
First Half Results Presentation

Fiscal Year 2010

(April 1, 2010 – September 30, 2010)

This English translation contains modified extracts from a results presentation held on November 4, 2010. Forecasts contained in this material are based on information available at the time of presentation, and no commitment or guarantee is given that business policies will be implemented or target figures achieved.

For further information: Motoyasu Kitagawa, Takehiro Nishimura
Corporate Communication Division
HP URL: www.mgc.co.jp



MITSUBISHI GAS CHEMICAL COMPANY, INC.

FY2010 consolidated first half results

(Billion yen)

| | FY2010 H1 | FY2009 H1 | Change | Change % |
|-------------------------------------|--------------|--------------|--------|----------|
| Net sales | 227.1 | 180.8 | 46.3 | 25.6 % |
| Operating income (loss) | 12.6 | (1.1) | 13.7 | - |
| Equity in earnings of affiliates | 7.8 | 2.5 | 5.3 | 213.5% |
| Ordinary income | 17.3 | (2.6) | 19.9 | - |
| Net income before tax | 8.2 | (3.6) | 11.8 | - |
| Net income | 6.4 | (2.4) | 8.8 | - |

| | | | | |
|-------------------------------|------|-------|------|------|
| Net income per share (yen) | 14.1 | (5.4) | 19.5 | - |
| Interim dividend (yen) | 4.0 | 4.0 | 0 | 0.0% |

- Overall sales volumes increased, but sales of some products for semiconductors slowed in the latter half of Q2.
- Sales prices of methanol and methanol ammonia derivatives increased, while a strong yen negatively impacted on businesses with a high ratio of exports.
- Non-consolidated net sales increased ¥30.7 billion, comprising ¥28.3 bn in volume factors and ¥2.4 bn in pricing factors.
- Operating income was ¥12.6 billion, an improvement of ¥13.7 billion, due to an increase in sales volumes and prices as well as effects of cost reduction.
- Equity in earnings of affiliates increased ¥5.3 billion mainly at overseas methanol producing companies.
- An extraordinary loss of ¥9.1 billion was recorded due to loss on devaluation of investment securities and the impact of the application of the Accounting Standard for Asset Retirement Obligations.
- Interim dividend remained at ¥4 per share.

Note: Throughout this presentation, all figures are rounded off to the nearest unit.

FY2010 H1 consolidated results by segment

(Billion yen)

| | FY2010 | | | FY2009 | |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| | H1 | Q1 | Q2 | H1 | H2 |
| Net sales | 227.1 | 110.9 | 116.2 | 180.8 | 203.8 |
| Natural Gas Chemicals | 72.3 | 32.4 | 39.9 | 55.1 | 66.2 |
| Aromatic Chemicals | 55.4 | 27.9 | 27.6 | 44.1 | 51.7 |
| Specialty Chemicals | 72.0 | 35.4 | 36.6 | 55.4 | 64.8 |
| Information & Advanced Materials | 32.0 | 17.7 | 14.3 | 29.6 | 30.8 |
| Other | 0.4 | 0.2 | 0.2 | 0.5 | 0.6 |
| Eliminations and Corporate | (5.0) | (2.7) | (2.3) | (3.9) | (10.4) |
| Operating income | 12.6 | 6.3 | 6.3 | (1.1) | 5.2 |
| Natural Gas Chemicals | (0.5) | (0.8) | 0.3 | (3.9) | (2.1) |
| Aromatic Chemicals | 0.3 | (0.1) | 0.4 | (3.1) | (2.7) |
| Specialty Chemicals | 8.6 | 4.4 | 4.2 | 3.6 | 7.9 |
| Information & Advanced Materials | 5.0 | 2.6 | 2.3 | 2.9 | 3.2 |
| Other | 0.2 | 0.1 | 0.0 | 0.2 | 0.3 |
| Eliminations and Corporate | (0.9) | 0.1 | (1.0) | (0.9) | (1.4) |

Consolidated FY2010 H1 non-operating and extraordinary items

(Billion yen)

| | FY2010 H1 | FY2009 H1 | Change |
|---|--------------|--------------|--------------|
| Non-operating items | 4.7 | (1.5) | 6.2 |
| Equity in earnings of affiliates | 7.8 | 2.5 | 5.3 |
| Financing loss | (0.3) | (0.3) | (0.0) |
| Exchange rate loss | (1.9) | (1.6) | (0.2) |
| Other | (1.0) | (2.1) | 1.0 |
| Extraordinary income | - | 0.2 | (0.2) |
| Profit on sale of fixed assets | - | 0.2 | (0.2) |
| Extraordinary loss | (9.1) | (1.2) | (7.9) |
| Loss on devaluation of investment securities | (6.4) | - | (6.4) |
| Impact of the application of the Accounting Standard for Asset Retirement Obligations | (1.8) | - | (1.8) |
| Impairment loss | (0.6) | (0.5) | (0.0) |
| Expenditure on environmental improvement measures | (0.3) | - | (0.3) |
| Bad-debt loss | - | (0.4) | 0.4 |
| Loss on business withdrawal | - | (0.3) | 0.3 |

➤ ¥6.4 billion loss recorded on devaluation of investment securities (LCM method).

➤ ¥1.8 billion in impact of the application of the Accounting Standard for Asset Retirement Obligations was recorded mainly due to expenses relating to the abandonment of natural gas fields.

Note: Changes on this table are with respect to the amount of change on the statements of income

FY2010 H1 consolidated balance sheets



(Billion yen)

| | As of Sep. 30, 2010 | As of March 31, 2010 | Change | Comments |
|---|---------------------|----------------------|-------------|---|
| Current assets | 231.6 | 218.1 | 13.6 | |
| Cash | 39.0 | 27.6 | 11.4 | |
| Trade notes and accounts receivable | 107.3 | 104.1 | 3.2 | |
| Inventories | 65.4 | 62.0 | 3.4 | |
| Other | 20.0 | 24.4 | (4.4) | |
| Property, plant and equipment | 332.1 | 321.3 | 10.8 | Capex: ¥14.6 bn, New consolidated subsidiaries, etc.: ¥15.7 bn, Depreciation: minus ¥13.8 bn, Currency translation adjustments: minus ¥0.5 bn, Disposals, etc.: minus ¥0.7 bn |
| Tangible and intangible assets | 181.3 | 166.0 | 15.3 | |
| Investment securities | 125.7 | 130.5 | (4.8) | Decrease reflects translation loss on yen appreciation, drop in share prices |
| Other assets | 25.2 | 24.9 | 0.3 | |
| Total assets | 563.8 | 539.4 | 24.4 | |
| Liabilities | 283.1 | 261.3 | 21.8 | |
| Trade notes and accounts payable | 62.3 | 56.5 | 5.8 | |
| Interest-bearing debt | 177.6 | 165.8 | 11.7 | Increase reflects new consolidated subsidiaries and an increase in lease liabilities |
| Other | 44.3 | 39.0 | 4.3 | Increase reflects asset retirement obligations |
| Net assets | 280.6 | 278.1 | 2.5 | |
| Shareholders' equity | 295.5 | 292.0 | 3.5 | Shareholders' equity ratio 9/2010: 48.0%; 3/2010: 49.9% |
| Valuation and translation adjustments | (24.9) | (22.8) | (2.1) | Decrease reflects translation loss on yen appreciation, drop in share prices |
| Minority interests | 10.1 | 8.9 | 1.2 | |
| Total liabilities and net assets | 563.8 | 539.4 | 24.4 | |

FY2010 H1 consolidated cash flows



(Billion yen)

| | FY2010 H1 | FY2009 H1 | Change |
|--|---------------|---------------|------------|
| Operating activity cash flows | 21.6 | 12.1 | 9.6 |
| Net income before tax | 8.2 | (3.6) | 11.8 |
| Depreciation expenses | 13.8 | 13.7 | 0.1 |
| Equity in earnings of affiliates | (7.8) | (2.5) | (5.3) |
| Dividends received from equity method affiliates | 3.8 | 4.3 | (0.5) |
| Working capital, etc. | 5.0 | (4.9) | 10.0 |
| Income taxes paid | (1.4) | 5.1 | (6.5) |
| Investing activity cash flows | (13.2) | (15.7) | 2.5 |
| Capital expenditure | (11.5) | (15.0) | 3.4 |
| Investment and financing, etc. | (1.6) | (0.7) | (0.9) |
| Financing activity cash flows | (1.1) | (8.8) | 7.7 |
| Change in borrowings and bonds, etc. | 1.1 | (5.0) | 6.1 |
| Dividends paid | (2.2) | (3.8) | 1.6 |
| Effect of exchange rate changes on cash and cash equivalents | 0.6 | 0.0 | 0.5 |
| Increase (decrease) in cash and cash equivalents | 7.9 | (12.4) | 20.3 |
| Cash and cash equivalents at start of interim period | 36.0 | 53.1 | (17.0) |
| Increase due to change in scope of consolidation | 0.5 | 0.8 | (0.3) |
| Cash and cash equivalents at end of interim period | 44.4 | 41.5 | 2.9 |

Natural Gas Chemicals



(Billion yen)

| | FY2010 (results/forecasts) | | | FY2009 (results) | | | Change | | |
|------------------|----------------------------|------------------|------------------|------------------|-------|-------|--------|------|------|
| | H1 (results) | H2 (forecast) | FY (forecast) | H1 | H2 | FY | H1 | H2 | FY |
| Net sales | 72.3 | 79.0 | 151.2 | 55.1 | 66.2 | 121.3 | (17.1) | 12.8 | 29.9 |
| Operating income | (0.5) | 1.2 | 0.7 | (3.9) | (2.1) | (5.9) | 3.3 | 3.3 | 6.6 |

FY2010 H1 (results)

➤ Methanol

Sales volumes increased due to operation of new plants in Brunei and Venezuela, and average market price over Jan-June 2010 rose around \$90, resulting in an increase in sales. Equity in earnings of overseas methanol producing companies also increased.

➤ Methanol and ammonia derivatives

Overall sales volumes increased, and prices increased due to tight demand and supply balance for MMA and neopentylglycol, resulting in sales and earnings above FY2009 H1.

➤ Enzymes and coenzymes

Coenzyme Q10 improved slightly, but remained sluggish.

➤ Natural gas and other energy

Earnings increased as crude oil prices rose.

FY2009 H2 (forecasts)

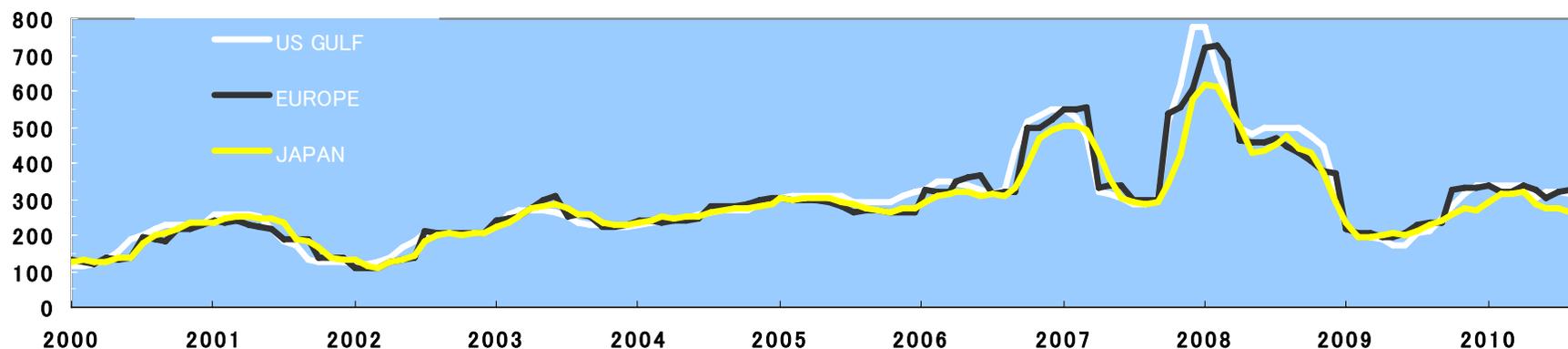
Sales volume expected to continue to increase, resulting in higher sales. However, equity in earnings of affiliates is expected to decline compared with the first half, as average market price over July-Dec. 2010 is expected to be around \$20 lower than first half of calendar year due to impact of July-Sep. prices.

Although some products will be affected by yen appreciation, sales volumes and market prices are expected to remain firm. Shift to profitability expected to due to lower repair expenses and other factors.

Tough market conditions seen in first half expected to continue, but focus will be on expanding sales volumes of high-value added products.

Slightly higher earnings forecast on increase in crude oil volumes. 7

Trends in methanol prices: Natural Gas Chemicals



Outlook for 2010 H2 onward

Supply and demand trends: In demand, global demand will grow as demand in China for fuel applications and existing chemical applications. In supply, although a new plant is scheduled to start operation in Egypt (1.3 million t/y), increasing demand is expected to be sufficient to absorb this impact. Coal-based plants in China are likely to continue to start and suspend operation in response to market prices.

⇒ **Price trends:** Market prices are expected to move within the 250-300\$/MT range based on the assumption of current crude oil prices, reflecting the regulating effect of coal-based plants' operation in China.

Trends in capital expenditure, product development: Natural Gas Chemicals



| Product | Trend | Comments |
|---------------------|---|---|
| Methanol | <ul style="list-style-type: none"> ◇ Brunei : 850,000 t/y; commercial operations started in 2010 Q2 Venezuela : 850,000 t/y; commercial operations started in 2010 Q3 ⇒ Establish 3-point framework ⇒ Continue to develop methanol business globally | |
| Methylamine | <ul style="list-style-type: none"> ◇ Alliance in methylamine business in China with Taminco ⇒ Transferred 50% stake in Nanjing methyl amine derivatives producing subsidiary Ling Tian (Nanjing) Fine Chemical Corporation ⇒ Joint venture to develop new high value added products such as dimethylaminoethanol, strengthening methyl amine business | |
| New products | <ul style="list-style-type: none"> ◇ Pyrroloquinoline quinone (PQQ) ⇒ Small-scale production facility established in Niigata ⇒ Increasing supply of PQQ and accelerating marketing in U.S. ⇒ Consider future construction of large-scale facility depending on market response ◇ SPG-PET <i>ALTESTER</i>[®] ⇒ Developing market in the field of foods and electronics component packaging application ⇒ Consider future construction of large scale facility depending on market response | <p>Applications: Health food ingredient (brain food)</p> <p>Applications: Food packaging, etc.</p> <p>Properties: Polyester resin with improved heat resistance and transparency</p> |

Aromatic Chemicals

| | FY2010 (results/forecasts) | | | FY2009 (results) | | | Change | | |
|------------------|----------------------------|------------------|------------------|------------------|-------|-------|--------|-------|------|
| | H1 (results) | H2 (forecast) | FY (forecast) | H1 | H2 | FY | H1 | H2 | FY |
| Net sales | 55.4 | 51.2 | 106.6 | 44.1 | 51.7 | 95.9 | 11.3 | (0.6) | 10.7 |
| Operating income | 0.3 | (0.7) | (0.4) | (3.1) | (2.7) | (5.8) | 3.4 | 2.1 | 5.5 |

(Billion yen)

FY2010 H1 (results)

➤ Metaxylene diamine, MX nylon

Sales and earnings improved despite the impact of yen appreciation, due to strong demand overseas, mainly in Europe and the United States.

➤ Purified isophthalic acid

Earnings were weak due to yen appreciation and market stagnation, despite growth in demand for PET bottle applications in China and other Asian markets.

➤ Other specialty aromatic chemicals

Sales and earnings increase due to factors such as an increase in sales of aromatic aldehydes.

FY2010 H2 (forecasts)

Although yen appreciation will negatively affect results, firm demand is expected to drive growth in sales volumes, leading to sales and earnings roughly in line with the first half.

Earnings to decline despite sales volumes that are expected to be firm, due to the impact of yen appreciation combined with fixed costs increase including depreciation on new raw metaxylene facilities.

Earnings expected to be higher due to further increases in sales volumes of aromatic aldehydes.

Trends in capital expenditure, product development: Aromatic Chemicals



| Product | Trend | Comments |
|---|--|---|
| <p>Purified isophthalic acid</p> | <ul style="list-style-type: none"> ◇ Restructured purified isophthalic acid business ⇒ Made production and distribution company A. G. International Chemicals Co., Ltd. a wholly owned subsidiary and transferred sales functions to MGC as of Sep. 2010 ⇒ Aim to improve earnings by leveraging MGC sales network to strengthen sales and streamlining overlapping divisions to reduce costs | |
| <p>New products</p> | <ul style="list-style-type: none"> ◇ Transparent & highly heat resistant polyimide film <i>Neopulim</i>[®] ⇒ Developing market for flexible displays, flexible photovoltaic cell applications ⇒ Targeting full-fledged commercialization in fiscal 2012 (production of 100,000 m² per month) ◇ Purified naphthalene dicarboxylic acid (PNA) ⇒ Mizushima plant: 900 t/y facility; under trial operation ⇒ Expanding business in naphthalenedicarboxylic acid dimethyl ester (NDCM) ◇ Hydrogenated poly-carboxylic acid ⇒ Demand increasing for us as raw material monomer in LED sealant and display component applications ⇒ Aiming to achieve full-fledged commercialization in 2012 | <p>Applications: Transparent electrode substrates (flexible displays, light sensors, photovoltaic cells)</p> <p>Properties: High heat resistance, transparent</p> <p>Applications: Raw material for liquid crystalline polymer (high heat resistant injection molding plastic used in connectors, etc.)</p> <p>Applications: LED sealant and display components, etc.</p> <p>Properties: Weather resistance, transparent</p> |

Specialty Chemicals

(Billion yen)

| | FY2010 (results/forecasts) | | | FY2009 (results) | | | Change | | |
|------------------|----------------------------|------------------|------------------|------------------|------|-------|--------|-------|------|
| | H1 (results) | H2 (forecast) | FY (forecast) | H1 | H2 | FY | H1 | H2 | FY |
| Net sales | 72.0 | 61.4 | 133.4 | 55.4 | 64.8 | 120.2 | 16.6 | (3.4) | 13.2 |
| Operating income | 8.6 | 5.4 | 14.0 | 3.6 | 7.9 | 11.5 | 5.0 | (2.5) | 2.5 |

FY2010 H1 (results)

➤ Inorganic chemicals for industrial use

Sales and earnings improved as a result of increased sales volumes of hydrogen peroxide for pulp and industrial oxidizing agents.

➤ Electronic chemicals

Revenue and earnings increased overall including overseas subsidiaries, as demand increased mainly for semiconductors.

➤ Engineering plastics

In PC and POM, sales and earnings increased due to steady demand in Asia. In PC sheets and films, sales and earnings increased due to continued strong demand for PC films for FPD.

FY2010 H2 (forecasts)

Hydrogen peroxide expected to be steady performance.

Domestic and overseas earnings for chemicals for semiconductors expected to decrease.

In PC, despite a possible price increase of bisphenol A, earnings are expected to improve slightly due to a reduction in repair costs. In POM, earnings are expected to be roughly in line with the first half.

In PC sheets and films, a decrease in sales volume and average sales prices for FPD applications are expected to cause a decline in earnings.

Trends in capital expenditure, product development: Specialty Chemicals

| Product | Trend |
|--------------------------------|---|
| Electronic Chemicals | <ul style="list-style-type: none"> ◇ Yokkaichi plant, Japan: 12,000 t/y ultra pure hydrogen peroxide ; started commercial operation in 2010 Q3 ⇒ Adds to Yamakita plant, Saga plant to form three-point production framework in Japan ◇ U.S. : ultra pure ammonia 3,000 t/y; under commissioning (scheduled to be operational in Q1 2011) ⇒ Meet growing demand in U.S. for semiconductor applications ◇ China: chemical polishing fluids 3,000t/y; started commercial operation in 2010 Q2 ⇒ Meet growing demand in China for printed circuit boards |
| Polycarbonate | <ul style="list-style-type: none"> ◇ Shanghai: 100,000 t/y; under construction (scheduled to be operational in April 2012) ⇒ Build location to combine materials production, compounds production and technical advice |
| Polycarbonate films | <ul style="list-style-type: none"> ◇ PC films additional facility started operation in Q3 2010 ⇒ Consider further increasing production capacity, depending on the demand for FPDs |
| Specialty polycarbonate | <ul style="list-style-type: none"> ◇ Kashima plant: 400t/y; started commercial operation in Q3 2010 ⇒ Develop for optical lens and film applications |
| Polyacetal | <ul style="list-style-type: none"> ◇ Feasibility examination underway with a view to increasing overseas production capacity |

Information & Advanced Materials



(Billion yen)

| | FY2010 (results/forecasts) | | | FY2009 (results) | | | Change | | |
|------------------|----------------------------|------------------|------------------|------------------|------|------|--------|-------|-----|
| | H1 (results) | H2 (forecast) | FY (forecast) | H1 | H2 | FY | H1 | H2 | FY |
| Net sales | 32.0 | 28.8 | 60.8 | 29.6 | 30.8 | 60.4 | 2.4 | (2.1) | 0.4 |
| Operating income | 5.0 | 3.3 | 8.3 | 2.9 | 3.2 | 6.1 | 2.0 | 0.1 | 2.1 |

FY2010 H1 (results)

FY2010 H2 (forecasts)

➤ **Electronic materials**

In BT materials, there was strong demand for semiconductor packaging for mobile devices and digital appliances in Q1, and despite a slowdown in Q2, greater sales volumes and cost reductions resulted in increased sales and earnings.

➤ **Oxygen absorbers**

Despite sales in the domestic food industry being effected by the intense heat, sales in other fields performed steadily, resulting in a slight increase in earnings.

In BT materials, earnings are expected to be below the first half due to a decline in sales volumes resulting from inventories adjustments at users which began at the late of H1, and a decline in demand due to seasonal factors.

Sales and earnings expected to be line with the first half, with sales volumes performing steadily at home and abroad.

Trends in electronic materials net sales and world semiconductor market

Information and Advanced Materials



| | | | | | | | | | | | |
|----------------------------------|-------|------|------|------|-------|-------|-------|-------|-------|-------|-------|
| Electronic materials net sales | 100.0 | 56.4 | 60.2 | 78.9 | 90.6 | 114.3 | 120.9 | 135.4 | 90.9 | 101.6 | 105.1 |
| World semiconductor market scale | 100.0 | 68.0 | 68.9 | 81.4 | 104.2 | 111.3 | 121.2 | 125.1 | 121.7 | 110.7 | 142.4 |

FY2010 consolidated forecasts by segment



(Billion yen)

| | FY2010 (results / forecasts) | | | FY2009 (results) | | | Change | | |
|-------------------------------------|------------------------------|------------------|------------------|------------------|--------------|--------------|-------------|-------------|-------------|
| | H1 (results) | H2 (forecast) | FY (forecast) | H1 | H2 | FY | H1 | H2 | FY |
| Net sales | 227.1 | 217.9 | 445.0 | 180.8 | 203.8 | 384.5 | 46.3 | 14.2 | 60.5 |
| Natural Gas Chemicals | 72.3 | 79.0 | 151.2 | 55.1 | 66.2 | 121.3 | 17.1 | 12.8 | 29.9 |
| Aromatic Chemicals | 55.4 | 51.2 | 106.6 | 44.1 | 51.7 | 95.9 | 11.3 | (0.6) | 10.7 |
| Specialty Chemicals | 72.0 | 61.4 | 133.4 | 55.4 | 64.8 | 120.2 | 16.6 | (3.4) | 13.2 |
| Information & Advanced Materials | 32.0 | 28.8 | 60.8 | 29.6 | 30.8 | 60.4 | 2.4 | (2.1) | 0.4 |
| Other | 0.4 | 0.4 | 0.8 | 0.5 | 0.6 | 1.1 | (0.0) | (0.2) | (0.3) |
| Eliminations and Corporate | (5.0) | (2.8) | (7.8) | (3.9) | (10.4) | (14.3) | (1.2) | 7.6 | 6.5 |
| Operating income | 12.6 | 8.4 | 21.0 | (1.1) | 5.2 | 4.1 | 13.7 | 3.2 | 16.9 |
| Natural Gas Chemicals | (0.5) | 1.2 | 0.7 | (3.9) | (2.1) | (5.9) | 3.3 | 3.3 | 6.6 |
| Aromatic Chemicals | 0.3 | (0.7) | (0.4) | (3.1) | (2.7) | (5.8) | 3.4 | 2.1 | 5.5 |
| Specialty Chemicals | 8.6 | 5.4 | 14.0 | 3.6 | 7.9 | 11.5 | 5.0 | (2.5) | 2.5 |
| Information & Advanced Materials | 5.0 | 3.3 | 8.3 | 2.9 | 3.2 | 6.1 | 2.0 | 0.1 | 2.1 |
| Other | 0.2 | 0.1 | 0.3 | 0.2 | 0.3 | 0.5 | (0.1) | (0.1) | (0.2) |
| Eliminations and Corporate | (0.9) | (0.9) | (1.8) | (0.9) | (1.4) | (2.3) | 0.0 | 0.4 | 0.4 |

FY2010 consolidated full-year forecast

(Billion yen)

| | FY2010 (forecast) | FY2009 (results) | Change | Change % |
|-------------------------------------|----------------------|---------------------|--------|----------|
| Net sales | 445.0 | 384.5 | 60.5 | 15.7% |
| Operating income (loss) | 21.0 | 4.1 | 16.9 | 413.3% |
| Equity in earnings of affiliates | 14.0 | 8.8 | 5.2 | 59.2% |
| Ordinary income | 30.0 | 7.4 | 22.6 | 307.3% |
| Net income before tax | 19.0 | 7.5 | 11.5 | 152.3% |
| Net income | 15.0 | 5.8 | 9.2 | 157.4% |

| | | | | |
|-------------------------------|------|------|--------|--------|
| D/E ratio | 0.67 | 0.62 | 0.05pt | 8.1% |
| ROA* | 5.3% | 1.4% | 3.9pt | 278.6% |
| ROE | 5.5% | 2.2% | 3.3pt | 150.0% |
| Net income per share (yen) | 33.2 | 12.9 | 20.3 | 157.4% |
| Annual dividend (yen) | 8.0 | 8.0 | 0 | 0.0% |

* Ordinary income basis

- Assumed exchange rate in H2 of ¥ 85 = US\$1, ¥110 = €1
- Operating income, equity in earnings of affiliates, ordinary income and net income are each forecast to increase significantly over the previous period.
- However the rate of increase is expected to decline from H1 to H2 due to a decrease in earnings resulting from a decline in sales volumes of PC Films and BT materials, and effects of the strong yen.
- Extraordinary items are expected to include losses of around ¥11.0 billion, due to an anticipated loss on devaluation of investment securities (LCM method) at the end of Q2.
- Forecast interim and year-end dividend is ¥4 per share respectively.

Dividends

| | | FY2010 (Results/ forecast) | FY2009 (Results) | FY2008 (Results) |
|---------------------------|--------------|-------------------------------|---------------------|---------------------|
| Dividend per share | Interim | ¥4.0 | ¥4.0 | ¥8.0 |
| | Full-year | ¥4.0 | ¥4.0 | ¥8.0 |
| | Total | ¥8.0 | ¥8.0 | ¥16.0 |
| Total dividend payments | Interim | ¥1.8 bn | ¥1.8 bn | ¥3.7bn |
| | Full-year | ¥1.8 bn | ¥1.8 bn | ¥3.6 bn |
| | Total | ¥3.6 bn | ¥3.6 bn | ¥7.3 bn |
| Net income per share | Full-year | ¥33.18 | ¥12.89 | ¥15.30 |
| Consolidated payout ratio | Total | 24.1% | 62.1% | 104.6 % |

Reference (1) Consolidated ordinary income by segment

(Billion yen)

| | FY2010 (results/forecasts) | | | FY2009 (results) | | | Change | | |
|-------------------------------------|----------------------------|------------------|------------------|------------------|-------------|------------|-------------|------------|-------------|
| | H1 (results) | H2 (forecast) | FY (forecast) | H1 | H2 | FY | H1 | H2 | FY |
| Ordinary Income | 17.3 | 12.7 | 30.0 | (2.6) | 10.0 | 7.4 | 19.9 | 2.8 | 22.6 |
| Natural Gas Chemicals | 3.7 | 4.2 | 7.9 | (3.4) | 1.1 | (2.3) | 7.2 | 3.1 | 10.2 |
| Aromatic Chemicals | (0.4) | (1.6) | (2.0) | (4.5) | (3.6) | (8.1) | 4.2 | 2.0 | 6.2 |
| Information & Advanced Materials | 8.9 | 6.5 | 15.3 | 3.5 | 8.9 | 12.5 | 5.3 | (2.5) | 2.9 |
| Specialty Chemicals | 5.0 | 3.3 | 8.3 | 2.6 | 2.9 | 5.5 | 2.4 | 0.4 | 2.8 |
| Other | 1.0 | 0.8 | 1.7 | 0.7 | 0.9 | 1.6 | 0.2 | (0.1) | 0.1 |
| Eliminations and Corporate | (0.9) | (0.4) | (1.3) | (1.5) | (0.3) | (1.8) | 0.6 | (0.1) | 0.4 |

※ Effective from the fiscal year ending March 31, 2011, the Accounting Standards on Disclosure of Segment Information (Accounting Standard 17 issued March 27, 2009) and Application Guidance of Accounting Standards on Disclosure of Segment Information (Application Guidance of Accounting Standards 20 issued March 21, 2008) have been applied. Ordinary income is therefore provided for segment information in the quarterly financial statements or reports.

Reference (2) Key indicators

1. Key indicators (consolidated)

(100 million yen)

| | FY2005 (Results) | FY2006 (Results) | FY2007 (Results) | FY2008 (Results) | FY2009 (Results) | FY2010 (Results/Forecasts) |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------------------|
| Capital expenditure | 175 | 295 | 394 | 351 | 276 | 400 |
| (Of which, H1) | 132 | 147 | 160 | 193 | 141 | 146 |
| Depreciation and amortization | 188 | 198 | * 245 | 289 | 295 | 300 |
| (Of which, H1) | 94 | 91 | 110 | 135 | 137 | 138 |
| R&D expenditure | 106 | 115 | 136 | 147 | 162 | 156 |
| (Of which, H1) | 55 | 58 | 66 | 67 | 74 | 74 |
| Employees (As of March 31) | 4,466 | 4,561 | 4,686 | 4,902 | 4,920 | 5,159 |
| Earnings per share (yen) | 71 | 86.6 | 87 | 15.3 | 12.9 | 33.2 |
| ROA * (Return On Assets) | 9.5% | 10.5% | 10.2% | 1.2% | 1.4% | 5.3% |
| ROE (Return on Equity) | 14.5% | 15.0% | 13.7% | 2.5% | 2.2% | 5.5% |
| Dividend (Of which, interim dividend) | 10.0 4.0 | 14.0 6.0 | 16.0 8.0 | 16.0 8.0 | 8.0 4.0 | 8.0 4.0 |

* Depreciation and amortization for FY2006 excludes extraordinary loss of 8.8 billion yen

* Ordinary income base

2. Capex, depreciation and amortization by segment (consolidated) (100 million yen)

| | FY2005 (Results) | FY2006 (Results) | FY2007 (Results) | FY2008 (Results) | FY2009 (Results) | |
|--|----------------------------------|---------------------|---------------------|---------------------|---------------------|----|
| C a p e x | Natural Gas Chemicals | 26 | 62 | 56 | 107 | 69 |
| | Aromatic Chemicals | 47 | 75 | 172 | 106 | 82 |
| | Specialty Chemicals | 69 | 87 | 74 | 91 | 86 |
| | Information & Advanced Materials | 32 | 70 | 92 | 47 | 38 |
| | Other | 0 | 0 | 0 | 0 | 0 |
| D e p r e c i a t i o n | Natural Gas Chemicals | 45 | 46 | 54 | 64 | 71 |
| | Aromatic Chemicals | 36 | 37 | 52 | 77 | 86 |
| | Specialty Chemicals | 71 | 80 | 96 | 97 | 89 |
| | Information & Advanced Materials | 35 | 36 | 42 | 51 | 50 |
| | Other | 0 | 0 | 0 | 0 | 0 |

3. Business conditions

| | FY2005 (Results) | | FY2006 (Results) | | FY2007 (Results) | | FY2008 (Results) | | FY2009 (Results) | | FY2010 (Results/Forecast) | | メモ |
|-----------------------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|---------------------------|-----------------|-------------------|
| | H1 | H2 | H1 (R) | H2 (F) | |
| Methanol (US\$/MT) | 270~290 | 250~270 | 280~300 | 370~390 | 370~390 | 360~380 | 460~480 | 290~310 | 160~180 | 220~240 | 250~270 | 230~250 | |
| Raw xylene (JPY/kg) | 69 | 83 | 99 | 96 | 108 | 103 | 122 | 56 | 72 | 73 | 71 | 71 | Declared price |
| Bisphenol A (US\$/MT) | 1,200 ~2,000 | 1,000 ~1,300 | 1,200 ~1,600 | 1,600 ~1,700 | 1,800 ~2,000 | 1,800 ~2,000 | 1,800 ~2,000 | 800 ~1,500 | 1,000 ~1,300 | 1,200 ~1,700 | 1,800 ~2,100 | 2,000 ~2,500 | Average CIF price |
| Polycarbonate (US\$/MT) | 3,200 ~3,300 | 3,000 ~3,300 | 2,900 ~3,100 | 2,400 ~2,750 | 2,600 ~2,850 | 2,400 ~2,850 | 2,450 ~2,850 | 1,900 ~2,450 | 1,900 ~2,400 | 2,400 ~2,900 | 2,450 ~2,950 | 2,400 ~2,900 | |
| Exchange rate (JPY/US\$) | 110 | 117 | 115 | 119 | 119 | 109 | 106 | 95 | 96 | 90 | 89 | 85 | |

※Methanol prices are Jan.-June for H1 and July-Dec. for H2