

February 4, 2021

MITSUBISHI GAS CHEMICAL COMPANY, INC.

Revision of Business Performance Forecasts

In view of its recent performance, Mitsubishi Gas Chemical Company, Inc. (MGC) has revised the business performance forecasts published on November 2, 2020.

1. Revisions of Operating Results Forecasts

(1) Consolidated basis (April 1, 2020 – March 31, 2021)

(In millions of yen)

	Net sales	Operating profit	Ordinary profit	Net income attributable to owners of the parent	Net income per share (¥)
Previous forecast (A)	550,000	29,000	30,000	24,000	115.39
Revised forecast (B)	590,000	36,000	40,000	30,000	144.23
Change (B-A)	40,000	7,000	10,000	6,000	
Change (%)	7.3	24.1	33.3	25.0	
Results for the previous year (ending March 2020)	613,344	34,260	31,116	21,158	100.50

(2) Non-consolidated basis (April 1, 2020 – March 31, 2021)

(In millions of yen)

	Net sales	Operating profit	Ordinary profit	Net income	Net income per share (¥)
Previous forecast (A)	320,000	15,000	20,000	20,000	96.15
Revised forecast (B)	340,000	16,000	22,000	21,000	100.96
Change (B-A)	20,000	1,000	2,000	1,000	
Change (%)	6.3	6.7	10.0	5.0	
Results for the previous year (ending March 2020)	351,348	17,268	30,066	29,332	139.33

2. Reasons for Revisions

In the third quarter, automotive-related product demand recovered from stagnation under the influence of the novel coronavirus pandemic at a pace exceeding the MGC Group's previous estimation. At the same time, market prices for methanol and polycarbonates improved. Moreover, BT materials for semiconductor packaging have benefitted from consistently robust demand in excess of the Group's previous estimation.

With regard to consolidated operating results forecasts for the fiscal year ending March 31, 2021, the MGC Group expects net sales to exceed its previous forecasts. This projection factors in current sales volumes that are generally more robust than previously estimated, in addition to the Group's latest forecast on methanol market prices, which are believed to surpass its previous estimation. Operating income is expected to exceed the previous forecast as the Group anticipates growth in sales volumes of BT materials, engineering plastics and foamed plastics as well as reduction in selling, general and administrative expenses. In addition, the Group believes that ordinary income and net income attributable to owners of the parent will both exceed its previous forecasts, based on the upwardly revised operating income forecast, expected growth in equity in earnings of affiliates related to overseas methanol producing companies, and other positive factors.

In addition to revising its consolidated operating results forecasts, the Group intends to also revise its previous forecasts upward for non-consolidated operating results for the fiscal year ending March 31, 2021, reflecting its projection on improving methanol market prices, the higher sales volume of BT materials and the expected reduction in selling, general and administrative expenses.

The above forecasts assume exchange rates of ¥105=\$1 (unchanged from the previous forecast) and ¥125 =€1 (a depreciation of ¥5 from the previous forecast) for the remaining months of the fiscal year.

Note: The above forecasts are based on information currently available to MGC as of the date of the announcement of this document. Actual operating results may vary due to various factors.

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INQUIRIES

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