

October 28, 2005

Revised Estimates of Non-Consolidated Business Performance for the First Half of Fiscal year 2005 ending March 31, 2006

Mitsui Chemicals, Inc. (MCI) revises the outlook of the financial performance for the first half of Fiscal year 2005 (1H FY05) on a non-consolidated base, taking into account recent business conditions.

1. Revision of financial performance outlook on a non-consolidated base

(April 1, 2005 – September 30, 2005)

(¥ million)	Net Sales	Operating Income	Recurring Income	Net Income
Original Estimates (A) (announced in May 16, 2005)	400,000	10,000	13,000	7,000
Revised Estimates (B)	396,700	12,400	19,300	450
Difference (B-A)	- 3,300	2,400	6,300	- 6,550
% change	-0.8%	24.0%	48.5%	-93.6%
Fiscal 2004 Actual (Reference) (April 1, 2004 - March 31, 2005)	403,477	14,714	15,390	- 12,321

2. Reasons

Recurring income is expected to exceed MCI's initial estimates, thanks to rationalization and cost reduction efforts in fixed costs in addition to a rise in dividends from affiliates as well as foreign exchange gains.

Net income is most likely to decline from the initial projection since MCI will post losses on devaluation of investment securities in extraordinary items, reflecting a sluggish business performance of its subsidiary selling and producing raw materials of urethane.

Regarding interim dividends, MCI maintains ¥4 per share.

MCI is currently preparing for consolidated financial figures and plans to release the figures at the time of the result announcement for 1H FY05, scheduled in November 15, 2005.

Moreover, the company plans to review and release the full-year forecasts on both consolidated and non-consolidated base as the company announces 1H business result for FY05, in consideration of future business prospects.

Note: The above-mentioned outlook constitutes projection based on information available at this point in time, and therefore involves certain risk and uncertainty. Therefore, there is a possibility that actual performance figures would differ largely from the outlook due to various factors that may arise henceforth.