

Supplementary Information on Financial Summary for the First Quarter of FY2014

Mitsui Chemicals, Inc.

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Please note that this document has been translated from the original Japanese into English for the convenience of our stakeholders. The information was originally provided in Japanese. If there is any discrepancy, the Japanese language version is the official document and is available on our Japanese language website.

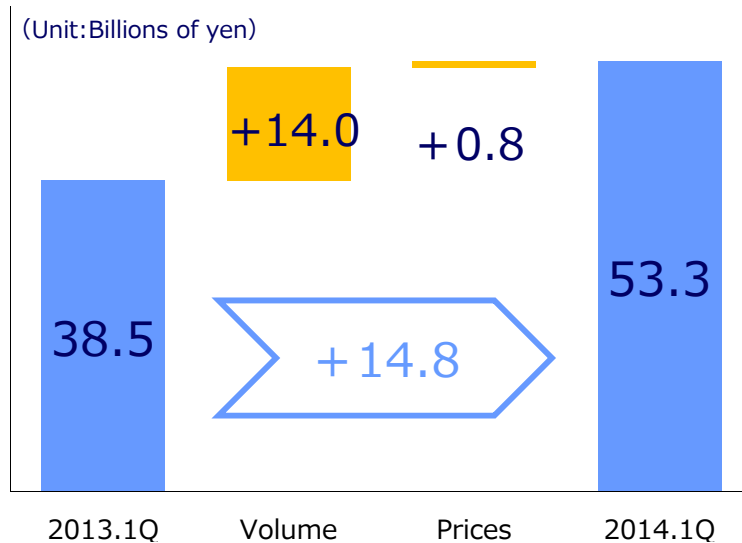
1) Consolidated Financial Highlights of First Quarter of FY2014

Items	FY2013 1st Q	FY2014 1st Q	Increase (Decrease)	%
Sales	363.1	389.2	26.1	7%
Operating income/loss	9.3	10.4	1.1	12%
Non-operating income/expenses	0.6	(1.8)	(2.4)	-
Ordinary income/loss	9.9	8.6	(1.3)	(13%)
Special gains/losses	(2.0)	(0.4)	1.6	-
Net income/loss before income taxes and minority interests	7.9	8.2	0.3	3%
Net income/loss	4.7	3.4	(1.3)	(28%)
Exchange Rate (Yen/US\$)	99	102	3	
Domestic Standard Naphtha Price (Yen/KL)	65,500	69,900	4,400	

2) Description of Increase/Decrease

in Functional Chemicals (Sales and Operating Income, year on year)

Increase/Decrease of Net Sales (1st Quarter of FY2014 vs 1st Quarter of FY2013)



53.3 billion yen (+14.8 billion yen year on year)

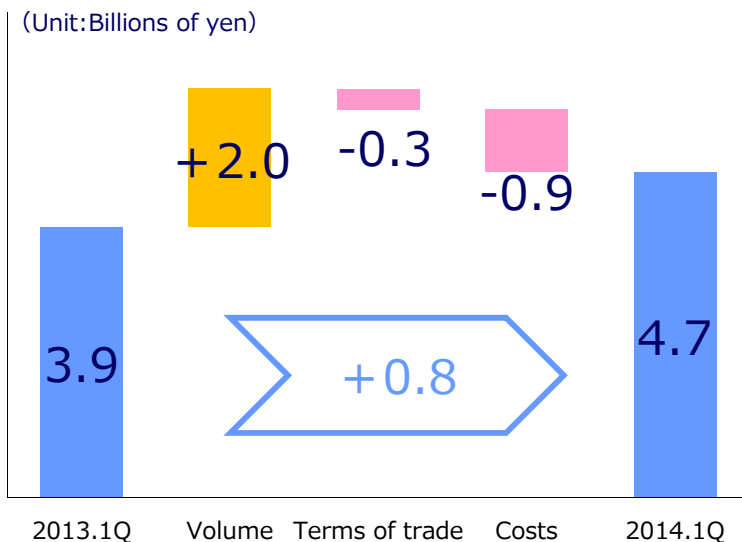
Volume + 14.0 billion yen

- Expanded overseas demand for ophthalmic lens monomers, nonwovens, and agrochemicals etc.
- Increase from acquisition of dental material business

Price + 0.8 billion yen

- Foreign exchange gains in agrochemicals and ophthalmic lens materials

Increase/Decrease of Operating Income (1st Quarter of FY2014 vs 1st Quarter of FY2013)



4.7 billion yen (+0.8 billion yen year on year)

Volume +2.0 billion yen

- Sales growth from expanded export of ophthalmic lens materials, nonwovens, and agrochemicals, etc.

Price -0.3 billion yen

- Cost increase from inventory revaluation by lower of cost or market

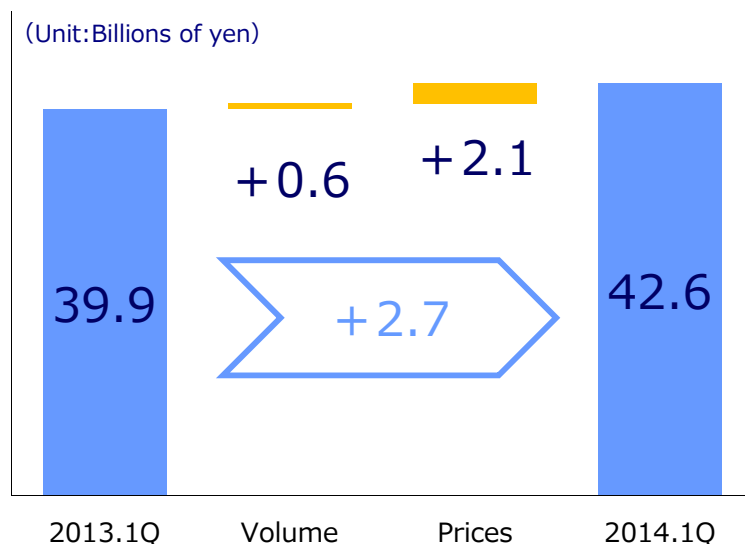
Costs -0.9 billion yen

- Fixed cost increase related to acquisition of dental material business
- R&D cost increase related to agrochemicals etc.

3)Description of Increase/Decrease

in Functional Polymeric Materials (Sales and Operating Income, year on year)

Increase/Decrease of Net Sales (1st Quarter of FY2014 vs 1st Quarter of FY2013)



39.9 billion yen (+2.7 billion yen year on year)

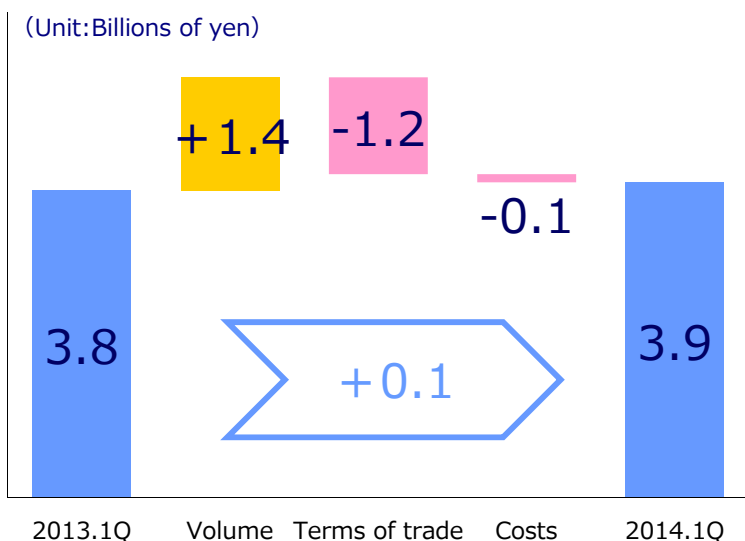
Volume +0.6 billion yen

- Brisk sales in elastomers and functional compounds from expanded demand in automotive use mainly in North America
- Brisk sales in functional polymers from expanded demand for use in smartphones and electronic and information film applications

Price +2.1 billion yen

- Net sales increase from mainly from weak yen

Increase/Decrease of Operating Income (1st Quarter of FY2014 vs 1st Quarter of FY2013)



3.9 billion yen (+0.1 billion yen year on year)

Volume +1.4 billion yen

- Brisk sales in elastomers and functional compounds from expanded demand in automotive use
- Brisk sales in functional polymers from expanded demand for use in smartphones and electronic and information film applications

Price -1.2 billion yen

- Poor terms of trade for elastomers due to rise in raw material and fuel prices etc.

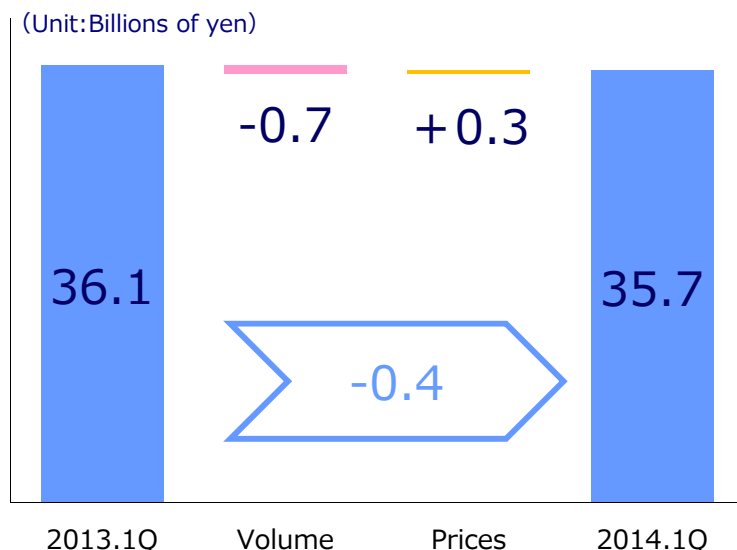
Costs -0.1 billion yen

- Fixed cost Increase related to sales administration and R&D etc.

4) Description of Increase/Decrease

in Polyurethane (Sales and Operating Income, year on year)

Increase/Decrease of Net Sales (1st Quarter of FY2014 vs 1st Quarter of FY2013)



35.7 billion yen (-0.4 billion yen year on year)

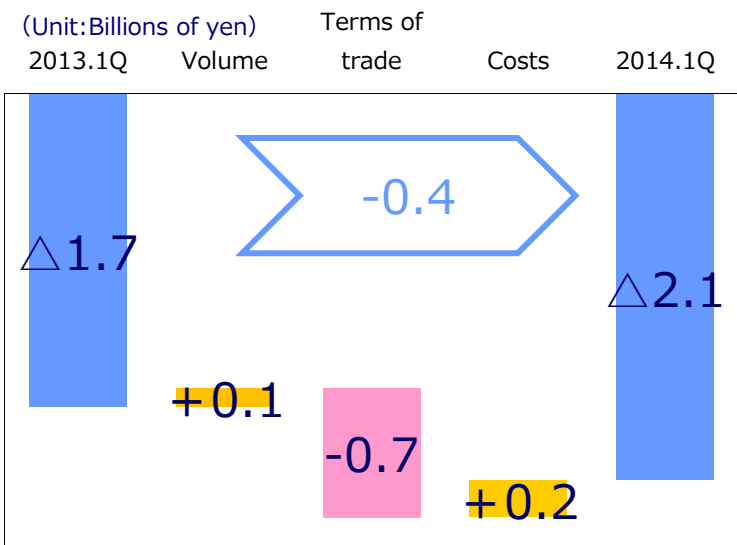
Volume -0.7 billion yen

- Drop in sales volume of polyurethane materials such as TDI

Price +0.3 billion yen

- Net sales increase from mainly from weak yen

Increase/Decrease of Operating Income (1st Quarter of FY2014 vs 1st Quarter of FY2013)



-2.1 billion yen (-0.4 billion yen year on year)

Volume +0.1 billion yen

- Expanded sales of coatings & engineering materials products etc.

Price -0.7 billion yen

- Drop in overseas market prices of TDI and rise in raw material and fuel prices

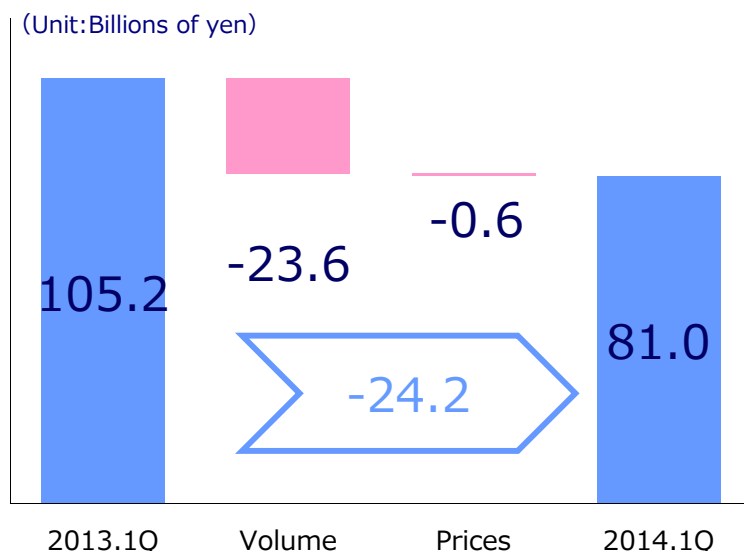
Costs +0.2 billion yen

- Cost cuts for general cost etc.

5) Description of Increase/Decrease

in Basic Chemicals (Sales and Operating Income, year on year)

Increase/Decrease of Net Sales (1st Quarter of FY2014 vs 1st Quarter of FY2013)



81.0 billion yen (-24.2 billion yen year on year)

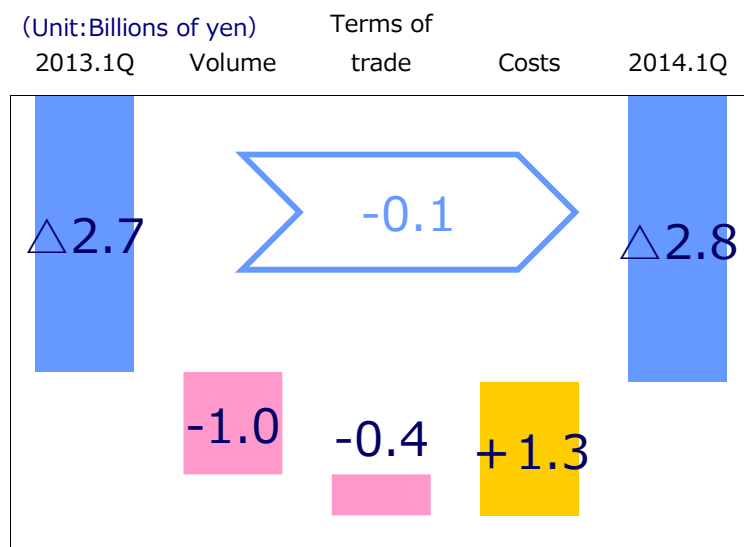
Volume -23.6 billion yen

- Decline of Phenol sales from local production for local consumption etc.
- Decline of PTA sales from change in status of "Siam Mitsui PTA Co., Ltd." (hereafter "SMPC") from a consolidated subsidiary to an equity method affiliate by share transfer

Price -0.6 billion yen

- Exports and foreign exchange gains from overseas products
- Increase in domestic sales prices from upswing in raw material prices especially for phenols

Increase/Decrease of Operating Income (1st Quarter of FY2014 vs 1st Quarter of FY2013)



-2.8 billion yen (-0.1 billion yen year on year)

Volume -1.0 billion yen

- PTA sales decline from change in status of SMPC from a consolidated subsidiary to an equity method affiliate
- Decline in phenols sales

Price -0.4 billion yen

- Decrease from persistently high prices of raw materials and fuels in spite of Improvement in phenol spread

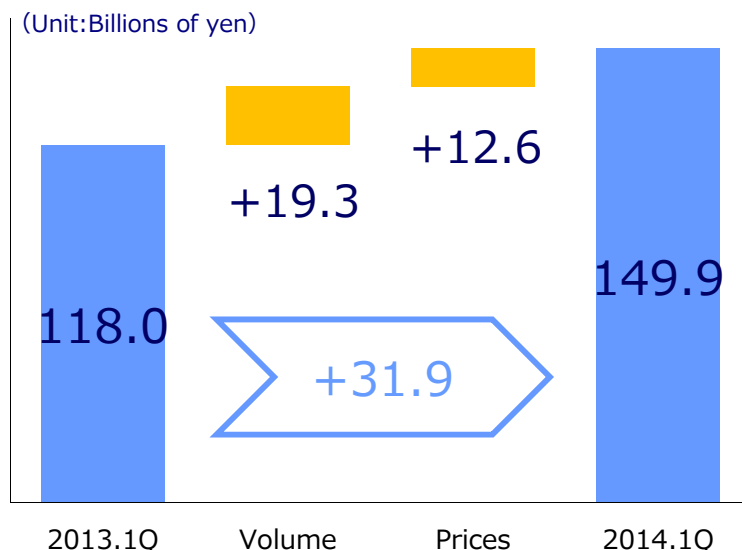
Costs +1.3 billion yen

- Gains related to decrease fixed costs from change in status of SMPC from a consolidated subsidiary to an equity method affiliate
- Gains related to cost reduction etc.

6) Description of Increase/Decrease

in Petrochemicals (Sales and Operating Income, year on year)

Increase/Decrease of Net Sales (1st Quarter of FY2014 vs 1st Quarter of FY2013)



149.9 billion yen (+31.9 billion yen year on year)

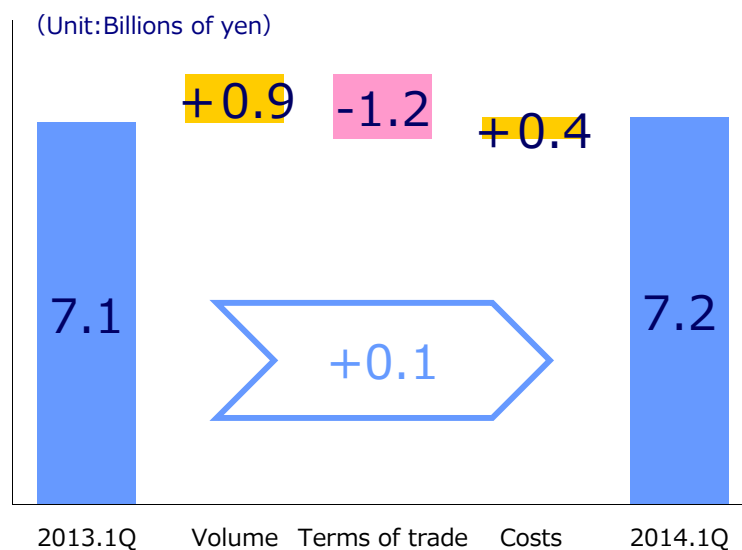
Volume +19.3 billion yen

- Sales increase due to steady demand in domestic polyolefin and strong demand for overseas automotive PP compounds

Price +12.6 billion yen

- Increase from weak yen and higher polyolefin prices from increase in raw materials prices

Increase/Decrease of Operating Income (1st Quarter of FY2014 vs 1st Quarter of FY2013)



7.2 billion yen (+0.1 billion yen year on year)

Volume +0.9 billion yen

- Steady demand of domestic polyolefin and favorable overseas PP compound market

Price -1.2 billion yen

- Decrease in inventory revaluation profit compared with previous corresponding period owing to stable naphtha prices
- Downturn in derivative sales market price such as butadiene

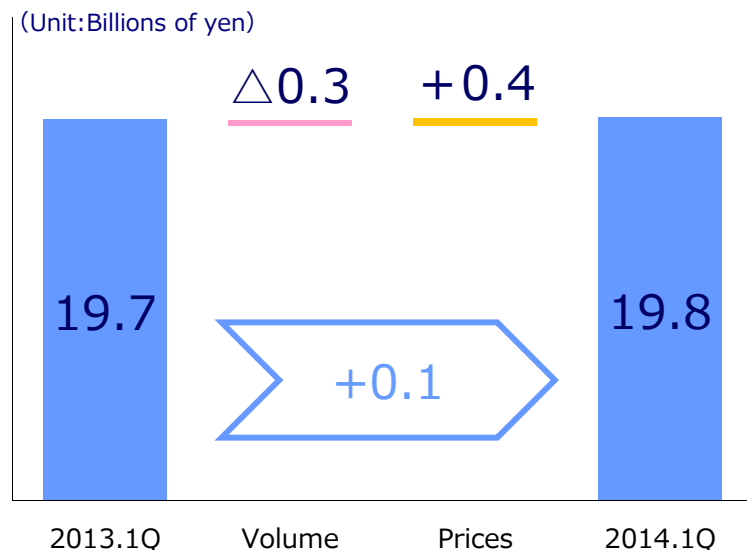
Costs +0.4 billion yen

- Decrease in fixed cost related to termination of polyolefin plant and cost reduction etc.

7)Description of Increase/Decrease

in Films and Sheets (Sales and Operating Income, year on year)

Increase/Decrease of Net Sales (1st Quarter of FY2014 vs 1st Quarter of FY2013)



19.8 billion yen (+0.1 billion yen year on year)

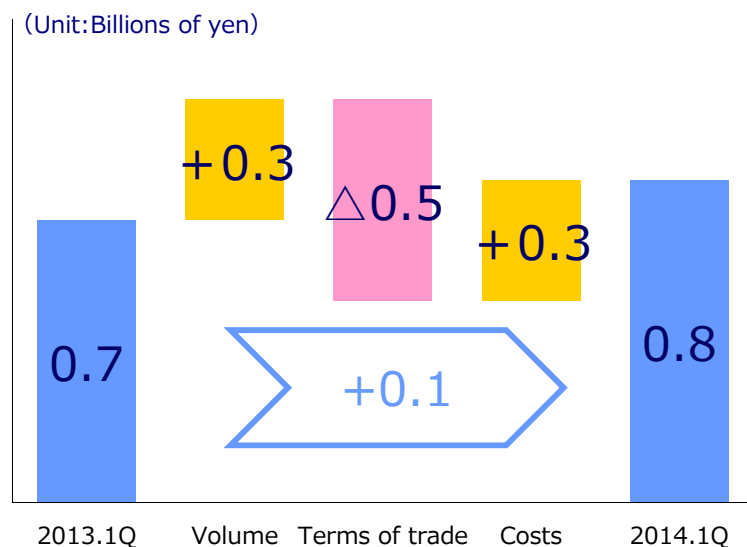
Volume -0.3 billion yen

- Decreases in packaging films and functional sheets despite increase of industrial films for electronic and information applications

Price +0.4 billion yen

- Increase from higher sales prices from rising raw material prices in packaging films

Increase/Decrease of Operating Income (1st Quarter of FY2014 vs 1st Quarter of FY2013)



0.8 billion yen (+0.1 billion yen year on year)

Volume +0.3 billion yen

- Increase in sales of industrial films for electronic and information applications etc.

Price -0.5 billion yen

- Decrease from rising raw materials costs corresponding to increase in naphtha prices

Costs +0.3 billion yen

- Gains related to cost reductions in general costs