

November 5, 2021

MITSUBISHI GAS CHEMICAL COMPANY, INC.

Revision of Business Performance Forecasts

In view of its recent performance, Mitsubishi Gas Chemical Company, Inc. (MGC) has revised the business performance forecasts published on August 6, 2021.

1. Revision of full-year consolidated performance forecasts for the fiscal year ending March 2022 (April 1, 2021-March 31, 2022)

(1) Consolidated business forecasts

(In millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share (¥)
Previous forecast (A)	660,000	50,000	61,000	45,000	216.31
Revised forecast (B)	690,000	53,000	68,000	50,000	240.34
Change (B - A)	30,000	3,000	7,000	5,000	
Change (%)	4.5	6.0	11.5	11.1	
Results for the previous year (ending March 2021)	595,718	44,510	50,240	36,070	173.41

(2) Non-consolidated business forecasts

(In millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (¥)
Previous forecast (A)	400,000	30,000	39,000	30,000	144.20
Revised forecast (B)	420,000	31,000	40,000	31,000	149.01
Change (B - A)	20,000	1,000	1,000	1,000	
Change (%)	5.0%	3.3%	2.6%	3.3%	
Results for the previous year (ending March 2021)	344,898	19,101	26,443	23,966	115.22

2. Reasons for Revisions

With regard to consolidated operating results forecasts, the MGC Group now expects that net sales and operating income will exceed the previous full-year forecasts, even after accounting for the impact of higher raw material and fuel prices, as well as lower than previously estimated sales volumes of optical polymers. This projection is primarily based on greater-than-expected first-half operating results for the Basic Chemicals and other businesses, as well as the favorable foreign exchange trend toward yen depreciation. As for optical polymers, demand has bottomed out due to the impact of inventory adjustments undertaken by customers in the first half and has currently returned to a recovery track. However, in light of economic deceleration in China and fallout from semiconductor shortages, the pace of demand recovery will likely remain less robust than previously estimated. On the other hand, ordinary income and net income attributable to owners of the parent are expected to surpass the previous forecasts due to expected growth in equity in earnings of affiliates, supported by upturns in methanol market prices, in addition to operating income that is expected to exceed the previous forecast.

With regard to non-consolidated operating forecasts, the MGC Group similarly believes that net sales, as well as each profit indicator, will exceed the previous forecasts due to the factors discussed above.

The above forecasts assume exchange rates of ¥113=\$1 (a depreciation of ¥5 from the previous forecast) and ¥130=€1 (unchanged from the previous forecast) for the remaining months of the fiscal year.

Note: The above forecasts are based on information currently available to MGC as of the date of the announcement of this document. Actual operating results may vary due to various factors.

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INQUIRIES

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