



SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

Third quarter results for the year ending March 31, 2006

MITSUBISHI GAS CHEMICAL COMPANY, INC.

February 8, 2006

Stock Code: 4182

<http://www.mgc.co.jp>

President: Hideki Odaka

Listed exchanges: Tokyo, Osaka, Nagoya 1st sections

Inquiries: Yasuhiro Sato

General Manager

Corporate Communications Division

Telephone: +81 3 3283-5041

1. Notes to preparation of these financial statements

- a) *Adoption of simplified accounting treatments:* Partial use of simplified method for income taxes.
- b) *Changes in accounting treatments applied compared to previous consolidated fiscal year:* Adoption of accounting standards for impairment of fixed assets. Change of classification method for information on business segments.
- c) *Changes in the scope of consolidation and companies accounted for by the equity method:*

Newly included consolidated subsidiaries:	1	Newly excluded consolidated subsidiaries:	None
Newly included equity method companies:	None	Newly excluded equity method companies:	None

2. Third quarter results (April 1, 2005 to December 31, 2005) for the fiscal year ending March 31, 2006

1) Consolidated Operating Results

Millions of yen, rounded down

	Nine months ended December 31, 2005		Nine months ended December 31, 2004		FY ended March 31, 2005
		Change %		Change %	
Net sales	321,522	9.9	292,646	15.5	388,589
Operating income	27,330	20.5	22,680	193.6	30,868
Ordinary income	36,375	31.6	27,631	128.9	37,726
Net income	25,691	33.7	19,209	--	23,348
Net income per share (¥).....	¥55.56		¥41.53		¥50.41
Fully diluted earnings per share (¥).....	--		--		--

Notes:

- Percentages for net sales, operating income, ordinary income and net income represent changes from the previous comparable period. A percentage change figure for net income for the nine months ended December 31, 2004 is not indicated, as net income for the previous nine months was not disclosed.
- Gain from investments in subsidiaries and affiliates accounted for by the equity method:

Nine months ended December 31, 2005:	¥10,727 million
Nine months ended December 31, 2004:	¥8,385 million
Fiscal year ended March 31, 2005:	¥11,834 million
- Average number of shares outstanding (consolidated) during period:

Nine months ended December 31, 2005:	462,372,396 shares
Nine months ended December 31, 2004:	462,519,109 shares
Fiscal year ended March 31, 2005:	462,495,163 shares

Note: Comparisons in this section of the report are with the first nine months of the previous fiscal year, unless stated otherwise.

Consolidated net sales for the Mitsubishi Gas Chemical Company, Inc. group of companies ("MGC Group") in the first nine months (April 1, 2005 to December 31, 2005) of the fiscal year ending March 31, 2006 rose 9.9%, or ¥28.8 billion, to ¥321.5 billion. Income increased at all levels, with consolidated operating income increasing 20.5%, or ¥4.6 billion, to ¥27.3 billion, consolidated ordinary income increasing 31.6%, or ¥8.7 billion, to ¥36.3 billion, and consolidated net income for the nine months increasing 33.7%, or ¥6.4 billion, to ¥25.6 billion.

The overall demand trend remained favorable during the period under review, with higher revenues generated both domestically and from export sales. Although price increases and continued high prices of raw materials caused profit from certain products to decrease, total consolidated operating income increased as a result of higher sales volumes, price adjustments, and the impact of cost-saving measures.

Natural gas chemicals

Net sales in this business segment increased 3.6%, or ¥2.9 billion, to ¥85.7 billion, with operating income decreasing 5.1%, or ¥0.2 billion, to ¥4.1 billion.

Although prices for methanol remained high and net sales increased on the back of a continued tight supply-demand balance, higher costs results in a decline in profitability. Overseas methanol companies continued to perform steadily.

In methanol derivative products, performance remained generally favorable, with measures such as price revisions and fixed cost reductions more than compensating for a slow down in demand for certain products.

Aromatic chemicals

Net sales in this business segment increased 13.0%, or ¥11.0 billion, to ¥95.4 billion, with operating income decreasing 16.2%, or ¥0.9 billion, to ¥4.5 billion.

Although prices for raw material xylene trended upwards, affected by continued high oil prices, these higher costs were partially reflected in the product prices of paraxylene, and total net sales increased. Operating profitability decreased, however, due to the impact of higher raw material costs and a flattening out of the benzene market. Although sales of certain methaxylene products were adversely affected by inventory adjustments by some users, performance generally remained favorable.

Specialty chemicals

Net sales in this business segment increased 14.0%, or ¥10.9 billion, to ¥89.6 billion, with operating income increasing 56.2%, or ¥3.1 billion, to ¥8.8 billion.

In inorganic chemicals for industrial use, sales of hydrogen peroxide remained favorable, particularly with regard to paper and pulp, but overall performance was largely flat due to factors such as the impact of imported products and increases in the cost of raw materials. In sales of chemicals for the electronics industry, both sales and profits increased due to stronger domestic and overseas sales of chemicals for use in the manufacture of semiconductors. In the engineering plastics business there was some impact from higher raw material costs, but sales of polycarbonate and other plastics for electronic and automotive applications continued to increase, as did sales of polycarbonate sheets and films.

Information and advanced materials

Net sales in this business segment increased 9.6%, or ¥4.3 billion, to ¥49.6 billion, with operating income increasing 40.7%, or ¥2.6 billion, to ¥9.1 billion.

Sales volumes of materials for printed circuit boards increased, supported by a recovery in demand for BT resins used in semiconductor packaging, and sales of LE sheets also trended positively. Sales of oxygen absorber AGELESS® were strong, particularly in the non-foods business area.

2) Consolidated Financial Position

Note: Comparisons in this section of the report are with March 31, 2005, unless stated otherwise.

Financial Position

	<i>Millions of yen, rounded down</i>		
	As of December 31, 2005	As of December 31, 2004	As of March 31, 2005
Total assets.....	576,272	506,252	494,577
Shareholders' equity	241,229	198,698	203,306
Equity ratio (%).....	41.9%	39.3%	41.1%
Shareholders' equity per share (¥)	¥521.78	¥429.67	¥439.60

Note: Outstanding shares (consolidated) as of:

December 31, 2005:	462,316,567 shares
December 31, 2004:	462,443,487 shares
March 31, 2005:	462,403,064 shares

Cash Flows

	<i>Millions of yen, rounded down</i>		
	Nine months ended December 31, 2005	Nine months ended December 31, 2004	FY ended March 31, 2005
Operating activity cash flow.....	17,113	14,775	29,119
Investing activity cash flow	(13,237)	(7,582)	(15,629)
Financing activity cash flow.....	1,908	(10,117)	(16,536)
Cash and cash equivalents at end of period	35,267	27,926	28,696

Assets, liabilities and shareholders' equity

Total consolidated assets as of December 31, 2005 were ¥576.2 billion, ¥81.6 billion higher than March 31, 2005. This was primarily because of increases in accounts receivables and higher investments in securities.

Total liabilities had increased ¥43.1 billion to ¥327.1 billion, due to factors such as higher accounts payable.

Total shareholders' equity stood at ¥241.2 billion, an increase of ¥37.9 billion, and shareholders' equity per share had increased from ¥439.60 on March 31, 2005 to ¥521.78 on December 31, 2005.

Consolidated cash flows

Net cash provided by operating activities was ¥17.1 billion, with positive cash flow resulting from items such as net income before income tax for the period, along with depreciation and amortization, exceeding the negative impact on operating cash flow of increases in accounts receivables and higher inventories.

A net cash outflow of ¥13.2 billion was recorded from investing activities during the nine-month period under review, primarily because of the acquisition of fixed assets.

Financial activities produced positive cash flow of ¥1.9 billion, mainly because of an increase in short-term debt.

As a result of the above cash flow items, total cash and cash equivalents at the end of the third-quarter period was ¥35.2 billion.

3) Consolidated Forecasts for the Fiscal Year Ending March 31, 2006

Consolidated results for the first nine months of the fiscal year were largely in line with the full-year forecasts announced on November 15, 2005 (outlined below), and these forecasts remain unchanged.

<i>Millions of yen</i>	Forecasts for fiscal year April 1, 2005 to March 31, 2006
Net sales	425,000
Operating income	32,500
Ordinary income	41,500
Net income	27,500
Estimated earnings per share (¥)	¥59.48

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.

*** ENDS ***