17.0	(4.9)
<b>Free cash flow</b>	<b>105.0</b>	<b>97.1</b>

## Financial indices

	March 31, 2013 Target	March 31, 2012 Actual	Change
Net interest-bearing debts (Billion of Yen)	869.0	936.8	(67.8)
Net debt-equity ratio	1.08	1.22	(0.14)
Shareholders' equity (Billion of Yen)	804.0	770.7	33.3

	FY2012 Target	FY2011 Actual	Change
EBITDA* <sup>1</sup> (Billion of Yen)	308.0	288.6	19.4
Net income (Billion of Yen)	50.0	35.5	14.5
Net profit per share (Yen)	¥33.91	¥24.06	¥9.85

\*1 EBITDA = Operating income + Depreciation + Amortization (including goodwill)

# Consolidated Capital Expenditure, Depreciation & Amortization, R&D Expenses, Total Assets, and Number of Employees by Business Segment

**Forecast**

(Billions of yen, until otherwise noted)

	Capital Expenditure		Depreciation & Amortization		R&D Expenses		Total Assets	Number of Employees
	FY2012 Forecast	FY2011 Actual	FY2012 Forecast	FY2011 Actual	FY2012 Forecast	FY2011 Actual	FY2011 Actual	FY2011 Actual
Electronics Applications	7.0	6.2	7.0	7.9	9.0	9.8	123.4	3,245
Designed Materials	62.0	49.5	48.0	49.2	25.0	24.0	720.9	14,394
Health Care	17.0	11.8	15.0	18.0	81.0	78.7	852.3	12,860
Chemicals	22.0	24.5	28.0	33.0	6.0	5.4	656.0	5,178
Polymers	23.0	18.1	32.0	32.0	15.0	14.9	714.6	7,369
Others	4.0	4.6	4.0	3.8	1.0	0.5	295.8	9,988
Corporate	5.0	1.4	2.0	1.8	6.0	5.2	(189.0)	945
<b>Total</b>	<b>140.0</b>	<b>116.1</b>	<b>136.0</b>	<b>145.7</b>	<b>143.0</b>	<b>138.5</b>	<b>3,174.0</b>	<b>53,979</b>

Segmentation changes effective from fiscal 2012:

Some consolidated subsidiaries in the Polymers segment will be transferred to the Designed Materials segment.

Part of expenses for basic research activities in the Corporate segment will be transferred to the Designed Materials segment, as a result of progress in the research. In associated with these changes, fiscal 2011 results have been reclassified for comparison with fiscal 2012 forecasts, except for total assets and number of employees.

# Major Capital Expenditure

	Major new and additional facilities completed during FY2011				Major facilities under construction			
	Company	Name of project	Completion date	Capacity increase	Company	Name of project	Planned completion date	Capacity increase
Designed Materials	MCC Sakaide Plant	Production facility for anode for lithium-ion battery (addition)	May 2011	2,000t/y	The Nippon Synthetic Chemical Industry Co., Ltd. Kumamoto Plant	Production facility for Polyvinyl alcohol film (addition)	1Q of FY2012	15 million m <sup>2</sup> /y
	Qingdao Anode Kasei Co., Ltd.	Production facility for anode for lithium-ion battery (new)	Oct. 2011	4,000t/y	MC Ionic Solutions UK Ltd.(UK)	Production facility for electrolyte for lithium-ion battery (new)	Apr. 2012	10,000t/y
	MPI Sakaide Plant	Production facility for alumina fiber (addition)	Jan. 2012	400t/y	MC Ionic Solutions US Ltd.(US)	Production facility for electrolyte for lithium-ion battery (new)	May 2012	10,000t/y
	MRC Otake Plant	Production facility for carbon fiber (addition)	Jun. 2011	2,700t/y	MPI Sakaide Plant	Production facility for alumina fiber (addition)	May 2012 Dec. 2012	800t/y
		-			Mitsubishi Polyester Film Suzhou Co., Ltd.	Production facility for polyester film (new)	Apr. 2013 Apr. 2015	45,000t/y
Health Care	Mitsubishi Tanabe Pharma Factory Ltd. Kashima Plant	Production facility for pharmaceutical products (new)	Feb. 2012	-	-			
	Benesis Corporation Kyoto Plant	Production facility for pharmaceutical products (new)	Mar. 2012	-				
Chemicals	MCC Sakaide Plant	Coke oven gas desulfurization equipment (new)	Dec. 2011	-	P. T. Mitsubishi Chemical Indonesia	Electric source conversion	Dec. 2012	-
	MCC Sakaide Plant	Coke oven dust collection system and other (renovation)	Apr. 2011	-	-			
	MCC Kurosaki Plant	Power equipment (rationalization)	Oct. 2011	-				
Polymers	MRC Otake Plant	Production facility for Acrylic sheet (enhancement)	Jun. 2011	-	Lucite International (US)	Production facility for MMA monomer (improvement)	Apr. 2012	-
		-			Lucite International (US)	Production facility for Methacrylic Acid (new)	4Q of FY2012	23,000t/y

# Cash Dividends

		FY2012 Forecast	FY2011 Actual	FY2010 Actual	FY2009 Actual	FY2008 Actual
Cash dividends per share (Yen)	1st Half	6	5	5	4	8
	Year end	6	5	5	4	4
	Total	12	10	10	8	12
Cash dividends (Billions of yen)	1st Half		7.4	6.9	5.5	11.0
	Year end		7.4	7.4	5.5	5.5
	Total		14.8	14.3	11.0	16.5
Net profit per share (Yen)	Year end	¥33.91	¥24.06	¥58.72	¥9.32	(¥48.81)
Dividend pay out ratio (Consolidated)	-	35.4%	41.6%	17.0%	85.8%	-

MCHC's basic policy is to distribute dividends based on consolidated business results, while simultaneously retaining of sufficient internal reserves for the future business developments and stable dividends over medium-to-long terms. For fiscal 2012, we plan an annual dividend of ¥12 per share.

# Scope of Consolidation and Overseas Sales and Operating Income

(Number of affiliates)

Scope of consolidation	FY2011	FY2010	FY2009	FY2008	FY2007
Total	404	411	421	240	260
Consolidated subsidiaries	341	341	345	177	189
Japan	130	127	129	95	106
Overseas	211	214	216	82	83
Affiliates accounted for by the equity method	63	70	76	63	71

## Net sales and operating income by geographic area based on location of consolidated subsidiaries

(Billions of Yen)

Japan	2,352.5	2,436.8	2,116.4	2,477.4	2,420.6
Overseas	855.7	730.0	398.7	431.6	509.2
Net sales	3,208.2	3,166.8	2,515.1	2,909.0	2,929.8
Japan	72.6	153.2	44.9	11.7	126.8
Overseas	58.0	73.3	21.4	(3.5)	(1.8)
Operating income	130.6	226.5	66.3	8.2	125.0

## Overseas sales

(Billions of Yen)

Overseas sales	1,184.4	1,087.6	637.2	668.1	795.4
	36.9%	34.3%	25.3%	22.9%	27.1%

## Major Subsidiaries

Company (Consolidated)	Net Sales			Operating Income		
	(Billions of Yen)					
	FY2011	FY2010	Change	FY2011	FY2010	Change
MCC	2,080.9	2,019.6	61.3	23.1	88.1	(65.0)
MTPC	407.2	409.5	(2.3)	69.0	76.6	(7.6)
MPI	379.0	382.0	(3.0)	10.6	16.6	(6.0)
MRC	474.0	478.4	(4.4)	30.3	41.0	(10.7)
Adjustments*	(132.9)	(122.7)	(10.2)	(2.4)	4.2	(6.6)
MCHC	3,208.2	3,166.8	41.4	130.6	226.5	(95.9)

\*Adjustments for MCHC consolidation

- Those for net sales represent elimination of internal transactions.
- Those for operating income represent primarily amortization of goodwill as well as elimination of internal transactions.



# Impact of the Earthquake

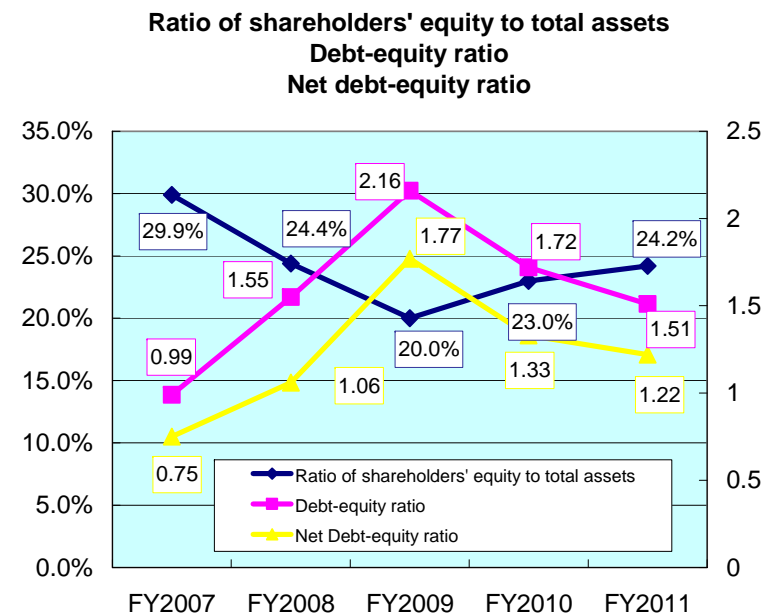
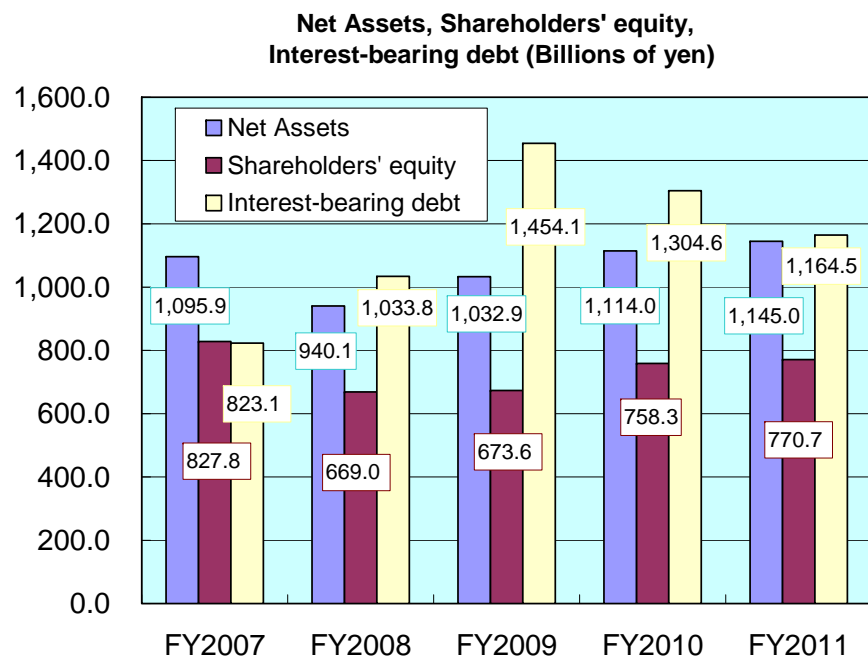
(Billions of Yen)

	A		B		A+B	C	A+B+C
	FY2010 Actual	4Q	FY2011 Actual	Loss (Sum of the two years)		Insurance income	Accumulated net impact for the two years
<b>Operating income (loss)</b>	1.7	(1.4)	(17.6)	(15.9)	-	-	(15.9) a
<b>Non-operating income</b>	-	-	-	-	3.1	3.1	3.1 b
Insurance income (compensation for loss of contribution margin)	-	-	-	-	3.1	3.1	3.1
<b>Extraordinary gain</b>	-	3.1	3.1	3.1	1.2	1.2	4.3 c
Reversal of provision for loss on disaster	-	3.1	3.1	3.1	-	-	3.1
Insurance income (compensation for property damage)	-	-	-	-	1.2	1.2	1.2
<b>Extraordinary loss</b>	(22.5)	(1.5)	(6.9)	(29.4)	4.6	4.6	(24.8) d
'Loss on the Great East Japan Earthquake'	(22.5)	(1.5)	(6.9)	(29.4)	-	-	(29.4)
Insurance income (compensation for manufacturing fixed costs during the shut-down period)	-	-	-	-	4.6	4.6	4.6
<b>Total</b>	(20.8)	0.2	(21.4)	(42.2)	8.9	8.9	(33.3) a+b+c+d

Net Impact for FY2011 (12.5)

Excluding insurance income of 0.1 recognized by equity method affiliates

# Trend of Financial Position



Net debt-equity ratio is calculated as  $(a - (b + c)) / d$

- (a) interest bearing debts including discounted notes
- (b) cash and cash equivalents
- (c) financial investments of cash-in-hands
- (d) the sum of shareholders' equity and accumulated other comprehensive income.

# Reclassification of FY2011

Segmentation changes effective from fiscal 2012:

Some consolidated subsidiaries in the Polymers segment will be transferred to the Designed Materials segment.

Part of expenses for basic research activities in the Corporate segment will be transferred to the Designed Materials segment, as a result of progress in the research.

In associated with these changes, fiscal 2011 results have been reclassified for comparison with fiscal 2012 forecasts.

(Billions of Yen)

		A			B			A+B		
		1H	2H	FY2011	1H	2H	Reclassification	1H	2H	Reclassified FY2011
<b>Designed Materials</b>	Net Sales	338.5	322.8	661.3	16.5	22.1	38.6	355.0	344.9	699.9
	Operating Income	17.3	6.7	24.0	(0.1)	(0.8)	(0.9)	17.2	5.9	23.1
<b>Performance Chemicals*</b>	Net Sales	235.0	224.0	459.0	16.5	22.1	38.6	251.5	246.1	497.6
	Operating Income	9.3	2.8	12.1	(0.1)	(0.8)	(0.9)	9.2	2.0	11.2
<b>Polymers</b>	Net Sales	352.0	345.2	697.2	(16.5)	(22.1)	(38.6)	335.5	323.1	658.6
	Operating Income	23.3	2.1	25.4	(1.0)	(0.6)	(1.6)	22.3	1.5	23.8
<b>Polyolefins and Advanced Polymers*</b>	Net Sales	207.2	226.1	433.3	(16.5)	(22.1)	(38.6)	190.7	204.0	394.7
	Operating Income	3.9	(4.2)	(0.3)	(1.0)	(0.6)	(1.6)	2.9	(4.8)	(1.9)
<b>Corporate</b>	Net Sales	-	-	-	-	-	-	-	-	-
	Operating Income	(4.4)	(6.4)	(10.8)	1.1	1.4	2.5	(3.3)	(5.0)	(8.3)

\* Approximation for reference purpose only

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.