



October 18, 2004
Mitsubishi Chemical Corporation

Notice of Revised Financial Information for Mitsubishi Chemical Corporation

(Tokyo) – Mitsubishi Chemical Corporation (4010) today reported that it has revised its consolidated and non-consolidated financial projections previously announced on August 6, 2004 for the first half of fiscal year 2004, a period ending on September 30, 2004 and revised its consolidated and non-consolidated financial projections previously announced on May 13, 2004 for the full fiscal year 2004, a period ending on March 31, 2005.

1. Revision of projected consolidated business results (April 1, 2004 – September 30, 2004)

	Unit	Net sales	Operating income	Pre-tax earnings before extraordinary items	Net income
Expected results announced previously (A) (announced on Aug. 6, 2004)	Billions of yen	1,020.0	56.0	53.0	16.0
Revised expected results (B)	Billions of yen	1,040.0	66.0	66.0	21.0
Increase/(decrease) (B – A)	Billions of yen	20.0	10.0	13.0	5.0
Rate of increase/(decrease)	%	2.0	17.9	24.5	31.3
Actual results in the same period of previous year (ended in Sep. 30, 2003)	Billions of yen	941.1	40.1	34.2	20.0

2. Revision of projected consolidated business results (April 1, 2004 – March 31, 2005)

	Unit	Net sales	Operating income	Pre-tax earnings before extraordinary items	Net income
Expected results announced previously (A) (announced on May 13, 2004)	Billions of yen	1,970.0	100.0	88.0	22.0
Revised expected results (B)	Billions of yen	2,140.0	126.0	120.0	36.0
Increase/(decrease) (B – A)	Billions of yen	170.0	26.0	32.0	14.0
Rate of increase/(decrease)	%	8.6	26.0	36.4	63.6
Actual results in the same period of previous year (ended in Mar. 31, 2004)	Billions of yen	1,925.3	98.2	82.6	34.5

3. Revision of projected non-consolidated business results (April 1, 2004 – September 30, 2004)

	Unit	Net sales	Operating income	Pre-tax earnings before extraordinary items	Net income
Expected results announced previously (A) (announced on Aug. 6, 2004)	Billions of yen	390.0	18.0	24.0	12.0
Revised expected results (B)	Billions of yen	407.0	22.5	29.5	14.5
Increase/(decrease) (B – A)	Billions of yen	17.0	4.5	5.5	2.5
Rate of increase/(decrease)	%	4.4	25.0	22.9	20.8
Actual results in the same period of previous year (ended in Sep. 30, 2003)	Billions of yen	340.1	6.3	4.5	3.1

4. Revision of projected non-consolidated business results (April 1, 2004 – March 31, 2005)

	Unit	Net sales	Operating income	Pre-tax earnings before extraordinary items	Net income
Expected results announced previously (A) (announced on May 13, 2004)	Billions of yen	720.0	20.0	25.0	12.0
Revised expected results (B)	Billions of yen	820.0	39.0	49.0	20.0
Increase/(decrease) (B – A)	Billions of yen	100.0	19.0	24.0	8.0
Rate of increase/(decrease)	%	13.9	95.0	96.0	66.7
Actual results in the same period of previous year (ended in Mar. 31, 2004)	Billions of yen	715.7	21.1	16.9	6.9

5. Explanatory statements

5-1 Consolidated financial projection

Net sales for the first half of the fiscal year ending March 31, 2005 (FY2004) is expected to exceed the previous forecast announced on August 6, 2004. Operating income in each segment is expected to exceed the previous forecast due to the following effects: the bullish transition of the petrochemicals market, and prospects of increase in profits for consolidated subsidiaries, Mitsubishi Plastics, Inc. and Mitsubishi Pharma Corporation. Ordinary income and net income are also expected to exceed the previous forecast.

Remarks

As for the consolidated financial projection for the full year of FY2004, net sales is expected to exceed the forecast announced on May 13, 2004 due to the following effects: an increase in sales for the Petrochemicals Segment is expected as the product price has shifted to higher-level transition

than the previous assumption, reflecting hiking naphtha price; also an increase in sales for the Performance Products Segment is expected owing to the bullish demands in the steel-related business. Operating income in each segment is also expected to exceed the forecast due to the following effects: the bullish transition of petrochemicals market as a result of continuing strong overseas market situation driven by the strong appetite in Chinese demand, despite a concern on severe business conditions with further rise of naphtha price in the second half of FY2004; the prospects of increase in profits in Mitsubishi Pharma Corporation and others. Ordinary income is expected to exceed the forecast due to the improvement of income (expenses) on financing activities and others. Net income is also expected to significantly exceed the forecast, in spite of increase in extraordinary expenses including early application of impairment accounting.

Revision of projected segment information (April 1, 2004 – September 30, 2004)

Net sales by Segments (Billions of yen)	Revised expected results	Expected results announced previously (Aug. 6, 2004)	Increase/ Decrease	Actual results in the same period of previous year (ended in Sep. 30, 2003)
Petrochemicals	430.0	414.0	16.0	371.9
Performance Products	235.0	234.0	1.0	218.8
Functional Products	173.0	168.0	5.0	165.0
Health Care	137.0	137.0	0.0	139.2
Services	65.0	67.0	(2.0)	46.2
Total	1,040.0	1,020.0	20.0	941.1

Operating income/loss by Segments (Billions of yen)	Revised expected results	Expected results announced previously (Aug. 6, 2004)	Increase/ Decrease	Actual results in the same period of previous year (ended in Sep. 30, 2003)
Petrochemicals	23.0	20.0	3.0	4.2
Performance Products	21.5	19.0	2.5	20.2
Functional Products	11.0	8.5	2.5	6.9
Health Care	13.0	11.0	2.0	12.8
Services	3.5	3.5	0.0	2.4
Elimination and Corporate Costs	(6.0)	(6.0)	0.0	(6.4)
Total	66.0	56.0	10.0	40.1

Revision of projected segment information (April 1, 2004 – March 31, 2005)

Net sales by Segments (Billions of yen)	Revised expected results	Expected results announced previously (May 13, 2004)	Increase/ Decrease	Actual results in the same period of previous year (ended in Mar., 2004)
Petrochemicals	902.0	762.0	140.0	741.4
Performance Products	465.0	451.0	14.0	441.3
Functional Products	344.0	331.0	13.0	338.2
Health Care	275.0	273.0	2.0	277.2
Services	154.0	153.0	1.0	127.2
Total	2,140.0	1,970.0	170.0	1,925.3

Operating income/loss by Segments (Billions of yen)	Revised expected results	Expected results announced previously (May 13, 2004)	Increase/ Decrease	Actual results in the same period of previous year (ended in Mar. 31, 2004)
Petrochemicals	44.0	27.0	17.0	20.5
Performance Products	37.0	33.0	4.0	39.1
Functional Products	21.0	18.0	3.0	15.5
Health Care	27.0	23.0	4.0	29.2
Services	10.0	9.0	1.0	9.9
Elimination and Corporate Costs	(13.0)	(10.0)	(3.0)	(16.0)
Total	126.0	100.0	26.0	98.2

*From this period, the figures in the previous announcement and the actual results in the same period of previous year were revised due to the revision of segmentation, a move of one consolidated subsidiary from the Performance Products Segment to the Services Segment.

5-2 Non-consolidated financial projection

Net sales for the first half of the fiscal year ending March 31, 2005 (FY2004) is expected to exceed the previous forecast announced on August 6, 2004. Operating income is expected to exceed the previous forecast due to the bullish transition of petrochemicals market and others. Ordinary income and net income are also expected to exceed the previous forecast.

Remarks

As for the financial projection for the full year of FY2004, net sales is expected to exceed the forecast announced on May 13, 2004 due to an increase in sales for the Petrochemicals Segment is expected as the product price has shifted to higher-level transition than the previous assumption, reflecting

hiking naphtha price. Operating income is expected to significantly exceed the forecast owing to the bullish transition of petrochemicals market as a result of continuing strong overseas market situation, driven by the strong appetite in Chinese demand. Net income is also expected to exceed the forecast, in spite of increase in extraordinary expenses including early application of impairment accounting.

6. Explanatory statements on revised dividend projection

As mentioned above, the results are expected to exceed the previous forecasts. Therefore, the expected year-end dividends announced on May 13, 2004 will be revised.

7. Revised dividend projection

	Unit: 1 yen		
	Interim	Year-end	Total
Expected dividends per share announced previously (As of May 13, 2004)	-	4	4
Revised expected dividends per share	-	5	5
Actual dividends per share paid in FY2003	-	4	4

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 effects of industry competition.

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