SUMMARY OF FINANCIAL STATEMENTS (Consolidated)
Results for the fiscal year ended March 31, 2009

MITSUBISHI GAS CHEMICAL COMPANY, INC. **May 8, 2009**

Stock Code: 4182
Listed exchanges: Tokyo, Osaka, Nagoya 1st sections

http://www.mgc.co.jp

Inquiries: Yasuhiro Sato
General Manager
Corporate Communications Division
Telephone: +81 3 3283-5041

President: Kazuo Sakai

Scheduled date of general shareholders' meeting: June 25, 2009
Scheduled date of payment of dividend: June 8, 2009
Planned date of filing of the financial report: June 25, 2009

1. Consolidated financial results for the fiscal year ended March 31, 2009

1) Consolidated operating results

Percentage figures represent changes compared to the previous fiscal year

Millions of yen, rounded down

	Fiscal year ended March 31, 2009	(% change)	Fiscal year ended March 31, 2008	(% change)
Sales	447,647	(13.8)	519,329	7.6
Operating income	(3,103)	-	47,366	12.2
Ordinary income	6,975	(88.7)	61,759	0.1
Net income	7,014	(82.6)	40,209	0.4
Earnings per share (¥)	15.30		87.01	
Fully diluted earnings per share (¥)	14.97		85.13	
Return on equity (%)	2.5		13.7	
Ratio of ordinary income to total assets (%)	1.2		10.2	
Ratio of operating income to sales (%)	(0.7)		9.1	

Note: Equity in earnings of affiliates: Fiscal year ended March 31, 2009: ¥ 14,706 million; Fiscal year ended March 31, 2008: ¥ 21,312 million

2) Consolidated financial position

Millions of yen, rounded down

	As of March 31, 2009	As of March 31, 2008
Total assets	530,592	601,386
Net assets	272,083	312,021
Shareholders' equity ratio (%)	49.9	50.3
Net assets per share (¥)	585.90	654.25

Note: Shareholders' equity at end of period: Fiscal year ended March 31, 2009: ¥ 264,861 million; Fiscal year ended March 31, 2008: ¥ 302,314 million

3) Consolidated cash flows

Millions of yen, rounded down

	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2008
Cash flow from operating activities	49,027	40,394
Cash flow from investing activities	(41,253)	(20,907)
Cash flow from financing activities	11,541	(22,251)
Cash and cash equivalents at end of period	53,065	37,235

2. Dividends

	Fiscal year ended March 31, 2008	Fiscal year ended March 31, 2009	Fiscal year ending March 31, 2010 (Forecast)
Interim dividend per share (¥)	8.00	8.00	6.00
Year-end dividend per share (¥)	8.00	8.00	6.00
Annual dividend per share (¥)	16.00	16.00	12.00
Total dividend payment *(millions of yen)*	7,393	7,312	--
Dividend payout ratio (%)	18.4	104.6	90.4
Dividend to net assets ratio (%)	2.5	2.6	--

3. Forecasts for the fiscal year ending March 31, 2010 (April 1, 2009 to March 31, 2010)

Percentage figures represent changes compared to the previous interim period or fiscal year

Millions of yen, rounded down

	Interim period ending September 30, 2009	(% change)	Fiscal year ending March 31, 2010	(% change)
Sales	180,000	(33.1)	380,000	(15.1)
Operating income	0	(100.0)	8,000	-
Ordinary income	(1,500)	-	7,000	0.4
Net Income	0	(100.0)	6,000	(14.5)
Earnings per share (¥)	0.00		13.27	

4. Other

1) Transfer of important subsidiaries during the period (Transfers of certain subsidiaries resulting in changes in the scope of consolidation): No

2) 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

3) Number of shares outstanding (ordinary shares)

1. Number of shares outstanding at end of the fiscal year (including treasury shares):
   March 31, 2009: 483,478,398 shares March 31, 2008: 483,478,398 shares
2. Number of treasury shares at end of the fiscal year:
   March 31, 2008: 31,420,297 shares March 31, 2008: 21,396,891 shares

Reference: Outline of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2009

1) Non-consolidated operating results

Percentage figures represent changes compared to the previous fiscal year *Millions of yen, rounded down*

	Fiscal year ended March 31, 2009		Fiscal year ended March 31, 2008	
		(% change)		(% change)
Sales	310,017	(16.9)	372,865	5.0
Operating income	(3,112)	-	19,985	1.5
Ordinary income	12,695	(65.6)	36,856	17.1
Net income	12,686	(55.5)	28,518	40.6
Earnings per share (¥)	27.68		61.71	
Fully diluted earnings per share (¥)	27.08		60.38	

2) Non-consolidated financial position

Millions of yen, rounded down

	As of March 31, 2009	As of March 31, 2008
Total assets	360,896	373,713
Net assets	173,701	185,982
Shareholders' equity ratio (%)	48.1	49.8
Net assets per share (¥)	384.25	402.49

Note: Shareholders' equity: Fiscal year ended March 31, 2009: ¥ 173,701 million; Fiscal year ended March 31, 2008: ¥ 185,982 million

2. Non-consolidated forecasts for the fiscal year ending March 31, 2010 (April 1, 2009 to March 31, 2010)

Percentage figures represent changes compared to the previous interim period or fiscal year *Millions of yen, rounded down*

	Interim period ending September 30, 2009		Fiscal year ending March 31, 2010	
		(% change)		(% change)
Sales	125,000	(35.5)	265,000	(14.5)
Operating income	(2,000)	-	1,000	-
Ordinary income	0	(100.0)	6,000	(52.7)
Net income	2,000	(81.8)	7,000	(44.8)
Earnings per share (¥)	4.42		15.48	

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including changing economic conditions, legislative and regulatory developments, delay in new product launches, and pricing and product initiatives of competitors.

1. Consolidated Operating Results

COMMENTARY ON RESULTS

Note: Comparisons in the following section of the report are with the previous fiscal year, unless stated otherwise.

1) Overview of results for this period

The Japanese economy showed signs of slowing from the start of the year under review, and this accelerated dramatically following the Lehman bankruptcy in September. The deepening of the financial crisis caused rapid falls in commodity markets, and the real economy also showed a pronounced deterioration.

The business environment for the Mitsubishi Gas Chemical Company, Inc. group of companies (“MGC Group”) was severe throughout the year, with high raw material costs in the first half of the year followed by a collapse in commodity prices and a significant drop in demand in the second half.

MGC Group’s efforts during the year were directed at maintaining and improving sales volumes and prices, while implementing initiatives to generate growth and strengthen the Group’s management foundation in line with the core policies outlined in *Kyoso 2008*, MGC’s medium-term management plan that ended on March 31, 2009. Despite these efforts, revenue and earnings both declined, with consolidated net sales for MGC Group for the fiscal year ended March 31, 2009 falling 13.8%, or ¥71.6 billion, to ¥447.6 billion. A consolidated operating loss of ¥3.1 billion was recorded, representing a deterioration of ¥50.4 billion, and consolidated ordinary income fell 88.7%, or ¥54.7 billion, to ¥6.9 billion. Consolidated net income for the year decreased 82.6%, or ¥33.1 billion, to ¥7.0 billion.

Non-consolidated performance also produced a reduction in revenue and earnings, with net sales falling 16.9%, or ¥62.8 billion, to ¥310.0 billion. An operating loss of ¥3.1 billion was recorded, representing a deterioration of ¥23.0 billion, and ordinary income fell 65.6%, or ¥24.1 billion, to ¥12.6 billion. Non-consolidated net income for the year decreased 55.5%, or ¥15.8 billion, to ¥12.6 billion.

Results by business segment

Natural Gas Chemicals Company

In the methanol business, revenue and earnings both fell for the full year. Sales prices in the first half of the year exceeded prices in the first half of the previous year, driven by factors such as strong demand in China for fuel applications. From the third quarter, however, global demand slowed rapidly and commodity prices also fell, with the result that the average price for the full year declined. Earnings from overseas methanol producing companies accounted for by the equity method also declined, affected by the strengthening of the yen.

In methanol and ammonia derivatives, revenue and earnings declined, primarily due to higher repair and maintenance expenses and a sudden decline in sales volumes in the second half of the year.

Results from enzymes and coenzymes were largely in line with the previous year, with a fall in the sales price of coenzyme Q10 offset by an increase in sales volumes lower fixed costs.

In the sale of natural gas and other energy, the upward trend in crude oil prices that continued until the end of the first half of the year resulted in increased revenue and earnings.

Increased natural gas exploration costs in the first half of the year also affected revenue and earnings in this business segment. Consolidated net sales in the Natural Gas Chemicals Company for the year ended March

31, 2009 decreased ¥3.1 billion to ¥143.4 billion, and operating loss of ¥4.8 billion was recorded, representing a deterioration of ¥8.1 billion.

Note: The exploration activities in the first half of the year did not result in the discovery of an economically viable gas field.

Aromatic Chemicals Company

In specialty aromatic chemical products, although favorable sales were recorded for meta-xylenediamine for applications as an epoxy curing agent, and MX Nylon for applications as a gas barrier in PET bottles, demand for both products for applications in the automotive and home appliance industry fell significantly in the second half of the year. Similarly, while sales of aromatic aldehyde for applications in the agricultural and fragrance industries were strong, sales for applications as a resin additive fell in the second half of the year. Results were also influenced by a strengthening of the yen and an increase in depreciation and amortization costs, and for the full year both revenues and earnings declined.

At A.G. International Chemical Co., Inc., a subsidiary that produces and sells purified isophthalic acid, the market declined as a result of intensifying industry competition. The outcome was also influenced by the strong yen and a sudden drop in demand in the second half of the year, with the result that both revenue and earnings for the year declined significantly.

Results were also affected by higher operating expenses arising from write-downs of inventory based on the lower-of-cost-or-market method. Consolidated net sales in the Aromatic Chemicals Company for the year ended March 31, 2009 decreased ¥22.6 billion to ¥120.6 billion, and operating loss of ¥7.3 billion was recorded, representing a deterioration of ¥19.4 billion.

Specialty Chemicals Company

Inorganic chemicals for industrial use recorded lower revenue and earnings. Overall sales volumes decreased, with a particularly strong impact from a fall in demand for hydrogen peroxide in the second half of the year.

Revenue and earnings from chemicals for the electronics industry declined, with slow demand in the first half of the year and a significant fall in demand in the second half.

The engineering plastics business also recorded substantially lower revenue and earnings despite relatively firm ongoing demand for polyacetal. This was due to a sharp decline in demand for polycarbonate and sluggish sales in polycarbonate film for flat panel displays.

Consolidated net sales in the Specialty Chemicals Company for the year ended March 31, 2009 decreased ¥27.1 billion to ¥124.5 billion, and operating income decreased ¥9.7 billion to ¥6.3 billion.

Information & Advanced Materials Company

Revenue and earnings from materials for printed circuit boards decreased substantially. Demand for mobile phone and memory applications, which had been slow from the start of the year, declined further in the second half, during autumn 2008. Higher depreciation and amortization on new production equipment at subsidiary Electrotechno Co., Ltd. also contributed to the decline. Sales of LE sheets, the entry sheets used in mechanical drilling of printed circuit boards, declined rapidly in the second half of the year, leading to lower revenues and earnings.

Sales of oxygen absorber AGELESS® were relatively firm, with revenues and earnings in line with the previous year despite the impact of strong competition in sales to the food industry.

Consolidated net sales in the Information & Advanced Materials Company for the year ended March 31, 2009 decreased ¥18.7 billion to ¥58.0 billion, and operating income decreased ¥12.9 billion to ¥2.2 billion.

Other

Consolidated net sales in the Other business segment for the year ended March 31, 2009 decreased to ¥0.9 billion, and operating income increased to ¥0.5 billion.

Consolidated forecasts for the fiscal year ending March 31, 2010
Although there is some expectation that the current economic situation may see an impact from the completion of inventory adjustments and the implementation of various government economic stimulus packages around the world, considerable concern remains with regard to factors such as the potential for a delay in the recovery of the U.S. economy or ongoing weakness in domestic demand. For these reasons, the business environment is expected to remain severe.
At MGC Group, initiatives during the year will be based on the policies outlined in the new medium-term business plan *MGC Will 2011*, which commences on April 1, 2009. The key strategic themes in this plan are: *strengthen and expand core businesses; accelerate new product development and commercialization;* and *improve total enterprise quality in support of sustainable growth*. MGC aims to develop and grow sustainably on a global stage as a highly differentiated, widely recognized chemicals group operating from a strong platform of proprietary technology.
Financial performance for the year ending March 31, 2010 is expected to be influenced by factors such as depreciation and amortization arising from the activation of new plant and equipment and increases in retirement benefit and other fixed expenses. However, some improvement in the supply and demand situation may be seen from the second half of the year, and operating income is forecast to increase. Earnings from overseas methanol producing companies accounted for by the equity method are forecast to be significantly lower, affected by lower average sales prices for the year to March 2010.

Consolidated full-year forecasts for the year ending March 31, 2010 are for net sales of ¥380.0 billion, ordinary income of ¥7.0 billion, and net income of ¥6.0 billion. Non-consolidated forecasts are for net sales of ¥265.0 billion, ordinary income of ¥6.0 billion, and net income of ¥7.0 billion.

The ¥/US$ exchange rate used as the basis for these forecasts is ¥90/US$1.

Progress on medium-term management plan
During the term of *Kyoso 2008*, the previous medium-term management plan that ran from April 2006, MGC's key strategic theme was to shift to a focus on growth, with a series of active investments undertaken in Japan and overseas that exceeded the level of depreciation and amortization expenses. At the same time the Group benefited from a favorable economic environment, and in reaching record earnings in the consecutive years fiscal ended March 2007 and 2008 achieved all the goals set out with regard to management indices for those years. In the final year of *Kyoso 2008*, however, the Group was heavily affected by the sudden global economic slowdown from the second half of the year, and MGC's business performance for the year suffered accordingly.

Management indices: targets and achievements
Management indices set out in the previous medium-term management plan *Kyoso 2008* were as follows.

Consolidated financial indices	Target	Year ended March 31, 2007	Year ended March 31, 2008	Year ended March 31, 2009
Ordinary income	¥55.0 bn	¥61.7 bn	¥61.7 bn	¥6.9 bn
ROA (ordinary income/total assets)	9.0% or higher	10.5%	10.2%	1.2%
Debt-equity ratio	0.6 or less	0.58	0.50	0.66

2) Consolidated financial position

Assets, liabilities and net assets
Total consolidated assets as of March 31, 2009 were ¥530.5 billion, ¥70.7 billion lower than at the end of the previous fiscal year. Current assets decreased ¥53.3 billion to ¥215.2 billion, primarily due to a reduction in trade notes and accounts receivable.

Fixed assets decreased ¥17.4 billion to ¥315.2 billion, mainly due to a decrease in the market value of securities held, concomitant with a fall in stock markets.

Total liabilities decreased ¥30.8 billion to ¥258.5 billion. Current liabilities decreased ¥52.4 billion and non-current liabilities increased ¥21.5 billion. Net interest-bearing debt (short-term debt, bonds payable within one year, long-term debt and bonds) increased ¥24.0 billion to ¥174.5 billion.

Net assets decreased ¥39.9 billion to ¥272.0 billion. In addition to the decrease in market value of investment securities mentioned above, this outcome was influenced by changes in foreign currency translation adjustments relating to the recording of net assets at overseas consolidated subsidiaries and other such items.

As a result of the above, the shareholders' equity ratio was 49.9% as of March 31, 2009, compared to 50.3% one year earlier. Net assets per share at the end of the period was ¥585.90, compared to ¥654.25 one year earlier.

Consolidated cash flows
Total cash and cash equivalents at of March 31, 2009 was ¥53.0 billion, ¥15.8 billion higher than at the end of the previous fiscal year.

Operating activity cash flow
Net cash provided by operating activities was ¥49.0 billion, an increase of ¥8.6 billion. Although trade notes and accounts payable decreased, trade notes and accounts receivable also decreased. From the period under review, the recording of dividend income from companies accounted for by the equity method has been changed to operating activity cash flow, with an impact of ¥15.3 billion.

Investing activity cash flow
Net cash outflow from investing activities was ¥41.2 billion, ¥20.3 billion more than the outflow recorded in the previous year. This was primarily because of the acquisition of fixed assets and investment securities.

Financing activity cash flow
Net cash provided by financing activity was ¥11.5 billion, representing an increase of ¥33.7 billion. This was primarily due to an increase in cash inflows from long-term borrowing.

3. Management policy

1) Basic management approach
Based on the MGC Group management philosophy of *developing in harmony with society through using chemistry to create diverse value*, MGC aims to realize CSR in all its activities while developing and growing sustainably on a global stage as a highly differentiated, widely recognized chemicals group operating from a strong platform of proprietary technology.

2) Medium-term management indices and targets
Given the uncertain economic outlook, it is not realistic to expect to achieve strong growth over the next few years. The new medium-term management plan has therefore been based on first considering the type of business MGC Group should aim to become by 2021, which will mark 50 years since MGC's establishment. Group targets were then established by all divisions for the period through to March 2012, which is the first step in realizing the aims for 2021, and incorporated into *MGC Will 2011*, the new medium-term business plan commencing April 2009. Use of the word 'will' in the title of the business plan expresses the strong intention throughout the group of achieving MGC's goals.
The main policies and quantitative targets in the plan are outlined below.

● **The MGC Group of 2021**

- Trusted by society and realizing CSR in all corporate activities
- Sales exceeding ¥1 trillion, and in the global Top 30 chemical companies
- Highly profitable and research driven, achieving *global excellence*

● **Basic strategies of *MGC Will 2011***

1. Strengthen and expand core businesses
2. Accelerate new product development and commercialization
3. Improve total enterprise quality in support of sustainable growth

Quantitative targets

Consolidated financial indices	Year ending March 2012
Net sales	¥550.0 bn
Operating income	¥40.0 bn
Ordinary income	¥50.0 bn
ROA (ordinary income/total assets)	9.0%
Debt-equity ratio	Below 0.6

In continuation of the previous plan, MGC Group will continue to emphasize the allocation of resources to the development of a superior product portfolio. Under *MGC Will 2011*, however, the Group's extensive product range, which covers everything from basic chemicals through to high-performance materials, will be newly classified into one of two groups: *chemical chain* and *high performance*. By establishing differentiation strategies that reflect the different characteristics of products within these groups, and by concentrating management resources as appropriate, MGC will be working to strengthen and expand its core businesses.

MGC will also take steps to accelerate the pace of new product development and commercialization. Key issues to be addressed in this respect include making use of the technology platform developed under the previous medium-term plan, aligning the multiple technologies in the Group with the actual needs of the market place, and realizing synergies between Group companies and divisions.

At the same time, MGC will pursue sustainable growth through taking steps to improve total enterprise quality in every facet of operations. Important management issues identified in the new plan include achieving zero accidents or disasters, actively contributing to the reduction of environmental impact, recruiting and fostering personnel, reducing costs, improving productivity, fine-tuning existing technologies, constructing a more robust financial foundation, and enhancing global group management.

3) Key issues

Having felt the impact of the rapid global economic slowdown from the second half of the previous year, considerable concerns remain with regard to the recovery of the U.S. economy and ongoing weakness in domestic demand. The business environment is therefore expected to remain severe, and MGC Group will be taking specific steps such as adjusting production to reflect trends in actual demand, reducing inventory, and minimizing overall costs while working to achieve the targets of *MGC Will 2011*.