

Operational Summary

for the Nine Months Ended December 31, 2018

February 6, 2019

Mitsubishi Chemical Holdings Corporation

Table of Contents

Consolidated Financial Statements for FY2018 3Q		References	
	Page No.		Page No.
Statements of Operations	4	Statements of Operations [Quarterly Data]	15
Sales Revenue and Core Operating Income by Business Segment	5	Sales Revenue and Core Operating Income by Business Segment [Quarterly Data]	16
Analysis of Core Operating Income	6	Business Segment Information	17
Overview of Business Segments	7		
Special Items	11		
Cash Flows	12		
Statements of Financial Positions	13		

Mitsubishi Chemical Holdings Corporation has adopted IFRS starting with FY2016 1Q.

List of Abbreviations

FY2018	April 1, 2018 – March 31, 2019	
	1st Quarter (1Q):	April 1, 2018 – June 30, 2018
	2nd Quarter (2Q):	July 1, 2018 – September 30, 2018
	3rd Quarter (3Q):	October 1, 2018 – December 31, 2018
	4th Quarter (4Q):	January 1, 2019 – March 31, 2019
	1st Half (1H):	April 1, 2018 – September 30, 2018
	2nd Half (2H):	October 1, 2018 – March 31, 2019
FY2017	April 1, 2017 – March 31, 2018	
	1st Quarter (1Q):	April 1, 2017 – June 30, 2017
	2nd Quarter (2Q):	July 1, 2017 – September 30, 2017
	3rd Quarter (3Q):	October 1, 2017 – December 31, 2017
	4th Quarter (4Q):	January 1, 2018 – March 31, 2018
	1st Half (1H):	April 1, 2017 – September 30, 2017
	2nd Half (2H):	October 1, 2017 – March 31, 2018
MCHC	Mitsubishi Chemical Holdings Corporation	
MCC	Mitsubishi Chemical Corporation	
MTPC	Mitsubishi Tanabe Pharma Corporation	
LSII	Life Science Institute, Inc.	
TNSC	Taiyo Nippon Sanso Corporation	

Consolidated Statements of Operations

Exchange Rate (¥/\$)	112.6	111.3	112.7	111.8	(0.5)	(0%)
Naphtha Price (¥/kl)	54,200	52,100	44,600	39,900	12,200	31%

(Billions of Yen)

	3Q	Nine Months Ended Dec. 31, 2018	3Q	Nine Months Ended Dec. 31, 2017	Change	%
	Sales Revenue	1,009.7	2,931.8	957.4	2,762.2	169.6
Core Operating Income *	78.8	267.0	112.7	305.0	(38.0)	(12%)
Special Items	4.9	3.3	(3.8)	(10.8)	14.1	
Operating Income	83.7	270.3	108.9	294.2	(23.9)	(8%)
Financial Income/Expenses	(2.3)	(4.8)	(1.4)	(6.5)	1.7	
(Dividend included above)	[1.3]	[5.0]	[1.1]	[4.0]	[1.0]	
(Foreign Exchange Gain/Loss included above)	[0.1]	[0.9]	[0.2]	[(0.5)]	[1.4]	
Earnings before Taxes	81.4	265.5	107.5	287.7	(22.2)	
Income Taxes	(21.9)	(59.1)	(15.0)	(63.9)	4.8	
Net Income	59.5	206.4	92.5	223.8	(17.4)	
Net Income Attributable to Owners of the Parent	45.8	166.0	68.5	169.0	(3.0)	(2%)
Net Income Attributable to Non-Controlling Interests	13.7	40.4	24.0	54.8	(14.4)	
* Equity income included	5.4	21.6	6.7	18.3	3.3	

Core operating income is calculated as operating income (loss) excluding certain gains and expenses attributable to non-recurring factors (losses incurred by business withdrawal and contraction, etc.).

Sales Revenue and Core Operating Income by Business Segment

(Billions of Yen)

*All figures are approximation for reference purpose only.

		1Q	2Q	3Q	Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	Change
Total Consolidated	Sales Revenue	941.9	980.2	1,009.7	2,931.8	2,762.2	169.6
	Core Operating Income	92.8	95.4	78.8	267.0	305.0	(38.0)
Functional Products	Sales Revenue	193.8	195.0	199.3	588.1	584.3	3.8
	Core Operating Income	14.3	10.6	12.3	37.2	48.3	(11.1)
Performance Chemicals	Sales Revenue	95.9	97.8	98.3	292.0	268.0	24.0
	Core Operating Income	9.6	9.9	4.7	24.2	27.6	(3.4)
Performance Products	Sales Revenue	289.7	292.8	297.6	880.1	852.3	27.8
	Core Operating Income	23.9	20.5	17.0	61.4	75.9	(14.5)
MMA	Sales Revenue	108.3	110.6	88.9	307.8	281.6	26.2
	Core Operating Income	31.0	32.5	16.3	79.8	81.4	(1.6)
Petrochemicals	Sales Revenue	132.5	157.2	165.6	455.3	400.0	55.3
	Core Operating Income	0.3	8.5	3.8	12.6	23.0	(10.4)
Carbon Products	Sales Revenue	72.5	64.7	70.5	207.7	187.8	19.9
	Core Operating Income	5.6	5.6	6.4	17.6	8.4	9.2
Chemicals	Sales Revenue	313.3	332.5	325.0	970.8	869.4	101.4
	Core Operating Income	36.9	46.6	26.5	110.0	112.8	(2.8)
Industrial Gases	Sales Revenue	156.8	168.9	186.7	512.4	465.9	46.5
	Core Operating Income	13.3	13.6	15.2	42.1	43.9	(1.8)
Health Care	Sales Revenue	135.6	133.9	152.3	421.8	428.8	(7.0)
	Core Operating Income	20.1	15.2	21.2	56.5	72.2	(15.7)
Others	Sales Revenue	46.5	52.1	48.1	146.7	145.8	0.9
	Core Operating Income	(1.4)	(0.5)	(1.1)	(3.0)	0.2	(3.2)

[Inventory valuation gain/loss]

Performance Chemicals	0.5	0.8	(0.6)	0.7	0.4	0.3
Petrochemicals	2.9	4.3	2.0	9.2	4.2	5.0
Carbon products	0.1	(0.4)	(0.1)	(0.4)	(0.7)	0.3
Total	3.5	4.7	1.3	9.5	3.9	5.6

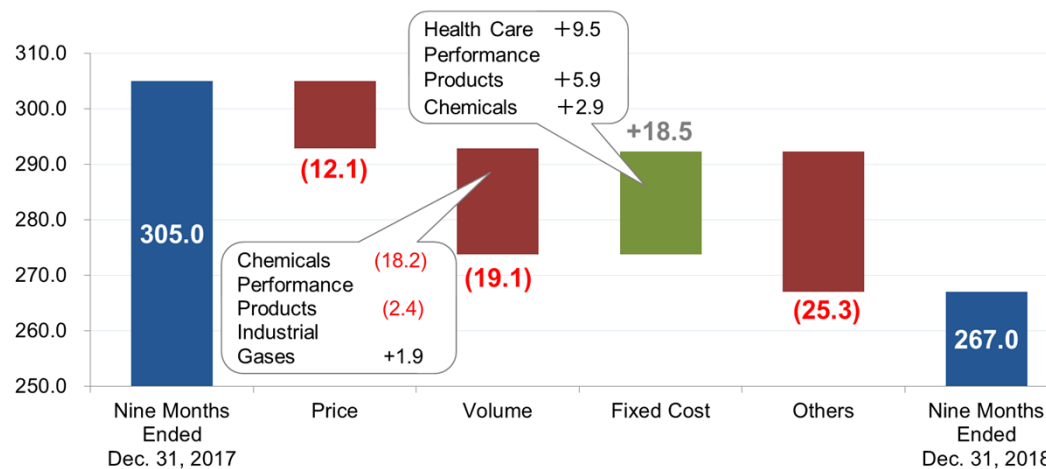
Analysis of Core Operating Income

(Billions of Yen)

	Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	Change	Change			
				Price	Volume	Fixed Cost	Others *
Total Consolidated	267.0	305.0	(38.0)	(12.1)	(19.1)	18.5	(25.3)
Performance Products	61.4	75.9	(14.5)	(7.2)	(2.4)	5.9	(10.8)
Chemicals	110.0	112.8	(2.8)	8.0	(18.2)	2.9	4.5
Industrial Gases	42.1	43.9	(1.8)	(1.2)	1.9	0.2	(2.7)
Health Care	56.5	72.2	(15.7)	(11.7)	(0.4)	9.5	(13.1)
Others	(3.0)	0.2	(3.2)	0.0	0.0	0.0	(3.2)

* Items included are impacts from inventory valuation gain/loss and Equity Income, etc.

Changes in exchange rates	(0.4)	(0.7)	(0.2)	-	0.5
Changes in foreign currency translation included in above		(0.2)			



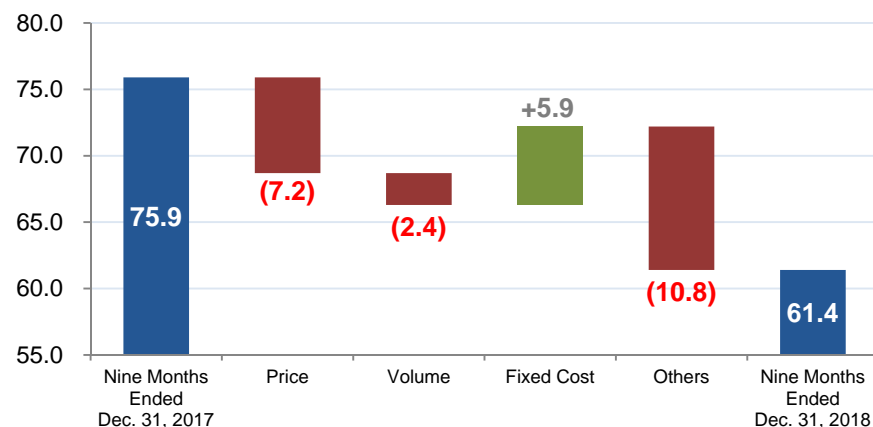
Performance Products Segment

(Billions of Yen)

		Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	Change
Functional Products	Sales Revenue	588.1	584.3	3.8
	Core Operating Income	37.2	48.3	(11.1)
Performance Chemicals	Sales Revenue	292.0	268.0	24.0
	Core Operating Income	24.2	27.6	(3.4)
Performance Products	Sales Revenue	880.1	852.3	27.8
	Core Operating Income	61.4	75.9	(14.5)

Functional Products	
Sales revenue	Sales volumes increased in advanced moldings and composites including high-performance engineering plastics and other products, despite slowing demand for some information and electronics and display related products.
Core operating income	Profit decreased mainly due to lower sales volumes in some films for displays, a rise in raw material costs, and an increase in fixed costs.
Performance Chemicals	
Sales revenue	Strong market prices for phenol-polycarbonate chain materials continued in the first half of fiscal 2018, despite a drop in the prices in the third quarter of fiscal 2018. Sales volumes increased in battery materials for automobiles in the new energy business.
Core operating income	Profit decreased primarily due to an impact from scheduled maintenance and repairs in the phenol-polycarbonate chain.

Analysis of Core Operating Income



<Major initiatives>

- In October 2018, MCC acquired Cleanpart Group GmbH, which provides semiconductor makers in Europe and the U.S. with precision cleaning and coating services for semiconductor manufacturing equipment.
- MCC has been conducting R&D and developing applications for biodegradable and bio-based plastics. In October 2018, Japan Paper and Pulp Co., Ltd. launched sales of paper cups made with MCC's BioPBS™ biodegradable plastic.
- MCC decided to enhance the Yokkaichi Plant's production capacity of electrolyte for lithium-ion batteries from 11kt/y to 16kt/y. (The facility expansion is slated for completion at the end of December 2020.)

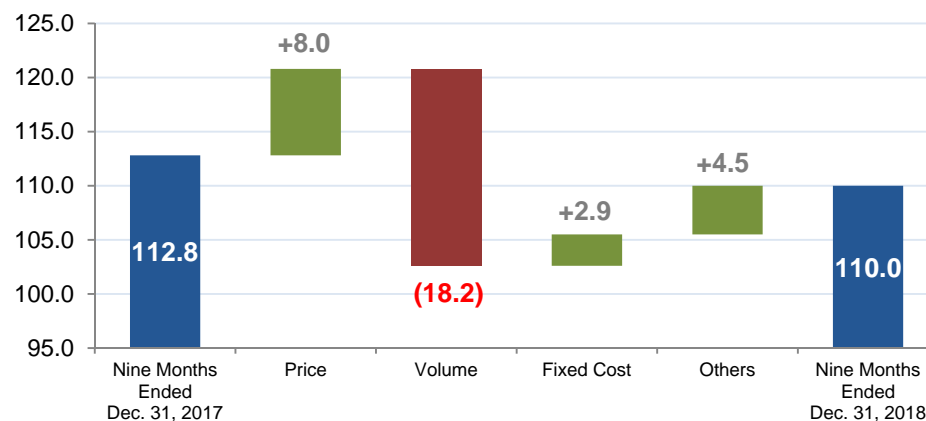
Chemicals Segment

(Billions of Yen)

		Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	Change
MMA	Sales Revenue	307.8	281.6	26.2
	Core Operating Income	79.8	81.4	(1.6)
Petrochemicals	Sales Revenue	455.3	400.0	55.3
	Core Operating Income	12.6	23.0	(10.4)
Carbon products	Sales Revenue	207.7	187.8	19.9
	Core Operating Income	17.6	8.4	9.2
Chemicals	Sales Revenue	970.8	869.4	101.4
	Core Operating Income	110.0	112.8	(2.8)

MMA	
Sales revenue	Revenue increased due to continued strong market prices for MMA monomer and other products in the first half of fiscal 2018, despite deceleration of demand growth and a drop in market prices in the third quarter of fiscal 2018.
Core operating income	Profit decreased mainly due to decreased sales volumes in the third quarter of fiscal 2018, despite increased profit brought on by continued firm market prices in the first half of fiscal 2018.
Petrochemicals	
Sales revenue	Sales prices increased attributable to higher raw material prices, despite decreased sales volumes reflecting a larger impact from scheduled maintenance and repairs at an ethylene production facility.
Core operating income	Profit decreased mainly due to an impact of the scheduled maintenance and repairs at a production facility and a narrowed price spread between raw materials and products in polyolefin.
Carbon	
Sales revenue	Market prices increased due to higher market prices of needle coke in the continued firm demand for coke and other products.
Core operating income	Profit increased mainly due to a widened price spread between raw materials and products in carbon products, reflecting rising market prices of needle coke.

Analysis of Core Operating Income



<Major initiative>

- As part of the business portfolio reform, MCC transferred the acrylic sheet business in Europe operated by its subsidiary in the U.K. to Schweiter Technologies Group, in December 2018.

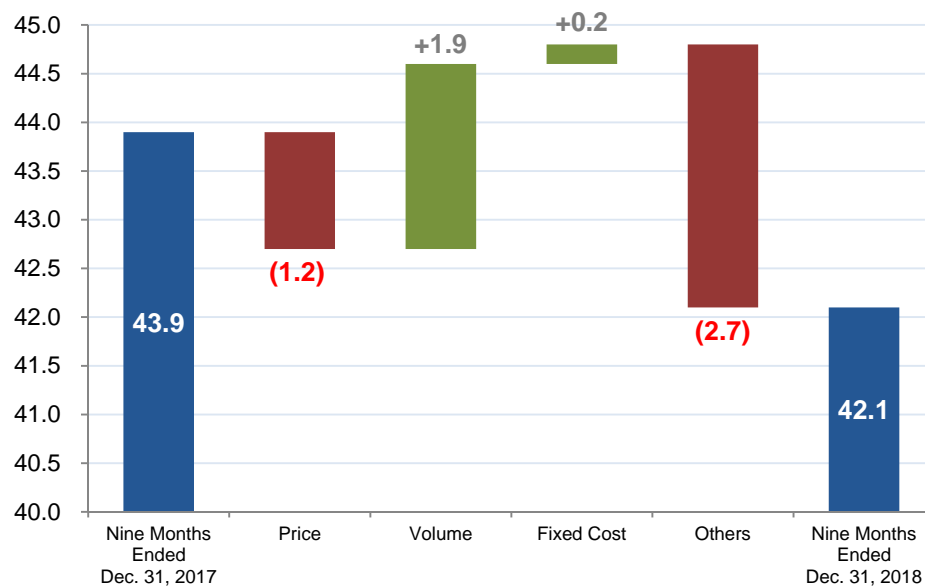
Industrial Gases Segment

(Billions of Yen)

		Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	Change
Industrial Gases	Sales Revenue	512.4	465.9	46.5
	Core Operating Income	42.1	43.9	(1.8)

Industrial Gases	
Sales revenue	Overseas gas business showed continued firmness. In addition, revenue increased, reflecting establishment of a new domestic onsite gas plant and positive effect of European business acquisition.
Core operating income	Profit decreased attributable to increased costs brought on by rising raw material and fuel costs and the European business acquisition, despite continued firmness in demand as a whole.

Analysis of Core Operating Income



<Major initiatives>

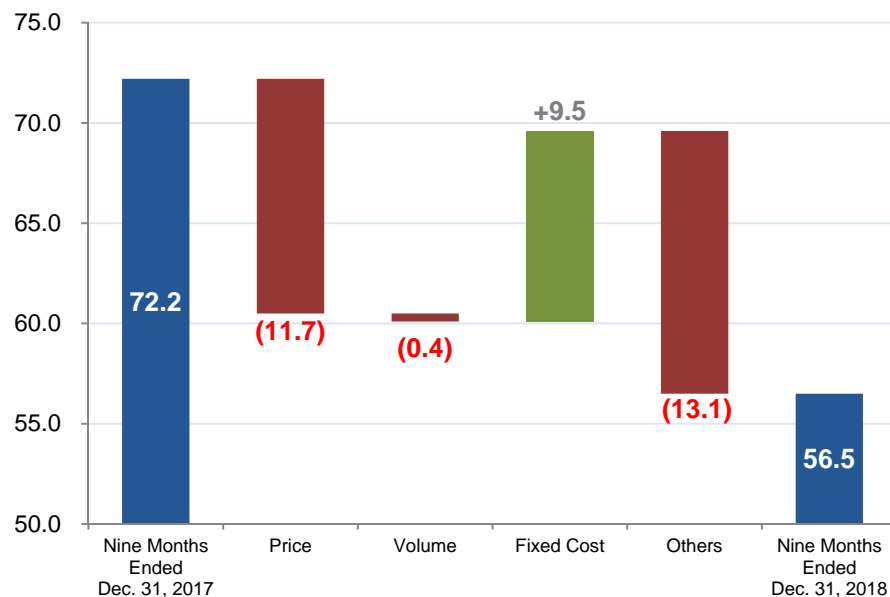
- TNSC acquired the European businesses of Praxair, Inc. including the industrial gas business in Germany, Spain, and Italy, etc.; the carbon dioxide gas business in the U.K. etc.; and the helium-related business, with a total value of 637.2 billion yen. This move is aimed at accelerating TNSC's global expansion by acquiring businesses with certain shares in markets where the company has little or no market presence.
- TNSC concluded an agreement with Linde Gas North America LLC, a subsidiary of the German company Linde Aktiengesellschaft, to acquire a portion of its HyCO business and related assets in the U.S. through its wholly owned subsidiary, Matheson Tri-Gas, Inc. for 413.07 million U.S. dollars (about 46.8 billion yen) in December 2018.

Health Care Segment

		(Billions of Yen)		
		Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	Change
Health Care	Sales Revenue	421.8	428.8	(7.0)
	Core Operating Income	56.5	72.2	(15.7)

Health Care	
Sales revenue	Revenue decreased mainly attributable to NHI price revision in domestic ethical pharmaceuticals and a generic drug business transfer, despite sales growth of <i>Radicava</i> , a treatment for amyotrophic lateral sclerosis (ALS) in the U.S. and Simponi, a treatment agent for rheumatoid arthritis in Japan.
Core operating income	Profit decreased mainly due to NHI price revision in domestic ethical pharmaceuticals and increased R&D expenses brought on by acquisition of NeuroDerm Ltd., despite sales growth of <i>Radicava</i> , a treatment for amyotrophic lateral sclerosis (ALS) in the U.S.

Analysis of Core Operating Income



<Major initiatives>

- MTPC's Edarabone (U.S. name: Radicava) was approved by the Health Canada for an indication of ALS, a rapidly progressive, neurodegenerative disease in October 2018, following its approval in Japan, Korea, and the U.S.
- LSII launched exploratory clinical trials with the Muse cell-based product "CL2020" in patients with epidermolysis bullosa in December 2018, following earlier trials in patients with acute myocardial infarction in January 2018 and ischemic stroke in September 2018. In addition, the company established Tonomachi CPC, a cell processing center that plans to use for the manufacturing of Muse cell-based products for clinical trials and their commercial production after regulatory approval.

Consolidated Special Items

(Billions of Yen)

	3Q	Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	Change
	Total Special Items	4.9	3.3	(10.8)
Gain on sale of intercompany securities	7.3	7.3	3.6	3.7
Gain on sale of property, plant and equipment	0.0	2.4	2.8	(0.4)
Loss on sale and disposal of fixed assets	(0.4)	(3.0)	(2.1)	(0.9)
Impairment loss	(1.6)	(2.5)	(6.1)	3.6
Special retirement expenses	(0.0)	(0.2)	(2.4)	2.2
Integration-related expenses of MCC	-	-	(2.6)	2.6
Others	(0.4)	(0.7)	(4.0)	3.3

[Special Items by Business Segment]

Performance Products	(2.0)	(3.1)	(2.1)	(1.0)
Chemicals	6.3	5.6	(3.3)	8.9
Industrial Gases	-	0.3	0.0	0.3
Health Care	1.0	1.0	(1.4)	2.4
Others	(0.4)	(0.5)	(4.0)	3.5

Consolidated Cash Flows

	Based on statements of cash flows		Adjusted cash flows*1		<reference> Target for FY2018 Forecast (announced on May.10)
	Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	Nine Months Ended Dec. 31, 2018	Nine Months Ended Dec. 31, 2017	
Net cash provided by operating activities	276.7	287.2	276.7	287.2	394.0
Income before income taxes	265.5	287.7	265.5	287.7	325.0
Depreciation and amortization	143.5	133.3	143.5	133.3	185.0
Change in operating receivables/payables	1.7	(49.1)	1.7	(49.1)	} 0.0
Change in Inventories	(28.4)	(35.4)	(28.4)	(35.4)	
Others	(105.6)	(49.3)	(105.6)	(49.3)	(116.0)
Net cash used in investment activities	(816.2)	(244.3)	(801.9)	(290.4)	(254.0)
Capital expenditure	(167.3)	(167.1)	(167.3)	(167.1)	(264.0)
Sale of assets	31.3	27.8	31.3	27.8	} 10.0
Investment and loans receivable, etc.	(680.2)	(105.0)	*2 (665.9)	(151.1)	
Free cash flow	(539.5)	42.9	(525.2)	(3.2)	140.0
Net cash used in financing activities	568.8	(142.8)			
Interest bearing debts	676.3	(64.1)			
Dividends, etc.	(107.5)	(78.7)			
Increase (Decrease) in cash and cash equivalents	29.3	(99.9)			
Effect of exchange rate changes and change in scope of consolidation	3.1	7.8			
Cash and cash equivalents at the beginning of the period	277.6	363.5			
Cash and cash equivalents at the end of the period	310.0	271.4			

*1 Adjusted cash flows based on actual results are calculated by excluding cash flows from investment of surplus funds for explanatory purposes.

*2 TNSC's acquisition of the European businesses of Praxair, Inc.: (632.8) billion yen
(Consideration of acquisition: (637.2) billion yen;
Cash and cash equivalents on acquisition: +4.4 billion yen)

Consolidated Statements of Financial Positions

(Billions of Yen)

	Dec. 31, 2018	Mar. 31, 2018	Change
Cash and cash equivalents	310.0	277.6	32.4
Trade receivables	893.0	854.8	38.2
Inventories	644.6	607.7	36.9
Other current assets	348.4	311.6	36.8
Total current assets	2,196.0	2,051.7	144.3
Tangible and Intangible fixed assets	2,229.8	1,788.7	441.1
Goodwill	646.3	324.2	322.1
Investment and other non-current assets	541.8	536.8	5.0
Total non-current assets	3,417.9	2,649.7	768.2
Total assets	5,613.9	4,701.4	* 912.5

*As a result of TNSC's acquisition of the European businesses of Praxair, Inc., total assets increased by 774.6 billion yen.
(Tangible and intangible fixed assets: 408.1 billion yen; Goodwill: 301.1 billion yen, etc.)

	Dec. 31, 2018	Mar. 31, 2018	Change
Interest-bearing debts	2,298.5	1,606.1	692.4
Trade payables	517.7	488.6	29.1
Other liabilities	786.3	687.2	99.1
Total liabilities	3,602.5	2,781.9	820.6
Shareholders' equity	1,373.5	1,284.5	89.0
Other components of equity	(4.0)	1.3	(5.3)
Total equity attributable to owners of the parent	1,369.5	1,285.8	83.7
Non-controlling interests	641.9	633.7	8.2
Total equity	2,011.4	1,919.5	91.9
Total liabilities and equity	5,613.9	4,701.4	912.5

Net interest-bearing debts *1	1,782.7	1,139.5	643.2
Net D/E ratio	1.30	0.89	0.41
Ratio of equity attributable to owners of the parent	24.4%	27.3%	(2.9%)
ROE *2	-	17.8%	-

*1 Net interest-bearing debts
= interest bearing debts (2,298.5 billion yen)
- (cash and cash equivalents (310.0 billion yen) + investments of surplus funds (205.9 billion yen))

*2 Ratio of net income attributable to owners of the parent

References

Statement of Operations [Quarterly Data]

Exchange Rate (¥/\$)	111.4	111.2	112.7	107.5	109.5	111.9	112.6	110.4
Naphtha Price (¥/kl)	39,100	36,100	44,600	47,900	48,700	53,500	54,200	54,600

(Billions of Yen)

	FY2017				FY2018			FY2018 Forecast (announced on Nov.1)	Achievement ratio
	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Sales Revenue	898.0	906.8	957.4	962.2	941.9	980.2	1,009.7	4,040.0	72.6%
Core Operating Income *	95.5	96.8	112.7	75.5	92.8	95.4	78.8	368.0	72.6%
Special Items	(4.5)	(2.5)	(3.8)	(14.0)	0.8	(2.4)	4.9	(14.0)	
Operating Income	91.0	94.3	108.9	61.5	93.6	93.0	83.7	354.0	76.4%
Financial Income/Expenses	(1.4)	(3.7)	(1.4)	(5.1)	0.9	(3.4)	(2.3)	(9.0)	
(Dividend included above)	[2.6]	[0.3]	[1.1]	[0.3]	[3.4]	[0.3]	[1.3]		
(Foreign Exchange Gain/Loss included above)	[(0.7)]	[0.0]	[0.2]	[(2.5)]	[0.8]	[0.0]	[0.1]		
Earnings before Taxes	89.6	90.6	107.5	56.4	94.5	89.6	81.4	345.0	
Income Taxes	(26.3)	(22.6)	(15.0)	(3.8)	(22.3)	(14.9)	(21.9)	(77.0)	
Net Income	63.3	68.0	92.5	52.6	72.2	74.7	59.5	268.0	
Net Income Attributable to Owners of the Parent	47.7	52.8	68.5	42.8	58.1	62.1	45.8	213.0	77.9%
Net Income Attributable to Non-Controlling Interests	15.6	15.2	24.0	9.8	14.1	12.6	13.7	55.0	
* Equity income included	5.6	6.0	6.7	9.0	8.6	7.6	5.4		

Sales Revenue and Core Operating Income by Business Segment [Quarterly Data]

* All figures are approximation for reference purpose only.

(Billions of Yen)

		FY2017				FY2018			FY2018 Forecast (announced on Nov.1)	Achievement ratio
		1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Total Consolidated	Sales Revenue	898.0	906.8	957.4	962.2	941.9	980.2	1,009.7		
	Core Operating Income	95.5	96.8	112.7	75.5	92.8	95.4	78.8	368.0	72.6%
Functional Products	Sales Revenue	188.7	195.9	199.7	197.8	193.8	195.0	199.3		
	Core Operating Income	16.7	16.2	15.4	9.7	14.3	10.6	12.3	49.0	75.9%
Performance Chemicals	Sales Revenue	88.5	87.6	91.9	95.8	95.9	97.8	98.3		
	Core Operating Income	9.8	8.1	9.7	8.4	9.6	9.9	4.7	38.5	62.9%
Performance Products	Sales Revenue	277.2	283.5	291.6	293.6	289.7	292.8	297.6		
	Core Operating Income	26.5	24.3	25.1	18.1	23.9	20.5	17.0	87.5	70.2%
MMA	Sales Revenue	92.3	92.6	96.7	104.3	108.3	110.6	88.9		
	Core Operating Income	24.3	27.9	29.2	28.2	31.0	32.5	16.3	108.0	73.9%
Petrochemicals	Sales Revenue	127.5	130.9	141.6	138.0	132.5	157.2	165.6		
	Core Operating Income	5.8	8.7	8.5	2.9	0.3	8.5	3.8	19.5	64.6%
Carbon Products	Sales Revenue	68.1	60.2	59.5	65.6	72.5	64.7	70.5		
	Core Operating Income	4.0	1.2	3.2	4.0	5.6	5.6	6.4	24.0	73.3%
Chemicals	Sales Revenue	287.9	283.7	297.8	307.9	313.3	332.5	325.0		
	Core Operating Income	34.1	37.8	40.9	35.1	36.9	46.6	26.5	151.5	72.6%
Industrial Gases	Sales Revenue	149.1	153.1	163.7	172.8	156.8	168.9	186.7		
	Core Operating Income	13.4	14.7	15.8	13.6	13.3	13.6	15.2	61.5	68.5%
Health Care	Sales Revenue	138.1	135.1	155.6	127.8	135.6	133.9	152.3		
	Core Operating Income	22.0	19.0	31.2	9.0	20.1	15.2	21.2	72.5	77.9%
Others	Sales Revenue	45.7	51.4	48.7	60.1	46.5	52.1	48.1		
	Core Operating Income	(0.5)	1.0	(0.3)	(0.3)	(1.4)	(0.5)	(1.1)	(5.0)	

Business Segment Information

Business Domain	Business Segment	Business Sub-Segment		
			Businesses	
Performance Products	Performance Products	Functional Products	Electronics and Displays	Optical films, Electronics and displays, Acetyl
			High Performance Films	Packaging films, Industrial films
			Environment and Living Solutions	Aqua and separator solutions, Infrastructure solutions and agricultural materials
			Advanced Moldings and Composites	High performance engineering plastics, Fibers and textile, Carbon fiber and composite materials, Functional moldings and composites, Almina fiber and light metal products
		Performance Chemicals	Advanced Polymers	Performance polymers, Engineering polymers, Sustainable resources
			High Performance Chemicals	Performance chemicals, Performance materials, Food ingredients
			New Energy	Lithium ion battery materials, Energy transduction device materials
Industrial Materials	Chemicals	MMA	MMA	MMA
		Petrochemicals	Petrochemicals	Basic petrochemicals, Polyolefins, Basic chemical derivatives
		Carbon	Carbon	Carbon products
	Industrial Gases		Industrial gases	
Health Care	Health Care			Pharmaceuticals
				Life science

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.