



SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

First quarter results for the year ending March 31, 2009

MITSUBISHI GAS CHEMICAL COMPANY, INC.

August 5, 2008

Listed exchanges: Tokyo, Osaka, Nagoya 1st sections

Stock Code: 4182

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Planned date of filing of the financial report for the three months ended June 30, 2008: August 14, 2008

1. Consolidated financial results for the first quarter of the fiscal year ending March 31, 2009

(The three-month period April 1, 2008 to June 30, 2008)

1) Consolidated operating results

Millions of yen, rounded down

Percentage figures represent changes compared to the previous fiscal year

	Three months ended June 30, 2008		Three months ended June 30, 2007	
		(% change)		(% change)
Sales	133,907	-	127,886	11.6
Operating income	5,245	-	12,056	31.2
Ordinary income	12,690	-	20,302	34.0
Net income	9,185	-	13,612	12.4
Earnings per share (¥)	19.88	-	29.45	-
Fully diluted earnings per share (¥)	19.45	-	28.82	-

2) Consolidated financial position

Millions of yen, rounded down

	As of June 30, 2008	As of March 31, 2008
Total assets	602,464	601,386
Net assets	311,995	312,021
Shareholders' equity ratio (%)	50.2	50.3
Net assets per share (¥)	655.00	654.25

Note: Shareholders' equity as of June 30, 2008: ¥302,653 million; as of March 31, 2008: ¥302,314 million

2. Dividends

	Fiscal year ending March 31, 2009 (Forecast)	Fiscal year ended March 31, 2008
Interim dividend per share (¥)	8.00	8.00
Year-end dividend per share (¥)	8.00	8.00
Annual dividend per share (¥)	16.00	16.00

Note: There has been no change in the forecast dividend.

3. Forecasts for the fiscal year ending March 31, 2009

(April 1, 2008 to March 31, 2009)

Millions of yen, rounded down

Percentage figures represent changes compared to the previous fiscal year

	Interim period ending September 30, 2008		Fiscal year ended March 31, 2009	
		(% change)		(% change)
Sales	270,000	-	540,000	4.0
Operating income	7,500	-	21,000	(55.7)
Ordinary income	17,500	-	39,000	(36.9)
Net Income	14,000	-	31,000	(22.9)
Earnings per share (¥)	30.30	-	67.09	-

Note: The consolidated interim and full-year forecasts have been revised.

4. Other

- 1) **Transfer of important subsidiaries during the period under review** (Transfers of certain subsidiaries resulting in changes in the scope of consolidation): No
- 2) **Adoption of simplified accounting methods***: Adopted
- 3) **Changes in accounting methods, procedures and presentation in the preparation of these financial statements*** (Key items mentioned in Material Items Forming the Basis for the Preparation of the Consolidated Financial Statements for the Fiscal Year)
 1. Changes following revisions to accounting standards: Yes
 2. Other changes: Yes
- 4) **Number of shares outstanding (ordinary shares)**

	Three months ended June 30, 2008	Year ended March 31, 2008
Number of shares outstanding at end of period (including treasury shares) (shares)	483,478,398	483,478,398
Number of treasury shares at end of period.....	21,413,877	21,396,891
Average shares outstanding during period	462,077,873	462,199,275

Notice regarding the appropriate use of the financial forecasts

1. This document contains revisions to the interim and full year business forecasts announced on May 9, 2008.
2. Forecasts, etc., recorded in this document contain forward-looking statements that are based on management's estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.
3. As of the current consolidated fiscal year, Accounting Standards for Quarterly Reporting (Accounting Standards Board of Japan Article 12) and Application Guidelines related to Accounting Standards for Quarterly Reporting (Accounting Standards Board of Japan Article 14) will be applied. Furthermore, MGC Group prepares its quarterly consolidated financial statements in accordance with the Regulations Concerning Quarterly Financial Statements.

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

Note: All comparisons are with the first quarter of the previous fiscal year, unless stated otherwise.

1. Consolidated Operating Results

Consolidated net sales for the Mitsubishi Gas Chemical Company, Inc. group of companies ("MGC Group") for the first quarter period (April 1, 2008 to June 30, 2008) of the fiscal year ending March 31, 2009 rose 4.7%, or ¥6.0 billion, to ¥133.9 billion. Consolidated operating income decreased 56.5%, or ¥6.8 billion, to ¥5.2 billion. Consolidated ordinary income decreased 37.5%, or ¥7.6 billion, to ¥12.6 billion, and consolidated net income for the three months decreased 32.5%, or ¥4.4 billion, to ¥9.1 billion.

Revenues increased due to rising market prices for methanol and other products. However, profits decreased substantially due to a softening in the isophthalic acid market, lower sales volumes of polycarbonate sheets and films and electronic materials, and rising raw material and fuel costs, in addition to lower margins as a result of higher fixed costs including depreciation costs and repair costs.

Results by business segment

Natural Gas Chemicals Segment

Net sales in this business segment rose 17.8%, or ¥6.1 billion, to ¥40.8 billion. Operating income declined ¥1.1 billion, to a loss of ¥0.8 billion.

In the methanol business, revenue increased as a result of higher sales prices than those of the first quarter of the previous year. The methanol market slowed slightly at the beginning of the fiscal year under review, having surged in the early fall of 2007. Income from overseas methanol producing companies accounted for by the equity method decreased slightly due to the effect of yen appreciation.

Sales of methanol and ammonia derivatives were firm; however, higher fixed costs, including repair costs and exploration costs, resulted in an operating loss.

Revenue from the sale of enzymes and coenzymes was roughly in line with the same period in the previous year, due to a decline in sales prices—despite an increase in sales volumes of CoenzymeQ10.

Aromatic Chemicals Segment

Net sales in this business segment rose 2.6%, or ¥0.9 billion, to ¥38.3 billion, while operating income decreased 57.9%, or ¥2.2 billion, to ¥1.6 billion.

In the specialty aromatic chemicals business, sales volumes of meta-xylenediamine, nylon-MXD6, and aromatic aldehydes increased. However higher depreciation costs, rising prices for mixed xylene as the raw material, and yen appreciation resulted in a decrease in earnings.

Market conditions for isophthalic acid worsened as a result of intensifying competition, which stemmed from enhancements to supply capacity by MGC Group and its competitors. As a result, earnings from sales of isophthalic acid decreased significantly.

Specialty Chemicals Segment

Net sales in this business segment decreased 0.1%, to ¥36.5 billion, and operating income decreased by 34.5%, or ¥1.2 billion, to ¥2.4 billion.

In the inorganic chemicals business, hydrogen peroxide trended favorably, while in electronic chemicals higher sales volumes mainly for liquid crystal applications resulted in increased revenue and earnings.

In the engineering plastics business, polyacetal recorded robust performance. However, a decline in sales volumes of polycarbonate sheets and films used in the manufacture of flat panel

displays had a substantial impact on the business, resulting in lower earnings.

Information & Advanced Materials Segment

Net sales in this business segment fell 5.8% or ¥1.1 billion, to ¥18.0 billion, while operating profit declined by 45.4%, or ¥1.8 billion, to ¥2.2 billion.

Revenue and earnings from sales of materials for printed circuit boards declined, due to lower sales volumes as a result of weaker demand mainly for BT resin-based printed circuit board materials used in high-performance mobile phones and other semiconductor packaging applications.

Revenues from sales of oxygen absorber AGELESS® were roughly in line with the same period of the previous year, reflecting intensifying competition in domestic food packaging sector.

As of the current consolidated fiscal year, Accounting Standards for Quarterly Reporting (Accounting Standards Board of Japan Article 12) and Application Guidelines related to Accounting Standards for Quarterly Reporting (Accounting Standards Board of Japan Article 14) will be applied. As a result, the accounting standards used in the consolidated financial statements for the fiscal quarter under review differ from those used for the same period of the previous fiscal year, and therefore comparisons with the same period of the previous year are included for reference purposes only.

2. Consolidated financial position

Total consolidated assets as of June 30, 2008 were ¥602.4 billion, ¥1.0 billion higher than at the end of the previous fiscal year. This was primarily because of increases in investment securities and tangible fixed assets. Interest-bearing liabilities increased ¥1.1 billion to ¥151.7 billion. Net assets were ¥311.9 billion, roughly in line with the same period of the previous fiscal year, due to negative factors such as foreign currency translation adjustments arising from a stronger yen, which offset gains in evaluation of other investment securities. The shareholders' equity ratio was 50.2%.

3. Consolidated forecasts for the fiscal year ending March 31, 2009

In the interim period under review, profitability is expected to decline as a result of stagnating sales of polycarbonate sheets and films and materials for printed circuit boards, and intensifying competition in the isophthalic acid market, despite rising market prices for methanol and other products. Rising raw material and fuel costs are also expected to have an impact on overall profitability.

For this reason, although net sales in the interim period ending September 30, 2008 are expected to be in line with the initial forecast, interim operating income and ordinary income are each expected to decline.

From the third quarter of the current fiscal year onward, product sales price revisions are expected to improve profitability and demand for printed circuit board materials is expected to recover. However, the conditions seen in the second quarter in polycarbonate sheets and films and isophthalic acid markets are expected to continue.

Given this situation, although net sales in the fiscal year ending March 31, 2009 are expected to be in line with the initial forecast, operating income for the full year is expected to fall short of initial forecasts.

Regarding ordinary income for the full year, the methanol market, which was expected to decline substantially in the third quarter of the year is now forecast to continue to record high prices, resulting in higher equity in earnings of affiliates and offsetting the decline of operating income.