

# Financial Summary

Results for 3<sup>rd</sup> Quarter of FY2020 & Outlook for FY2020

**Mitsui Chemicals, Inc.**

February 9, 2021

<Remarks>

FY2020 indicates the period from April 1, 2020 to March 31, 2021.

# Contents

1. Results for 3rd Quarter of FY2020 (April 1, 2020 – December 31, 2020)	
1) Review on 3rd Quarter of FY2020 (Business Overview and Topics)	… 1, 2
2) Consolidated Financial Highlights	… 3, 4
3) Sales Revenue and Operating Income before Special Items by Business Segment (compared with corresponding period of FY2019 results)	… 5
4) Operating Income before Special Items by Business Segment (compared with 3rd Quarter of FY2019 results)	… 6
5) Non-recurring Items	… 7
6) Consolidated Statement of Financial Position	… 8
7) Consolidated Statement of Cash Flow	… 9
2. Outlook for FY2020 (April 1, 2020 – March 31, 2021)	
1) Changes in Business Trends since Previous Outlook	… 10
2) Sales Revenue and Operating Income before Special Items by Business Segment (compared with previous outlook for FY2020)	… 11
3) Operating Income before Special Items by Business Segment (4th Quarter vs. 3rd Quarter of FY2020)	… 12
4) Consolidated Financial Highlights of Outlook (compared with previous outlook for FY2020)	… 13
5) Consolidated Financial Highlights of Outlook (compared with FY2019 results)	… 14
6) Sales Revenue and Operating Income before Special Items by Business Segment (compared with FY2019 results)	… 15
7) Consolidated Statement of Cash Flow	… 16
8) Topics for 4th Quarter of FY2020 and onwards	… 17
3. Appendix	… 18-26

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. Results for 3<sup>rd</sup> Quarter of FY2020

(April 1, 2020 – December 31, 2020)

---

# 1-1) Review on 3<sup>rd</sup> Quarter of FY2020 (Business Overview and Topics)

## <Business Overview>

- **Mobility:** Amid the global slowdown in automobile production caused by the COVID-19 pandemic, sales for elastomers, performance compounds, overseas polypropylene compounds and solution businesses declined. Performance polymers saw firm sales by capturing information and communication technology market demands.
- **Health Care:** Sales for dental materials and vision care materials declined due to the COVID-19 pandemic. In nonwoven fabrics, nonwovens for diapers, masks and medical gowns saw healthy sales.
- **Food & Packaging:** In coating & engineering materials, sales declined due to the COVID-19 pandemic. In performance films & sheets, industrial films saw firm sales. Sales for agrochemicals in overseas markets were stable.
- **Basic Materials:** Operating rates of naphtha crackers reduced due to decreased demand for downstream products owing to the COVID-19 pandemic. Sales for polypropylene were impacted by weaker demand mainly in automotive applications. Overseas market conditions for bisphenol A and acetone were at a higher level year-on-year.

# 1-2) Review on 3<sup>rd</sup> Quarter of FY2020 (Business Overview and Topics)

## <Topics>

### ◆ Health Care

- Capacity expansion of TEKNOROTE™ for mask nose clamps (Commercial operations in November 2020, +1 line)
- Acquisition of hydrophobic, anti-reflective coatings maker COTEC® (Announced in October 2020)

### ◆ Basic Materials

- Establishment of new gas turbine facilities at Osaka Works in Japan (Commercial operations in December 2020, 30MW)
- Capacity expansion of high-purity propylene at Ichihara Works in Japan (Commercial operations in December 2020)

## 2-1) Consolidated Financial Highlights

(Billions of Yen) ( ) Denotes a minus

Items	FY2019 1-3Q	FY2020 1-3Q	Increase (Decrease)	%
Sales revenue	1,005.3	857.4	(147.9)	(15%)
Operating income before special items	59.9	52.2	(7.7)	(13%)
(inc. Equity in earnings)	4.4	0.9	(3.5)	(80%)
Non-recurring items	(4.7)	(0.3)	4.4	-
Operating income	55.2	51.9	(3.3)	(6%)
Financial incomes/expenses	(1.3)	(5.2)	(3.9)	-
Income before taxes	53.9	46.7	(7.2)	(13%)
Net income attributable to owners of the parent	31.0	33.0	2.0	6%
Exchange rate (Yen/US\$)	109	106	(3)	
Domestic standard naphtha price (Yen/KL)	42,300	28,800	(13,500)	

## 2-2) Consolidated Financial Highlights

(Billions of Yen)

( ) Denotes a minus

Items	End of Mar.2020	End of Dec.2020	Increase (Decrease)	%
Interest-bearing liabilities	599.4	590.3	(9.1)	(2%)
Interest-bearing liabilities (net)	427.7	378.8	(48.9)	(11%)
Shareholder's Equity*	529.2	564.7	35.5	7%
Net D/E Ratio (Times)	0.81	0.67	(0.14)	—
Shareholder's equity* Ratio (%)	34.6	36.9	2.3	—

\*Equity attributable to owners of the parent

(Number of companies)

Items	End of Mar.2020	End of Dec.2020	Increase (Decrease)
Consolidated companies			
Consolidated subsidiaries	125	123	(2)
Joint operations	4	4	—
Non-consolidated subsidiaries and affiliates	27	27	0
Total	156	154	(2)

### 3) Sales Revenue and Operating Income before Special Items by Business Segment (compared with corresponding period of FY2019 results)

(Billions of Yen)

( ) Denotes a minus

Segment	Sales revenue			Operating income before special items			Breakdown		
	FY2019 1-3Q	FY2020 1-3Q	Incr. (Decr.)	FY2019 1-3Q	FY2020 1-3Q	Incr. (Decr.)	Volume	Terms of trade	Costs
Mobility	277.6	220.8	(56.8)	33.0	19.5	(13.5)	(10.5)	(1.8)	(1.2)
Health Care	106.9	105.7	(1.2)	9.5	14.8	5.3	(0.5)	0.6	5.2
Food & Packaging	144.9	139.3	(5.6)	11.6	15.2	3.6	0.2	2.3	1.1
Basic Materials	462.8	381.8	(81.0)	11.2	5.3	(5.9)	(5.1)	4.6	(5.4)
Others	13.1	9.8	(3.3)	(5.4)	(2.6)	2.8	-	-	2.8
Total	1,005.3	857.4	(147.9)	59.9	52.2	(7.7)	(15.9)	5.7	2.5
3 Target Domains*	529.4	465.8	(63.6)	54.1	49.5	(4.6)			

\*Mobility, Health Care and Food &amp; Packaging



# 4) Operating Income before Special Items by Business Segment (compared with 3<sup>rd</sup> Quarter of FY2019 results)

(Billions of Yen)

(-) Denotes a minus

Segment	Operating income before special items			Comments [+] denotes profit trigger [-] denotes loss trigger
	3 <sup>rd</sup> Quarter FY2019	3 <sup>rd</sup> Quarter FY2020	Incr. (Decr.)	
Mobility	10.5	11.3	0.8	[-] Terms of trade, [+] Fixed costs, etc.
Health Care	3.6	7.6	4.0	[+]Sales volume, etc.
Food & Packaging	3.8	5.7	1.9	[+]Sales volume, [+] Fixed costs, etc.
Basic Materials	4.3	9.9	5.6	[-] Terms of trade, etc.
Others	(2.0)	(0.9)	1.1	
Total	20.2	33.6	13.4	
3 Target Domains*	17.9	24.6	6.7	

\*Mobility, Health Care and Food & Packaging

Segment		FY19 3Q ⇒ FY20 3Q
Mobility	PP compounds, Elastomers, Performance compounds	→
	Performance polymers	→
	Solution businesses	↘
Health Care	Vision care	→
	Nonwovens	→
	Dental materials	→
F&P	Packaging films	→
	Industrial films	→
	Agrochemicals	→
Basic Materials	Petrochemicals	→
	Basic chemicals	→

## 5) Non-recurring Items

(Billions of Yen)

( ) Denotes a minus

Items	FY2019 1-3Q	FY2020 1-3Q	Incr. (Decr.)
Loss (gain) on sales and disposal of non-current assets	0.3	(0.5)	(0.8)
Impairment loss	(1.2)	(0.1)	1.1
Loss on business of subsidiaries and affiliates	(0.9)	0.0	0.9
Others	(2.9)	0.3	3.2
Non-recurring items total	(4.7)	(0.3)	4.5

## 6) Consolidated Statement of Financial Position

(Billions of Yen)

() Denotes a minus

Items	End of Mar. 2020	End of Dec.2020	Incr. (Decr.)	Items	End of Mar. 2020	End of Dec.2020	Incr. (Decr.)
Current assets	781.8	765.0	(16.8)	Liabilities	920.8	893.8	(27.0)
Cash and cash equivalents	164.6	204.4	39.8	Operating payables	121.0	116.4	(4.6)
Operating receivables	273.9	256.1	(17.8)	Interest-bearing liabilities	599.4	590.3	(9.1)
Inventories	284.3	256.5	(27.8)	Other liabilities	200.4	187.1	(13.3)
Other current assets	59.0	48.0	(11.0)				
Non-current assets	748.7	764.0	15.3	Equity	609.7	635.2	25.5
Property, plant and equipment & right-of-use assets	499.7	503.8	4.1	Equity attributable to owners of the parent	529.2	564.7	35.5
Goodwill and Intangible assets	26.2	25.8	(0.4)	Non-controlling interests	80.5	70.5	(10.0)
Other non-current assets	222.8	234.4	11.6				
<b>Total</b>	<b>1,530.5</b>	<b>1,529.0</b>	<b>(1.5)</b>	<b>Total</b>	<b>1,530.5</b>	<b>1,529.0</b>	<b>(1.5)</b>

## 7) Consolidated Statement of Cash Flow

(Billions of Yen)












( ) Denotes a minus

Items	FY2019 1-3Q	FY2020 1-3Q	Incr. (Decr.)
I . Cash flows from operating activities (a)	105.4	140.5	35.1
II . Cash flows from investing activities (b)	(78.4)	(65.0)	13.4
Free cash flows (a)+(b)	27.0	75.5	48.5
III . Cash flows from financing activities	(5.9)	(34.1)	(28.2)
IV . Others	(0.8)	(1.6)	(0.8)
Net incr.(decr.) in cash and cash equivalents	20.3	39.8	19.5

## 2. Outlook for FY2020 (April 1, 2020 – March 31, 2021)

This summary contains forward-looking statements about the future plans, strategies, belief and performance of the Mitsui Chemicals Group as a whole and its individual consolidated companies. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on information currently available to the Mitsui Chemicals Group and are subject to a number of risks, uncertainties and assumptions, which, without limitation, include economic trends, fluctuations in foreign currency exchange rates, fluctuations in the price of raw materials, competition in markets where the Company is active, personal consumption, market demand, the tax system and other legislation. As such, actual results may differ materially from those projected and the Mitsui Chemicals Group cannot guarantee that these forward-looking statements are accurate or will be achieved.

# 1) Changes in Business Trends since Previous Outlook

Segment		Previous Outlook 2 <sup>nd</sup> Half	⇒ Current Outlook 2 <sup>nd</sup> Half	Overview
<b>Mobility</b>	PP compounds, Elastomers, Performance compounds			<ul style="list-style-type: none"> <li>Automotive products on recovery trend due to automobile production recovery</li> <li>Sales good in China and North America, and operations going well at new European base</li> </ul>
	Performance polymers			<ul style="list-style-type: none"> <li>Demand staying firm for smartphone lens materials and other information and communication technology applications</li> </ul>
	Solution businesses			<ul style="list-style-type: none"> <li>Customers resuming business activities in 2<sup>nd</sup> Half, but no significant change since our previous forecast</li> </ul>
<b>Health Care</b>	Vision care			<ul style="list-style-type: none"> <li>Recovery greater than expected due to rebound from sales drop in 1<sup>st</sup> Half</li> </ul>
	Nonwovens			<ul style="list-style-type: none"> <li>No major environmental change expected</li> </ul>
	Dental materials			<ul style="list-style-type: none"> <li>Recovering from 1<sup>st</sup> Half, but no major environmental change from our previous forecast expected</li> </ul>
<b>F&amp;P</b>	Packaging films			<ul style="list-style-type: none"> <li>No major environmental change expected</li> </ul>
	Industrial films			<ul style="list-style-type: none"> <li>Sales rising due to firm semiconductor demand</li> </ul>
	Agrochemicals			<ul style="list-style-type: none"> <li>No major environmental change expected (Demand season in Japan in 4<sup>th</sup> Quarter)</li> </ul>
<b>Basic Materials</b>	Petrochemicals			<ul style="list-style-type: none"> <li>Cracker utilization staying high; polyolefins trending firm</li> </ul>
	Basic chemicals			<ul style="list-style-type: none"> <li>Stronger overseas market conditions</li> </ul>

## 2) Sales Revenue and Operating Income before Special Items by Business Segment (compared with previous outlook for FY2020)

(Billions of Yen)

( ) Denotes a minus

Segment	Sales revenue			Operating income before special items			Comments [+] denotes profit trigger [-] denotes loss trigger
	Previous Outlook (on Nov 11, 2020)	Current Outlook	Incr. (Decr.)	Previous Outlook (on Nov 11, 2020)	Current Outlook	Incr. (Decr.)	
Mobility	300.0	315.0	15.0	24.0	28.0	4.0	[+]Sales volume, [+] Fixed costs, etc.
Health Care	140.0	145.0	5.0	16.0	19.0	3.0	[+]Sales volume, [+] Fixed costs, etc.
Food & Packaging	195.0	200.0	5.0	18.5	21.5	3.0	[+]Sales volume, [+] Fixed costs, etc.
Basic Materials	525.0	540.0	15.0	(3.0)	14.0	17.0	[+] Sales volume, [+]Inventory valuation difference, [+] Terms of trade, [+]Equity in earnings, etc.
Others	15.0	15.0	0.0	(5.5)	(5.5)	0.0	
Total	1,175.0	1,215.0	40.0	50.0	77.0	27.0	

3 Target Domains *	635.0	660.0	25.0	58.5	68.5	10.0
--------------------	-------	-------	------	------	------	------

\* Mobility, Health Care and Food & Packaging

### 3) Operating Income before Special Items by Business Segment (4th Quarter vs. 3rd Quarter of FY2020)

(Billions of Yen)

( ) Denotes a minus

Segment	Operating income before special items FY2020			Comments [+] denotes profit trigger [-] denotes loss trigger
	3rd Quarter	4th Quarter Outlook	Incr. (Decr.)	
Mobility	11.3	8.5	(2.8)	[-] Terms of trade, [-] Fixed costs, etc.
Health Care	7.6	4.2	(3.4)	[-] Sales volume, [-] Fixed costs, etc.
Food & Packaging	5.7	6.3	0.6	[+] Sales volume, [-] Fixed costs, etc.
Basic Materials	9.9	8.7	(1.2)	[+] Sales volume, [-] Terms of trade, [-] Fixed costs, etc.
Others	(0.9)	(2.9)	(2.0)	
Total	33.6	24.8	(8.8)	
3 Target Domains*	24.6	19.0	(5.6)	

\* Mobility, Health Care and Food & Packaging

Segment		3 Q ⇒ 4 Q
Mobility	PP compounds, Elastomers, Performance compounds	→
	Performance polymers	→
	Solution businesses	→
Health Care	Vision care	↘
	Nonwovens	↘
	Dental materials	→
F&P	Packaging films	→
	Industrial films	→
	Agrochemicals	↗
Basic Materials	Petrochemicals	↘
	Basic chemicals	↘



## 4) Consolidated Financial Highlights of Outlook (compared with previous outlook for FY2020)

(Billions of Yen)

( ) Denotes a minus

Items	FY2020 Previous Outlook (on Nov 11, 2020)	Current Outlook	Incr.(Decr.)	%
	Full Year	Full Year		
Sales revenue	1,175.0	1,215.0	40.0	3%
Operating income before special items	50.0	77.0	27.0	54%
Non-recurring items	2.0	(4.5)	(6.5)	-
Operating income	52.0	72.5	20.5	39%
Financial income/expenses	(5.0)	(6.5)	(1.5)	30%
Income before taxes	47.0	66.0	19.0	40%
Net income attributable to owners of the parent	33.0	48.0	15.0	45%

Exchange rate (Yen/US\$)	106	106	(3)
Domestic standard naphtha price (Yen/KL)	29,800	31,400	1,600

	Year-end	Year-end
Dividend (Yen/Share)	50	50
	Full year 100	Full year 100

# 5) Consolidated Financial Highlights of Outlook

(compared with FY2019 results)

\*1 Figures for the FY2019 results under IFRS were prepared for the purpose of comparison with FY2020 outlook figures, and have not been subject to certified audit.

(Billions of Yen)

( ) Denotes a minus

Items	FY2019 *1 (IFRS) (a)		FY2020 Outlook (IFRS) (b)		Incr.(Decr.) (b)-(a)	
	1-3Q	Full Year	1-3Q	Full Year	Full Year	%
Sales revenue	1,005.3	1,349.5	857.4	1,215.0	(134.5)	(10%)
Operating income before special items	59.9	72.3	52.2	77.0	4.7	7%
Non-recurring items	(4.7)	(7.7)	(0.3)	(4.5)	3.2	(42%)
Operating income	55.2	64.6	51.9	72.5	7.9	12%
Financial income/expenses	(1.3)	(3.8)	(5.2)	(6.5)	(2.7)	71%
Income before taxes	53.9	60.8	46.7	66.0	5.2	9%
Net income attributable to owners of the parent	31.0	34.0	33.0	48.0	14.0	41%

Exchange rate (Yen/US\$)

109

109

106

106

(3)

Domestic standard naphtha price (Yen/KL)

42,300

42,900

28,800

31,400

(11,500)

	Interim	Year-end	Interim	Year-end	Interim	Year-end
Dividend (Yen/Share)	50	50	50	50	0	0
	Full year	100	Full year	100	Full year	0

## 6) Sales Revenue and Operating Income before Special Items by Business Segment (compared with FY2019 results)

\*1 Figures for the FY2019 results under IFRS were prepared for the purpose of comparison with FY2020 outlook figures, and have not been subject to certified audit.

(Billions of Yen)

( ) Denotes a minus

Segment	Sales revenue (IFRS)					Operating income before special items (IFRS)				
	FY2019 *1		FY2020 Outlook		Incr.(Decr.) (b) - (a)	FY2019 *1		FY2020 Outlook		Incr.(Decr.) (d) - (c)
	1-3Q	Full Year (a)	1-3Q	Full Year (b)		1-3Q	Full Year (c)	1-3Q	Full Year (d)	
Mobility	277.6	367.9	220.8	315.0	(52.9)	33.0	43.1	19.5	28.0	(15.1)
Health Care	106.9	143.2	105.7	145.0	1.8	9.5	13.2	14.8	19.0	5.8
Food & Packaging	144.9	201.3	139.3	200.0	(1.3)	11.6	17.0	15.2	21.5	4.5
Basic Materials	462.8	619.5	381.8	540.0	(79.5)	11.2	9.4	5.3	14.0	4.6
Others	13.1	17.6	9.8	15.0	(2.6)	(5.4)	(10.4)	(2.6)	(5.5)	4.9
Total	1,005.3	1,349.5	857.4	1,215.0	(134.5)	59.9	72.3	52.2	77.0	4.7
3 Target Domains *2	529.4	712.4	465.8	660.0	(52.4)	54.1	73.3	49.5	68.5	(4.8)

\*2 Mobility, Health Care and Food & Packaging

# 7) Consolidated Statement of Cash Flow

(Billions of Yen)

( ) Denotes a minus

Items	FY2019 (IFRS)		FY2020 Outlook (IFRS)		Incr.(Decr.) (b) - (a)	FY2020 Previous Outlook (IFRS) (on Nov 11, 2020)
	1-3Q	Full Year(a)	1-3Q	Full Year(b)		Full Year
I . Cash flows from operating activities (a)	105.4	142.2	139.6	160.0	17.8	150.0
II . Cash flows from investing activities (b)	(78.4)	(109.1)	(64.1)	(90.0)	19.1	(110.0)
Free cash flows (a)+(b)	27.0	33.1	75.5	70.0	36.9	40.0
III . Cash flows from financing activities	(5.9)	(6.4)	(34.1)	(72.0)	(65.6)	(43.0)
IV . Others	(0.8)	(1.6)	(1.6)	0.0	1.6	–
Net incr.(decr.) in cash and cash equivalents	20.3	25.1	39.8	(2.0)	(27.1)	(3.0)

## 8 ) Topics for 4<sup>th</sup> Quarter of FY2020 and onwards

### <Topics>

#### ◆ Mobility

- Establishment of new production facility in China for Long Glass Fiber Reinforced Polypropylene  
(Commercial operations in 4<sup>th</sup> Quarter of 2020, 3,500 tons/annum)
- Establishment of new production facility for EUV pellicle  
(Completion in 4<sup>th</sup> Quarter of 2020, Commercial operations in 2<sup>nd</sup> Quarter of 2021)
- Capacity expansion of TAFMER™ High-Performance Elastomers  
(Completion in 1<sup>st</sup> Quarter of 2021, +25,000 tons/annum)

## 3. Appendix

- 1) Trends in Product Prices
- 2) Increase/Decrease by Business Segment  
(Sales Revenue and Operating Income before Special Items, Year on Year)
- 3) Sales Revenue and Operating Income before Special Items by Business Segment  
(by Quarter)
- 4) Financial Summary
- 5) Sales Revenue by Region

This summary contains forward-looking statements about the future plans, strategies, belief and performance of the Mitsui Chemicals Group as a whole and its individual consolidated companies. These forward-looking statements are not historical facts. They are expectations, estimates, forecasts and projections based on information currently available to the Mitsui Chemicals Group and are subject to a number of risks, uncertainties and assumptions, which, without limitation, include economic trends, fluctuations in foreign currency exchange rates, fluctuations in the price of raw materials, competition in markets where the Company is active, personal consumption, market demand, the tax system and other legislation. As such, actual results may differ materially from those projected and the Mitsui Chemicals Group cannot guarantee that these forward-looking statements are accurate or will be achieved.

# 1) Trends in Product Prices

(Naphtha prices are Domestic Standard Naphtha Price )

(PE, PP, PH, BPA(Japan) : Change in Prices and Raw Materials Prices in Japan / BPA(China), PTA, TDI : Chinese Market Price)

(ACP) : Asian contract price

Year	2018				2019				2020				Jan.-Mar. market outlook
Month	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	
Naphtha (Yen/KL)	47,900	48,800	53,500	54,200	41,200	45,400	40,200	41,300	44,800	25,000	30,200	31,300	39,000
PE (Yen/KG)	about +10		about +10	about +10	about (15)	about +10		about (10)	about +10	about (30)			↗
PP (Yen/KG)	about +10		about +10	about +10	about (15)	about +10		about (10)	about +10	about (30)			↗
PH (Formula Price) (Yen/KG)								+10					→
BZ(ACP) (US\$/T)	\$920	\$850	\$860	\$770	\$580	\$620	\$660	\$680	\$700	\$360	\$440	\$490	→
BPA(Japan) (Yen/KG)						(15) From Apr.			+5 From Jan.	(15) From Jun.			→
negotiation based on BZ price and BPA market price													
BPA(China) (US\$/T)	\$1,670	\$1,800	\$1,810	\$1,550	\$1,450	\$1,410	\$1,190	\$1,210	\$1,310	\$1,210	\$1,290	\$1,990	↘
PTA (US\$/T)	\$760	\$810	\$960	\$910	\$840	\$790	\$700	\$620	\$560	\$420	\$440	\$450	→
PX(ACP) (US\$/T)	\$950	\$980	\$1,140	\$1,140	\$1,060	\$910	\$810	\$800	\$710	\$500	\$550	\$560	→
TDI (US\$/T)	\$4,470	\$4,150	\$3,400	\$2,480	\$1,730	\$1,790	\$1,610	\$1,500	\$1,430	\$1,330	\$1,580	\$2,330	↘

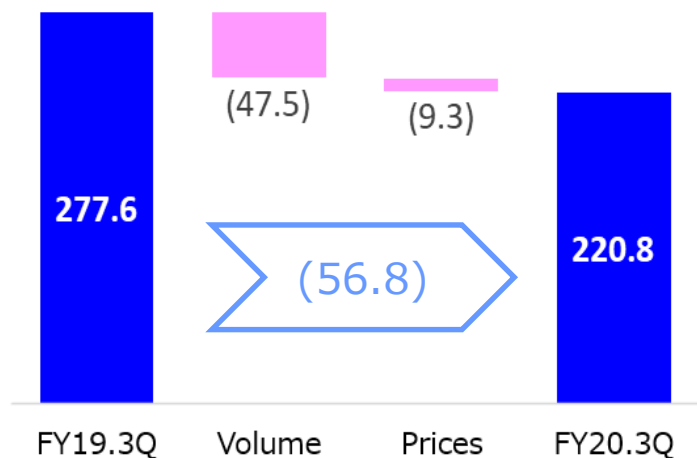
## 2-1) Increase/Decrease in Mobility

(Sales Revenue and Operating Income before Special Items, Year on Year)

### Increase/Decrease of Sales Revenue (3<sup>rd</sup> Quarter of FY2020 vs. 3<sup>rd</sup> Quarter of FY2019)

(Unit: Billions of yen)

( ) Denotes a minus



#### ➤ **Volume (47.5) billion yen**

- Elastomers, performance compounds, overseas PP compounds and solution businesses were impacted by global slowdown in automobile production due to the COVID-19 pandemic.
- Performance polymers saw firm sales by capturing information and communication technology market demands.

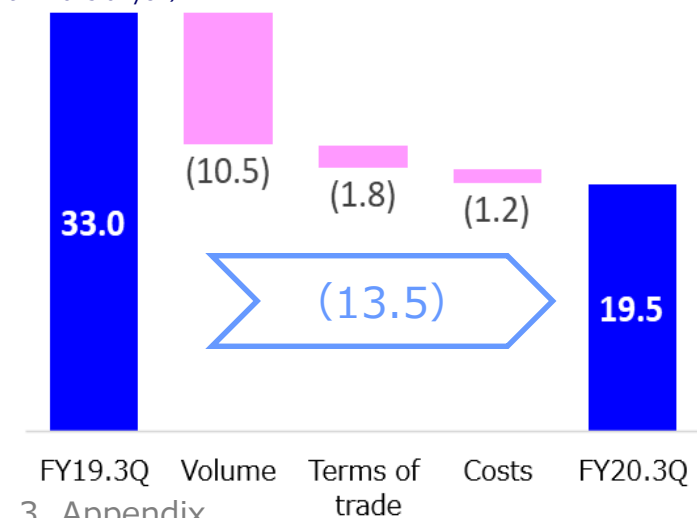
#### ➤ **Prices (9.3) billion yen**

- Decrease from sales price revision in line with decline in raw material prices, etc.

### Increase/Decrease of Operating Income before Special Items

(3<sup>rd</sup> Quarter of FY2020 vs. 3<sup>rd</sup> Quarter of FY2019)

(Unit: Billions of yen)



#### ➤ **Volume (10.5) billion yen**

- Elastomers, performance compounds, overseas PP compounds and solution businesses were impacted by global slowdown in automobile production due to the COVID-19 pandemic.
- Performance polymers saw firm sales by capturing information and communication technology market demands.

#### ➤ **Terms of trade (1.8) billion yen**

- Decrease from unfavorable terms of trade for overseas PP compounds, etc.

#### ➤ **Costs (1.2) billion yen**



## 2-2) Increase/Decrease in Health Care

(Sales Revenue and Operating Income before Special Items, Year on Year)

### Increase/Decrease of Sales Revenue (3<sup>rd</sup> Quarter of FY2020 vs. 3<sup>rd</sup> Quarter of FY2019)

(Unit: Billions of yen)

( ) Denotes a minus



#### ➤ Volume (1.5) billion yen

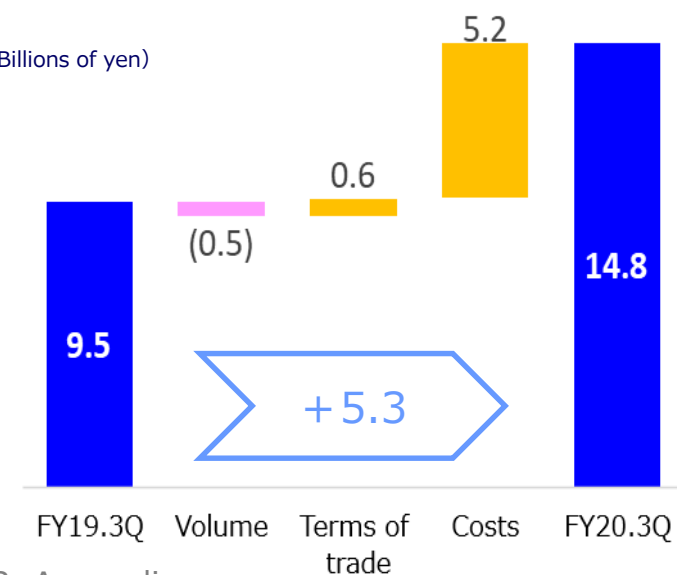
- Dental materials and vision care materials declined due to the COVID-19 pandemic.
- Healthy sales of nonwovens for diapers, masks and medical gowns.

#### ➤ Prices +0.3 billion yen

### Increase/Decrease of Operating Income before Special Items

(3<sup>rd</sup> Quarter of FY2020 vs. 3<sup>rd</sup> Quarter of FY2019)

(Unit: Billions of yen)



#### ➤ Volume (0.5) billion yen

- Dental materials and vision care materials declined due to the COVID-19 pandemic.
- Healthy sales of nonwovens for diapers, masks and medical gowns.

#### ➤ Terms of trade +0.6 billion yen

#### ➤ Costs +5.2 billion yen

- Cost reduction due to restricted business activity at overseas subsidiaries, etc.

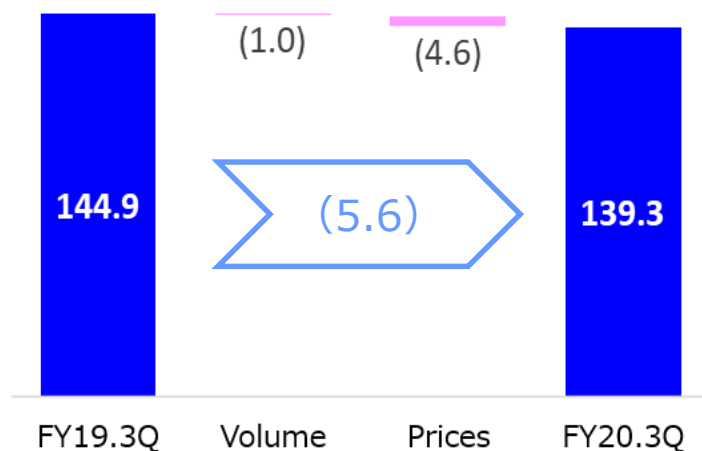
## 2-3) Increase/Decrease in Food & Packaging

(Sales Revenue and Operating Income before Special Items, Year on Year)

### Increase/Decrease of Sales Revenue (3<sup>rd</sup> Quarter of FY2020 vs. 3<sup>rd</sup> Quarter of FY2019)

(Unit: Billions of yen)

( ) Denotes a minus



#### ➤ **Volume (1.0) billion yen**

- Firm sales of industrial films and agrochemicals.
- Decrease in coating & engineering materials caused by the COVID-19 pandemic.

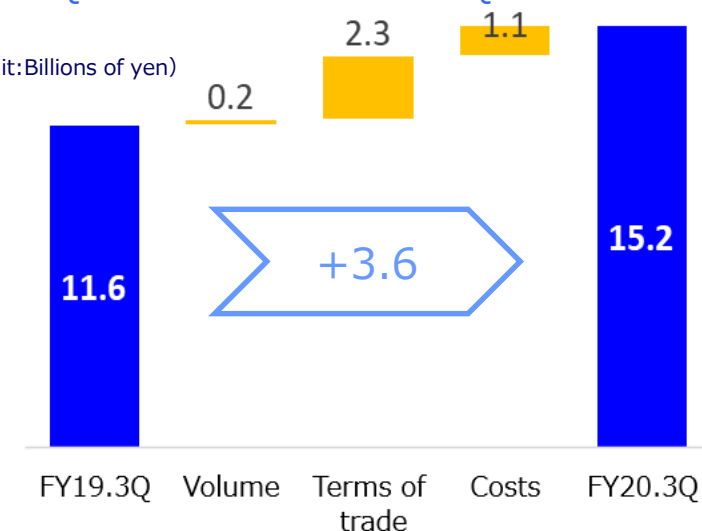
#### ➤ **Prices (4.6) billion yen**

- Decrease from sales price revision in line with decline in raw material prices, etc.

### Increase/Decrease of Operating Income before Special Items

(3<sup>rd</sup> Quarter of FY2020 vs. 3<sup>rd</sup> Quarter of FY2019)

(Unit: Billions of yen)



#### ➤ **Volume +0.2 billion yen**

- Firm sales of industrial films and agrochemicals.
- Decrease in coating & engineering materials caused by the COVID-19 pandemic.

#### ➤ **Terms of trade +2.3 billion yen**

- Increase from favorable terms of trade due to decline in raw material prices, etc.

#### ➤ **Costs +1.1 billion yen**

- Cost reduction, etc.

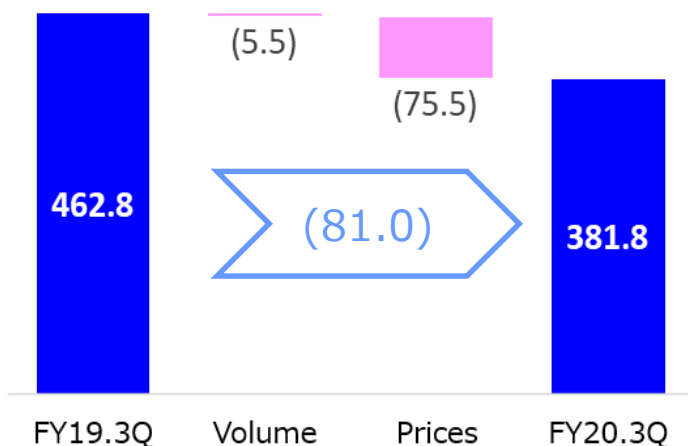
## 2-4) Increase/Decrease in Basic Materials

(Sales Revenue and Operating Income before Special Items, Year on Year)

### Increase/Decrease of Sales Revenue (3<sup>rd</sup> Quarter of FY2020 vs. 3<sup>rd</sup> Quarter of FY2019)

(Unit: Billions of yen)

( ) Denotes a minus



➤ **Volume (5.5) billion yen**

- Decrease in olefins and polypropylenes.

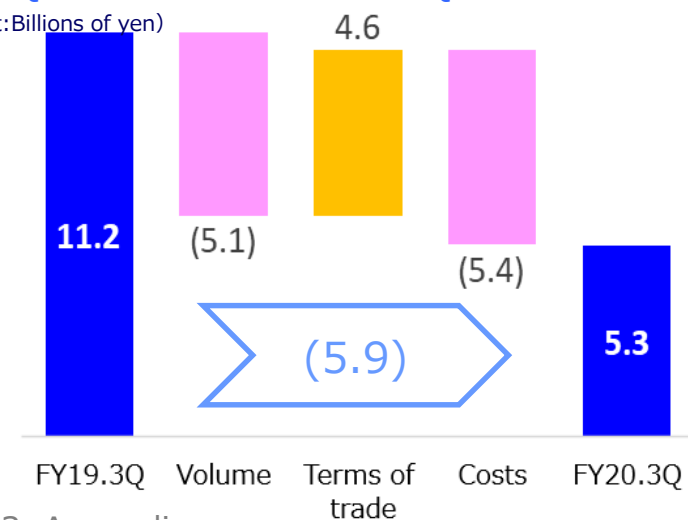
➤ **Prices (75.5) billion yen**

- Decrease from sales price revision in line with decline in raw material prices.

### Increase/Decrease of Operating Income before Special Items

(3<sup>rd</sup> Quarter of FY2020 vs. 3<sup>rd</sup> Quarter of FY2019)

(Unit: Billions of yen)



➤ **Volume (5.1) billion yen**

- Decrease in olefins and polypropylenes.

➤ **Terms of trade +4.6 billion yen**

- Improvement in bisphenol A and acetone spread, etc.
- Inventory valuation loss.

➤ **Costs (5.4) billion yen**

- Equity in earnings, etc.

### 3) Sales Revenue and Operating Income before Special Items by Business Segment (by Quarter)

\* Figures for the FY2019 results under IFRS were prepared for the purpose of comparison with FY2020 outlook figures, and have not been subject to certified audit.

(Billions of Yen)

Segment	Sales revenue (IFRS)							
	FY2019*				FY2020			
	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar Outlook
Mobility	94.4	93.0	90.2	90.3	58.3	73.7	88.8	94.2
Health Care	35.2	34.6	37.1	36.3	28.9	37.1	39.7	39.3
Food & Packaging	47.3	49.3	48.3	56.4	45.4	44.2	49.7	60.7
Basic Materials	163.7	152.3	146.8	156.7	118.6	124.0	139.2	158.2
Others	4.4	4.5	4.2	4.5	3.3	3.5	3.0	5.2
<b>Total</b>	<b>345.0</b>	<b>333.7</b>	<b>326.6</b>	<b>344.2</b>	<b>254.5</b>	<b>282.5</b>	<b>320.4</b>	<b>357.6</b>

(Billions of Yen)

( ) Denotes a minus

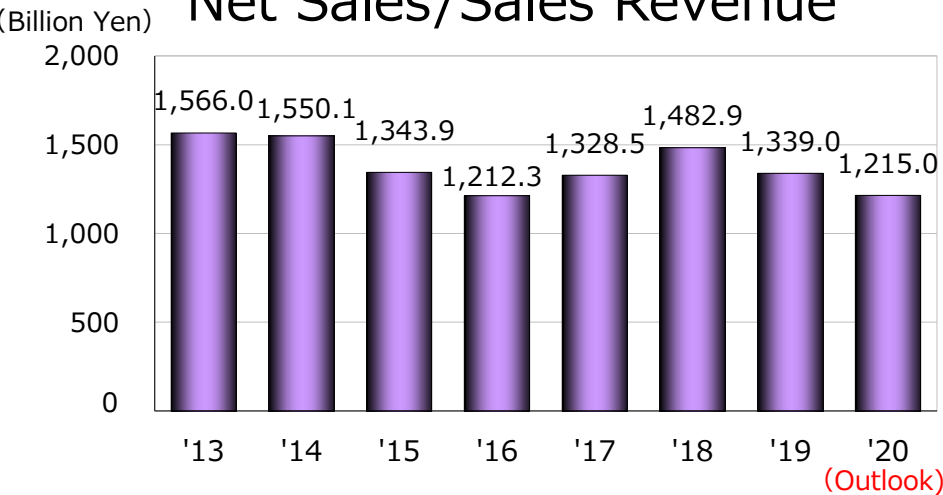
Segment	Operating income before special items (IFRS)							
	FY2019*				FY2020			
	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar Outlook
Mobility	11.7	10.8	10.5	10.1	2.3	5.9	11.3	8.5
Health Care	3.7	2.2	3.6	3.7	1.4	5.8	7.6	4.2
Food & Packaging	3.1	4.7	3.8	5.4	4.4	5.1	5.7	6.3
Basic Materials	7.6	(0.7)	4.3	(1.8)	(6.3)	1.7	9.9	8.7
Others	(1.6)	(1.8)	(2.0)	(5.0)	(1.2)	(0.5)	(0.9)	(2.9)
<b>Total</b>	<b>24.5</b>	<b>15.2</b>	<b>20.2</b>	<b>12.4</b>	<b>0.6</b>	<b>18.0</b>	<b>33.6</b>	<b>24.8</b>

# 4-1) Financial Summary

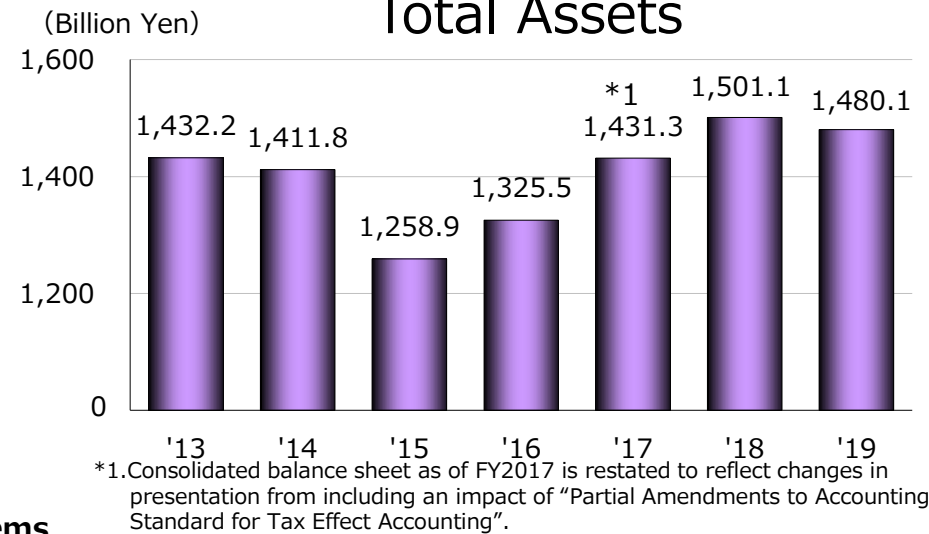
~FY19 : J-GAAP / FY20~ : IFRS

( ) Denotes a minus

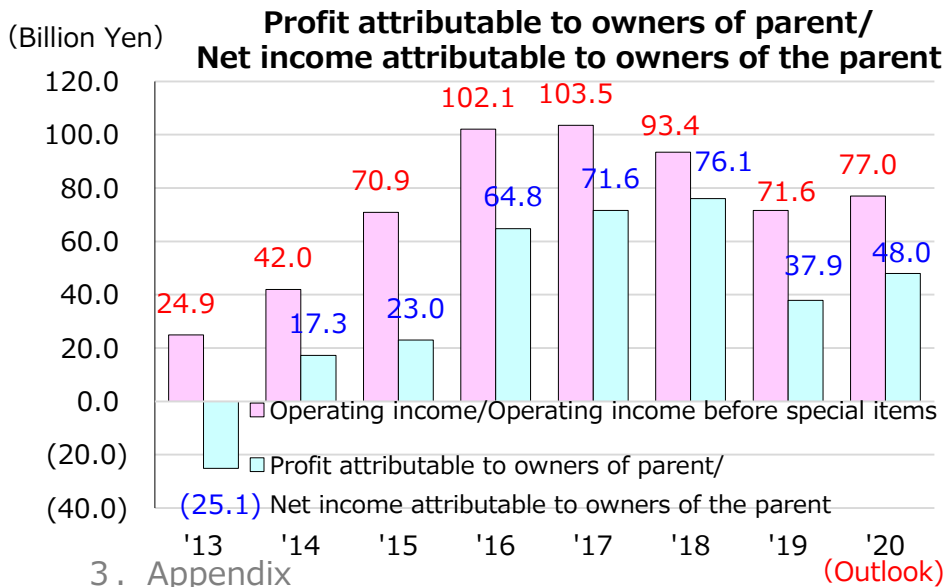
## Net Sales/Sales Revenue



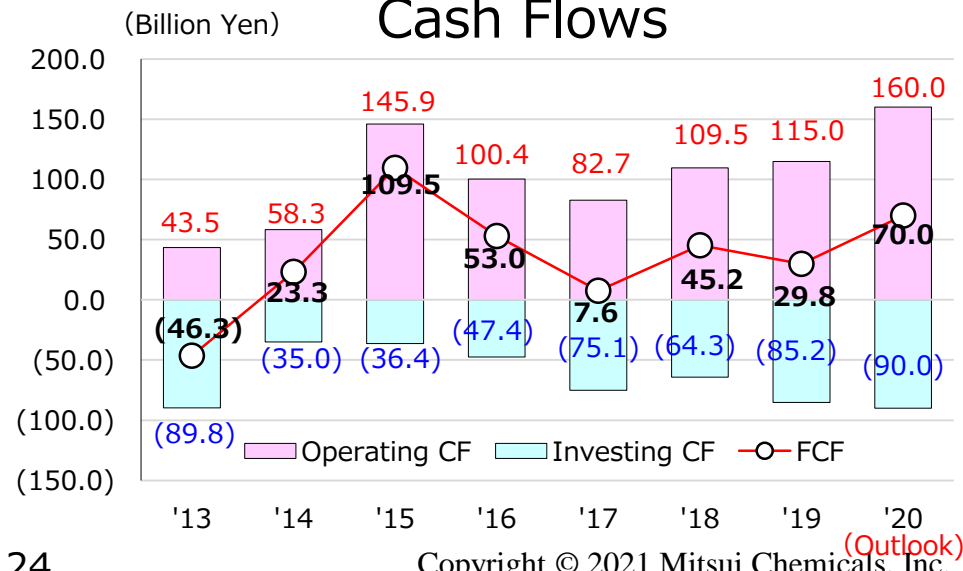
## Total Assets



## Operating income/Operating income before special items & Profit attributable to owners of parent/Net income attributable to owners of the parent



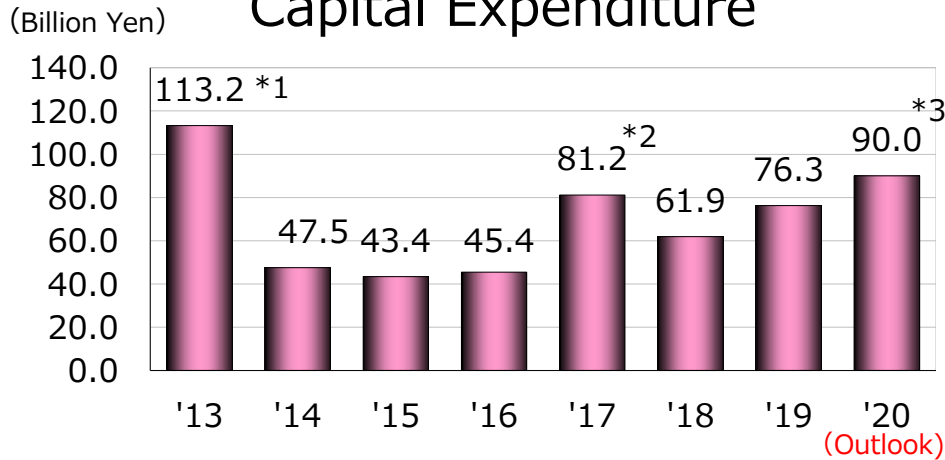
## Cash Flows



# 4-2) Financial Summary

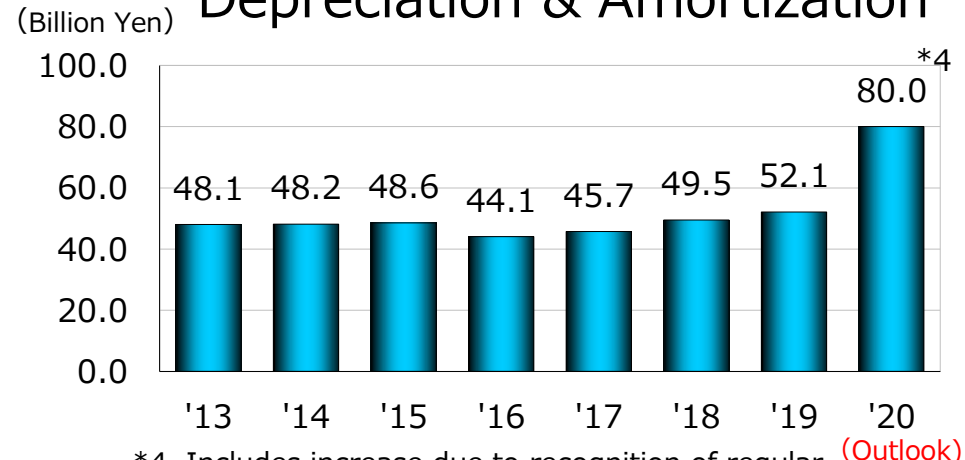
~FY19 : J-GAAP / FY20~ : IFRS

## Capital Expenditure



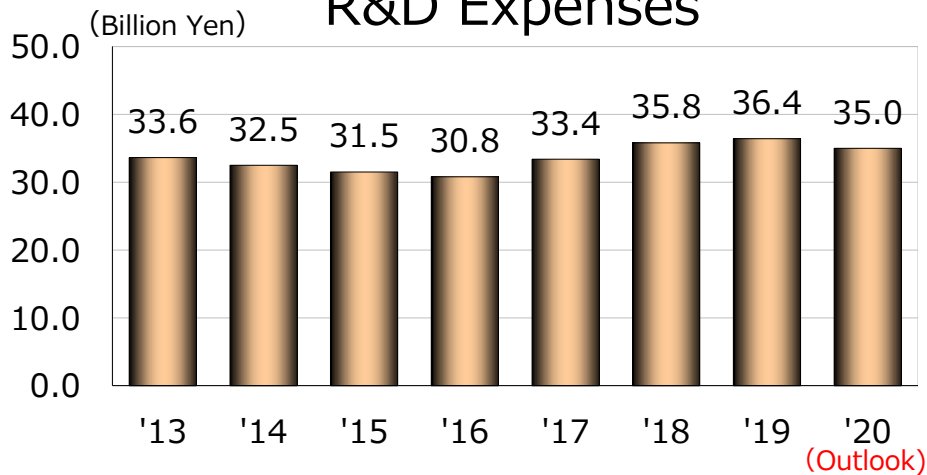
- \*1. Includes Heraeus dental business acquisition 56.0 billion yen
- \*2. Includes acquisition of shares of ARRK corporation 23.9 billion yen
- \*3. Includes increase due to recognition of regular maintenance and repair costs etc. under IFRS

## Depreciation & Amortization

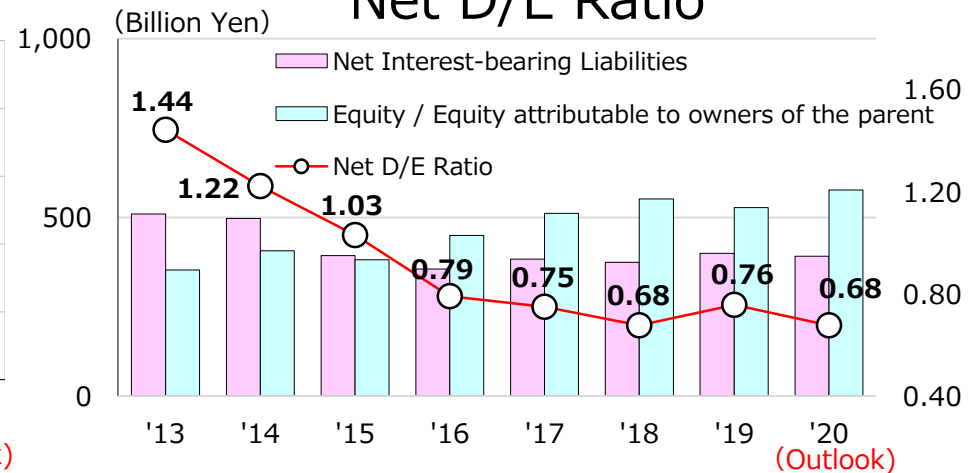


- \*4. Includes increase due to recognition of regular maintenance and repair costs etc. under IFRS

## R&D Expenses



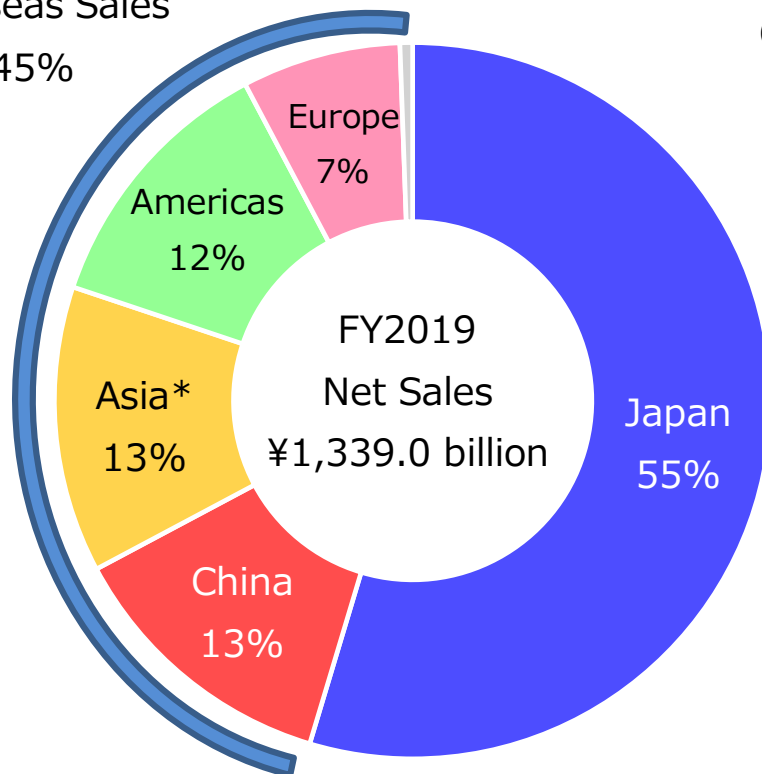
## Net D/E Ratio



# 5) Sales Revenue by Region

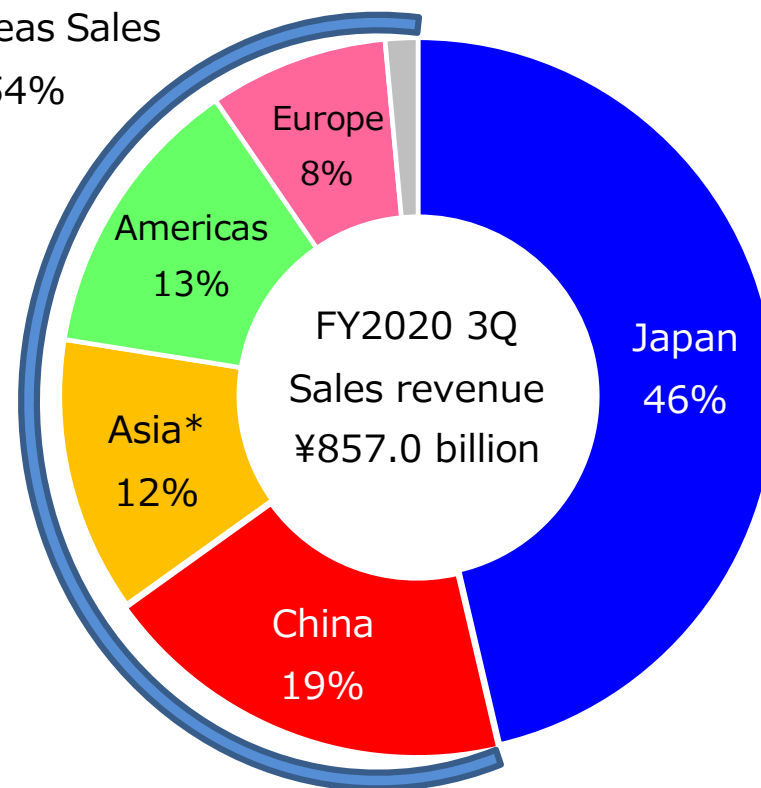
## J-GAAP

Overseas Sales  
45%



## IFRS

Overseas Sales  
54%



\* Asia excluding Japan and China



**Mitsui Chemicals**

Creating New Customer Value and  
Solving Social Challenges through Business Activities