

# Results Presentation

## Fiscal Year 2016

( April 1,2016 – March 31, 2017)

(Disclaimer)

Forecasts contained in this material are based on information available at the time of presentation, and no commitment or guarantee is given that business policies will be implemented or target figures achieved.

# Topics of FY2016

Basic Strategies of Mid-term Management Plan MGC Advance2017	Action of FY2016
Enhancing the profitability of existing businesses, especially core businesses	<ul style="list-style-type: none"><li>➤ Methanol/Dimethyl Ether Plant Project at Trinidad and Tobago under way</li><li>➤ Increase production capacity of glycidyl methacrylate (GMA) in 2017 (Demand for automobile top coating is expected to grow)</li><li>➤ Strengthened production capacity for Specialty Polycarbonate Resins (Demand in camera lenses used in mobile devices increasing)</li><li>➤ Participated in Natural Gas-Fired Power Generation Project at Soma Port in Fukushima</li><li>➤ Replaced Methylamines production equipment at the Niigata Plant</li></ul>
Restructuring underperforming businesses	<ul style="list-style-type: none"><li>➤ Dissolution of Japan Circuit Industrial Co., Ltd.</li></ul>

# Topics of FY2016

Basic Strategies of Mid-term Management Plan MGC Advance2017	Action of FY2016
Developing and creating new businesses	<ul style="list-style-type: none"> <li>➤ Setting up the Business Strategies Office (to accelerate M&amp;A studies and promote the development of new businesses)</li> <li>➤ Established Joint Venture Company for production of monoclonal antibody pharmaceuticals (MABs) including biosimilars.</li> <li>➤ Setting QOL Innovation Center Shirakawa (Completion on April,2017)</li> </ul>
Improving group-wide operational efficiency	<ul style="list-style-type: none"> <li>➤ Continuing work to introduce Business Management Units (BMUs)</li> </ul>
(Other)	<ul style="list-style-type: none"> <li>➤ Repurchase of Own Shares (May,2016...10 million shares, representing 2.26% of the total number of issued shares)</li> <li>➤ Change of the number of shares in a unit of shares(1,000stocks→100stocks) , Consolidation of Shares(2stocks→1stock) (Date of change : October 1, 2016)</li> </ul>

# FY2016 Consolidated Profit & Loss Statement

(JPY in billions)

	FY2015	FY2016	Change	Change(%)	FY2016 forecast*
Net sales	593.5	556.4	(37.0)	(6.2)	540.0
Operating income	34.0	43.7	9.7	28.6	39.0
(Equity in earnings of affiliates)	16.6	21.0	4.3	-	19.0
(Other operating income & loss)	(5.2)	(2.4)	2.8	-	(3.0)
Ordinary income	45.4	62.3	16.9	37.3	55.0
(Extraordinary income & loss)	0.4	(1.3)	(1.7)	-	(2.0)
Net income before taxes	45.8	61.0	15.2	33.2	53.0
(Income taxes, etc.)	7.0	7.6	(0.5)	-	-
Net income attributable to non-controlling interests	4.6	5.4	(0.8)	-	-
Net income attributable to owners of the parent	34.1	47.9	13.8	40.5	41.0

EPS (JPY) ※1	153.85	221.57
ROE (%)	9.0	11.9
FX (JPY/USD)	120	108

\*Announced on Feb 3, 2017

Effects of exchange rate: Net sales (32.9), Operating income (7.5), Ordinary income (9.9)

※1 The Company conducted a consolidation of shares at a ratio of one share for every two shares effective October 1, 2016. In Accordance with it, EPS are calculated based on the assumption that the share consolidation had been carried out at the beginning of the previous fiscal year.

# FY2016 Non-operating & Extraordinary Items

(JPY in billions)

	FY2015	FY2016	Change
<b>Non-operating items</b>	11.4	18.6	7.2
Equity in earnings of affiliates	16.6	21.0	4.3
Financial income or loss	0.2	0.8	0.6
Foreign exchange gains or losses	(3.8)	(1.2)	2.6
Others	(1.6)	(2.1)	(0.4)
<b>Extraordinary income</b>	4.1	2.5	(1.6)
Subsidy income	0.3	1.0	0.7
Gain on sales of investment securities	3.4	0.7	(2.6)
Gain on sales of noncurrent assets	0.1	0.5	0.4
Compensation income	-	0.2	0.2
Others	0.2	-	(0.2)
<b>Extraordinary losses</b>	(3.7)	(3.8)	(0.1)
Impairment losses	(1.5)	(1.1)	0.4
Loss on reduction of noncurrent assets	-	(0.9)	(0.9)
Loss on business withdrawal	-	(0.8)	(0.8)
Loss on liquidation of subsidiaries and affiliates	(1.1)	(0.6)	0.4
Others	(1.1)	(0.2)	0.8

- Equity in earnings of affiliates  
Natural gas chemicals: +1.4  
(Reasons include higher methanol market prices.)
- Specialty chemicals: +1.5  
(Higher earnings at PC/POM Companies)
- Information & Advanced materials: +1.2  
(Two additional companies designated as equity method affiliates)
- Foreign exchange gains or loss  
FY2015: The stronger yen towards the end of the fiscal year and the weaker renminbi and Thai baht resulted in exchange losses.
- Gain on sales of investment securities from the sale of strategically held shares in both FY2015 and FY2016.

## Outline of FY2016 Results

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### <FY2016 Results>

- Group operating income grew. Negative impact of the stronger yen was more than offset by the improved profitability primarily of engineering plastics, which was mainly due to lower prices of fuels and raw materials. (+¥9.7 billion from FY2015)
- Methanol market prices rose in H2. Overseas methanol producing affiliates posted year-on-year growth in equity in earnings. Equity in earnings of engineering plastics affiliates also rose, resulting in higher ordinary income. (+¥16.9 billion from FY2015)
- New all-time highs for ordinary income, income before tax, and net income.

# FY2016 Consolidated Balance Sheets

(JPY in billions)

	Mar. 31, 2016	Mar. 31, 2017	Change		Mar. 31, 2016	Mar. 31, 2017	Change
Current assets	341.2	326.6	(14.5)	Liabilities	316.4	264.8	(51.5)
Cash and deposits	84.0	75.0	(9.0)	Trade note and accounts payable	60.8	68.5	7.6
Trade notes and accounts receivable	136.4	138.4	2.0	Interest-bearing debt	181.4	118.7	(62.7)
Inventories	100.1	94.6	(5.4)	Others	74.2	77.6	3.4
Others	20.6	18.6	(2.0)				
Non-current assets	398.3	414.9	16.6	Net assets	423.1	476.7	53.6
Tangible assets	230.5	218.0	(12.4)	Shareholders' equity	373.2	416.5	43.3
Intangible assets	8.7	8.3	(0.3)	Accumulated other comprehensive income	3.6	11.5	7.8
Investments and others assets	159.0	188.5	29.4	Non controlling interest	46.1	48.6	2.4
Total assets	739.5	741.6	2.0	Total liabilities and net assets	739.5	741.6	2.0
				Equity ratio	51.0%	57.7%	
				BPS (JPY) ※	1,707	1,984	

※The Company conducted a consolidation of shares at a ratio of one share for every two shares effective October 1, 2016. In Accordance with it, book value per share are calculated based on the assumption that the share consolidation had been carried out at the beginning of the previous fiscal year.

# FY2016 Consolidated Cash Flows

(JPY in billions)

	FY2015	FY2016	Change
Operating activity cash flow	84.6	82.7	(1.9)
Income before income taxes, etc.	45.8	61.0	15.2
Depreciation and amortization	26.7	25.6	(1.0)
Equity in earnings of affiliates	(16.6)	(21.0)	(4.3)
Dividends received from equity method affiliates	18.6	12.2	(6.4)
Working capital etc.	10.9	10.0	(0.9)
Income taxes paid	(0.8)	(5.2)	(4.3)
Investing activity cash flows	(31.9)	(31.1)	0.8
Capital expenditure	(28.6)	(31.4)	(2.8)
Investment and financing, etc.	(3.3)	0.2	3.6
Free cash flows	52.7	51.5	(1.1)
Financing activity cash flows	(47.3)	(60.2)	(12.8)
Change in borrowings and bonds	(33.2)	(46.9)	(13.7)
Purchase of treasury stock	(7.4)	(6.2)	1.1
Dividends paid	(6.6)	(6.9)	(0.2)
Effect of exchange rate change on cash and cash equivalents	(2.2)	(0.0)	2.2
Net increase (decrease) in cash and cash equivalents	3.1	(8.6)	(11.8)
Cash and cash equivalents at end of period	75.8	67.1	(8.6)

# FY2017 Consolidated Business Forecasts

(JPY in billions)

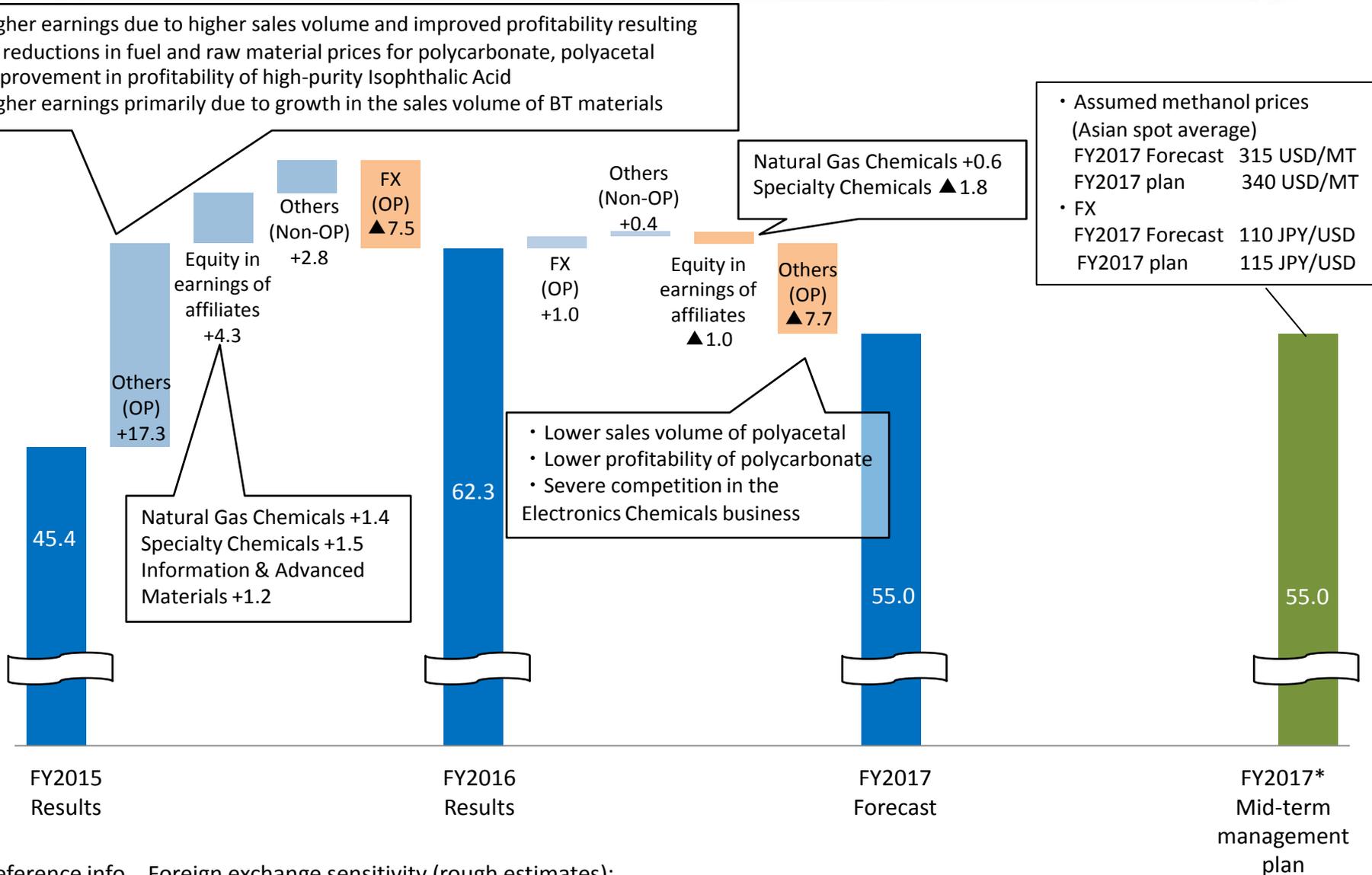
	FY2016 Results	FY2017 Forecasts	Change	Change (%)	FY2017 Mid-Term Plan※2
Net sales	556.4	580.0	23.5	4.2%	700.0
Operating income	43.7	37.0	(6.7)	-15.5%	40.0
(Equity in earnings of affiliates)	21.0	20.0	(1.0)	-	-
Ordinary income	62.3	55.0	(7.3)	-11.8%	55.0
Net income before income taxes, etc.	61.0	55.0	(6.0)	-9.9%	-
Net income attributable to owners of the parent	47.9	43.0	(4.9)	-10.3%	-
EPS (JPY)	221.57	199.24	※1		-
ROE (%)	11.9	9.7			>9.0
FX (JPY/USD)	108	110			115

➤ Lower earnings are expected because of anticipated lower sales volume for polyacetal (POM) and a lower earnings ratio for polycarbonates (PC). Severer competition in the Electronics Chemicals business, mainly in the USA and Taiwan, will be a further drawback.

※1 The Company conducted a consolidation of shares at a ratio of one share for every two shares effective October 1, 2016. EPS shown in this document reflect the share consolidation.

※2 Officially announced on May 2015...Mid-term Management Plan "MGC Advance 2017"

# Increase and Decrease Factors of Ordinary Income



Reference info. Foreign exchange sensitivity (rough estimates):

with an appreciation (depreciation) of 1 yen against the U.S. dollar, annual operating income falls (increases) by 0.6 billion yen, while annual ordinary income falls (increases) by 0.8 billion yen.

\*Disclosed in May 2015

# Capital investment • Shareholder return

## <Capital investment>

(JPY in billions)

Capital investment	FY2015 Result	FY2016 Result	FY2017 Forecast
Natural Gas Chemicals	5.3	9.0	8.0
Aromatic Chemicals	10.6	10.5	14.0
Specialty Chemicals	9.9	8.1	13.5
Information & Advanced Materials	3.8	6.6	3.0
Others	0.7	0.5	3.5
Total	30.5	35.0	42.0

## <Shareholder return>

### ➤FY2016

- Interim dividend per share (Result) : ¥16 per share
- Year-end dividend per share (Forecast) : ¥22 per share
- Annual Dividend per share (Forecast) : ¥38 per share
- Dividend payout ratio : 17.2%
- Repurchase of Own Shares (May,2016...10 million shares, representing 2.26% of the total number of issued shares)

### ➤FY2017 (Forecast)

- Interim dividend per share : ¥22 per share
- Year-end dividend per share : ¥22 per share
- Annual Dividend per share : ¥44 per share
- Dividend payout ratio : 22.1%

\* The dividend per share shown in this document reflect the share consolidation.

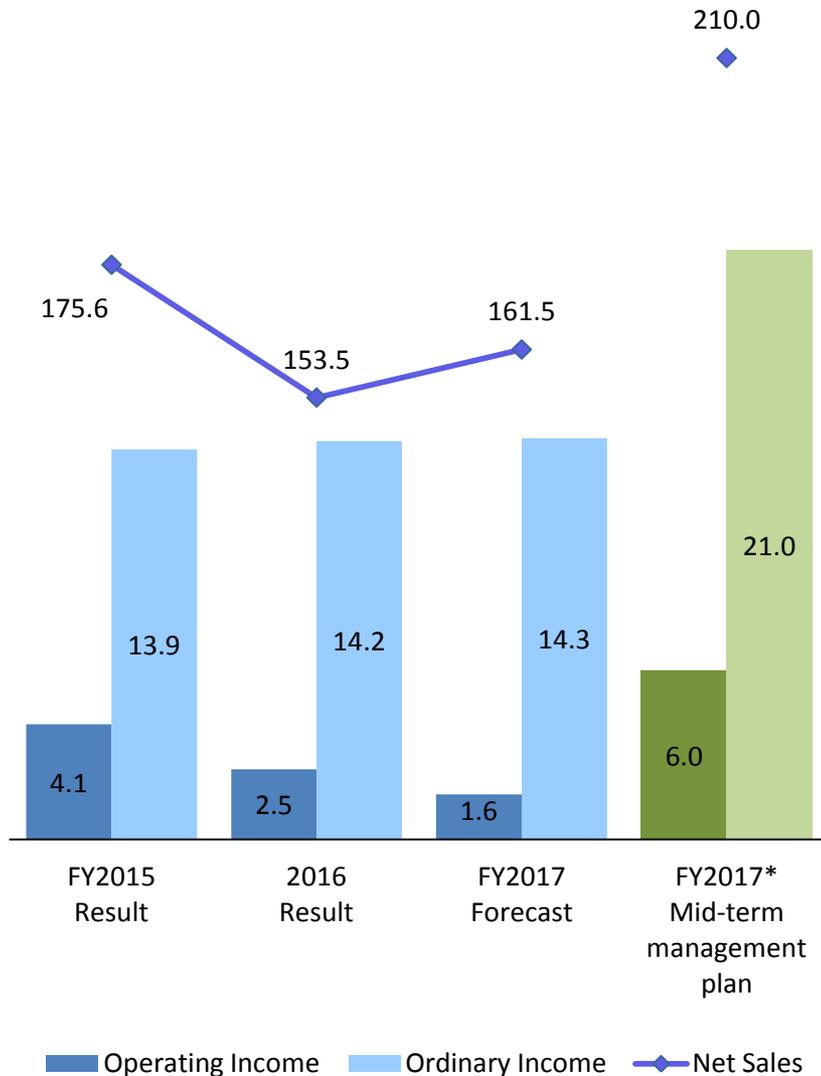
# Consolidated Results & Forecasts by Segment

(JPY in billions)

	FY2015 Result			FY2016 Result			FY2017 Forecast			FY2017 Mid-Term
	1H	2H	FY	1H	2H	FY	1H	2H	FY	Plan
Net sales	300.2	293.2	593.5	267.9	288.5	556.4	280.0	300.0	580.0	700.0
Natural Gas	92.8	82.8	175.6	70.1	83.4	153.5	77.2	84.3	161.5	210.0
Aromatic	105.0	100.8	205.8	95.5	98.9	194.4	102.5	107.2	209.8	240.0
Specialty	82.7	87.5	170.2	83.5	88.6	172.2	85.3	88.5	173.9	200.0
Information & Advanced	26.4	28.8	55.2	24.8	25.3	50.2	22.7	27.0	49.8	70.0
Corporate / Adjustment	(6.8)	(6.7)	(13.5)	(6.1)	(7.8)	(13.9)	(7.8)	(7.2)	(15.1)	(20.0)
Operating income	15.3	18.6	34.0	19.2	24.4	43.7	18.0	19.0	37.0	40.0
Natural Gas	2.1	1.9	4.1	0.3	2.1	2.5	0.1	1.5	1.6	6.0
Aromatic	7.7	7.4	15.2	9.0	9.2	18.3	9.5	8.7	18.3	16.0
Specialty	5.6	7.4	13.0	9.6	12.0	21.6	8.3	8.1	16.4	12.0
Information & Advanced	1.1	2.9	4.0	2.0	2.7	4.8	2.0	2.6	4.6	6.0
Corporate / Adjustment	(1.4)	(1.0)	(2.4)	(1.9)	(1.6)	(3.6)	(2.0)	(2.0)	(4.1)	0.0
Ordinary income	21.1	24.3	45.4	24.6	37.7	62.3	27.0	28.0	55.0	55.0
Natural Gas	7.7	6.1	13.9	3.9	10.3	14.2	6.4	7.8	14.3	21.0
Aromatic	7.1	6.5	13.7	8.5	8.9	17.5	9.1	8.2	17.3	15.0
Specialty	5.8	9.7	15.5	11.4	15.3	26.8	10.1	10.0	20.1	13.0
Information & Advanced	0.8	2.9	3.8	2.7	3.4	6.1	2.7	3.2	5.9	6.0
Corporate / Adjustment	(0.4)	(1.2)	(1.6)	(1.9)	(0.4)	(2.4)	(1.4)	(1.4)	(2.8)	0.0

# Natural Gas Chemicals

(JPY in billions)



## FY2016 (results, year-on-year difference)

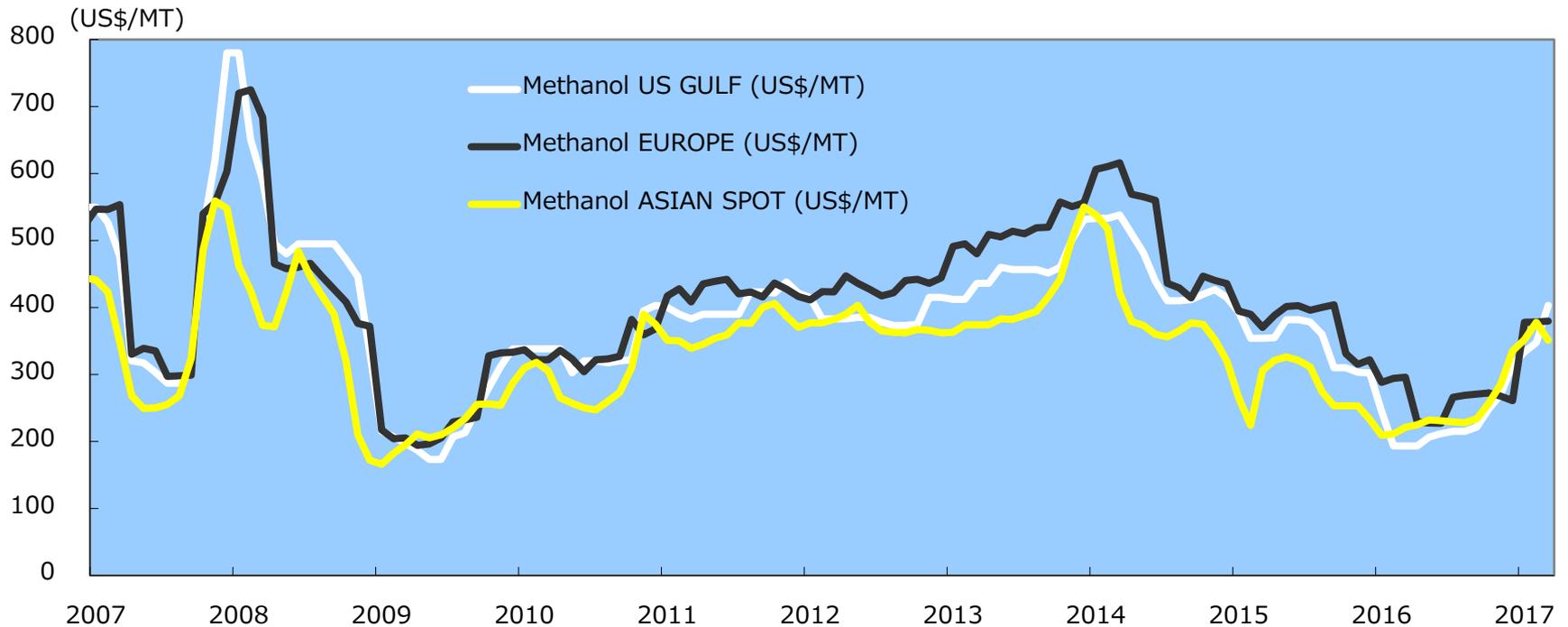
- Net sales and Operating income posted a decline primarily due to lower market prices of methanol and stronger yen.
- Equity in earnings of affiliates rose because of higher methanol prices in H2. Ordinary income was at a prior-year level.

## FY2017 (forecasts, difference from FY2016)

- Methanol market prices will likely increase from the prior-year levels  
(2016 Result:278\$/MT→2017 Forecast:315\$/MT)
- Equity in earnings of affiliates is expected to be at the prior-year level. The gain from the anticipated increase in methanol market prices will be offset by expenses such as the turnaround of the Brunei site. Ordinary income will also likely be at the prior-year level.

\*Mid-term management plan(disclosed May 2015)

# Natural Gas Chemicals : Trend in Methanol Prices



## FY2016 results

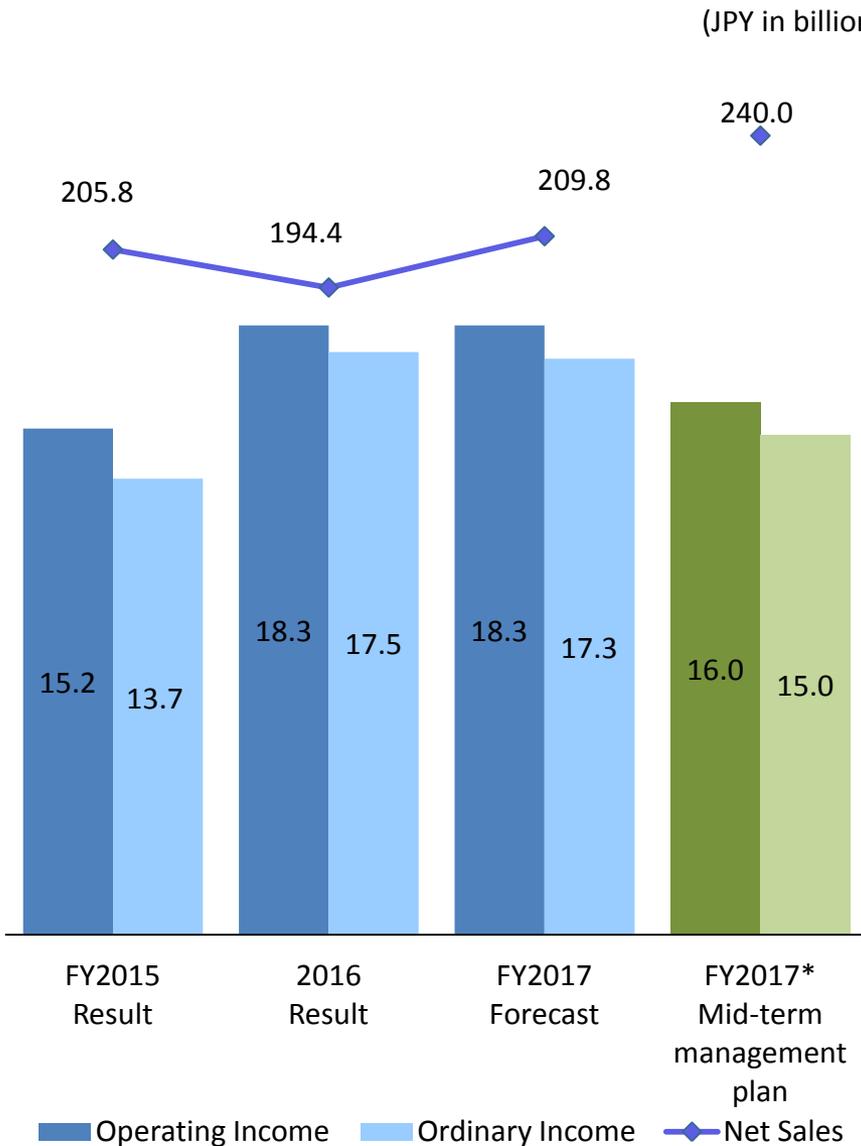
In H1, methanol prices (Asian average spot price) remained at approximately 230 \$/MT. In H2, however, coal prices rose in China and new MTO\* plants started operation, causing methanol prices to surpass 370 \$/MT in February. The supply-demand balance was eased in March, resulting in price declines to 300 to 330 \$/MT.

## FY2017 (forecasts)

MTO applications in China will continue to drive demand. In H1, prices are expected to be at 325 \$/MT. In H2, they are expected to fall to approx. 305 \$/MT as supply-demand balance will be eased due to additional plants expected to be built in the USA and Iran.

\*Methanol To Olefin

# Aromatic Chemicals



## FY2016 (results, year-on-year difference)

- Aromatic chemical products suffered a decline in revenue with the discontinued sale of purified terephthalic acid and the stronger yen.
- Despite the impact of the stronger yen, sales volumes for MXDA and Nylon-MXD6 developed steadily.
- Operating income increased, primarily due to the improved profitability of Purified Isophthalic Acid (PIA) and the successful sales of high-value-added foamed plastic products from JSP.

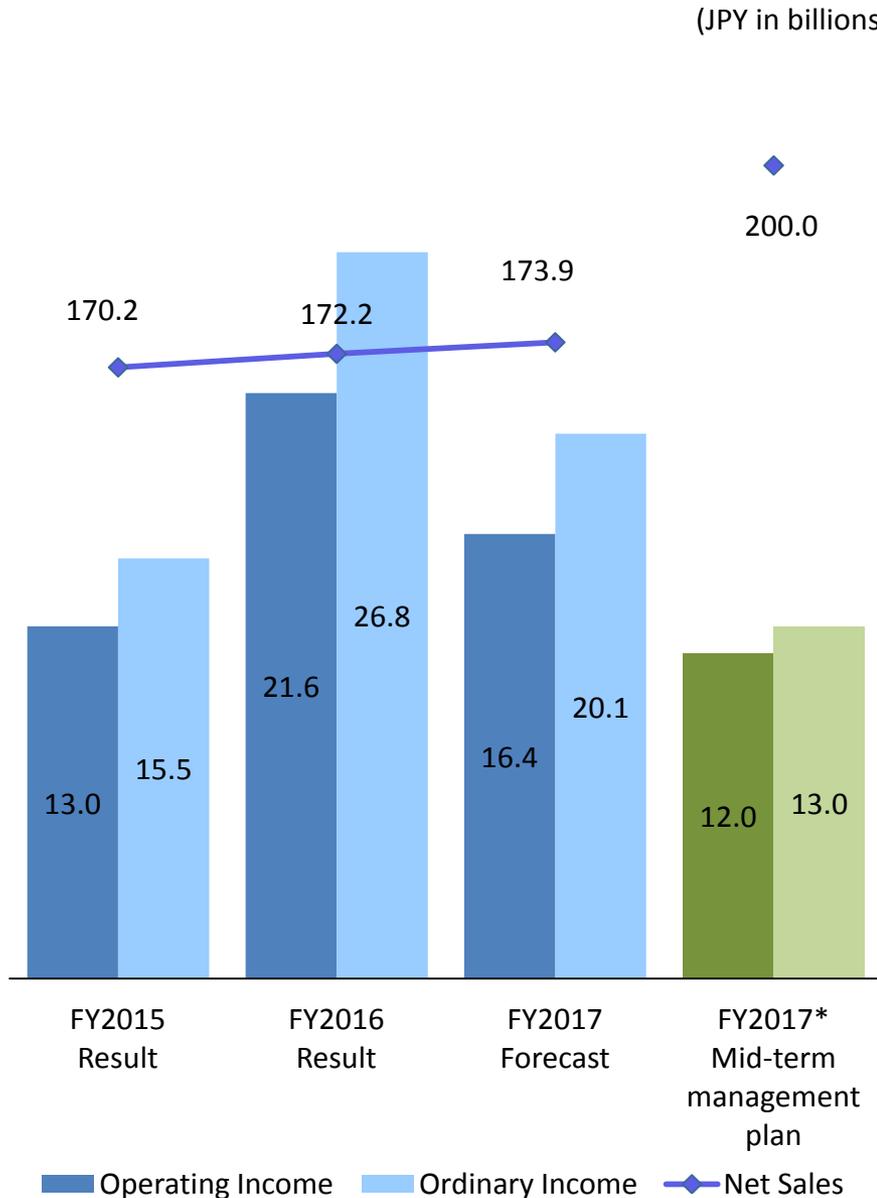
## FY2017 (forecasts, difference from FY2016)

- Sales volumes for MXDA and Nylon-MXD6 will continue to develop steadily.
- The MX production equipment was recommissioned toward the end of March 2017, creating an opportunity to increase MX sales volumes. Spreads for PIA are expected to be narrower than in FY 2016.
- Despite expected increases in raw material and fuel prices, JSP forecasts almost the same earnings levels as in FY 2016 since it expects favorable developments such as the growth of overseas operations and high-value-added products.

\*Mid-term management plan (disclosed May 2015)

# Specialty Chemicals

(JPY in billions)



\*Mid-term management plan(disclosed May 2015)

## FY2016 (results, year-on-year difference)

- Inorganic chemicals suffered reductions in both revenue and earnings. In addition to the stronger yen, a lower sales volume of chemical solutions for semiconductors and LCD applications explains these results.
- Polycarbonate (PC)-bisphenol A (BPA) spread remained at high levels throughout the fiscal year. Engineering plastics achieved much higher earnings due to growth in sales volumes.
- PC/POM-related equity in earnings of affiliates grew, resulting in a higher ordinary income.

## FY2017 (forecasts, difference from FY2016)

- Inorganic chemicals will suffer lower earnings due to continued fierce competition in the Electronics Chemicals business, mainly in the USA and Taiwan.
- PC-BPA spreads are expected to drop compared with FY2016.
- Specialty PCs for mobile camera lenses will likely increase sales volumes.
- POM expects lower earnings in consideration of likely increases in raw material prices and the risk of China introducing antidumping measures.

# Information & Advanced Materials

(JPY in billions)

◆  
70.0

55.2  
50.2  
49.8

4.0

3.8

4.8

6.1

4.6

5.9

6.0

6.0

FY2015  
Result

2016  
Result

FY2017  
Forecast

FY2017\*  
Mid-term  
management  
plan

■ Operating Income ■ Ordinary Income ◆ Net Sales

\*Mid-term management plan(disclosed May 2015)

## FY2016 (results, year-on-year difference)

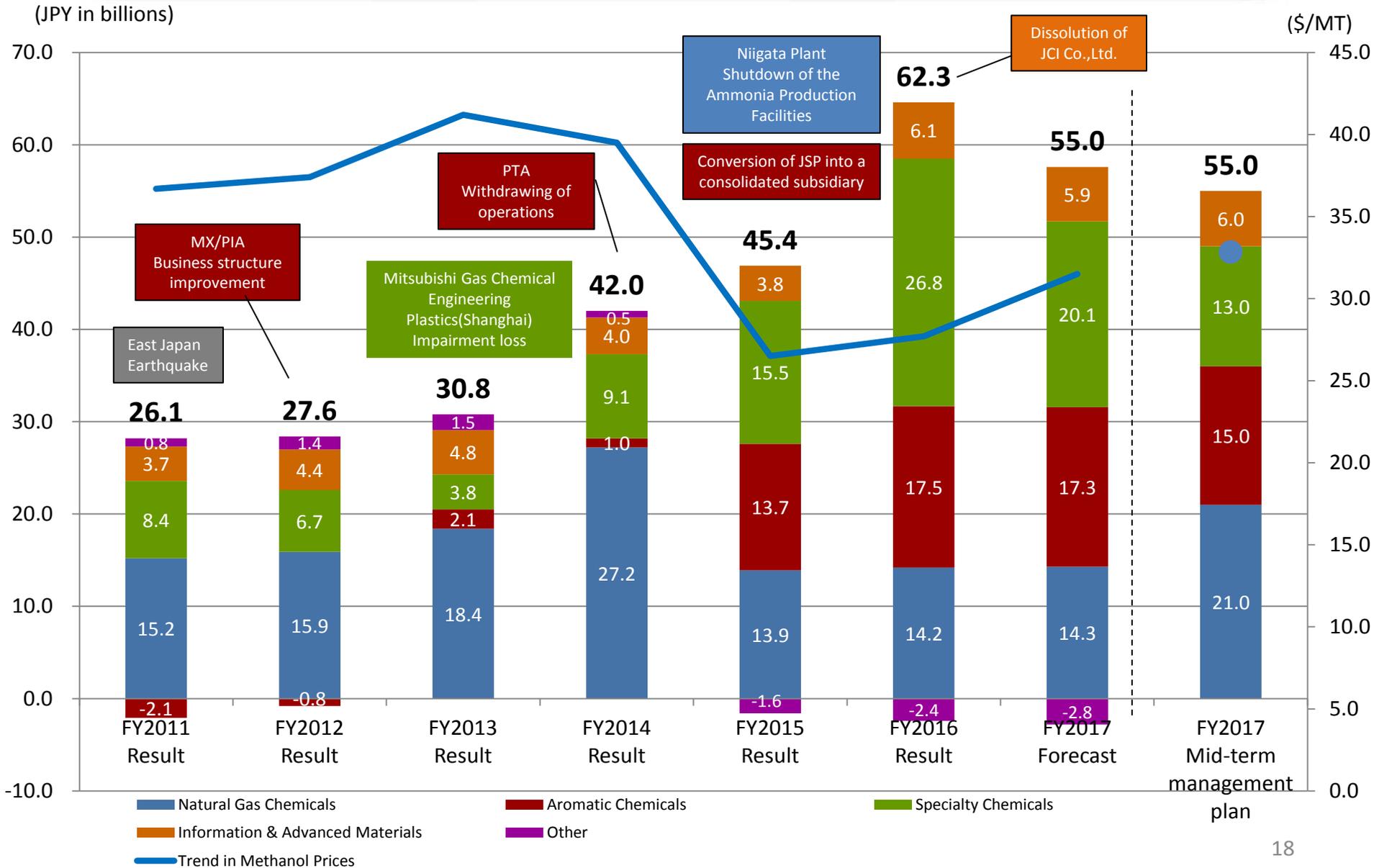
- Electronic materials achieved increases in earnings, due to growth in the sales volume of BT materials for semiconductor packaging, which represent this segment's core product category. Products for memories were also successful.
- Japan Circuit Industrial Co. was dissolved at the end of September 2016.
- Oxygen absorbers posted slightly lower earnings levels compared with the same period of the previous year. The appreciation of the yen more than canceled the positive impact of prior-year level developments in the sale of products for domestic food applications.
- Two additional companies are designated as equity method affiliates starting in FY2016.

## FY2017 (forecasts, difference from FY2016)

- In BT materials, demand for memories will remain strong. Despite the expected increases in sales volumes, the Company will suffer lower earnings due to higher R&D costs and raw materials.
- Oxygen absorbers will achieve growth in both revenue and earnings. Positive effects will include stable sales domestically and increasing use in overseas markets.

# Ordinary Income by Segment

~Profitable Structure Beefed Up by Structural Reforms~



# Actions of FY2017 to improve MGC's earning power

Segment	Actions of FY2017(Plan)
Natural Gas Chemicals	<ul style="list-style-type: none"> <li>➤ Methanol/Dimethyl Ether Plant Project at Trinidad and Tobago under way (Commercial operation scheduled in the spring of 2019) , Utilization of the methanol pilot plant at the Niigata Plant.</li> <li>➤ Increase production capacity of glycidyl methacrylate (GMA) (Completion scheduled in September 2017)</li> </ul>
Aromatic Chemicals	<ul style="list-style-type: none"> <li>➤ MXDA/Nylon-MXD6: Expand product sales for existing applications through technical services and continue to develop new markets.</li> <li>➤ Foamed plastics (JSP): Aim for global growth of materials for vehicles and promote sales of high-value-added products in Japan.</li> </ul>
Specialty Chemicals	<ul style="list-style-type: none"> <li>➤ EL chemicals: Amid severe competition, enhance global operations further for even greater customer service.</li> <li>➤ PC: Focus on the development and sales of high value added products. In specialty PCs, promote sales of new grades featuring high refractive indices.</li> </ul>
Information & Advanced Materials	<ul style="list-style-type: none"> <li>➤ Electronic materials: Increase sales volumes of general-purpose products while at the same time developing new markets for 5G and IoT technologies.</li> <li>➤ AGELESS: Strengthen supply capability by starting the operation of the new plant at QOL Innovation Center Shirakawa. Also develop overseas markets.</li> </ul>

**With our profitable structure strengthened by structural reforms, MGC will improve its earning power even further primarily in its core businesses. We will also funnel business resources into the new areas stated in the Medium-term Plan (see next slide) to achieve full commercialization.**

# Business Areas to Focus On in the future

	Energy	Information/Communications	Mobility	Medical/Food	Infrastructure
New Businesses	Environmentally friendly fuels Scientific stockpiling	Optical materials for next-generation information devices Materials for semiconductor underlayer films Transparent polyimide films Polyimide: work underway for use in front panels of organic EL displays	New structural materials Next-generation battery materials New structural materials: work underway for commercialization of transparent and heat-resistant materials Next-generation batteries: now developing technology for mass-production of LiBH4-based solid electrolyte.	Storage life extension and new technology for food distribution Oxygen absorbing resins Medical packing materials: accelerating development of multilayer plastic containers for medical vials and syringes.	Deterioration diagnostic agents Rapid internal diagnosis technology
Existing Businesses	Methanol Shale gas / LNG Geothermal development	Electronic Chemicals BT materials	Polycarbonate Polyacetal Foam	MX Nylon Oxygen absorbers Ageless	MXDA 1,3-BAC

※From Mid-term Management Plan 「MGC Advance2017」 APPENDIX

※Items in red show new business development products currently under way.

# Actions on Developing and creating new businesses

## Actions on Developing and creating new businesses

Transparent polyimide(Neoprim)	work underway for use in front panels of flexible organic EL displays by leveraging the strengths of transparency and heat resistance.
New structural materials	Comprehensive development covering both monomers and polymers is now underway for commercialization of transparent and heat-resistant materials.
Next-generation battery materials	now developing technology for mass-production of LiBH <sub>4</sub> -based solid electrolyte.
Medical packing materials	accelerating development of multilayer plastic containers for medical vials and syringes and providing prospective customers with samples.

### <Strengthening partnerships with external players>

Set up in April 2015, the Advanced Business Development Division is playing the key role in conducting joint research programs with universities, research institutions, and ventures inside and outside Japan.



Neoprim



Medical packing materials (Vial)



Medical packing materials (Syringe)

# Appendix : Key Indicators (1)

## 1. Key indicators(consolidated)

JPY in billions

FY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Forecast
Capital expenditure (Of which, H1)	35.1 (19.3)	27.6 (14.1)	35.4 (14.6)	42.4 (22.4)	30.9 (17.7)	25.4 (13.8)	22.2 (10.3)	30.5 (14.9)	35.0 (13.7)	42.0 (18.0)
Depreciation & amortization (Of which, H1)	28.9 (13.5)	29.5 (13.7)	29.0 (13.8)	27.7 (13.4)	23.0 (10.7)	23.5 (11.4)	23.7 (11.5)	26.7 (13.1)	25.6 (12.2)	27.0 (13.0)
R&D expenditure (Of which, H1)	14.7 (6.7)	16.2 (7.4)	16.4 (7.4)	17.4 (8.8)	15.1 (7.2)	16.1 (8.0)	16.8 (8.0)	18.9 (9.2)	19.2 (9.2)	21.0 (10.5)
Employees (as of March 31)	4,902	4,920	4,979	5,216	5,323	5,445	8,254	8,176	8,034	8,224
Earnings per share (Yen) *	31	26	84	55	(35)	66	192	154	222	199
ROA (Return on assets)	1.2	1.4	6.5	4.5	4.6	4.8	5.8	5.9	8.4	7.2
ROE (Return on equity)	2.5	2.2	6.9	4.4	(2.8)	5.0	12.6	9.0	11.9	9.7
Dividend (yen)* (Of which, interim dividend)	32.0 (16.0)	16.0 (8.0)	16.0 (8.0)	24.0 (12.0)	24.0 (12.0)	24.0 (12.0)	28.0 (14.0)	32.0 (16.0)	38.0 (16.0)	44.0 (22.0)

\*Effective as of October 1, 2016, every two common shares of MGC were consolidated into one share. Earnings per share and dividends have been calculated by retroactive adjustment applying the above share consolidation to preceding periods as well.

## Appendix : Key Indicators (2)

### 2. Capex, depreciation and amortization by segment (consolidated)

JPY in billions

FY		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 Forecast
Capex	Natural Gas Chemicals	10.7	7.1	14.0	13.9	6.3	4.5	5.7	5.3	9.0	8.0
	Aromatic Chemicals	10.6	7.7	4.5	4.7	5.7	2.3	4.0	10.6	10.5	14.0
	Specialty Chemicals	9.1	8.1	14.8	21.6	15.0	11.2	7.6	9.9	8.1	13.5
	Information &Advanced Materials	4.7	4.5	1.8	1.8	3.3	6.6	4.3	3.8	6.6	3.0
	Other	0.0	0.1	0.3	0.1	0.3	0.5	0.3	0.7	0.5	3.5
	Total	35.1	27.6	35.4	42.4	30.9	25.4	22.2	30.5	35.0	42.0
Depreciation	Natural Gas Chemicals	6.4	7.5	8.6	7.7	6.2	6.3	6.9	6.1	5.0	5.1
	Aromatic Chemicals	7.7	7.9	7.8	7.7	5.8	4.1	3.9	8.2	8.5	9.0
	Specialty Chemicals	9.7	8.6	8.0	8.4	7.7	9.5	9.2	8.8	8.6	9.0
	Information &Advanced Materials	5.1	5.1	4.2	3.5	2.7	3.1	3.3	3.0	3.0	3.7
	Other	0.0	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.2
	Total	28.9	29.5	29.0	27.7	23.0	23.5	23.7	26.7	25.6	27.0

# Appendix : Key Indicators (3)

## 3. Performance assumptions

	FY2009		FY2010		FY2011		FY2012		FY2013	
	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2
Methanol (US\$/MT)	195	246	283	307	349	385	385	364	375	449
Mixed Xylene (US\$/MT)	770	870	830	1,050	1,260	1,280	1,190	1,320	1,230	1,160
Bisphenol A (US\$/MT)	1,000 ~1,300	1,200 ~1,700	1,800 ~2,100	2,100 ~2,500	2,000 ~2,500	1,400 ~1,800	1,500~ 1,800	1,600~ 2,000	1,550 ~1,800	1,550 ~1,700
Polycarbonate (US\$/MT)	1,900 ~2,400	2,400 ~2,900	2,450 ~2,950	2,400 ~2,900	2,800 ~3,000	2,600 ~2,900	2,500~ 2,800	2,500~ 2,800	2,400 ~2,600	2,400 ~2,600
Exchange rate (JPY/US\$)	96	90	89	82	80	78	79	87	99	102
	FY2014		FY2015		FY2016		FY2017 Forecast	Remarks		
	H1	H2	H1	H2	H1	H2				
Methanol (US\$/MT)	432	358	301	230	230	327	315	Asian spot average price		
Mixed Xylene (US\$/MT)	1,100	730	740	630	660	680	690	Spot price (FOB-Korea)		
Bisphenol A (US\$/MT)	1,600 ~2,000	1,200 ~1,900	950 ~1,500	850 ~1,100	1,000 ~1,200	1,000 ~1,400	900 ~1,300	Average CIF price		
Polycarbonate (US\$/MT)	2,500 ~2,700	2,300 ~2,700	2,100 ~2,650	2,000 ~2,400	2,200 ~2,500	2,400 ~2,800	2,100 ~2,500			
Exchange rate (JPY/US\$)	103	117	122	118	105	112	110			