

**Presentation on Consolidated Business
Performance for Fiscal 2008
(April 2008 to March 2009)**

**May 13, 2009
Mitsubishi Rayon Co., Ltd.**

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(Amounts are rounded to the nearest first decimal place.)

1. Recognition and Amortization of Actuarial Losses

For the term ended March 2007, the Company has recognized actuarial losses on its pension plan resulting from changes in actuarial assumptions in a total amount of ¥2.8 billion (a ¥0.7 billion decrease in retirement benefit obligations, a ¥1.0 billion decrease in plan assets at fair value, and a ¥2.5 billion decrease in employees' retirement trust fund), which the Company amortized in lump-sum for the term ending March 2008.

Initial forecast

Estimated retirement benefit obligations as of March 31, 2007 : ¥64.5 billion		Prepaid pension cost : ¥11.9 billion
Retirement allowances: ¥28.7 billion	Plan assets: ¥36.5 billion	Employees' retirement benefit trust fund: ¥11.2 billion

Actual result (recognition of actuarial gains)

Retirement benefit obligations as of March 31, 2007: ¥ 63.8 billion		Prepaid pension cost : ¥11.9 billion
Retirement allowances: ¥28.7 billion	Plan assets: ¥35.5 billion	Employees' retirement benefit trust fund: ¥8.7 billion

Actuarial losses:
¥2.8 billion

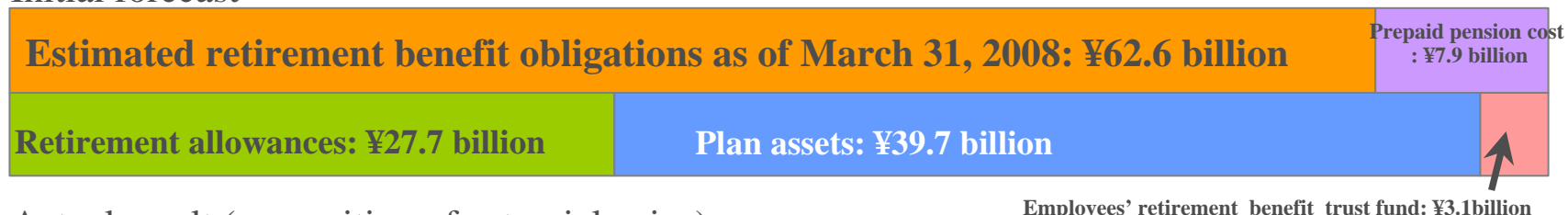
2. Impact on Earnings Performance of the Company for Fiscal 2007

Thanks to the posting of unrecognized actuarial gains, in line with the recognition of actuarial losses described ¥2.8 billion above, operating income decreased by ¥2.1 billion and net income by approximately ¥1.2 billion for this year.

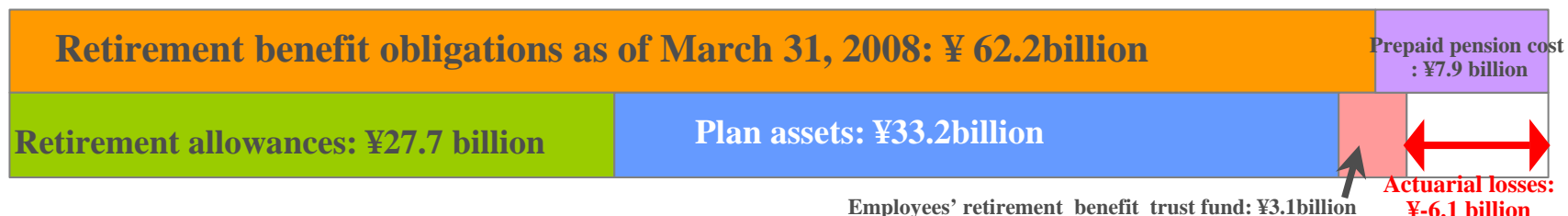
1. Recognition and Amortization of Actuarial Losses

For the term ended March 2008, the Company has recognized actuarial losses on its pension plan resulting from changes in actuarial assumptions in a total amount of ¥6.1 billion (a ¥0.4 billion increase in retirement benefit obligations, a ¥6.5 billion decrease in plan assets at fair value,), which the Company amortized in lump-sum for the term ending March 2009.

Initial forecast



Actual result (recognition of actuarial gains)



2. Impact on Earnings Performance of the Company for Fiscal 2008

In line with the recognition of actuarial losses described above, operating income and recurring profit decreased by ¥5.9 billion and net income by approximately ¥3.5 billion for this year.

Item		Unit	FY2007	FY2008	YoY change	
					Amount	%
Net sales		¥ billion	418.5	345.0	(73.5)	(17.6)
Operating income	After amortization of difference in actuarial value	¥ billion	37.5	(7.6)	(45.1)	—
	Prior to amortization of difference in actuarial value		39.6	(1.7)	(41.3)	—
Net income	After amortization of difference in actuarial value	¥ billion	14.3	(29.0)	(43.3)	—
	Prior to amortization of difference in actuarial value		15.5	(25.5)	(41.0)	—
Dividend		¥ per share	11.0	4.0	(7.0)	

Exchange rate	¥/US\$	113	101		
Price of domestically refined naphtha	¥/kl	61,400	58,900		

Note: With effect from the reporting term, differences arising from changes in actuarial assumptions employed in pension accounting have been charged to operating expenses, and therefore, for purposes of comparison, operating income (loss) prior to amortization is also shown on the line above the actual figures.

Item	Unit	FY2007 results					FY2008 results				
		1Q	2Q	3Q	4Q	Full	1Q	2Q	3Q	4Q	Full
Net sales	¥ billion	100.0	113.5	99.2	105.8	418.5	91.3	107.0	83.5	63.2	345.0
Operating income	¥ billion	12.2	10.6	8.7	6.0	37.5	2.3	0.6	(2.7)	(7.8)	(7.6)
		12.2	11.3	9.3	6.7	39.6	3.9	2.0	(1.3)	(6.4)	(1.7)
Net income	¥ billion	6.5	4.4	2.6	0.7	14.3	1.2	(1.1)	(22.4)	(6.7)	(29.0)
		6.5	4.8	3.0	1.2	15.5	2.2	(0.2)	(21.5)	(5.9)	(25.5)
Dividend	¥ per share	-	5.5	-	5.5	11.0	-	3.0	-	1.0	4.0
Operating income and Net Income..... Upper line: After amortization Lower line: Prior to amortization											
Exchange rate	¥/US\$	120	117	112	104	113	104	107	96	94	101
Price of domestically refined naphtha	¥/kl	57,800	59,700	61,600	66,700	61,400	70,900	85,800	52,200	27,000	58,900

Note: With effect from the reporting term, differences arising from changes in actuarial assumptions employed in pension accounting have been charged to operating expenses, and therefore, for purposes of comparison, operating income (loss) prior to amortization is also shown on the line above the actual figures.

Difference between Reporting FY2007 and FY2008

(¥ billion)

Item	First half	Second half	Full term	Remarks
Cost of raw materials and fuel	(12.2)	5.9	(6.3)	
Sales cost (*)	3.7	(4.3)	(0.6)	Foreign exchange translation (7.2bil)
Sales volume	(2.4)	(11.9)	(14.3)	
Operation Influence	(1.7)	(8.4)	(10.1)	
Cost ,and Others	(4.9)	(5.1)	(10.0)	Changing inventories Depreciation system (2.7bil)
Total	(17.5)	(23.8)	(41.3)	

***Amounts posted under operating income here represent amounts prior to amortization of difference in actuarial value.**

1. Structural reform (implementation of Sixth Medium-Term Management Plan)

- (1) Withdrawal from overseas spinning business (cost: ¥4.3 bn; payroll cuts, 160 staff in FY2008, 620 staff in FY2009)
- (2) Withdrawal from synthetic leather business (cost ¥0.9 bn)
- (3) Structural reform of acrylic fiber business (cost: ¥10.5 bn; payroll cuts, 50 staff in FY2008, 180 staff in FY2009)

2. Emergency measures

- (1) FY2008 1st half -- ¥0.9 bn in cost reductions, ¥3.5 bn in increased revenue from higher selling prices
- (2) FY2008 2nd half -- ¥6.8 bn in cost reductions (¥4.7 bn from cuts in raw material prices, ¥2.1 bn from other measures)
- (3) Increase in cash on hand (reporting term) -- ¥8.0 bn from inventory reductions, ¥4.3 bn from lower capital investments
- (4) Cash flow management (current term and after) – ¥130 bn from restraints on capital investment (approx. ¥80 bn per year over three years)

3. Workforce reductions and other steps to cut payroll expenses

- (1) Termination of contracts of non-regular employees: by roughly 240 staff compared with FY2007; this policy to be continued as appropriate
- (2) Review of regular employee headcount: Ending of policy of hiring on an “as needed” basis in fiscal 2008. (For reference: 110 employees were hired on an ad hoc basis in the previous period.)
In April 2010, we will reduce the number of new graduates hired by approximately 100 compared with the current term.
- (3) Other steps to reduce payroll expenses: Reductions in salaries of directors (from Q4 of FY2008) and Executive Officers and other officers of similar rank (from Q1 of FY2009)

Sales/Operating Income by Business Segment

(FY2008 results)

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(¥ billion)

Segment \ Item	Net sales			Operating income		
	FY2007	FY2008	YoY change	FY2007	FY2008	YoY change
Chemicals & Plastics	187.0	156.8	(30.2)	22.3	0.6	(21.7)
				23.6	4.4	(19.2)
Acrylic fibers & AN monomer	73.7	47.3	(26.4)	0.7	(9.6)	(10.3)
				1.0	(9.1)	(10.1)
Carbon Fiber & Composite Materials	46.8	37.9	(8.9)	11.0	1.0	(10.0)
				11.3	1.9	(9.4)
Acetate fibers & Membranes and others	111.0	103.1	(7.9)	3.4	0.4	(3.0)
				3.6	1.1	(2.5)
Total	418.5	345.0	(73.5)	37.5	(7.6)	(45.1)
				39.6	(1.7)	(41.3)

Note: With effect from FY 2005, differences arising from changes in actuarial assumptions employed in pension accounting have been charged to operating expenses, and therefore, for purposes of comparison, operating income (loss) prior to amortization is also shown on the line below the actual figures.

Sales/Operating Income by Business Segment

(FY2008 results)

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(¥ billion)

		FY2007 results					FY2008 results				
		1Q	2Q	3Q	4Q	Full term	1Q	2Q	3Q	4Q	Full term
Sales	Chemicals & Plastics	44.1	49.1	45.1	48.7	187.0	42.9	49.0	39.1	25.8	156.8
	Acrylic fibers & AN monomer	19.8	21.2	17.7	15.1	73.7	14.4	15.6	9.9	7.4	47.3
	Carbon Fiber & Composite Materials	11.8	12.9	11.2	10.8	46.8	10.6	10.6	10.2	6.6	37.9
	Acetate fibers & Membranes and others	24.3	30.4	25.1	31.2	111.0	23.5	31.8	24.3	23.4	103.1
	Total	100.0	113.5	99.2	105.8	4,185	91.3	107.0	83.5	63.2	345.0
Operating income	Chemicals & Plastics	7.2	5.9	5.0	4.2	22.3	1.6	1.7	(0.1)	(2.5)	0.6
		7.2	6.4	5.4	4.6	23.6	2.6	2.6	0.8	(1.6)	4.4
	Acrylic fibers & AN monomer	0.9	0.6	0.4	(1.1)	0.7	(0.9)	(2.4)	(3.4)	(3.0)	(9.6)
		0.9	0.7	0.5	(1.1)	1.0	(0.7)	(2.2)	(3.3)	(2.8)	(9.1)
	Carbon Fiber & Composite Materials	3.2	3.6	2.6	1.7	11.0	1.4	0.6	0.9	(2.0)	1.0
		3.2	3.7	2.7	1.8	11.3	1.6	0.8	1.2	(1.8)	1.9
	Acetate fibers & Membranes and others	1.0	0.5	0.7	1.3	3.4	0.2	0.6	(0.1)	(0.3)	0.4
		1.0	0.6	0.8	1.3	3.6	0.4	0.8	0.1	(0.2)	1.1
	Total	12.2	10.6	8.7	6.0	37.5	2.3	0.6	(2.7)	(7.8)	(7.6)
		12.2	11.3	9.3	6.7	39.6	3.9	2.0	(1.3)	(6.4)	(1.7)

Operating income and Net income: upper line → After amortization, Lower line → Prior to amortization

Chemicals & Plastics

(¥ billion)

	FY2007	FY2008	YoY change	Remarks
Net Sales	187.0	156.8	(30.2)	
Chemicals	82.4	69.4	(13.0)	Decreasing of demand, Enforcement of decreasing production
Plastics	49.2	44.8	(4.4)	
Coating resins & Modifiers	40.7	34.8	(5.9)	
Information materials	14.7	7.8	(6.9)	Decreasing sales of prism sheets
Operating income (Excluding effect of amortization in question)	23.6	4.4	(19.2)	Decreasing of sudden demand Effect of strong Yen exchange rate

* Amounts posted under operating income here represent amounts prior to amortization of difference in actuarial value

Chemicals & Plastics (Quarterly)

(¥ billion)

	FY2007 results					FY2008 results				
	1Q	2Q	3Q	4Q	Full term	1Q	2Q	3Q	4Q	Full term
Net Sales	44.1	49.1	45.1	48.7	187.0	42.9	49.0	39.1	25.8	156.8
Chemicals	19.1	21.8	18.9	22.6	82.4	18.5	22.6	18.8	9.5	69.4
Plastics	11.3	12.7	11.9	13.4	49.2	11.6	13.4	10.5	9.3	44.8
Coating resins & Modifiers	10.0	10.5	10.4	9.8	40.7	10.2	10.7	8.0	5.9	34.8
Information materials	3.7	4.2	3.9	2.9	14.7	2.6	2.3	1.8	1.1	7.8
Operating income (Excluding effect of amortization in question)	7.2	6.4	5.4	4.6	23.6	2.6	2.6	0.8	(1.6)	4.4

* Amounts posted under operating income here represent amounts prior to amortization of difference in actuarial value

Acrylic fibers & AN monomer and derivatives

(¥ billion)

	FY2007	FY2008	YoY change	Remarks
Net Sales	73.7	47.3	(26.4)	
AN monomer and derivatives	36.2	30.7	(5.5)	Decreasing of demand for Acrylic fibers
Acrylic fibers	37.5	16.6	(20.9)	The decrease of global demand Decreasing production
Operating income (Excluding effect of amortization in question)	1.0	(9.1)	(10.1)	Decreasing of sudden demand The weakening of the market price

Carbon Fiber & Composite Materials

(¥ billion)

	FY2007	FY2008	YoY change	Remarks
Net Sales	46.8	37.9	(8.9)	
Operating income (Excluding effect of amortization in question)	11.3	1.9	(9.4)	Decreasing of demand Effect of strong Yen exchange rate

* Amounts posted under operating income here represent amounts prior to amortization of difference in actuarial value

Acrylic fibers & AN monomer and derivatives (Quarterly)

(¥ billion)

	FY2007 results					FY2008 results				
	1Q	2Q	3Q	4Q	Full term	1Q	2Q	3Q	4Q	Full term
Net Sales	19.8	21.2	17.7	15.1	73.7	14.4	15.6	9.9	7.4	47.3
AN monomer	9.8	8.5	9.8	8.2	36.2	8.7	10.2	7.1	4.7	30.7
Acrylic fibers	10.1	12.7	7.9	6.9	37.5	5.7	5.4	2.9	2.7	16.6
Operating income	0.9	0.7	0.5	(1.1)	1.0	(0.7)	(2.2)	(3.3)	(2.8)	(9.1)

Carbon Fiber & Composite Materials (Quarterly)

(¥ billion)

	FY2007 results					FY2008 results				
	1Q	2Q	3Q	4Q	Full term	1Q	2Q	3Q	4Q	Full term
Net Sales	11.8	12.9	11.2	10.8	46.8	10.6	10.6	10.2	6.6	37.9
Operating income	3.2	3.7	2.7	1.8	11.3	1.6	0.8	1.2	(1.8)	1.9

* Amounts posted under operating income here represent amounts prior to amortization of difference in actuarial value

Acetate fibers & Membranes and others

(¥ billion)

	FY2007	FY2008	YoY change	Remarks
Net Sales	111.0	103.1	(7.9)	
Acetate fibers and Textiles,etc	44.5	38.9	(5.6)	Globally slump of the consumption of clothes
Membranes & Engineering	20.0	23.0	+3.0	The decrease of of the plant construction in the public enterprise project
Others	46.5	41.1	(5.4)	
Operating income (Excluding effect of amortization in question)	3.6	1.1	(2.5)	Decreasing of demand Effect of strong Yen exchange rate

* Amounts posted under operating income here represent amounts prior to amortization of difference in actuarial value

Acetate fibers & Membranes and others (Quarterly)

(¥ billion)

	FY2007 results					FY2008 results				
	1Q	2Q	3Q	4Q	Full term	1Q	2Q	3Q	4Q	Full term
Net Sales	24.3	30.4	25.1	31.2	111.0	23.5	31.8	24.3	23.4	103.1
Acetate fibers and Textiles,etc	10.3	11.4	10.9	11.9	44.5	9.9	10.7	8.9	9.4	38.9
Membranes & Engineering	3.2	6.3	3.0	7.4	20.0	3.5	9.0	4.5	5.9	23.0
Others	10.8	12.6	11.2	11.9	46.5	10.1	12.0	10.9	8.1	41.1
Operating income (Excluding effect of amortization in question)	1.0	0.6	0.8	1.3	3.6	0.4	0.8	0.1	(0.2)	1.1

* Amounts posted under operating income here represent amounts prior to amortization of difference in actuarial value

Sales/Operating Income by Location

(FY2008 results)

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(¥ billion)

Item Location	Net sales			Operating income		
	FY2007	FY2008	YoY change	FY2007	FY2007	YoY change
Japan	325.2	265.6	(59.6)	26.4	(12.4)	(38.8)
				28.5	(6.5)	(35.0)
Asia	62.3	51.8	(10.5)	7.0	1.3	(5.7)
U.S.A.	31.1	27.6	(3.5)	4.8	3.3	(1.5)
Consolidation adjustments				(0.7)	0.1	+0.8
Total	418.5	345.0	(73.5)	37.5	(7.6)	(45.1)
				39.6	(1.7)	(41.3)

Note: With effect from FY 2005, differences arising from changes in actuarial assumptions employed in pension accounting have been charged to operating expenses, and therefore, for purposes of comparison, operating income (loss) prior to amortization is also shown on the line below the actual figures.

(¥ billion, %)

Item	FY2007		FY2008		YoY change
	Overseas sales	Overseas sales ratio(%)	Overseas sales	Overseas sales ratio(%)	
Total	198.0	47.3	148.4	43.0	(49.6)
SEGMENT					
Chemicals & Plastics	88.9	47.5	70.4	44.9	(18.5)
Acrylic fibers & AN monomer	38.5	52.2	17.2	36.3	(21.3)
Carbon Fiber & Composite Materials	31.5	67.4	25.4	67.1	(6.1)
Acetate fibers & Membranes and others	39.0	35.1	35.4	34.4	(3.6)
LOCATION					
Asia	140.0	—	101.7	—	
North America	24.1	—	18.5	—	
Europe	19.9	—	18.4	—	
Other	13.9	—	9.9	—	

(¥ billion)

Item	FY2007	FY2008	Change	Remarks
Non-operating income	2.8	7.4	+4.6	
Interest & dividend received	1.0	1.1	+0.1	
Return on investment in equity-method affiliates	0.9	—	(0.9)	
Other	0.9	6.4	+5.5	Foreign exchange gain +5.1
Non-operating expenses	6.4	3.6	+2.8	
Interest paid	2.0	2.1	(0.1)	
Other	4.3	1.4	+2.9	Foreign exchange loss +1.0
Non-operating loss	(3.5)	3.9	+7.4	
Financial account balance	(1.1)	(1.1)	(0.0)	

(¥ billion)

Item	FY2007	FY2008	Change	Remarks
Extraordinary gains	0.1	1.7	+1.6	
Gain on sale of fixed assets	0.1	0.1	(0.0)	
Other	0.0	1.6	+1.6	Gain on valuation of investment securities +1.3bil
Extraordinary losses	6.2	33.5	(27.3)	
Loss on sale and disposal of fixed assets	1.7	1.8	(0.1)	
Impairment loss	1.4	11.3	(9.9)	Mainly acrylic fibers business
Loss on valuation of investment securities	0.1	13.2	(13.1)	
Other	2.9	7.2	(4.3)	Loss on liquidation of businesses (6.6bil)
Net extraordinary gain (loss)	(6.1)	(31.9)	(25.8)	

(¥ billion)

Item	FY2007	FY2008	Change	Remarks
Total assets	451.5	408.9	(42.6)	
Current assets	177.3	167.7	(9.6)	
Tangible fixed assets	173.5	169.8	(3.7)	Capital investment :+44.3bil Depreciation:(26.4bil)
Investment securities	71.0	45.6	(25.4)	Loss on valuation of investment securities :(13.2bil)
Other noncurrent assets	29.8	25.8	(4.0)	
Total liabilities	235.7	247.9	+12.2	
Interest-bearing liabilities	108.7	153.0	+44.3	
Total net assets	215.8	161.0	(54.8)	
Shareholders' equity	194.2	159.1	(35.1)	Net loss:(29.0bil)
Gains/losses on valuation & exchange translation	5.3	(11.3)	(16.6)	Valuation difference on available-for-sale securities :(4.2bil) Foreign Currency translation adjustment:(12.2bil)
Minority interests	16.3	13.2	(3.1)	
Total liabilities and net assets	451.5	408.9	(42.6)	

(¥ billion)

Item	FY2007	FY2008	Remarks
Cash flows from operating activities	31.8	21.4	loss before income taxes (35.6bil) Depreciation 27.2bil, Accumulated impairment loss:11.3bil Loss on valuation of investment securities :13.2bil
Cash flows from investing activities	(50.8)	(34.3)	Purchases of property,plant and equipment:(39.4bil) Selling of Investment securities:3.1bil
Free cash flows	(19.0)	(12.9)	
Cash flows from financing activities	+26.5	+44.4	Cash dividends paid: (4.9bil) Long and short-term loan payable: 48.8bil
Increase (decrease) of cash and cash equivalents	+6.7	+28.1	
Cash and cash equivalents , End of Q1	17.4	45.5	

Item	Unit	FY2007	FY2008	YoY change	Remarks
Capital expenditures	(¥ billion)	29.2	44.3	+15.1	
Chemicals & Plastics		17.0	22.3	+5.3	
Acrylic fiber & AN monomer		2.8	3.1	+0.3	
Carbon fiber & Composite Materials		6.7	14.5	+7.8	
Acetate fibers & Membranes and others		2.7	4.4	+1.7	
Depreciation	(¥ billion)	24.7	27.1	+2.4	
Chemicals & Plastics		12.8	14.2	+1.4	
Acrylic fiber & AN monomer		4.0	3.5	(0.5)	
Carbon fiber & Composite Materials		4.8	5.9	+1.1	
Acetate fibers & Membranes and others		3.1	3.5	+0.4	
R&D expenses	(¥ billion)	11.9	13.4	+1.5	
Employees	(people)	7,699	7,696	(3)	
Chemicals & Plastics		2,226	2,341	+115	
Acrylic fiber & AN monomer		1,478	1,310	(168)	Decreasing of an overseas spinning company
Carbon fiber & Composite Materials		631	615	(16)	
Acetate fibers & Membranes and others		3,364	3,430	+66	

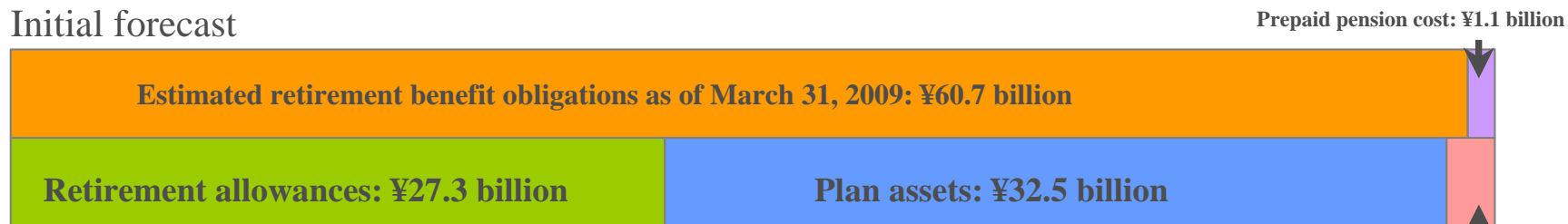
Item		Unit	FY2007	FY2008
ROA	Operating income*/average total assets	%	8.8	-
ROE	Net income/average shareholders' equity	%	7.5	-
Operating income ratio	Operating income*/sales	%	9.5	-
D/E ratio	Term-end interest-bearing liabilities/term-end shareholders' equity		0.54	1.04
Equity ratio	Term-end shareholders' equity/Term-end total assets	%	44.2	36.1
EPS(=Earnings Per Share)		Yen	26.0	(44.5)
BPS(=Book Value Per Share)		Yen	348.6	258.3
Shares issued at the end of the allowance period (including Treasury stock)		Million shares	600.0	600.0
Term-end Treasury stock		Million shares	27.6	27.7

* Amounts posted under operating income here represent amounts prior to amortization of difference in actuarial value

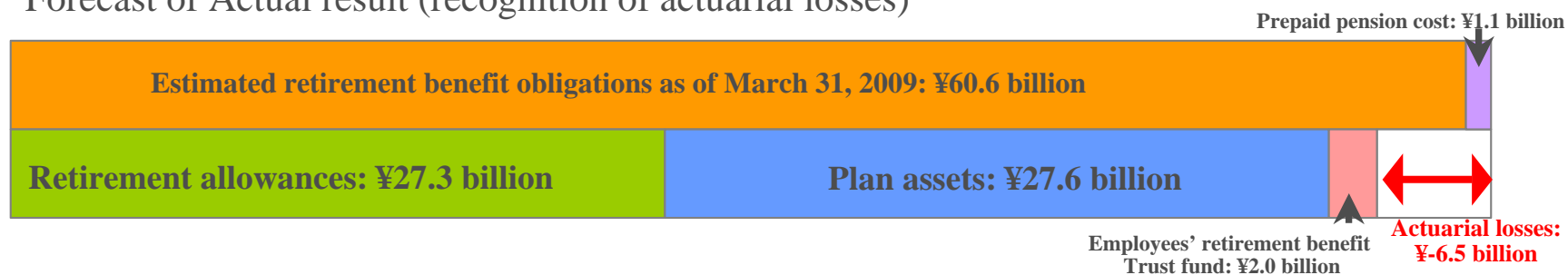
1. Recognition and Amortization of Actuarial Losses

For the reporting term ended March 2009, the Company has recognized actuarial losses on its pension plan resulting from changes in actuarial assumptions in a total amount of ¥4.8 billion (a ¥0.2 billion decrease in retirement benefit obligations, a ¥5.0 billion decrease in plan assets at fair value), which the Company will amortize in lump-sum for the term ending March 2010.

Initial forecast



Forecast of Actual result (recognition of actuarial losses)



2. Impact on Earnings Performance of the Company for Fiscal 2009

In line with the recognition of actuarial gains described above, operating income will decrease by ¥4.9 billion and net income by approximately ¥2.9 billion thanks to the posting of unrecognized actuarial gains .

1. Faster steps to address priority issues under Sixth Medium-Term Management Plan

- (1) Swiftly realize synergistic benefits from acquisition of Lucite International**
- (2) Realizing targets under JK→2010 plan to reinforce our operational competitiveness**
- (3) Turn around unprofitable businesses through radical structural reform**

2. Long-term activities

- (1) Strict selection of capital investment targets; total amount to be reduced sharply**
- (2) Drastic inventory reduction**
- (3) Major reduction in SG&A expenses**
- (4) Other wide-ranging cost-cutting measures**

Impact of Acquisition of Lucite

As the legal procedures required for our acquisition of Lucite International of the United Kingdom have not yet been completed, we have not factored Lucite's business performance into our performance forecasts on a consolidated basis.

Operating income and Net income: upper line → After amortization, Lower line → Prior to amortization

Item	Unit	FY2008 results						FY2009 estimates		
		1Q	2Q	H1	3Q	4Q	Full term	H1	H2	Full term
Net sales	¥ billion	91.3	107.0	198.3	83.5	63.2	345.0	145.0	—	—
Operating income	¥ billion	2.3	0.6	2.9	(2.7)	(7.8)	(7.6)	1.5	—	—
		3.9	2.1	6.0	(1.3)	(6.4)	(1.7)	4.0	—	—
Net income	¥ billion	1.2	(1.1)	0.1	(22.4)	(6.7)	(29.0)	(0.5)	—	—
		2.2	(0.2)	1.9	(21.5)	(5.9)	(25.5)	1.0	—	—
Dividend	¥/share	-	3.0	3.0	-	1.0	4.0	undecided	—	—
Capital expenditures	¥ billion	8.4	12.3	20.7	9.0	14.6	44.3	13.0	—	—
Depreciation	¥ billion	6.4	6.3	12.7	7.3	7.0	27.1	12.5	—	—
Amortization of goodwill	¥ billion	0.2	0.2	0.4	0.2	0.2	0.8	0.4	—	—
R&D expenses	¥ billion	3.2	3.3	6.5	3.6	3.3	13.4	7.0	—	—
Amortization of actuarial losses in pension accounting	¥ billion	1.6	1.4	3.0	1.4	1.5	5.9	2.5	—	—
Conditions										
Exchange rate	¥/\$	104	107	106	96	90	101	95	—	—
Naphtha price	¥/KL	70,900	85,800	78,300	52,200.	27,000	58,900	30,000	—	—

Performance Estimates by Business Segment

(FY2009 estimates)

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(¥ billion)

		FY2008 results						FY2009 estimates		
		1Q	2Q	H1	3Q	4Q	Full term	H1	H2	Full term estimates
Sales	Chemicals & Plastics	42.9	49.0	91.9	39.1	29.0	160.0	65.0	—	—
	Acrylic fibers & AN monomer	14.4	15.6	30.0	9.9	5.1	45.0	15.0	—	—
	Carbon Fiber & Composite Materials	10.6	10.5	21.1	10.2	8.7	40.0	18.0	—	—
	Acetate fibers & Membranes and others	23.5	31.8	55.3	24.3	30.4	110.0	47.0	—	—
	Total	91.3	107.0	198.3	83.5	73.2	355.0	145.0	—	—
Operating income	Chemicals & Plastics	1.6	1.7	3.3	(0.1)	(2.5)	0.6	3.0	—	—
		2.6	2.6	5.2	0.8	(1.6)	4.4	4.5	—	—
	Acrylic fibers & AN monomer	(0.9)	(2.4)	(3.2)	(3.4)	(3.0)	(9.6)	(1.7)	—	—
		(0.7)	(2.2)	(2.9)	(3.3)	(2.8)	(9.1)	(1.5)	—	—
	Carbon Fiber & Composite Materials	1.4	0.6	2.0	0.9	(2.0)	1.0	(0.4)	—	—
		1.6	0.8	2.5	1.2	(1.8)	1.9	0.0	—	—
	Acetate fibers & Membranes and others	0.2	0.6	0.8	(0.1)	(0.3)	0.4	0.6	—	—
		0.4	0.8	1.2	0.1	(0.23)	1.1	1.0	—	—
	Total	2.3	0.6	2.9	(2.7)	(7.8)	(7.6)	1.5	—	—
		3.9	2.0	6.0	(1.3)	(6.4)	(1.7)	4.0	—	—

Operating income and Net income: upper line → After amortization, , Lower line → Prior to amortization

Segment		Acrylic Business Group		Non-Acrylic Business Group
		MMA Business Complex	AN(Acrylonitrile) Business Complex	
Chemicals & Plastics	Chemicals	MMA monomers, Functional monomers		Dimethylformamide
	Plastics	Acrylic sheets, acrylic resin pellets		PBT resins
	Coating resins & modifiers	Coating resins, plastic modifiers		
	Information materials	Prism sheets, plastic optical fibers, plastic rod lenses		
Acrylic fibers & AN monomer and Derivatives	AN monomer		AN (Acrylonitrile) monomer, Flocculants,etc	
	Acrylic fibers		Acrylic fibers	
Carbon Fiber & Composite Materials			Carbon Fiber, Prepreg, Processed products	
Acetate fibers & Membranes and others	Acetate fibers			Textiles
	Membranes & Engineering			Water purifiers, Water treatment equipment and systems, Plant Engineering
	Others			Ryoko Co.,Ltd. Others

Startup	Products	Capacity	Company	Location	Investment (US\$ million)
Sep 2008	Acrylic resin pellets	40,000 tons/year	Daesan MMA (joint venture Honan Petro-chem.)	Korea	50:50 equity stakes
2Q 2009	MMA monomers	90,000 tons/year			
4Q 2009	Acrylic sheets	20,000 tons/year	Thai MMA	Thailand	250
2Q 2010	MMA monomers	90,000→180,000 tons/year			
4Q 2010 (postponement from original schedule 4Q 2009)	Carbon fibers	5,400 →8,100 tons/year	Mitsubishi Rayon	Japan	¥ 12billion

Note Q=calendar year quarter

The business performance forecasts and targets included in business plans contained in this presentation are based on information known to the Company's management as of the day of presentation. Please be aware that the content of such forward-looking statements may differ significantly from actual results, owing to a number of unforeseeable factors.