

Summary of Consolidated Financial Results for FY2012

May 10, 2013
Mitsui Chemicals, Inc.

1. Summary of Income Statement

(Unit : Billions of Yen)

	FY2011	FY2012	Increase (Decrease)
Net Sales	1,454.0	1,406.2	(47.8)
Operating income	21.6	4.3	(17.3)
Ordinary income	22.9	9.2	(13.7)
Net income (loss)	(1.0)	(8.1)	(7.1)
Comprehensive income	(3.7)	22.0	25.7

Outlook for FY2013	
Interim	Full Year
745.0	1,600.0
5.0	28.0
3.0	23.0
(3.0)	5.0

2. Net Sales and Operating Income (Loss) (by business segment)

• Net Sales

(Unit : Billions of Yen)

	FY2011	FY2012	Incr. (Decr.)	Breakdown	
				Volume	Price
Petrochemicals	459.4	469.0	9.6	4.2	5.4
Basic Chemicals	472.9	401.7	(71.2)	(59.8)	(11.4)
Polyurethane	127.3	146.2	18.9	10.7	8.2
Functional Polymeric Materials	131.9	134.7	2.8	3.7	(0.9)
Functional Chemicals	148.4	149.6	1.2	3.2	(2.0)
Films and Sheets	79.5	74.8	(4.7)	(2.4)	(2.3)
Others	34.6	30.2	(4.4)	(4.4)	-
Total	1,454.0	1,406.2	(47.8)	(44.8)	(3.0)

Outlook for FY2013	
Interim	Full Year
238.0	528.0
208.0	427.0
89.0	186.0
83.0	183.0
78.0	170.0
38.0	78.0
11.0	28.0
745.0	1,600.0

• Operating Income (Loss)

(Unit : Billions of Yen)

	FY2011	FY2012	Incr. (Decr.)	Breakdown		
				Volume	Price [※]	Fixed Costs etc.
Petrochemicals	8.9	7.7	(1.2)	1.0	(6.8)	4.6
Basic Chemicals	8.6	(18.9)	(27.5)	(8.3)	(24.7)	5.5
Polyurethane	(14.6)	(2.6)	12.0	1.0	9.2	1.8
Functional Polymeric Materials	8.2	8.4	0.2	1.8	(4.0)	2.4
Functional Chemicals	11.7	12.4	0.7	2.1	(1.6)	0.2
Films and Sheets	0.2	(3.3)	(3.5)	-	(3.7)	0.2
Others	0.1	(0.6)	(0.7)	-	-	(0.7)
Adjustment	(1.5)	1.2	2.7	-	-	2.7
Total	21.6	4.3	(17.3)	(2.4)	(31.6)	16.7

Outlook for FY2013	
Interim	Full Year
4.5	16.0
(9.0)	(14.0)
2.5	7.0
4.5	10.5
6.5	15.5
(1.0)	(2.0)
0.0	0.5
(3.0)	(5.5)
5.0	28.0

The Company and its consolidated subsidiaries changed their business segment effective, April 2012.

※ Price includes both selling and purchasing price variances

3. Special Gains and Losses

(Unit : Billions of Yen)

	FY2011	FY2012	Increase (Decrease)
Gain on sales of fixed assets	2.9	1.7	(1.2)
Gain on contribution of securities to retirement benefit trust	7.4	-	(7.4)
Reversal of provision for environmental measures	2.2	3.3	1.1
Loss on sales and disposal of fixed assets	(3.0)	(4.5)	(1.5)
Loss on impairment	(12.9)	(5.6)	7.3
Loss on restructuring of subsidiaries and affiliates	(0.7)	(4.1)	(3.4)
Loss on valuation of investment securities	(1.1)	(0.8)	0.3
Insurance income	-	5.5	5.5
Loss on explosion and fire	-	(4.9)	(4.9)
Others	(1.3)	(0.6)	0.7
Total	(6.5)	(10.0)	(3.5)

Outlook for FY2013	
Interim	Full Year
-	-
-	-
-	-
(1.0)	(5.0)
-	-
-	-
-	-
-	-
-	-
-	(3.0)
(1.0)	(8.0)

4. Summary of Balance Sheet

(Unit : Billions of Yen)

	Assets		
	As of Mar. 31, 2012	As of Mar. 31, 2013	Increase (Decrease)
Current assets	661.3	715.4	54.1
Tangible fixed assets	430.6	446.6	16.0
Intangible fixed assets	11.6	14.6	3.0
Investments and others	152.8	161.4	8.6
Total assets	1,256.3	1,338.0	81.7
[Inventory]	248.4	284.6	36.2

	Liabilities and Net assets		
	As of Mar. 31, 2012	As of Mar. 31, 2013	Increase (Decrease)
Interest-bearing liabilities	464.8	507.2	42.4
Other liabilities	375.7	401.9	26.2
Shareholders' equity	367.4	376.8	9.4
Minority interest	48.4	52.1	3.7
Total liabilities and net assets	1,256.3	1,338.0	81.7
[D/E Ratio]	1.27	1.35	0.08

5. Summary of Cash Flow

(Unit : Billions of Yen)

	FY2011	FY2012	Increase (Decrease)
Cash flows from operating activities	43.3	18.5	(24.8)
Cash flows from investing activities	(42.5)	(58.1)	(15.6)
Free cash flows	0.8	(39.6)	(40.4)
Cash flows from financing activities	(26.7)	27.3	54.0
Others	(0.6)	2.7	3.3
Net incr.(decr.) in cash and cash equivalents	(26.5)	(9.6)	16.9
Cash and cash equivalents at the end of year	54.6	45.0	(9.6)

Outlook for FY2013	
Interim	Full Year
11.0	47.0
(83.0)	(117.0)
(72.0)	(70.0)
64.0	62.0
-	-
(8.0)	(8.0)
37.0	37.0

6. Accounting Fundamentals

		FY2011	FY2012	Increase (Decrease)
R & D expenses	¥ Billions	33.2	32.0	(1.2)
Depreciation & amortization	¥ Billions	62.7	43.8	(18.9)
Capital expenditures	¥ Billions	44.8	56.6	11.8
Financing incomes & expenses	¥ Billions	(3.7)	(3.1)	0.6
Interest-bearing liabilities	¥ Billions	464.8	507.2	42.4
Number of employees	person	12,868	12,846	(22)
Exchange rate	Yen / US\$	79	83	4
Domestic standard naphtha price	Yen / KL	54,900	57,500	2,600

Outlook for FY2013	
Interim	Full Year
17.0	34.0
21.0	44.0
31.0	57.0
(2.5)	(5.0)
575.0	575.0
13,200	13,200
95	95
63,000	63,000

7. Scope of Consolidation and Equity Method

(Unit : Number of Companies)

	As of Mar. 31, 2011	As of Mar. 31, 2012	Increase (Decrease)
Consolidated subsidiaries	70	76	6
Non-consolidated subsidiaries and affiliates	31	34	3
Total	101	110	9

Outlook for FY2013	
As of Sep. 30, 2013	As of Mar. 31, 2014
76	76
35	35
111	111

8. Topics

•Siam Tohcello Co., Ltd.

A newly established joint-venture company between Mitsui Chemicals Tohcello, Inc., a 100% subsidiary of the Company and SCG Chemicals Co.,Ltd. for manufacture and distribution of highly functional linear low density polyethylene (LLDPE) sealant film (T.U.X.™). in Thailand, April 2012

•Produmaster Advanced Composites Indústria e Comércio de Compostos Plásticos Ltda.

Acquisition of a company for manufacture and distribution of the automotive use polypropylene in Brazil, May 2012

•Shanghai Sinopec Mitsui Elastomers, Co., Ltd.

A newly established joint-venture company between the Company and China Petroleum & Chemical Corp. for manufacture and distribution of EPT (ethylene-propylene-diene terpolymer) in China, May 2012

•Prime Evolve Singapore Pte. Ltd.

A newly established company for manufacture and sale of the Evolve™ metallocene polymer in Singapore, October 2012

•Tahara Solar/Wind Electricity Generation Cooperative Operation

Starting a trust business for Solar and Wind Power in Aichi Prefecture, October 2012

•Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.

A newly established company for manufacture and distribution of functional polymeric materials Milastomer™ and Admer™ in China, November 2012

•KOC Solution Co., Ltd.

Acquisition of a company for manufacture and sales of plastic optical lens monomers in Korea, March 2013

9. Dividends

	Annual Dividends per Share (yen)				
	1st Q	Interim	3rd Q	End of Term	Annual Dividends
FY2011 Result	-	3.00	-	3.00	6.00
FY2012 Result	-	3.00	-	3.00	6.00
FY2013 Outlook	-	3.00	-	3.00	6.00

10. Number of shares outstanding (common stock)

	FY2011	FY2012
Number of shares outstanding at term-end (including treasury stock)	1,022,020,076	1,022,020,076
Number of shares of treasury stock at term-end	20,250,111	20,419,265
Average number of shares	1,001,855,909	1,001,710,405

1. Operating Results

(1) Overview

In the fiscal year ended March 31, 2013 (the twelve-month period from April 1, 2012 to March 31, 2013, hereafter, "fiscal 2012"), conditions in the global economy grew more severe due mainly to the European financial crisis as well as a slowing of growth in China and economic slowdowns in emerging markets.

The Japanese economy became harsh overall as production and exports slumped mainly due to the worldwide recession despite visible signs of recovery due to demand from reconstruction efforts in the beginning of fiscal 2012. Although the yen fell towards the end of fiscal 2012, there had been historically high yen rates up to the middle of the fiscal year.

In the chemicals industry, conditions became difficult due to sluggish demand, primarily in China, and increases in raw material and fuel prices.

Against this backdrop, the Mitsui Chemicals Group worked to reform its business portfolio by steadily implementing the four basic strategies found in the 2011 Mid-Term Business Plan. In particular, we attempted to further accelerate a change in our business portfolio by channeling our management resources in the following three key areas: high value added polymers, such as elastomers and polypropylene compounds; high functional products, such as healthcare; and phenol chain products. However, Group performance in fiscal 2012 suffered, as illustrated below, mainly due to being unable to offset sluggish global demand in the basic chemicals field and the accident at the Iwakuni-Ohtake Works. In particular, net income was severely affected by the recording of extraordinary loss for business restructuring.

(Billions of Yen)

	Net Sales	Operating Income	Ordinary Income	Net Income (Loss)
Current Fiscal Year	1,406.2	4.3	9.2	(8.1)
Previous Fiscal Year	1,454.0	21.6	22.9	(1.0)
Difference	(47.8)	(17.3)	(13.7)	(7.1)
Ratio (%)	(3.3)	(80.1)	(59.8)	—

Net Sales decreased 47.8 billion yen or 3.3%, compared with the previous fiscal year to 1,406.2 billion yen. This was mainly attributable to a 44.8 billion yen decrease in sales volume in the Basic Chemicals segment following the accident at the Iwakuni-Ohtake Works as well as a 3.0 billion yen decline in sales price due to a market downturn in the Basic Chemicals segment and other segments.

Overseas sales stood at 608.7 billion yen, increasing 1.6 of a percentage point year on year to account for 43.3% of total sales.

Operating income was 4.3 billion yen, a decrease of 17.3 billion yen, or 80.1%, year on year. Despite the effect of the Company's cost-cutting efforts and a reduction in depreciation expenses due to a change in the depreciation calculation method, this decline was primarily the result of lower sales volume in the Basic Chemicals segment as well as deterioration in terms of trade in the Petrochemicals and Basic Chemicals segments.

Ordinary income was 9.2 billion yen, a decrease of 13.7 billion yen, or 59.8%, year on year. In addition to lower operating income, equity in earnings of affiliates decreased. This decrease occurred despite an increase of foreign exchange gains following the weakening of yen.

Extraordinary income and loss decreased 3.5 billion yen year on year to a loss of 10.0 billion yen due to a 5.6 billion yen impairment loss and a 4.1 billion yen loss on restructuring of subsidiaries and affiliates related to business restructuring. In addition, a 4.9 billion yen loss was recorded on the explosion and fire at the Iwakuni-Ohtake Works. This decrease occurred despite recording a 3.3 billion yen of reversal of provision for environmental measures and a 5.5 billion yen of an insurance income covering the accident of Iwakuni-Ohtake Works.

As a result of the aforementioned factors, **net income and loss before income taxes and minority interests** decreased 17.2 billion yen year on year to report a loss of 0.8 billion yen.

Net income and loss after accounting for income taxes and minority interests in income declined 7.1 billion yen year on year to a net loss of 8.1 billion yen, or 8.14 yen net loss per share for the period.

(2) Results by Business segment

The status of each segment during this fiscal year is as follows.

Mitsui Chemicals restructured its organization on April 1, 2012 in order to reach the targets established in the Mitsui Chemicals 2011 Mid-Term Business Plan as early as possible, and thereby establish a new growth foundation. Consequently, from the fiscal period under review onward, certain business segments have been reorganized. Comparisons with the corresponding period of the previous fiscal year are adjusted to correspond to segments following the change.

Petrochemicals

The Petrochemicals segment recorded an increase in overall net sales.

In **ethylene and propylene**, production volume decreased year on year due to a decline in demand.

In **polyethylene**, net sales remained weak due to a decline in sales volume.

In **polypropylene**, net sales were favorable because of a higher sales volume overseas, in spite of a lower sales volume in Japan.

As a result of the above, this segment's net sales increased 9.6 billion yen compared with the previous fiscal year to 469.0 billion yen and comprised 33% of total sales. On the other hand, operating income decreased 1.2 billion yen year on year to 7.7 billion yen because of deterioration in terms of trade.

Basic Chemicals

The Basic Chemicals segment recorded a decrease in overall net sales.

In **phenols**, net sales remained weak primarily due to slower economic growth in China.

In **bisphenol A**, net sales remained weak because of weak demand for its main application, polycarbonate resin and epoxy resin.

In **purified terephthalic acid (PTA)**, net sales decreased as a result of the suspension of production following the accident at the Iwakuni-Ohtake Works as well as a market downturn.

In **polyethylene terephthalate (PET)** resins, net sales declined as a result of the suspension of production following the accident at the Iwakuni-Ohtake Works.

In **ethylene oxide and derivatives**, net sales increased due to a rise in sales prices accompanying an increase in raw material and fuel prices.

As a result, this segment's net sales decreased 71.2 billion yen compared with the previous fiscal year to 401.7 billion yen and accounted for 28% of total sales. Operating income decreased 27.5 billion yen year on year to report an operating loss of 18.9 billion yen. This negative turnaround was attributable to lower sales volume following the accident at the Iwakuni-Ohtake Works as well as a market downturn.

Polyurethane

The Polyurethane segment experienced strong overall net sales.

In **polyurethane materials**, results were favorable due to the resumption of normal operations at the Kashima Works (production at which had been suspended following the Great East Japan Earthquake) and an upswing in overseas market conditions as well as the effect of the weak yen.

In **coating materials**, overall net sales were steady due to a higher sales volume for resins used in automobiles overseas. This result occurred despite a suspension in the production of certain products following the accident at the Iwakuni-Ohtake Works.

In **adhesive materials**, net sales were weak due to a decrease in demand for solar cell-related applications.

In **molding materials**, net sales were weak due to a decreased sales volume for casting prepolymers and waterproof materials caused by a fall in demand for construction equipment and other products.

As a result, net sales in this segment increased 18.9 billion yen year on year to 146.2 billion yen and comprised 10% of total sales. Operating loss improved 12.0 billion yen compared with the previous fiscal year to report an operating loss of 2.6 billion yen due to an increase in sales volume for polyurethane, an improvement in overseas markets, and the effect of the weak yen as well as a decline in fixed costs.

Functional Polymeric Materials

The Functional Polymeric Materials segment enjoyed firm overall net sales.

In **elastomers**, which are used primarily in automotive components and resin modifiers, net sales were firm due to application-related development and an increase in market share. This result occurred despite slower economic growth in China and other factors.

In **performance compounds**, net sales were strong because of a steady expansion in demand for packaging material-related applications as well as a recovery in demand for automotive-related applications, which had been stagnant following the disaster.

In **specialty polyolefins**, net sales remained weak because of the suspension of production following the accident at the Iwakuni-Ohtake Works and weak demand for electronic component-related applications.

As a result, net sales in this segment increased 2.8 billion yen compared with the previous fiscal year to 134.7 billion yen and comprised 10% of total sales. Operating income increased 0.2 billion yen to 8.4 billion yen year on year mainly due to an increase in sales volume and a decrease in fixed costs.

Functional Chemicals

The Functional Chemicals segment enjoyed firm overall net sales.

In **healthcare materials**, net sales were favorable thanks to expanded overseas demand primarily for ophthalmic lens materials.

In **hygiene materials**, net sales were steady due to ongoing vigorous demand for disposable diapers both in Japan and overseas.

In **specialty gas**, net sales remained sluggish due to weak demand mainly in the semiconductor industry. In addition, net sales of **specialty chemicals** remained weak because of lower demand, reflecting high yen rates.

In **catalysts**, net sales remained weak due to the suspension of production following the accident at the Iwakuni-Ohtake Works and sluggish overseas demand.

In **agrochemical products**, net sales were firm primarily as a result of higher overseas demand.

As a result, net sales in this segment increased 1.2 billion yen compared with the previous fiscal year to 149.6 billion yen and comprised 10% of total sales. Operating income grew 0.7 billion yen year on year to 12.4 billion yen due to an increase in the sales volume of healthcare materials.

Films and Sheets

The Films and Sheets segment experienced weak net sales.

In **packaging films**, net sales declined due to a significant downturn in demand from the summer of 2011 onward and price wars with competitors, even though there are signs of recovery.

In **electronic and optical films**, although demand increased for some sectors of the high value-added products field, net sales were weak due to a decline in sales prices and the accident at the Iwatani-Ohtake Works.

In **solar cell sheets**, net sales decreased because of a delay in the recovery in demand in the solar cell encapsulant market in addition to a drop in sales prices.

As a result, net sales in this segment decreased 4.7 billion yen year on year to 74.8 billion yen and comprised 5% of total sales. Operating income decreased 3.5 billion yen compared with the previous fiscal year to report an operating loss of 3.3 billion yen due to deterioration in terms of trade.

Others

In the Others segment, net sales decreased 4.4 billion yen with the previous fiscal year to 30.2 billion yen, comprised 2% of total sales. Operating income and loss decreased 0.7 billion yen year on year to a loss of 0.6 billion yen.

(3) Outlook for Fiscal 2013 (Year Ending March 31, 2014)

(Overall of Financial Outlook for Fiscal 2013 (the Year Ending March 31, 2014))

The global economy in fiscal 2013 is projected to be gradually headed toward recovery due to the expansion of the U.S. economy and progress of austerity relief in Europe.

The Japanese economy is expected to gradually get back on a recovery track due to the continued weakening of the yen and rising stock prices. In particular, economic growth is anticipated toward the end of the fiscal year due to a spike in demand before the upcoming increase in consumption tax and the effect of additional economic policies as well as demand related to the Great East Japan Earthquake getting into full swing.

The chemical industry is projected to recover toward the end of the fiscal year along with an increase in demand accompanying the global economic recovery, although the overall operational environment is expected to remain severe.

Under these circumstances, the Mitsui Chemicals Group is planning to accelerate its recovery of profitability by enacting all relevant measures in fiscal 2013, the last year of the 2011 Mid-Term Business Plan, beginning with a change in the business portfolio and a restructuring of low-profit businesses laid out in the Mid-Term Business Plan.

The outlook for this period is as follows:

(¥ billion yen)	Net Sales	Operating Income	Ordinary Income	Net Income
FY2013	1,600.0	28.0	23.0	5.0
FY2012	1,406.2	4.3	9.2	(8.1)
Difference	193.8	23.7	13.8	13.1
Ratio (%)	13.8	552.7	149.8	—

Financial performance outlook are based on the following assumptions:

- a) Exchange rate for the full year is 95 yen/US\$
- b) Average price of domestic naphtha is 63,000 yen /kl

The change items on accounting from this fiscal year are as follows.

1) Change in accounting period of some overseas consolidated subsidiaries

Major overseas consolidated subsidiaries are changing their closing period from December 31 to March 31 from FY2012 to FY2013. As a result of this change, for this fiscal year some overseas consolidated subsidiaries will report operating results for a 15-month period (January 1, 2013–March 31, 2014).

2) Change in measure method of operating expense in business segment

MCI has restructured R&D system in order to generate new businesses and new product development themes and to ensure their sound commercialization. According to the restructuring, R&D expense following the new business will be recorded in Adjustment segment from FY2013.

(Outlook by Business Segment)

Outlook by business segment is as follows.

MCI changed the order of its business segment listing to signify acceleration of changes to its business portfolio towards functional products.

(Billions of Yen)

	Net Sales								
	Functional Chemicals	Functional Polymeric Materials	Poly urethane	Basic Chemicals	Petro chemicals	Films and Sheets	Others	Adjustment	Total
FY2013	170.0	183.0	186.0	427.0	528.0	78.0	28.0	—	1,600.0
FY2012	149.6	134.7	146.2	401.7	469.0	74.8	30.2	—	1,406.2
Difference	20.4	48.3	39.8	25.3	59.0	3.2	(2.2)	—	193.8
Ratio(%)	13.6	35.9	27.3	6.3	12.6	4.3	(7.5)	—	13.8

(Billions of Yen)

	Operating Income (Loss)								
	Functional Chemicals	Functional Polymeric Materials	Poly urethane	Basic Chemicals	Petro chemicals	Films and Sheets	Others	Adjustment	Total
FY2013	15.5	10.5	7.0	(14.0)	16.0	(2.0)	0.5	(5.5)	28.0
FY2012	12.4	8.4	(2.6)	(18.9)	7.7	(3.3)	(0.6)	1.2	4.3
Difference	3.1	2.1	9.6	4.9	8.3	1.3	1.1	(6.7)	23.7
Ratio(%)	24.5	24.4	—	—	108.5	—	—	—	552.7

(4) Information on Differences between Financial Results Forecast and Actual Results for Fiscal 2012

(Difference between Forecasted and Actual Operating Results)

Differences have arisen between forecasts announced on February 5, 2013 and actual operating results for the fiscal year ending March 31, 2013. The reason for the differences is as follows.

(¥ billion yen)	Net Sales	Operating Income	Ordinary Income	Net Income	Net income per share
Previous Forecast (A) (announced February 5, 2013)	1,390.0	5.0	3.0	(10.0)	(9.98 yen)
Actual Results (B)	1,406.2	4.3	9.2	(8.1)	(8.14 yen)
Difference (B-A)	16.2	(0.7)	6.2	1.9	
Ratio(%)	1.2	(14.2)	206.9	—	
FY 2011 Actual(Reference)	1,454.0	21.6	22.9	(1.0)	(1.01 yen)

(Reason for Difference)

Ordinary income and net income increased up previously announced forecasts primarily due to an increase of foreign exchange gains following the weakening yen even though operating income fell down previously announced forecasts.

2. Financial Position

(1) Status of Assets, Liabilities and Net Assets

Total assets at the end of this fiscal year stood at 1,338.0 billion yen, up 81.7 billion yen compared with the previous fiscal year-end.

Total liabilities at the end of this fiscal year increased 68.6 billion yen compared with the previous fiscal year-end to 909.1 billion yen. **Interest-bearing debt** amounted to 507.2 billion yen, a rise of 42.4 billion yen compared with the previous fiscal year-end. As a result, the interest-bearing debt ratio was 37.9%, up 0.9 percentage points from the previous fiscal year-end.

Net assets at the end of this fiscal year totaled 428.9 billion yen, a rise of 13.1 billion yen compared with the previous fiscal year-end. The **ratio of shareholders' equity to total assets** was 28.2%, down 1.0 percentage point from the previous fiscal year-end.

Accounting for the aforementioned factors, the **debt-equity ratio** stood at 1.35 at the end of this fiscal year, up 0.08 point from the previous fiscal year-end.

(2) Cash Flow Status

Cash and cash equivalents (hereafter called "cash") were down 9.6 billion yen to 45.0 billion yen as of the end of this fiscal year compared with the previous fiscal year-end.

Cash Flows from Operating Activities

Net cash provided by operating activities fell 24.8 billion yen to 18.5 billion yen. The decrease was due to a decrease of net income before income taxes and minority interests and depreciation expense following change in the depreciation calculation method.

Cash Flows from Investing Activities

Net cash used in investing activities increased 15.6 billion yen compared with the previous fiscal year to 58.1 billion yen. This rise was mainly attributable to higher outflows for the acquisition of shares of subsidiaries and the purchase of investment securities in line with the Company's new growth strategy, and the acquisition of fixed assets.

Cash Flows from Financing Activities

Net cash used in financing activities was 27.3 billion yen, up 54.0 billion yen year on year. This was primarily due to an increase of interest-bearing debt.

(3) Trends in Cash Flow Indicators

	FY2008 (As of March 31, 2009)	FY2009 (As of March 31, 2010)	FY2010 (As of March 31, 2011)	FY2011 (As of March 31, 2012)	FY2012 (As of March 31, 2013)
Shareholders' Equity Ratio (%)	29.4	30.5	29.6	29.2	28.2
Shareholders' Equity Ratio on a Market Value Basis (%)	15.1	22.9	22.7	20.0	15.4
Ratio of Interest-bearing Debt to Cash Flows	9.8	7.0	6.6	10.7	27.4
Interest Coverage Ratio (Times)	5.9	8.2	9.5	6.4	2.7

Notes:

- Shareholders' Equity Ratio: Shareholders' equity to total assets
- Shareholders' Equity Ratio on a Market Value Basis: Market capitalization to total assets
- Ratio of Interest-bearing Debt to Cash Flows: Interest-bearing debt to cash flows
- Interest Coverage Ratio: Cash flows to interest paid

- Each of the indicators was calculated using consolidated financial figures.
- The market capitalization was calculated by multiplying the closing share price as of the end of the period with the number of shares outstanding (excluding treasury stock).
- Operating cash flow figures have been used for cash flow calculations.
- The operating cash flow figures used are cash flows from operating activities as reported in the consolidated statements of cash flows. Interest-bearing debt is the portion of total debt booked on the consolidated balance sheet on which interest is being paid. Interest paid is the amount of interest paid as reported in the consolidated statements of cash flows.

3. Basic Policy on the Appropriation of Profits, Cash Dividends for fiscal 2012 and 2013 (Years Ended/Ending March 31, 2013 and March 31, 2014)

(1) Basic Policy on the Appropriation of Profits

The Mitsui Chemicals Group believes that the enhancement of corporate value through business growth and expansion is an important management issue and regards the distribution of profits to shareholders as one of the Group's most important management policies.

In allocating profits, the Mitsui Chemicals Group considers both the need to return earnings to shareholders as well as the need to maintain a level of internal reserves sufficient to fueling and sustaining future growth.

Taking into consideration the consolidated dividend payout ratio and the dividend on equity (DOE) ratio, the Mitsui Chemicals Group strives to promote a policy of consistent stable dividends that reflect consolidated earnings results over the medium term. In this context, the Group targets a consolidated dividend payout ratio of 25% or more and DOE of 2% or more.

From an internal reserves perspective, the Mitsui Chemicals Group actively engages in investment and financing to further accelerate growth and expansion while swiftly realizing a robust business portfolio as well as research and development expenditure aimed at creating innovative technologies. To this end, the Group constantly endeavors to improve its business performance and results.

(2) Cash Dividends for fiscal 2012 and 2013 (Years Ended/Ending March 31, 2013 and March 31, 2014)

The Mitsui Chemicals Group plans to pay a fiscal year-end dividend of 3 yen per share. Because the Group paid an interim dividend of 3 yen per share on December 4, 2012, the annual dividend for the fiscal year under review will be 6 yen per share, the same amount compared with the previous fiscal year.

Turning to dividends for the fiscal year ending March 31, 2014, the Mitsui Chemicals Group plans to pay interim and year-end dividends of 3 yen per share, respectively. The Group therefore plans an annual dividend of 6 yen per share.

4. Consolidated Balance sheets

	Million of yen	
	FY2012	FY2011
	At the end of March 31, 2013	At the end March 31, 2012
Assets		
Current assets		
Cash and deposits	46,514	54,340
Notes and accounts receivable-trade	298,411	274,500
Inventories	284,643	248,397
Deferred tax assets	11,264	10,061
Accounts receivable-other	66,108	62,418
Other	9,035	12,166
Allowance for doubtful accounts	(579)	(571)
Total current assets	715,396	661,311
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	318,872	314,922
Accumulated depreciation	(212,415)	(207,887)
Buildings and structures, net	106,457	107,035
Machinery, equipment and vehicles	1,064,514	1,027,473
Accumulated depreciation	(920,466)	(888,064)
Machinery, equipment and vehicles, net	144,048	139,409
Land	164,190	165,210
Construction in progress	22,888	11,630
Other	64,600	61,933
Accumulated depreciation	(55,546)	(54,588)
Other, net	9,054	7,345
Total property, plant and equipment	446,637	430,629
Intangible assets	14,635	11,612
Investments and other assets		
Investment securities	98,269	93,850
Deferred tax assets	4,129	3,213
Other	59,791	56,463
Allowance for doubtful accounts	(862)	(775)
Total investments and other assets	161,327	152,751
Total noncurrent assets	622,599	594,992
Total assets	1,337,995	1,256,303

	Million of yen	
	FY2012	FY2011
	At the end of	At the end
	March 31, 2013	March 31, 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	215,666	194,025
Short-term loans payable	106,685	96,492
Current portion of long-term loans payable	54,011	24,482
Commercial papers	15,000	18,700
Current portion of bonds	10,000	30,000
Income taxes payable	2,963	3,978
Provision for directors' bonuses	23	35
Provision for repairs	10,232	9,165
Other	79,328	74,630
Total current liabilities	493,908	451,507
Noncurrent liabilities		
Bonds payable	97,000	93,000
Long-term loans payable	223,956	201,501
Deferred tax liabilities	16,963	13,561
Provision for retirement benefits	50,855	53,150
Provision for directors' retirement benefits	261	313
Provision for repairs	3,579	3,832
Provision for environmental measures	3,028	7,264
Asset retirement obligations	2,589	2,345
Other	16,942	14,059
Total noncurrent liabilities	415,173	389,025
Total liabilities	909,081	840,532
Net assets		
Shareholders' equity		
Capital stock	125,053	125,053
Capital surplus	91,065	91,065
Retained earnings	180,451	194,648
Treasury stock	(14,264)	(14,268)
Total shareholders' equity	382,305	396,498
Valuation difference on available-for-sale securities	12,862	8,179
Deferred gains or losses on hedges	(250)	(81)
Foreign currency translation adjustment	(18,138)	(37,160)
Total accumulated other comprehensive income	(5,526)	(29,062)
Minority interests	52,135	48,335
Total net assets	428,914	415,771
Total liabilities and net assets	1,337,995	1,256,303

5. Consolidated Income statements and Consolidated Comprehensive income Statements

(Consolidated Income Statements)

	Million of yen	
	FY2012 April 1, 2012 to March 31, 2013	FY2011 April 1, 2011 to March 31, 2012
Net sales	1,406,220	1,454,024
Cost of sales	1,233,303	1,261,201
Gross profit	172,917	192,823
Selling, general and administrative expenses	168,627	171,259
Operating Income	4,290	21,564
Non-operating Income and Expenses		
Non-operating Income		
Interest income	256	273
Dividends income	3,445	3,068
Amortization of negative goodwill	681	683
Equity in earnings of affiliates	1,575	5,541
Insurance income	2,530	1,421
Foreign exchange Gains	4,102	—
Other	4,222	4,138
Total Non-operating Income	16,811	15,124
Non-operating expenses		
Interest expenses	6,779	7,061
Loss on suspension of operations	1,198	1,002
Foreign exchange Losses	—	1,150
Other	3,918	4,591
Total Non-operating expenses	11,895	13,804
Ordinary Income	9,206	22,884
Extraordinary Income and Loss		
Extraordinary Income		
Gain on sales of noncurrent assets	425	2,374
Gain on sales of investment securities	1,251	19
Gain on transfer of business	—	543
Gain on contribution of securities to retirement benefit trust	—	7,376
Reversal of provision for environmental measures	3,309	2,194
Insurance income	5,472	—
Total Extraordinary Income	10,457	12,506
Extraordinary Loss		
Loss on disposal of noncurrent assets	4,288	2,950
Loss on sales of noncurrent assets	184	68
Impairment Loss	5,582	12,906
Loss on restructuring of subsidiaries and affiliates	4,120	674
Loss on valuation of investment securities	794	1,053
Loss on business withdrawal	143	—
Loss on disaster	—	1,386
Loss on explosion and fire	4,868	—
Contract termination Fees	480	—
Total Extraordinary Losses	20,459	19,037
Net Income before Income Taxes and Minority Interests	(796)	16,353
Income Taxes—Current	6,571	9,703
Income Taxes—Differed	255	(916)
Total Income Taxes	6,826	8,787
Income before Minority Interests	(7,622)	7,566
Minority Interests in Income	527	8,573
Net Income (Loss)	(8,149)	(1,007)

[\(Consolidated Comprehensive income Statements\)](#)

	Million of yen	
	FY2012 April 1, 2012 to March 31, 2013	FY2011 April 1, 2011 to March 31, 2012
Income before Minority Interests	(7,622)	7,566
Other Comprehensive Income(Loss)		
Valuation difference on available-for-sale securities	4,825	(3,218)
Deferred gains or losses on hedges	(70)	(254)
Foreign currency translation adjustment	21,652	(6,864)
Share of other comprehensive income of associates accounted for using equity method	3,195	(961)
Total other comprehensive income (loss)	29,602	(11,297)
Comprehensive income (loss)	21,980	(3,731)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	15,387	(10,253)
Comprehensive income attributable to minority interests	6,593	6,522

6. Consolidated statements of cash flows

	Million of yen	
	FY2012	FY2011
	April 1, 2012 to March 31, 2013	April 1, 2011 to March 31, 2012
Income (loss) before income taxes and minority interests	(796)	16,353
Depreciation and amortization	42,227	61,066
Amortization of goodwill	1,637	1,683
Impairment loss	5,582	12,906
Increase (decrease) in provision for retirement benefits	(2,582)	(1,371)
Decrease (increase) in prepaid pension costs	3,308	(6,815)
Increase (decrease) in allowance for doubtful accounts	49	(408)
Increase (decrease) in provision for repairs	814	(1,055)
Increase (decrease) in provision for environmental measures	(4,236)	(3,386)
Interest and dividends income	(3,700)	(3,341)
Interest expenses	6,779	7,061
Equity in (earnings) losses of affiliates	(1,575)	(5,541)
Loss (gain) on sales of investment securities	(1,427)	(19)
Loss (gain) on valuation of investment securities	794	1,053
Loss on retirement of noncurrent assets	1,561	772
Loss (gain) on sales of noncurrent assets	(241)	(2,306)
Decrease (increase) in notes and accounts receivable-trade	(16,260)	(11,329)
Decrease (increase) in inventories	(27,976)	(10,501)
Increase (decrease) in notes and accounts payable-trade	14,665	(1,870)
Other, net	(5,961)	399
Subtotal	12,662	53,351
Interest and dividends income received	7,072	7,874
Interest expenses paid	(6,807)	(6,721)
Income taxes paid	(8,098)	(11,202)
Proceeds from insurance income on explosion and fire	13,683	—
I Net cash provided by (used in) operating activities	18,512	43,302
Purchase of property, plant and equipment	(50,050)	(34,976)
Proceeds from sales of property, plant and equipment	2,965	3,660
Purchase of intangible assets	(2,037)	(2,133)
Purchase of long-term prepaid expenses	(3,378)	(456)
Purchase of investment securities	(6,167)	(8,077)
Proceeds from sales and redemption of investment securities	455	293
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(4,083)	(2,586)
Other, net	4,159	1,823
II Net cash provided by (used in) investing activities	(58,136)	(42,452)
Net increase (decrease) in short-term loans payable	6,801	(5,514)
Increase (decrease) in commercial papers	(3,700)	11,300
Proceeds from long-term loans payable	76,499	16,686
Repayment of long-term loans payable	(26,580)	(26,434)
Proceeds from issuance of bonds	14,000	10,000
Redemption of bonds	(30,000)	(21,000)
Proceeds from stock issuance to minority shareholders	1,115	—
Proceeds from sales of treasury stock	15	15
Purchase of treasury stock	(48)	(55)
Cash dividends paid	(6,011)	(6,011)
Cash dividends paid to minority shareholders	(4,701)	(5,528)
Other, net	(122)	(152)
III Net cash provided by (used in) financing activities	27,268	(26,693)
IV Effect of exchange rate change on cash and cash equivalents	2,670	(697)
V Net increase (decrease) in cash and cash equivalents	(9,686)	(26,540)
VI Cash and cash equivalents at beginning of period	54,564	81,119
VII Increase (decrease) in cash and cash equivalents resulting from change	118	(15)
VIII Cash and cash equivalents at end of period	44,996	54,564

7. Segment Information

(1) Overview of Reportable Segments

The reportable segments of Mitsui Chemicals comprise those entities for which obtaining separate financial reports is possible and that are subject to regular review by the Board of Directors, which decides upon the distribution of management resources to said segments.

Mitsui Chemicals positions segments distinguished by their products and services within its headquarters. Each segment proposes comprehensive domestic and overseas strategies in addition to pursuing business expansion in its respective product and service area.

The six reportable segments (distinguished by products and services) that therefore comprise Mitsui Chemicals operations are: Petrochemicals, Basic Chemicals, Polyurethane, Functional Polymeric Materials, Functional Chemicals and Films and sheets.

Segment	Major Products
Reportable Segments	
Petrochemicals	Ethylene, propylene, polyethylene, polypropylene
Basic Chemicals	Phenols, bisphenol-A, PTA, PET, ethylene oxide
Polyurethane	Polyurethane materials, coating materials, adhesive materials, and molding materials
Functional Polymeric Materials	Elastomers, performance compounds, specialty polyolefin
Functional Chemicals	Healthcare materials, hygiene materials, specialty gas, catalysts, chemical products, and agrochemical
Films and sheets	Packaging films, electronic and optical films, and solar cell sheets
Others	Other related businesses, etc.

(2) Methods to Determine Net Sales, Income or Loss, Assets, and Other Items by Reportable Business Segment

Profit by reportable business segment is stated on an operating income basis. Intersegment net sales and transfers are based on the values of transactions undertaken between third parties.

(3) Information concerning net sales, income or loss, assets, and other items for each reportable segment

The previous fiscal year (April 1, 2011 – March 31, 2012)

(Millions of yen)

	Reportable Segment							Others (Note 1)	Sum total
	Petrochemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Functional Chemicals	Films and sheets	Total		
Net sales									
1) To external customers	459,392	472,899	127,270	131,869	148,362	79,542	1,419,334	34,690	1,454,024
2) Internal sales among segments and transfers	137,791	27,273	4,330	15,153	6,263	1,868	192,678	59,714	252,392
Total	597,183	500,172	131,600	147,022	154,625	81,410	1,612,012	94,404	1,706,416
Segment income (loss)	8,904	8,592	(14,573)	8,157	11,641	179	22,900	144	23,044
Segment assets	337,238	218,797	111,349	158,499	211,913	88,845	1,126,641	43,228	1,169,869
Other items									
Depreciation and amortization (Note 2)	13,953	11,792	6,369	9,227	9,567	5,739	56,647	4,419	61,066
Amortization of goodwill	—	—	—	23	1,651	—	1,674	9	1,683
Amount invested in equity method affiliate	2,000	16,806	4,876	14,717	4,057	3,224	45,680	954	46,634
Capital expenditures (Note 2)	8,933	6,548	4,607	4,791	11,285	4,548	40,712	4,102	44,814

Notes:

1. "Others" category incorporates operations not included in reportable segments.

2. Depreciation and amortization, and capital expenditures include amortization costs and expenditures under long-term prepaid expenses.

The fiscal year under review (April 1, 2012 – March 31, 2013)

(Millions of yen)

	Reportable Segment							Others (Note 1)	Sum total
	Petro chemicals	Basic Chemicals	Polyure- thane	Functional Polymeric Materials	Functional Chemicals	Films and sheets	Total		
Net sales									
1) To external customers	468,952	401,736	146,150	134,674	149,633	74,794	1,375,939	30,281	1,406,220
Internal sales									
2) among segments and transfers	136,314	28,357	4,540	16,321	5,986	1,863	193,381	55,681	249,062
Total	605,266	430,093	150,690	150,995	155,619	76,657	1,569,320	85,962	1,655,282
Segment income (loss)	7,674	(18,916)	(2,643)	8,438	12,448	(3,319)	3,682	(573)	3,109
Segment assets	380,104	238,599	126,282	166,229	224,411	87,750	1,223,375	41,552	1,264,927
Other items									
Depreciation and amortization (Note 2)	8,191	8,405	2,751	7,105	7,057	5,666	39,175	3,052	42,227
Amortization of goodwill	312	—	—	—	1,324	—	1,636	1	1,637
Amount invested in equity method affiliate	2,234	17,345	6,164	18,538	4,388	1,219	49,888	1,128	51,016
Capital expenditures (Note 2)	12,651	11,750	4,279	4,410	14,613	5,063	52,766	3,883	56,649

Notes: 1. "Others" category incorporates operations not included in reportable segments.
2. Depreciation and amortization, and capital expenditures include amortization costs and expenditures under long-term prepaid expenses.

(4) Reconciliation of Differences between Total Amounts of Reportable Segments and Amounts Appearing in the Consolidated Financial Statements (adjustment of difference)

(Millions of yen)

Net Sales	FY 2011	FY 2012
Total reportable segment sales	1,612,012	1,569,320
Net sales classified under "Others"	94,404	85,962
Elimination of intersegment transactions	(252,392)	(249,062)
Net sales recorded in Consolidated Income Statements	1,454,024	1,406,220

(Millions of yen)

Income	FY 2011	FY 2012
Total reportable segment income	22,900	3,682
Income classified under "Others"	144	(573)
Elimination of intersegment transactions and etc	220	2,750
Corporate expenses (note)	(1,700)	(1,569)
Operating income (loss) recorded in Consolidated Income Statements	21,564	4,290

Note: Corporate expenses mainly comprise general & administrative expenses not usually attributed to segments.

(Millions of yen)

Assets	FY 2011	FY 2012
Total reportable segment assets	1,126,641	1,223,375
Assets classified under "Others"	43,228	41,552
Elimination of intersegment transactions	(69,476)	(74,877)
Corporate assets (note)	155,910	147,945
Assets recorded in Consolidated Balance Sheets	1,256,303	1,337,995

Note: Corporate assets are mainly attributed to the Company's surplus management funds (cash and savings), long-term investment funds (investment securities), deferred tax assets and administrative departments.

(Millions of yen)

Other items	Reportable segments		Others		Amounts from consolidated	
	FY11	FY12	FY11	FY12	FY11	FY12
Depreciation and amortization	56,647	39,175	4,419	3,052	61,066	42,227
Amortization of goodwill	1,674	1,636	9	1	1,683	1,637
Amount invested in equity method affiliate	45,680	49,888	954	1,128	46,634	51,016
Capital expenditures	40,712	52,766	4,102	3,883	44,814	56,649

8. Segment Related Information

Information by Region

The previous consolidated fiscal year (April 1, 2011 – March 31, 2012)

a. Net Sales (Millions of yen)

Japan	China	Asia	America	Europe	Other regions	Total
847,742	203,025	273,411	77,327	43,219	9,300	1,454,024

- Notes:
1. Net sales are classified by country and region based on customer location.
 2. Major countries and regions located in areas outside of Japan and China are as follows:
 - (1) Asia: Taiwan, South Korea, Thailand, Malaysia, Singapore, India
 - (2) America: The United States, Mexico
 - (3) Europe: Germany, France
 - (4) Other regions: Oceania, Africa

b. Tangible Assets

(Millions of yen)

Japan	Asia	Other regions	Total
361,794	62,092	6,743	430,629

- Note:
- Major countries and regions located in areas outside of Japan are as follows:
- (1) Asia: China, Taiwan, South Korea, Thailand, Malaysia, Singapore, India
 - (2) Other regions: North America, Europe

The consolidated fiscal year under review (April 1, 2012 – March 31, 2013)

a. Net Sales

(Millions of yen)

Japan	China	Asia	America	Europe	Other regions	Total
797,518	164,613	303,369	89,053	36,555	15,112	1,406,220

- Notes:
1. Net sales are classified by country and region based on customer location.
 2. Major countries and regions located in areas outside of Japan and China are as follows:
 - (1) Asia: Taiwan, South Korea, Thailand, Malaysia, Singapore, India
 - (2) America: The United States, Mexico
 - (3) Europe: Germany, France
 - (4) Other regions: Oceania, Africa

b. Tangible Assets

(Millions of yen)

Japan	Asia	Other regions	Total
358,430	79,043	9,164	446,637

- Note:
- Major countries and regions located in areas outside of Japan are as follows:
- (1) Asia: China, Taiwan, South Korea, Thailand, Malaysia, Singapore, India
 - (2) Other regions: North America, Europe

Information Concerning Impairment Loss of Fixed Assets by Reportable Segment

The previous consolidated fiscal year (April 1, 2011 – March 31, 2012)

(Millions of yen)

	Petro chemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Functional Chemicals	Films and sheets	Others	Corporate Expenses	Total
Impairment loss	282	40	12,454	36	56	38	–	–	12,906

The consolidated fiscal year under review (April 1, 2012 – March 31, 2013)

(Millions of yen)

	Petro chemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Functional Chemicals	Films and sheets	Others	Corporate Expenses	Total
Impairment loss	650	259	141	293	1,294	2,723	–	222	5,582

Information Concerning the Amount of Amortization and Unamortized Balance of Goodwill by Reportable Segment

The previous consolidated fiscal year (April 1, 2011 – March 31, 2012)

(Millions of yen)

	Petro chemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Functional Chemicals	Films and sheets	Others	Corporate Expenses	Total
Amount of	–	–	–	23	1,651	–	9	–	1,683
Unamortized balance	–	–	–	–	2,702	–	1	–	2,703

The consolidated fiscal year under review (April 1, 2012 – March 31, 2013)

(Millions of yen)

	Petro chemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Functional Chemicals	Films and sheets	Others	Corporate Expenses	Total
Amount of	312	–	–	–	1,324	–	1	–	1,637
Unamortized balance	1,824	–	–	–	2,813	–	–	–	4,637

Information Concerning the Amount of Amortization and Unamortized Balance of Negative Goodwill by Reportable Segment

The previous consolidated fiscal year (April 1, 2011 – March 31, 2012)

(Millions of yen)

	Petro chemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Functional Chemicals	Films and sheets	Others	Corporate Expenses	Total
Amount of	–	–	–	–	89	594	–	–	683
Unamortized balance	–	–	–	–	199	1,184	–	–	1,383

The consolidated fiscal year under review (April 1, 2012 – March 31, 2013)

(Millions of yen)

	Petro chemicals	Basic Chemicals	Polyurethane	Functional Polymeric Materials	Functional Chemicals	Films and sheets	Others	Corporate Expenses	Total
Amount of	–	–	–	–	88	593	–	–	681
Unamortized balance	–	–	–	–	111	591	–	–	702

9. Subsequent Events

(Acquisition of Dental Business from Heraeus Holding GmbH)

At the extraordinary board meeting on April 4 2013, Mitsui Chemicals, Inc. resolved to acquire the dental business of Heraeus Holding GmbH ("Heraeus Dental"). On the same date, the Company concluded a Sale and Purchase Agreement of Heraeus Dental with Heraeus Holding GmbH.

Mitsui Chemicals will acquire all the shares and assets which belong to Heraeus Dental from Heraeus Holding GmbH.

(1) Purpose for the acquisition

The acquisition of Heraeus Dental will provide the Mitsui Chemicals Group with a global platform for its dental materials business, in which it targets expansion and growth as a core business, into the growing overseas dental materials market that is expected to significantly grow in the future. In addition, the Group expects to be able to respond to customer needs by the synergy of Mitsui Chemicals' rich R&D resources and knowledge of chemical areas such as polymer technology and Heraeus Dental's strong product development capabilities.

(2) Outline of the acquisition business

Trade name	Heraeus Dental
Type of business	Production, sales and marketing of dental related products (e.g restoratives)
Locations	Europe: 14 entities (Located in Germany, Holland, Sweden etc) Americas: 3 entities (Located in USA, Mexico, Brazil) Asia / Oceania: 9 entities (Located in Japan, China, Australia etc) The entities for share deal: 17 entities The entities for asset deal: 9 entities Total: 26 entities

(3) The seller's information

Company name Heraeus Holding GmbH

(4) Strategy and valuation

A 100% holding company will be established to conjoin and manage the shares and assets. Mitsui Chemicals and Heraeus Holding came to agreement with the valuation amount of 450 million Euros (EUR) (54.3 billion yen). Heraeus Dental's interest bearing debt is included in the valuation amount. The valuation amount will be adjusted based on the increase / decrease in working capital and cash equivalent, etc. on the closing date. In addition, other direct cost related to the acquisition will be incurred.

* Above amount in yen currency is based on the currency exchange rate as of March 31, 2013.

(5) Planned Share delivery date

End of June, 2013 (estimated schedules)

* Share acquisition is scheduled to be completed after share transfer of the respective affiliated companies to our holding company and after necessary authorizations for anti-trust and investment related regulatory in the related countries for this transaction are done.

Appendix

(Change in Reported segments classification methods)

The Company reorganized effective April 1st 2012 as part of the Company's effort to accelerate new growth strategies outlined in its 2011 Mid-Term Business Plan. Along with this reorganization, some business segment categorization has changed. The Fabricated Product Business Segment was dissolved. Pellicle business in the segment was changed to the Functional Polymeric Materials Business Segment, and nonwovens fabric business in the segment was changed to the Functional Chemicals Business Segment. Film and sheet business became a new Films and Sheets Business.

Former Segments	Current Segments	Main Products	Major Subsidiaries & Affiliates
Petrochemicals	Petrochemicals	Ethylene, Propylene Polyethylene, Polypropylene	Osaka petrochemical Industries, Ltd Prime Polymer Co., Ltd. Advanced Composites, Inc. Keiyo Ethylene Co., Ltd.
Basic Chemicals	Basic Chemicals	Phenol, Bisphenol A, Purified terephthalic acid, Polyethylene-terephthalate, Ethylene oxide	Chiba Phenol Company, Limited Mitsui Phenols Singapore Pte Ltd. Siam Mitsui PTA Co., Ltd. Shanghai Sinopec Mitsui Chemicals, CO., LTD. P.T.Amoco Mitsui PTA Indonesia P.T.Petnesia Resindo Thai PET Resin Co., Ltd.
Polyurethane	Polyurethane	Polyurethanes, Coating materials Adhesives, Construction materials	Kumho Mitsui Chemicals Polyurethane Co., Ltd
Functional Polymeric	Functional Polymeric	Elastomers, Functional compounds, Specialty polyolefins, * Pellicles	Mitsui Elastomers Singapore Pte. Ltd.
Functional Chemicals	Functional Chemicals	Health care materials (Materials for high refractive-index ophthalmic lenses etc.), Functional chemicals, Specialty gases, Hygienic materials(**Spunbonded nonwoven polypropylene fabric) Catalysts, Agrochemicals, Licensing	Shimonoseki Mitsui Chemicals, Inc. Mitsui Hygiene Materials (Thailand) Co., Ltd. ACOMON AG Mitsui Chemicals Agro, INC.
Fabricated Products	Films and Sheets	Packing films, Electronic & optical films, Solar cell sheets	Mitsui Chemicals Tohcello, Inc

* Pellicles; Dust proof membrane applied on photomask during lithography process

(Change in method of depreciation of property, plant and equipment)

The Company and domestic consolidated subsidiaries plan to apply the straight-line method from fiscal year 2012 instead of the declining-balance method for the depreciation of property, plant and equipment.