

Mitsubishi Chemical Holdings Corporation
Condensed Consolidated Financial Information
for the First Half of the Fiscal Year Ending March 31, 2017



1. Business Results for the First Half of the Fiscal Year Ending March 31, 2017 ("FY2016")
(Business period: April 1, 2016 to September 30, 2016)

Millions of Yen	
The First Half of the Current Fiscal Year ("FY2016")	The First Half of the Previous Fiscal Year ("FY2015")
April 1, 2016 - September 30, 2016	April 1, 2015 - September 30, 2015

(1) Results of Operations:

Sales revenue	1,586,259	1,777,923
Core operating income*	136,331	153,598
Operating income	120,068	153,371
Earnings before taxes	111,620	147,591
Net Income	109,147	96,685
Net income attributable to owners of the parent	79,154	67,849
Comprehensive income	42,241	72,696

* Core operating income: Operating income excluding special items

(Yen)

Net income per share - Basic	54.04	46.32
Net income per share - Diluted	54.00	46.29

(2) Segment Information:

[Sales Revenue by Segment]

Electronics Applications	52,013	58,362
Designed Materials	393,904	408,470
Health Care	263,352	262,211
Chemicals	452,944	546,834
Polymers	336,789	402,026
Others	87,257	100,020
Total	1,586,259	1,777,923

[Core Operating Income (Loss) by Segment]

Electronics Applications	(633)	565
Designed Materials	40,248	36,639
Health Care	48,983	51,997
Chemicals	17,584	35,260
Polymers	30,889	30,006
Others	3,238	2,970
Elimination & corporate	(3,978)	(3,839)
Total	136,331	153,598

Millions of Yen	
As of September 30, 2016	As of March 31, 2016

(3) Financial Position:

Total assets	4,147,713	4,223,774
Inventories	504,424	549,461
Property, plant and equipment	1,366,870	1,403,437
Current and non current bonds and borrowings	1,563,181	1,579,575
Equity attributable to owners of the parent	992,565	972,197
Ratio of equity attributable to owners of the parent to total assets (%)	23.9	23.0

Millions of Yen	
The First Half of FY2016	The First Half of FY2015
April 1, 2016 - September 30, 2016	April 1, 2015 - September 30, 2015

(4) Cash Flows:

Net cash provided by (used in) operating activities	195,607	67,803
Net cash provided by (used in) investing activities	(124,273)	(1,629)
Net cash provided by (used in) financing activities	(23,916)	7,373
Cash and cash equivalents at end of the period	281,575	325,306

(5) Ratio of Net Income to:

Total equity attributable to owners of the parent**	11.1	9.5
Total assets**	2.6	2.2
Sales Revenue	6.8	5.4

** Based on the average of the beginning and ending balances of the respective periods.

Notes:

- 1 The Company has decided to adopt International Financial Reporting Standard ("IFRS") from FY2016.
- 2 We have categorized the terephthalic acid business in India and China as a discontinued business, based on the decision to transfer that business in both countries (announced on July 27, 2016). Therefore, sales revenue, core operating income, operating income and earnings before taxes in the consolidated financial results of the first half of the current fiscal year and the same period of the previous year are recorded without including the discontinued business.

2. Forecast for the Current Fiscal Year

Millions of Yen	
FY2016	
April 1, 2016 - March 31, 2017	
Sales revenue	3,280,000
Core operating income	259,000
Operating income	229,000
Net income attributable to owners of the parent	125,000
(Yen)	
Net income per share - Basic	85.33

Notes:

- 1 There is no revision to the forecast for FY2016 from those announced on October 28, 2016.
- 2 Sales revenue, core operating income and operating income in the consolidated financial results forecast for current fiscal year are recorded without including the discontinued business.

3. Business Performance and Financial Position

(1) Business Performance

1) Consolidated Performance for the First Half of the Fiscal Year Ending March 31, 2017 (Fiscal 2016): Six Months Ended September 30, 2016

Overview of General Performance

Looking at the business environment surrounding the MCHC Group during the first half of fiscal 2016, domestic and overseas demand in the Performance Products domain remained firm, despite a deteriorating export environment brought on by the rising yen. Sales in the Health Care domain also remained firm, despite the negative impact of the NHI drug price revisions in Japan, which took effect in April 2016.

Against this background, sales revenue for the first half of fiscal 2016 was ¥1,586.3 billion, down ¥191.6 billion, or 10.8% year on year. Core operating income was ¥136.3 billion, down ¥17.3 billion, or 11.2% year on year, and operating income was down ¥33.3 billion, or 21.7% year on year, at ¥120.1 billion. Earnings before taxes decreased by ¥36.0 billion, or 24.4% year on year, to ¥111.6 billion. Net income attributable to owners of the parent grew ¥11.4 billion, or 16.7% year on year, to ¥79.2 billion, due to a decrease in tax expenses associated with recognition of deferred tax assets relating to the terephthalic acid business transfer in India and China.

Furthermore, we have categorized the terephthalic acid business in India and China as a discontinued business, based on the decision to transfer that business in both countries (announced on July 27, 2016). Therefore, sales revenue, core operating income, operating income, and earnings before taxes are recorded without including the discontinued business. In addition, we made the same revisions of the financial results for the same period of the previous fiscal year.

Overview of Business Segments

The overview of financial results by segment for the first half of fiscal 2016 is shown below.

Gains or losses by segment are stated with core operating income which excludes gains or losses from special items including losses incurred by business withdrawals, streamlining, and others.

Note: In the following sections, all comparisons are with the same period of the previous fiscal year unless stated otherwise.

Electronics Applications Segment, Performance Products Domain

Sales revenue in this segment was down ¥6.4 billion, to ¥52.0 billion. Core operating loss

worsened ¥1.2 billion, to ¥0.6 billion.

Sales and core operating income decreased, reflecting declining sales volumes of OPC drums and toner in imaging supplies and the impact of the yen's appreciation, in addition to lower sales prices in information and electronics-related materials including display materials.

Designed Materials Segment, Performance Products Domain

Sales revenue in this segment was down ¥14.6 billion, at ¥393.9 billion. However, core operating income rose by ¥3.6 billion, to ¥40.2 billion.

In polymer processing products, sales decreased due to the impact of the yen's appreciation, despite higher sales volumes of high-performance films for display applications and engineering plastic-related products. In fine chemicals, sales of coating materials and other products remained generally firm. In battery materials, sales volumes for automobile batteries increased. In composite materials, sales volumes for alumina fibers increased. In food ingredients, sales increased, reflecting the addition of Eisai Food & Chemical Co., Ltd. to the scope of consolidation since the fourth quarter of fiscal 2015. In fibers, sales volumes decreased substantially due in part to a deteriorating export environment. Core operating income grew with higher sales volumes, a decline in raw material costs, and other factors, despite the impact of the yen's appreciation.

Major initiatives in the Designed Materials segment during the first half of fiscal 2016 included:

- Mitsubishi Chemical Corporation and its consolidated subsidiary Mitsubishi Chemical Europe GmbH acquired 94.35% of the shares of common stock of The Nippon Synthetic Chemical Industry, Co., Ltd., a consolidated subsidiary of Mitsubishi Chemical, through a joint tender offer conducted from August 2016, with the purpose of further strengthening the business foundation of the Performance Products domain. The Nippon Synthetic Chemical Industry is scheduled to become a wholly owned subsidiary of Mitsubishi Chemical after demanding the sale of shares conducted by Mitsubishi Chemical, effective November 14, 2016.
- Mitsubishi Chemical Corporation and its consolidated subsidiary Nippon Kasei Chemical Company Limited signed a share exchange agreement in September 2016, in which shares of common stock of Mitsubishi Chemical Holdings Corporation shall be allotted as consideration, in order to make Nippon Kasei Chemical a wholly owned subsidiary of Mitsubishi Chemical effective January 2017. The move is aimed at further strengthening cooperation with Mitsubishi Chemical Holdings Group companies and enhancing corporate value.
- Quadrant AG, a consolidated subsidiary of Mitsubishi Plastics, Inc., acquired all the shares of Piper Plastics, Inc., a polymer processing company in May 2016, aiming to further strengthen its business foundation and expand its market presence to medical and aircraft fields with

growth potential.

- Mitsubishi Rayon Co., Ltd. decided in June 2016 to expand the production facility for high-performance large-tow carbon fibers at its Otake Plant, responding to strong demand from industries relating to wind power generators, automobiles, etc.
(Production capacity increase: 2,700 t/y → 3,900 t/y)
- Mitsubishi Rayon Co., Ltd. announced the establishment of a joint venture company with Fiberline Composites A/S, a composite pultrusion manufacturer that holds advanced molding and process technologies, on October 2016, to expand its market share in carbon fiber composite laminates for wind turbine blades.
- The Nippon Synthetic Chemical Industry Co., Ltd., a consolidated subsidiary of Mitsubishi Chemical Corporation, decided in April 2016 to expand its production facility for *OPL film*, an optical PVOH film, which is a key material for polarizing film, at its Ogaki Plant, responding to a demand increase for polarizing film used in LCD panels and smart phones.
(Production capacity increase: 25 million m²/y → 43 million m²/y)

Health Care Segment, Health Care Domain

Sales revenue in this segment totaled ¥263.4 billion, an increase of ¥1.2 billion. Core operating income was down ¥3.0 billion, at ¥49.0 billion.

Pharmaceuticals saw higher sales volumes of domestic ethical pharmaceuticals including *Simponi*, a rheumatoid arthritis treatment agent, as well as vaccines, and an increase in royalty revenues from products licensed out overseas including *Gilenya*, a treatment for multiple sclerosis, despite the negative impact of the NHI drug price revisions in April 2016. In diagnostics, support for pharmaceutical development, and pharmaceutical formulation materials, sales decreased, due mainly to declining sales volumes of pharmaceutical formulation materials. Core operating income decreased mainly because of the impact of the NHI drug price revisions, despite rising revenue in pharmaceuticals.

A major initiative in the Health Care segment during the first half of fiscal 2016 included:

- Mitsubishi Tanabe Pharma Corporation became one of the first to receive approval of *Remicade* for I.V. infusion 100, an anti-human TNF α monoclonal antibody treatment for psoriasis that allows a higher dosage and shorter dosing intervals, in May 2016.

Chemicals Segment, Industrial Materials Domain

Sales revenue in this segment decreased by ¥93.9 billion, to ¥452.9 billion. Core operating income was down ¥17.7 billion, at ¥17.6 billion.

In basic petrochemicals and chemical derivatives, sales decreased, reflecting lower sales prices

stemming from a decline in raw material costs, as well as a larger than anticipated scale of scheduled maintenance and repairs at ethylene production facilities. In carbon products including coke and others, sales decreased due primarily to sales price declines accompanying lower coking coal prices. In industrial gases, sales decreased as a result of the yen's appreciation. Core operating income decreased, due mainly to a narrowing in the price differential between raw materials and products and the larger than anticipated scale of scheduled maintenance and repairs in basic petrochemicals and chemical derivatives, in addition to a narrowing in the price differential between raw materials and products in exports of carbon products. In industrial gases, meanwhile, core operating income rose with a decline in raw material costs.

Major initiatives in the Chemicals segment during the first half of fiscal 2016 included:

- In the purified terephthalic acid business, which represents a major issue in the structural reforms of the petrochemical business, Mitsubishi Chemical Corporation decided in July 2016 to transfer its equity interests in its subsidiaries MCC PTA India Corp. Private Limited and Ningbo Mitsubishi Chemical Co., Ltd. engaged in the terephthalic acid business, and MCC Advanced Polymers Ningbo Co., Ltd. engaged in the poly tetramethylene ether glycol business.
- Matheson Tri-Gas, Inc., a consolidated subsidiary of Taiyo Nippon Sanso Corporation, purchased part of Air Liquide's industrial gas business and related business assets in the U.S. in September 2016. The move is aimed at expanding Matheson Tri-Gas's business and ensuring sustainable profitability in the U.S. market.

Polymers Segment, Industrial Materials Domain

Sales revenue in this segment was down ¥65.2 billion, at ¥336.8 billion. Core operating income grew ¥0.9 billion, to ¥30.9 billion.

In synthetic resins including polyolefin, MMA monomer, and other products, sales decreased, due primarily to lower sales prices resulting from a decline in raw material costs. Core operating income increased, due in part to continued steady sales of MMA monomers in the U.S. and Europe and a decline in raw material costs, despite a larger than anticipated scale of scheduled maintenance and repairs at polyolefin and other production facilities and other factors, even though raw material costs declined.

A major initiative in the Polymers segment during the first half of fiscal 2016 included:

- Japan Polypropylene Corporation, a consolidated subsidiary of MCC, announced in August 2016 that it will shut down the No. 3 polypropylene production line at its Goi Plant, as part of the structural reforms. (The shutdown is to be scheduled to occur in March 2017.)

Others

Sales revenue in this segment decreased by ¥12.7 billion, to ¥87.3 billion. Core operating income, however, increased by ¥0.2 billion, to ¥3.2 billion.

Sales decreased owing to decreased external orders in engineering and the yen's appreciation. Core operating income remained unchanged due to a reduction of fixed costs, along with other factors.

4. Consolidated Financial Position

At the end of the first half of fiscal 2016, total assets amounted to ¥4,147.7 billion, a decrease of ¥76.1 billion compared to the end of fiscal 2015. This reflected a decrease in the yen equivalent of assets in overseas consolidated subsidiaries accompanying the yen's appreciation and other factors.

5. Consolidated Financial Results Forecasts for Fiscal 2016

There has been no change to the full year financial results forecasts for fiscal 2016 announced on October 28, 2016.

Forward-looking Statements

The forward-looking statements are based largely on company expectations and information available as of the date hereof, and are subject to risks and uncertainties which may be beyond company control. Actual results could differ materially due to numerous factors, including without limitation market conditions, and the effect of industry competition. The company expectations for the forward-looking statements are described in page [2] and [7] hereof.

Reference

Condensed consolidated Financial Statements

(1) Condensed Consolidated Statement of Profit or Loss

Six months ended September 30, 2015 and 2016

	(Millions of yen)	
	Six months ended September 30, 2015	Six months ended September 30, 2016
Continuing operations		
Sales revenue	1,777,923	1,586,259
Cost of sales	(1,278,805)	(1,111,063)
Gross profit	499,118	475,196
Selling, general and administrative expenses	(351,502)	(344,041)
Other income	9,116	4,217
Other expenses	(11,409)	(22,656)
Equity income	8,048	7,352
Operating income	153,371	120,068
Financial income	5,094	4,422
Financial expenses	(10,874)	(12,870)
Earnings before taxes	147,591	111,620
Income taxes	(45,054)	(2,358)
Net income from continuing operations	102,537	109,262
Discontinued operations		
Net income (loss) from discontinued operations	(5,852)	(115)
Net income	96,685	109,147
Net income attributable to		
Owners of the parent	67,849	79,154
Non-controlling interests	28,836	29,993
Net income	96,685	109,147
Net income per share		
Basic (Yen)		
Continuing operations	49.42	54.11
Discontinued operations	(3.10)	(0.07)
Total basic net income per share	46.32	54.04
Diluted (Yen)		
Continuing operations	49.39	54.07
Discontinued operations	(3.10)	(0.07)
Total diluted net income per share	46.29	54.00

(2) Condensed Consolidated Statement of Comprehensive Income

Six months ended September 30, 2015 and 2016

	(Millions of yen)	
	Six months ended September 30, 2015	Six months ended September 30, 2016
Net income	96,685	109,147
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value	(9,925)	(2,503)
Remeasurements of defined benefit pensions plans	(3,871)	712
Share of other comprehensive income (loss) of investments accounted for using the equity method	(25)	(2)
Total items that will not be reclassified to profit or loss	(13,821)	(1,793)
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translation of foreign operations	(7,978)	(56,308)
Net gain (loss) on derivatives designated as cash flow hedges	(2)	454
Share of other comprehensive income (loss) of investments accounted for using the equity method	(2,188)	(9,259)
Total items that may be subsequently reclassified to profit or loss	(10,168)	(65,113)
Total other comprehensive income (net of tax)	(23,989)	(66,906)
Total comprehensive income	72,696	42,241
Total comprehensive income attributable to		
Owners of the parent	51,552	31,565
Non-controlling interests	21,144	10,676

(3) Condensed Consolidated Statement of Financial Position

	(Millions of yen)		
	April 1, 2015	March 31, 2016	September 30, 2016
Assets			
Current assets			
Cash and cash equivalents	252,749	267,148	281,575
Trade receivables	754,335	769,094	715,880
Inventories	593,780	549,461	504,424
Other financial assets	171,089	214,485	159,944
Other current assets	57,427	53,191	52,726
Subtotal	<u>1,829,380</u>	<u>1,853,379</u>	<u>1,714,549</u>
Assets held for sales	8,752	3,338	46,692
Total current assets	<u>1,838,132</u>	<u>1,856,717</u>	<u>1,761,241</u>
Non current assets			
Property, plant and equipment	1,485,225	1,403,437	1,366,870
Goodwill	245,675	267,850	293,457
Intangible assets	198,345	195,536	210,428
Investments accounted for using the equity method	129,269	129,072	121,316
Other financial assets	339,876	251,802	242,370
Other non current assets	46,893	30,389	26,924
Deferred tax assets	85,583	88,971	125,107
Total non current assets	<u>2,530,866</u>	<u>2,367,057</u>	<u>2,386,472</u>
Total assets	<u>4,368,998</u>	<u>4,223,774</u>	<u>4,147,713</u>

	(Millions of yen)		
	April 1, 2015	March 31, 2016	September 30, 2016
Liabilities			
Current liabilities			
Trade payables	452,856	394,065	380,501
Bonds and borrowings	742,712	706,705	747,593
Income tax payable	34,181	36,434	27,912
Other financial liabilities	236,783	185,940	161,983
Provisions	3,572	3,603	6,368
Other current liabilities	126,656	114,955	124,326
Subtotal	1,596,760	1,441,702	1,448,683
Liabilities directly associated with assets held for sales	-	-	11,302
Total current liabilities	1,596,760	1,441,702	1,459,985
Non current liabilities			
Bonds and borrowings	859,216	872,870	815,588
Other financial liabilities	29,559	29,019	28,387
Retirement benefit liabilities	133,889	144,179	139,921
Provisions	21,372	23,616	24,329
Other non current liabilities	34,657	41,387	35,666
Deferred tax liabilities	91,165	74,850	72,107
Total non current liabilities	1,169,858	1,185,921	1,115,998
Total liabilities	2,766,618	2,627,623	2,575,983
Equity			
Common stock	50,000	50,000	50,000
Additional paid-in capital	318,185	317,544	318,305
Treasury stock	(16,236)	(16,240)	(16,222)
Retained earnings	582,794	610,909	679,162
Other components of equity	58,268	9,984	(38,680)
Equity attributable to owners of the parent	993,011	972,197	992,565
Non-controlling interests	609,369	623,954	579,165
Total equity	1,602,380	1,596,151	1,571,730
Total liabilities and equity	4,368,998	4,223,774	4,147,713

(4) Condensed Consolidated Statement of Changes in Equity

Six months ended September 30, 2015

	(Millions of yen)								
	Common stock	Additional paid-in capital	Treasury stock	Retained earnings					
Balance at April 1, 2015	50,000	318,185	(16,236)	582,794					
Net income	—	—	—	67,849					
Other comprehensive income	—	—	—	—					
Total comprehensive income	—	—	—	67,849					
Purchase of treasury stock	—	—	(24)	—					
Disposal of treasury stock	—	(4)	4	—					
Cash dividends	—	—	—	(10,253)					
Share-based payment transactions	—	58	—	—					
Changes in interests in subsidiaries	—	115	—	—					
Business combinations or business divestitures	—	—	33	—					
Changes in scope of consolidation	—	—	—	169					
Transfer from other components of equity to retained earnings	—	—	—	(3,072)					
Total transactions with owners	—	169	13	(13,156)					
Balance at September 30, 2015	50,000	318,354	(16,223)	637,487					
	Other components of equity								
	Net gain (loss) on reevaluation of financial assets measured at fair value	Remeasure- ments of defined benefit pensions plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges	Total	Equity attributable to owners of the parent	Non- controlling interests	Total equity	
Balance at April 1, 2015	60,322	—	—	(2,054)	58,268	993,011	609,369	1,602,380	
Net income	—	—	—	—	—	67,849	28,836	96,685	
Other comprehensive income	(7,690)	(3,077)	(5,566)	36	(16,297)	(16,297)	(7,692)	(23,989)	
Total comprehensive income	(7,690)	(3,077)	(5,566)	36	(16,297)	51,552	21,144	72,696	
Purchase of treasury stock	—	—	—	—	—	(24)	—	(24)	
Disposal of treasury stock	—	—	—	—	—	—	—	—	
Cash dividends	—	—	—	—	—	(10,253)	(13,694)	(23,947)	
Share-based payment transactions	—	—	—	—	—	58	—	58	
Changes in interests in subsidiaries	—	—	—	—	—	115	1,537	1,652	
Business combinations or business divestitures	—	—	—	—	—	33	1,571	1,604	
Changes in scope of consolidation	—	—	—	—	—	169	53	222	
Transfer from other components of equity to retained earnings	(5)	3,077	—	—	3,072	—	—	—	
Total transactions with owners	(5)	3,077	—	—	3,072	(9,902)	(10,533)	(20,435)	
Balance at September 30, 2015	52,627	—	(5,566)	(2,018)	45,043	1,034,661	619,980	1,654,641	

Six months ended September 30, 2016

(Millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Retained earnings
Balance at April 1, 2016	50,000	317,544	(16,240)	610,909
Net income	—	—	—	79,154
Other comprehensive income	—	—	—	—
Total comprehensive income	—	—	—	79,154
Purchase of treasury stock	—	—	(9)	—
Disposal of treasury stock	—	(27)	27	—
Cash dividends	—	—	—	(11,718)
Share-based payment transactions	—	71	—	—
Changes in interests in subsidiaries	—	717	—	—
Changes in scope of consolidation	—	—	—	(258)
Transfer from other components of equity to retained earnings	—	—	—	1,075
Total transactions with owners	—	761	18	(10,901)
Balance at September 30, 2016	50,000	318,305	(16,222)	679,162

	Other components of equity				Total	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Net gain (loss) on revaluation of financial assets measured at fair value	Remeasurements of defined benefit pensions plans	Exchange differences on translation of foreign operations	Net gain (loss) on derivatives designated as cash flow hedges				
Balance at April 1, 2016	37,054	—	(25,246)	(1,824)	9,984	972,197	623,954	1,596,151
Net income	—	—	—	—	—	79,154	29,993	109,147
Other comprehensive income	(1,112)	1,070	(48,031)	484	(47,589)	(47,589)	(19,317)	(66,906)
Total comprehensive income	(1,112)	1,070	(48,031)	484	(47,589)	31,565	10,676	42,241
Purchase of treasury stock	—	—	—	—	—	(9)	—	(9)
Disposal of treasury stock	—	—	—	—	—	—	—	—
Cash dividends	—	—	—	—	—	(11,718)	(16,608)	(28,326)
Share-based payment transactions	—	—	—	—	—	71	—	71
Changes in interests in subsidiaries	—	—	—	—	—	717	(38,857)	(38,140)
Changes in scope of consolidation	—	—	—	—	—	(258)	—	(258)
Transfer from other components of equity to retained earnings	(5)	(1,070)	—	—	(1,075)	—	—	—
Total transactions with owners	(5)	(1,070)	—	—	(1,075)	(11,197)	(55,465)	(66,662)
Balance at September 30, 2016	35,937	—	(73,277)	(1,340)	(38,680)	992,565	579,165	1,571,730

(5) Condensed Consolidated Statement of Cash Flow

Six months ended September 30, 2015 and 2016

(Millions of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Cash flows from operating activities		
Earnings before taxes	147,591	111,620
Earnings before taxes from discontinued operations	(5,480)	74
Depreciation and amortization	90,642	84,408
Equity income	(8,048)	(7,352)
Interest and dividend income	(5,149)	(4,294)
Interest expenses	9,289	7,863
(Increase) decrease in trade receivables	(42,637)	34,216
(Increase) decrease in inventories	(10,932)	12,283
Increase (decrease) in trade payables	(16,130)	(2,571)
Increase (decrease) in retirement benefit assets and liabilities, net	1,116	(333)
Other	(50,167)	(3,822)
Subtotal	<u>110,095</u>	<u>232,092</u>
Interest received	1,672	1,718
Dividends received	7,577	9,277
Interest paid	(9,203)	(7,896)
Income tax (paid) received, net	<u>(42,338)</u>	<u>(39,584)</u>
Net cash provided by (used in) operating activities	<u>67,803</u>	<u>195,607</u>
Cash flows from investing activities	(87,824)	(94,264)
Proceeds from sales of property, plant and equipment	7,073	4,472
Purchase of intangible assets	(5,982)	(1,732)
Purchase of other financial assets	(36,163)	(122,150)
Proceeds from sales/redemption of other financial assets	110,071	55,274
Acquisition of control over subsidiaries	(14,683)	(5,742)
Net increase (decrease) of time deposits	25,132	117,000
Payments for transfer of business	(156)	(77,000)
Other	903	(131)
Net cash provided by (used in) investing activities	<u>(1,629)</u>	<u>(124,273)</u>

	(Millions of yen)	
	Six months ended September 30, 2015	Six months ended September 30, 2016
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	34,068	(5,620)
Net increase (decrease) in commercial papers	(16,000)	49,000
Proceeds from long-term borrowings	55,946	43,763
Repayment of long-term borrowings	(62,842)	(61,567)
Proceeds from issuance of bonds	19,897	39,777
Repayment from redemption of bonds	(20)	(20,010)
Net (increase) decrease in treasury stock	(24)	(10)
Dividends paid to owners of the parent	(10,253)	(11,718)
Dividends paid to non-controlling interests	(13,448)	(17,047)
Proceeds from stock issuance to non-controlling interests	2,474	1,616
Payments for aquisition of subsidiaries' interests from non-controlling interests	(681)	(39,773)
Other	(1,744)	(2,327)
Net cash provided by (used in) financing activities	<u>7,373</u>	<u>(23,916)</u>
Effect of exchange rate changes on cash and cash equivalents	(1,202)	(22,537)
Net increase (decrease) in cash and cash equivalents	<u>72,345</u>	<u>24,881</u>
Cash and cash equivalents at the beginning of the period	252,749	267,148
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sales	—	(10,454)
Net increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	212	—
Cash and cash equivalents at the end of the period	<u>325,306</u>	<u>281,575</u>

Operational Summary

for the First Half of the Fiscal Year Ending March 31, 2017

November 8, 2016

Mitsubishi Chemical Holdings Corporation

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Mitsubishi Chemical Holdings Corporation has adopted IFRS starting with FY2016 1Q.
The numerical values in FY2015 based on J-GAAP have been translated to the values based on IFRS.

List of Abbreviations

- FY2016:** April 1, 2016 - March 31, 2017
1st Quarter ("1Q") of FY2016: April 1, 2016 - June 30, 2016
2nd Quarter ("2Q") of FY2016: July 1, 2016 - September 30, 2016
1st Half ("1H") of FY2016: April 1, 2016 - September 30, 2016
2nd Half ("2H") of FY2016: October 1, 2016 - March 31, 2017
- FY2015:** April 1, 2015 - March 31, 2016
1st Half ("1H") of FY2015: April 1, 2015 - September 30, 2015
- MCHC:** Mitsubishi Chemical Holdings Corporation
MCC: Mitsubishi Chemical Corporation
MTPC: Mitsubishi Tanabe Pharma Corporation
MPI: Mitsubishi Plastics, Inc.
MRC: Mitsubishi Rayon Co., Ltd.
LSII: Life Science Institute, Inc.
TNSC: Taiyo Nippon Sanso Corporation

(Note)

Divisional numbers into following "business sub-segments" under the business segments of Designed Materials, Health Care, Chemicals, or Polymers are approximation for reference purpose only;

Functional Products	Petrochemicals
Performance	Carbon
Chemicals	
Pharmaceuticals	Industrial Gases
Diagnostics, Clinical Testing and API	Polyolefins and Advanced Polymers
	MMA Monomers and Polymers

Consolidated Statements of Operations

		107.9	102.9	105.4	121.7	(16.3)		
Exchange Rate (¥/\$)								
Naphtha Price (¥/kl)		31,600	31,300	31,500	48,000	(16,500)		
(Billions of Yen)								
		1Q	2Q	FY2016 1H	FY2015 1H	Change	%	
Continuing Operations * 2	Sales Revenue	794.6	791.7	1,586.3	1,777.9	(191.6)	-11%	
	Core Operating Income *1	70.6	65.7	136.3	153.6	(17.3)	-11%	
	Special Items	(5.6)	(10.6)	(16.2)	(0.2)	(16.0)		
	Operating Income	65.0	55.1	120.1	153.4	(33.3)	-22%	
	Financial Income/Expenses (Dividend included above)	(5.0)	(3.5)	(8.5)	(5.8)	(2.7)		
	(Foreign Exchange Gain/Loss included above)	[2.5]	[0.2]	[2.7]	[3.5]	[(0.8)]		
		[(3.9)]	[(0.7)]	[(4.6)]	[(1.5)]	[(3.1)]		
	Earnings Before Taxes	60.0	51.6	111.6	147.6	(36.0)		
	Income Taxes	(19.9)	*3 17.5	(2.4)	(45.1)	42.7		
	Net Income from Continuing Operations	40.1	69.1	109.2	102.5	6.7		
	Net Income from Discontinued Operations	1.1	(1.2)	(0.1)	(5.8)	5.7		
Net Income	41.2	67.9	109.1	96.7	12.4			
Net Income Attributable to Owners of the Parent	26.1	53.1	79.2	67.8	11.4	17%		
Net Income Attributable to Non-Controlling Interests	15.1	14.8	29.9	28.9	1.0			
		4.0	3.4	7.4	8.0	(0.6)		

*1 Equity income included.

*2 Discontinued operations are not included.

Sales revenue and core operating income of discontinued operations are as follows:

(Billions of Yen)		
	FY2016 1H	FY2015 1H
Sales Revenue	54.7	67.6
Core Operating Income	1.4	(3.9)

*3 Deferred tax assets relating to the terephtharic acid business transfer are recognized.

Consolidated Net Sales and Core Operating Income by Business Segment

(Billions of Yen)

		1Q	2Q	FY2016 1H	FY2015 1H	Change
Total Consolidated	Sales Revenue	794.6	791.7	1,586.3	1,777.9	(191.6)
	Core Operating Income	70.6	65.7	136.3	153.6	(17.3)
Electronics Applications	Sales Revenue	26.0	26.0	52.0	58.4	(6.4)
	Core Operating Income	(0.3)	(0.3)	(0.6)	0.6	(1.2) (a)
Functional Products	Sales Revenue	135.2	136.7	271.9	288.1	(16.2)
	Core Operating Income	11.5	12.0	23.5	21.0	2.5 (b)
Performance Chemicals	Sales Revenue	62.1	59.9	122.0	120.4	1.6
	Core Operating Income	9.0	7.7	16.7	15.6	1.1 (c)
Designed Materials	Sales Revenue	197.3	196.6	393.9	408.5	(14.6)
	Core Operating Income	20.5	19.7	40.2	36.6	3.6
Pharmaceuticals	Sales Revenue	105.5	98.6	204.1	202.0	2.1
	Core Operating Income	29.0	19.0	48.0	49.7	(1.7) (d)
Diagnostics, Clinical Testing and API	Sales Revenue	29.4	29.9	59.3	60.2	(0.9)
	Core Operating Income	0.1	0.9	1.0	2.3	(1.3) (e)
Healthcare	Sales Revenue	134.9	128.5	263.4	262.2	1.2
	Core Operating Income	29.1	19.9	49.0	52.0	(3.0)

*All figures are approximation for reference purpose only.

Major reasons for the change:

- (a) Profit decreased due to the impact of the yen's appreciation and other factors, despite the effect of rationalizations.
- (b) Profit increased due to stronger sales of films for displays including *CLEARFIT* and a drop in raw material prices of films for food packing materials and other products, despite the impact of the yen's appreciation and lower sales of fibers and textiles.
- (c) Profit increased due to a drop in raw material prices and higher sales of lithium-ion battery materials, despite the impact of the yen's appreciation.
- (d) Profit decreased due mainly to the negative impact of the NHI drug price revisions, despite increased sales of priority products and vaccine business and higher royalty revenues from out-licensing drugs
- (e) Profit decreased due to lower sales of capsules and pharmaceutical equipment for capsules and tablets.

Consolidated Net Sales and Core Operating Income by Business Segment (Continued)

(Billions of Yen)

		1Q	2Q	FY2016 1H	FY2015 1H	Change
Petrochemicals *1	Sales Revenue	53.1	52.0	105.1	170.8	(65.7)
	Core Operating Income	(2.2)	(5.2)	(7.4)	10.2	(17.6) (a)
Carbon	Sales Revenue	39.7	42.6	82.3	95.3	(13.0)
	Core Operating Income	(0.1)	0.7	0.6	4.1	(3.5) (b)
Industrial Gases	Sales Revenue	131.7	133.8	265.5	280.7	(15.2)
	Core Operating Income	11.5	12.9	24.4	21.0	3.4 (c)
Chemicals	Sales Revenue	224.5	228.4	452.9	546.8	(93.9)
	Core Operating Income	9.2	8.4	17.6	35.3	(17.7)
Polyolefins and Advanced Polymers	Sales Revenue	101.1	99.6	200.7	235.2	(34.5)
	Core Operating Income	6.0	8.2	14.2	16.2	(2.0) (d)
MMA Monomers and Polymers	Sales Revenue	68.9	67.2	136.1	166.8	(30.7)
	Core Operating Income	7.4	9.3	16.7	13.8	2.9 (e)
Polymers	Sales Revenue	170.0	166.8	336.8	402.0	(65.2)
	Core Operating Income	13.4	17.5	30.9	30.0	0.9
Others	Sales Revenue	41.9	45.4	87.3	100.0	(12.7)
	Core Operating Income	0.8	2.4	3.2	3.0	0.2
Corporate	Sales Revenue	-	-	-	-	-
	Core Operating Income	(2.1)	(1.9)	(4.0)	(3.9)	(0.1)

*All figures are approximation for reference purpose only.

*1 Discontinued operations are not included.

Major reasons for the change:

- (a) Profit decreased due mainly to worsening petrochemical market conditions compared to the strong market conditions in FY2015 1Q, and a larger than anticipated scale of scheduled maintenance and repairs.
- (b) Profit for coke decreased due mainly to reduced margins in export.
- (c) Profit increased due to lower costs accompanying a drop in raw material and fuel costs and the impact of newly consolidated subsidiary for Australian business.
- (d) Profit decreased due to a larger than anticipated scale of scheduled maintenance and repairs, despite recovery of the buy-sell spreads in polyolefin business.
- (e) Profit increased due mainly to firm sales of MMA in Europe and North America.

(Billions of Yen)

Inventory valuation gain/loss	1Q	2Q	FY2016 1H	FY2015 1H	Change
Chemicals (Petrochemicals) *1	0.1	(0.6)	(0.5)	(0.8)	0.3
Chemicals (Carbon)	(0.3)	(0.4)	(0.7)	(0.6)	(0.1)
Polymers	(2.7)	(1.4)	(4.1)	(5.1)	1.0
Total	(2.9)	(2.4)	(5.3)	(6.5)	1.2

Analysis of Core Operating Income

(Billions of Yen)

	FY2016 1H	FY2015 1H	Change				
				Price	Volume	Fixed Cost	Others *1
Total Consolidated	136.3	153.6	(17.3)	(23.5)	(2.0)	11.9	(3.7)
Electronics Applications	(0.6)	0.6	(1.2)	(2.9)	0.5	1.9	(0.7)
Designed Materials	40.2	36.6	3.6	(3.2)	5.8	2.1	(1.1)
Healthcare	49.0	52.0	(3.0)	(7.2)	3.2	3.9	(2.9)
Chemicals *2	17.6	35.3	(17.7)	(11.5)	(9.3)	1.8	1.3
Polymers	30.9	30.0	0.9	1.3	(2.5)	2.1	0.0
Others	3.2	3.0	0.2	0.0	0.3	0.1	(0.2)
Corporate	(4.0)	(3.9)	(0.1)	0.0	0.0	0.0	(0.1)

*1 Including the impact of inventory valuation gain/loss and differences in equity income, etc.

*2 Discontinued operations are not included.

Consolidated Special Items

	(Billions of Yen)				
	1Q	2Q	FY2016 1H	FY2015 1H	Change
Total Special Items	(5.6)	(10.6)	(16.2)	(0.2)	(16.0)
Impairment loss	(0.9)	(7.0)	(7.9)	(2.6)	(5.3)
Losses during the break period of operation due to earthquake disaster	(1.9)	(0.4)	*1 (2.3)	-	(2.3)
Special retirement expenses	(1.4)	(0.6)	(2.0)	(0.0)	(2.0)
Prior service cost	(0.8)	-	(0.8)	-	(0.8)
Gain on sale of property, plant and equipment	0.6	-	0.6	1.0	(0.4)
Gain on step acquisitions	-	-	-	1.9	(1.9)
Loss on sale of intercompany securities	-	-	-	(1.4)	1.4
Others	(1.2)	(2.6)	*1 (3.8)	0.9	(4.7)

*1 Including the impact of Kumamoto earthquake-related losses (4.0 billion yen)

*2 Discontinued operations are not included.

[Special Items by Business Segment]

Electronics Applications	(0.6)	(0.2)	(0.8)	(2.0)	1.2
Designed Materials	(2.9)	(4.9)	*1 (7.8)	1.4	(9.2)
Healthcare	0.1	(1.0)	(0.9)	(0.4)	(0.5)
Chemicals *2	(0.3)	(3.3)	(3.6)	0.4	(4.0)
Polymers	(1.9)	(0.0)	(1.9)	0.0	(1.9)
Others	-	(0.0)	(0.0)	-	(0.0)
Corporate	(0.0)	(1.2)	(1.2)	0.4	(1.6)

Consolidated Cash Flows

	Based on statements of cash flows		Adjusted cash flows*		<reference> Target for FY2016 Forecast (announced on May 13)
	FY2016 1H	FY2015 1H	FY2016 1H	FY2015 1H	
Net cash provided by operating activities	195.6	67.8	195.6	172.6	340.0
Income before income taxes	111.7	142.1	111.7	142.1	198.0
Depreciation and amortization	84.4	90.6	84.4	90.6	180.0
Change in operating receivables/payables	31.6	(58.8)	31.6	23.2	28.0
Change in Inventories	12.3	(10.9)	12.3	(10.9)	
Others	(44.4)	(95.2)	(44.4)	(72.4)	(66.0)
Net cash used in investment activities	(124.3)	(1.6)	(174.3)	(91.7)	(240.0)
Capital expenditure	(96.0)	(93.8)	(96.0)	(93.8)	(244.0)
Sale of assets	8.0	18.1	8.0	18.1	4.0
Investment and loans receivable, etc.	(36.3)	74.1	(86.3)	(16.0)	
Free cash flow	71.3	66.2	21.3	80.9	100.0
Net cash used in financing activities	(23.9)	7.4			
Interest bearing debts	45.3	31.0			
Additional acquisition of consolidated subsidiaries' stocks	(39.8)	(0.7)			
Dividends, etc.	(29.4)	(22.9)			
Increase (Decrease) in cash and cash equivalents	47.4	73.6			
Effect of exchange rate changes and change in scope of consolidation	*1 (32.9)	(1.0)			
Cash and cash equivalents at the beginning of the period	267.1	252.7			
Cash and cash equivalents at the end of the period	281.6	325.3			

*"Adjusted cash flows" is calculated by excluding the following items respectively for convenience.

(2Q of FY 2016)

a) Excluding cash flows from investment of surplus funds.

(2Q of FY 2015)

a) Excluding cash flows from investment of surplus funds.

b) Excluding the influence by first-time adoption of IFRS regarding securitization.

Amounts of the influence	(Billions of Yen)
Increase of account receivables	(82.0)
Others	(22.8)
CF for operating activities	(104.8)
CF for financing activities	104.8
Change in cash and cash equivalents	-

*1 Including transfer to assets classified as held for sale (10.5 billion yen).

Consolidated Statement of Financial Positions

	Sep. 30, 2016	Mar. 31, 2016	Change		Sep. 30, 2016	Mar. 31, 2016	Change
Cash and cash equivalents	281.6	267.1	14.5	Interest-bearing debts	1,563.2	1,579.6	(16.4)
Trade receivables	715.9	769.1	(53.2)	Trade payables	380.5	394.1	(13.6)
Inventories	504.4	549.5	(45.1)	Other liabilities	632.3	653.9	(21.6)
Other current assets	259.3	271.0	(11.7)	Total liabilities	2,576.0	2,627.6	(51.6)
Total current assets	1,761.2	1,856.7	(95.5)	Shareholders' equity	1,031.2	962.2	69.0
Tangible and Intangible fixed assets	1,577.3	1,599.0	(21.7)	Other components of equity	(38.7)	10.0	(48.7)
Goodwill	293.5	267.9	25.6	Total equity attributable to owners of the parent	992.5	972.2	20.3
Investment and other non-current assets	515.7	500.2	15.5	Non-controlling interests	579.2	624.0	(44.8)
Total non-current assets	2,386.5	2,367.1	19.4	Total equity	1,571.7	1,596.2	(24.5)
Total assets	4,147.7	4,223.8	(76.1)	Total liabilities and equity	4,147.7	4,223.8	(76.1)
				Net interest-bearing debts (*1)	1,153.7	1,134.4	19.3
				Net D/E ratio	1.16	1.17	(0.01)
				Ratio of equity attributable to owners of the parent to total assets	23.9%	23.0%	0.9%

(Billions of Yen)

*1. Net interest-bearing debts
 = interest bearing debts (1,563.2 billion yen)
 - {cash and cash equivalents (281.6 billion yen) + investments of surplus funds (127.9 billion yen)}

Consolidated Financial Results Forecasts for FY2016

The forecasts for FY2016 full-year consolidated financial results were announced on October 28.

Consolidated Statements of Operations

Exchange Rate (¥/\$)	105.4	100.0	102.7	110.0	(7.3)	120.2
Naphtha Price (¥/kl)	31,500	32,000	31,800	37,000	(5,200)	42,800

		(Billions of Yen)				<reference>		
	Continuing Operations	FY2016 1H (Actual)	FY2016 2H (Forecast)	FY2016 Forecast	FY2016 Forecast (Announced on May 13)	Change	% to 1H Forecast	FY2015 (Actual)
		Sales Revenue	1,586.3	1,693.7	3,280.0	3,460.0	(180.0)	(5.2%)
Core Operating Income	136.3	122.7	259.0	234.5	24.5	10.4%	300.4	
Special Items	(16.2)	(13.8)	(30.0)	(24.0)	(6.0)		(31.7)	
Operating Income	120.1	108.9	229.0	210.5	18.5	8.8%	268.7	
Financial Income/Expenses	(8.5)	(6.5)	(15.0)	(11.5)	(3.5)		(15.9)	
Earnings Before Taxes	111.6	102.4	214.0	199.0	15.0	7.5%	252.8	
Income Taxes	(2.4)	(33.6)	(36.0)	(66.5)	30.5		(74.1)	
Net Income from Continuing Operations	109.2	68.8	178.0	132.5	45.5		178.7	
Net Income from Discontinued Operations*	(0.1)	1.1	1.0	(1.0)	2.0		(73.8)	
Net Income	109.1	69.9	179.0	131.5	47.5	36.1%	104.9	
Net Income Attributable to Owners of the Parent	79.2	45.8	125.0	80.0	45.0	56.3%	51.4	
Net Income Attributable to Non-Controlling Interests	29.9	24.1	54.0	51.5	2.5		53.5	

*1 Figures relating to the terephthalic acid business in India and China are recognized as "net income from discontinued operations."

Consolidated Revenue and Core Operating Income by Business Segment

					(Billions of Yen)	<reference>	
		FY2016 1H (Actual)	FY2016 2H (Forecast)	FY2016 Forecast	FY2016 Forecast (Announced on May 13)	Change	FY2015 (Actual)
Total Consolidated *1	Sales Revenue	1,586.3	1,693.7	3,280.0	3,460.0	(180.0)	3,543.4
	Core Operating Income	136.3	122.7	259.0	234.5	24.5	300.4
Electronics Applications	Sales Revenue	52.0	48.0	100.0	105.0	(5.0)	115.7
	Core Operating Income	(0.6)	(1.4)	(2.0)	(2.0)	0.0	(1.0)
Functional Products	Sales Revenue	271.9	283.1	555.0	580.0	(25.0)	580.8
	Core Operating Income	23.5	19.5	43.0	40.0	3.0	43.3
Performance Chemicals	Sales Revenue	122.0	133.0	255.0	255.0	0.0	244.8
	Core Operating Income	16.7	13.3	30.0	27.0	3.0	31.7
Designed Materials	Sales Revenue	393.9	416.1	810.0	835.0	(25.0)	825.6
	Core Operating Income	40.2	32.8	73.0	67.0	6.0	75.0
Pharmaceuticals	Sales Revenue	204.1	209.9	414.0	406.5	7.5	425.7
	Core Operating Income	48.0	37.0	85.0	77.0	8.0	107.0
Diagnostics, Clinical Testing and API	Sales Revenue	59.3	61.7	121.0	128.5	(7.5)	122.7
	Core Operating Income	1.0	2.0	3.0	5.0	(2.0)	5.2
Healthcare	Sales Revenue	263.4	271.6	535.0	535.0	0.0	548.4
	Core Operating Income	49.0	39.0	88.0	82.0	6.0	112.2

*All figures are approximation for reference purpose only.

*1 Discontinued operations are not included.

Consolidated Revenue and Core Operating Income by Business Segment (Continued)

		(Billions of Yen)					<reference>
		FY2016 1H (Actual)	FY2016 2H (Forecast)	FY2016 Forecast	FY2016 Forecast (Announced on May 13)	Change	FY2015 (Actual)
Petrochemicals *1	Sales Revenue	105.1	124.9	230.0	280.0	(50.0)	311.3
	Core Operating Income	(7.4)	(0.6)	(8.0)	0.5	(8.5)	8.0
Carbon	Sales Revenue	82.3	89.7	172.0	162.0	10.0	183.2
	Core Operating Income	0.6	2.4	3.0	3.0	0.0	4.9
Industrial Gases	Sales Revenue	265.5	297.5	563.0	603.0	(40.0)	587.1
	Core Operating Income	24.4	25.1	49.5	49.5	0.0	44.8
Chemicals *1	Sales Revenue	452.9	512.1	965.0	1,045.0	(80.0)	1,081.6
	Core Operating Income	17.6	26.9	44.5	53.0	(8.5)	57.7
Polyolefins and Advanced Polymers	Sales Revenue	200.7	209.3	410.0	430.0	(20.0)	460.5
	Core Operating Income	14.2	15.8	30.0	27.0	3.0	36.4
MMA Monomers and Polymers	Sales Revenue	136.1	133.9	270.0	300.0	(30.0)	305.8
	Core Operating Income	16.7	10.3	27.0	11.0	16.0	20.0
Polymers	Sales Revenue	336.8	343.2	680.0	730.0	(50.0)	766.3
	Core Operating Income	30.9	26.1	57.0	38.0	19.0	56.4
Others	Sales Revenue	87.3	102.7	190.0	210.0	(20.0)	205.8
	Core Operating Income	3.2	3.3	6.5	4.5	2.0	7.1
Corporate	Sales Revenue	-	-	-	-	-	-
	Core Operating Income	(4.0)	(4.0)	(8.0)	(8.0)	0.0	(7.0)

*All figures are approximation for reference purpose only.

*1 Discontinued operations are not included.

Cash Dividends

		FY2016	FY2015	FY2014	FY2013	FY2012
Cash dividends per share (Yen)	Interim	8	7	6	6	6
	Year-end	*1 8	8	7	6	6
	Total (Annual)	*1 16	15	13	12	12

*1 Forecast

References

Consolidated Capital Expenditure, Depreciation & Amortization, R&D Expenses, and Number of Employees by Business Segment

(Billions of Yen, until otherwise noted)

	Capital Expenditure		Depreciation & Amortization (excluding goodwill)		R&D Expenses		Number of Employees FY2016 1H (End of the period)
	FY2016 1H	FY2015 1H	FY2016 1H	FY2015 1H	FY2016 1H	FY2015 1H	
Electronics Applications	2.7	2.0	2.6	3.0	3.2	3.7	2,512
Designed Materials	22.9	21.2	20.7	20.2	10.8	10.5	18,479
Health Care	11.5	9.1	8.8	8.7	36.0	37.6	12,256
Chemicals	35.6	35.0	31.0	34.7	2.0	2.0	19,106
Polymers	25.5	16.4	19.1	21.7	5.9	7.4	8,361
Others	1.7	1.5	1.4	1.5	0.1	0.1	8,093
Corporate	0.1	0.8	0.8	0.8	2.1	2.3	685
Total	100.0	86.0	84.4	90.6	60.1	63.6	69,492

[FY2015 Quarterly Data (IFRS)]

Consolidated Statements of Operations

After excluding discontinued operations

Continuing Operations *2	Sales Revenue
	Core Operating Income *1
	Special Items
	Operating Income
	Financial Income/Expenses (Dividend included above) (Foreign Exchange Gain/Loss included above)
	Earnings Before Taxes
	Income Taxes
	Net Income from Continuing Operations
	Net Income from Discontinued Operations
	Net Income
Net Income Attributable to Owners of the Parent	
Net Income Attributable to Non-Controlling Interests	

(Billions of Yen)

1Q	2Q	FY2015 1H	3Q	4Q	FY2015 2H	FY2015
890.8	887.1	1,777.9	903.6	861.9	1,765.5	3,543.4
78.0	75.6	153.6	95.2	51.6	146.8	300.4
0.5	(0.7)	(0.2)	(19.4)	(12.1)	(31.5)	(31.7)
78.5	74.9	153.4	75.8	39.5	115.3	268.7
0.1	(5.9)	(5.8)	(2.6)	(7.5)	(10.1)	(15.9)
[3.3]	[0.2]	[3.5]	[1.9]	[0.1]	[2.0]	[5.5]
[0.8]	[(2.3)]	[(1.5)]	[(0.3)]	[(3.7)]	[(4.0)]	[(5.5)]
78.6	69.0	147.6	73.2	32.0	105.2	252.8
(27.5)	(17.6)	(45.1)	(23.2)	(5.8)	(29.0)	(74.1)
51.1	51.4	102.5	50.0	26.2	76.2	178.7
(0.1)	(5.7)	(5.8)	(65.8)	(2.2)	(68.0)	(73.8)
51.0	45.7	96.7	(15.8)	24.0	8.2	104.9
35.8	32.0	67.8	(33.9)	17.5	(16.4)	51.4
15.2	13.7	28.9	18.1	6.5	24.6	53.5
4.3	3.7	8.0	2.8	3.2	6.0	14.0

*1 Equity income included.

*2 Discontinued operations are not included.

[FY2015 Quarterly Data (IFRS)]

Consolidated Sales Revenue and Core Operating Income by Business Segment

(Billions of Yen)

After excluding discontinued operations		1Q	2Q	1H	3Q	4Q	2H	FY2015
Total Consolidated *1	Sales Revenue	890.8	887.1	1,777.9	903.6	861.9	1,765.5	3,543.4
	Core Operating Income	78.0	75.6	153.6	95.2	51.6	146.8	300.4
Electronics Applications	Sales Revenue	29.4	29.0	58.4	28.9	28.4	57.3	115.7
	Core Operating Income	(0.3)	0.9	0.6	(0.2)	(1.4)	(1.6)	(1.0)
Functional Products	Sales Revenue	142.0	146.1	288.1	149.2	143.5	292.7	580.8
	Core Operating Income	9.0	12.0	21.0	13.1	9.2	22.3	43.3
Performance Chemicals	Sales Revenue	59.8	60.6	120.4	61.7	62.7	124.4	244.8
	Core Operating Income	7.5	8.1	15.6	8.7	7.4	16.1	31.7
Designed Materials	Sales Revenue	201.8	206.7	408.5	210.9	206.2	417.1	825.6
	Core Operating Income	16.5	20.1	36.6	21.8	16.6	38.4	75.0
Pharmaceuticals	Sales Revenue	98.7	103.3	202.0	132.5	91.2	223.7	425.7
	Core Operating Income	25.2	24.5	49.7	45.6	11.7	57.3	107.0
Diagnostics, Clinical Testing and API	Sales Revenue	30.4	29.8	60.2	30.8	31.7	62.5	122.7
	Core Operating Income	1.9	0.4	2.3	2.0	0.9	2.9	5.2
Healthcare	Sales Revenue	129.1	133.1	262.2	163.3	122.9	286.2	548.4
	Core Operating Income	27.1	24.9	52.0	47.6	12.6	60.2	112.2

*All figures are approximation for reference purpose only.

*1 Discontinued operations are not included.

[FY2015 Quarterly Data (IFRS)]

Consolidated Sales Revenue and Core Operating Income by Business Segment (Continued)

After excluding discontinued operations		(Billions of Yen)						
		1Q	2Q	1H	3Q	4Q	2H	FY2015
Petrochemicals *1	Sales Revenue	88.0	82.8	170.8	75.4	65.1	140.5	311.3
	Core Operating Income	8.6	1.6	10.2	0.4	(2.6)	(2.2)	8.0
Carbon	Sales Revenue	49.6	45.7	95.3	45.2	42.7	87.9	183.2
	Core Operating Income	2.7	1.4	4.1	1.7	(0.9)	0.8	4.9
Industrial Gases	Sales Revenue	138.9	141.8	280.7	146.0	160.4	306.4	587.1
	Core Operating Income	10.4	10.6	21.0	13.6	10.2	23.8	44.8
Chemicals *1	Sales Revenue	276.5	270.3	546.8	266.6	268.2	534.8	1,081.6
	Core Operating Income	21.7	13.6	35.3	15.7	6.7	22.4	57.7
Polyolefins and Advanced Polymers	Sales Revenue	121.4	113.8	235.2	112.5	112.8	225.3	460.5
	Core Operating Income	7.4	8.8	16.2	9.0	11.2	20.2	36.4
MMA Monomers and Polymers	Sales Revenue	85.3	81.5	166.8	70.6	68.4	139.0	305.8
	Core Operating Income	6.7	7.1	13.8	1.0	5.2	6.2	20.0
Polymers	Sales Revenue	206.7	195.3	402.0	183.1	181.2	364.3	766.3
	Core Operating Income	14.1	15.9	30.0	10.0	16.4	26.4	56.4
Others	Sales Revenue	47.3	52.7	100.0	50.8	55.0	105.8	205.8
	Core Operating Income	0.6	2.4	3.0	1.5	2.6	4.1	7.1
Corporate	Sales Revenue	-	-	-	-	-	-	-
	Core Operating Income	(1.7)	(2.2)	(3.9)	(1.2)	(1.9)	(3.1)	(7.0)

*All figures are approximation for reference purpose only.

*1 Discontinued operations are not included.

The forward-looking statements are based largely on company expectations and information available as of the date hereof, and are subject to risks and uncertainties, which may be beyond company control.

Actual results could differ materially due to numerous factors, including without limitation, marketing conditions and the effects of industry competition.