

Securities Code: 3404

June 5, 2009

**NOTICE OF
THE 84TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

It is our pleasure to invite you to the 84th Ordinary General Meeting of Shareholders of Mitsubishi Rayon Co., Ltd. (hereinafter “the Company”) to be held as indicated below.

If you are unable to attend the meeting in person, after reviewing the attached reference materials (page 55 and after), please exercise your voting rights either in writing on the attached “exercise of voting rights form” or over the Internet and other method (see 4. below) by Friday, June 26, 2009.

Sincerely,

Masanao Kambara, President
Mitsubishi Rayon Co., Ltd.
6-41, Konan 1-chome,
Minato-ku, Tokyo 108-8506

1. **Date:** June 29, 2009 (Monday) at 10:00 a.m. (Open 9:00 a.m.)
2. **Place:** 10-30, Takanawa 4-chome,
Minato-ku, Tokyo 108-8611
Shinagawa Prince Hotel,
5th Floor of Annex Tower, “Prince Hall”

The place has changed from where the previous Ordinary General Meeting of Shareholders was held. We recommend that you confirm the location in advance.

(TRANSLATION FOR REFERENCE ONLY)

3. Meeting Agenda:

Items to be Reported;

The Business Report, the Consolidated Financial Statements and Non-consolidated Financial Statements for the 84th term (from April 1, 2008 to March 31, 2009), and auditing results of these financial statements by an independent auditor and the Board of Corporate Auditors

Items to be Resolved;

Agenda 1: Appropriation of Surplus

Agenda 2: Partial Amendment to the Articles of Incorporation

Agenda 3: Election of Seven Directors

(TRANSLATION FOR REFERENCE ONLY)

4. Exercise of Voting Rights via the Internet and Other Method

- (1) When voting right is exercised both by mailing the voting form and via the Internet, the vote via the Internet will be deemed effective on a priority basis.
- (2) If the voting right is exercised via the Internet more than one (1) time, the last vote shall be deemed effective.
- (3) In the event that any shareholder should attend the general meeting of shareholders despite having exercised his or her voting right via the Internet, the vote via the Internet shall be deemed invalid.
- (4) Please read the instructions for the exercise of voting rights via the Internet in the pages 65 through 66.
- (5) “Platform for Electronic Exercise of Voting Rights by Institutional Investors” is also available.

5. Reference Materials for General Meeting of Shareholders on the Website

- (1) Reference materials for General Meeting of Shareholders such as Notice of General Meeting of Shareholders (the “Notice”) will be posted on our website “General Meeting of Shareholders” under “Investors Relations/Shareholder Information” from the day on which the Notice is dispatched.
- (2) In the event any amendment should be made by the day immediately prior to the date of the General Meeting of Shareholders, the revised documents will be posted on our website.
- (3) For the convenience of investors in foreign countries, we also post the English language version of the Notice on our website at:

<http://www.mrc.co.jp/>

(Shareholders attending the meeting are requested to submit the enclosed voting form at the reception desk.)

Note: This English version is a translation of the original Notice written in Japanese. When discrepancies in interpretation arise, the content of the Japanese Notice shall take precedence.

Business Report (April 1, 2008 to March 31, 2009)

1. Overview of Operations

(1) Operating Progress and Results of Mitsubishi Rayon Group

During the fiscal year ended March 31, 2009, the financial crisis that originated in the United States embroiled Europe and emerging countries and affected the real economy on a full-scale basis, resulting in a worldwide simultaneous recession. In the U.S., the economic downturn worsened due to sharply weakened consumer spending and stalled capital investments. In Asia, increases in exports slowed rapidly amid the worldwide recession, and the economy, which had continued to grow steadily centering on China, clearly slowed down. In Japan, sluggish demand seriously affected corporate earnings, which forced manufacturers to curtail their capital investments and further weakened consumer spending owing to the employment adjustment they conducted following drops in production. Against this backdrop, the Japanese economy further deteriorated.

Under such a severe business environment, the Mitsubishi Rayon Group (the “Group”) launched our sixth medium-term management plan “Global US → 2010” from the fiscal year under review. This plan, with “new design for growth” as the basic concept, is positioned as the plan of Phase I, in which the Group aims to achieve ¥1 trillion in annual sales in the future while solidifying its financial foundation amid the ongoing harsh economic conditions. Under this plan, we have promoted specific measures for achieving management targets.

In the business area of MMA (methyl methacrylate), aiming to become the “world’s No. 1 company in terms of scale of operation and profitability,” we moved ahead with the construction of a new plant for MMA monomer and polymers in South Korea, and embarked on expanding a plant for MMA monomer and constructing a new plant for acrylic sheets at Thai MMA Co., Ltd. In November 2008, we decided to acquire Lucite International Group Limited of the United Kingdom, the world’s largest MMA manufacturer, aiming to establish a globally dominant position in the MMA business. We implemented specific measures in the business area of AN (acrylonitrile), including forcing through drastic reorganization of operational structure of unprofitable business, aiming to improve profitability in the acrylic fiber business. In the carbon fibers and composite materials business, we accelerated efforts toward expanding into the high potential area of industrial applications, which we expected will grow, while focusing on establishing a business structure in which we can leverage our uniqueness and competitiveness.

To further enhance our competitiveness, we fundamentally improved the cost structure and reformed the earnings structure through portfolio management on a group-wide basis, as well as thoroughly implemented management with the emphasis on cash flows, in which we reduced costs and inventories and reviewed capital investments. By making these efforts, we aim to further reinforce our capability to respond to a severe business environment.

(TRANSLATION FOR REFERENCE ONLY)

However, the Group's earnings worsened in the second half of the fiscal year under review, affected severely by slow demand amid the worldwide economic downturn, which was combined with price fluctuations of raw materials and fuel, pressure on product price reduction and the abrupt appreciation of the yen. Besides, we booked an extraordinary loss in association with drastic structural reforms in the acrylic fiber business and a loss on revaluation of investment securities caused by lower stock prices.

As a result, consolidated net sales for the fiscal year under review were ¥345,048 million (17.5% decrease over the previous term). Operating loss was ¥7,612 million (compared with an income of ¥37,508 million in the previous term), and ordinary loss was ¥3,758 million (compared with an income of ¥33,968 million in the previous term). Net loss was ¥28,950 million (compared with an income of ¥14,274 million in the previous term).

The Group changed the amortization method of the actuarial gain or loss of expenses in its retirement benefit accounting effective in the fiscal year ended March 31, 2006. The new method recognizes actuarial gain or loss as operating expenses, and uses lump-sum amortization in the year immediately following the year in which such gain or loss arose. Accordingly, operating loss and ordinary income excluding amortization of net retirement benefit obligations caused by the change in accounting (actuarial loss of ¥2,050 million in FY2007 and actuarial loss of ¥5,899 million in FY2008) were ¥1,712 million (operating income of ¥39,558 million in the previous term) and ¥2,141 million (94.0% decrease over the previous term), respectively.

The operation of the Company resulted in: sales of ¥189,636 million (21.0% decrease over the previous term), operating loss of ¥11,629 million (operating income of ¥16,044 million in the previous term), ordinary loss of ¥3,308 million (ordinary income of ¥20,271 million in the previous term) and net loss of ¥26,652 million (net income of ¥9,966 million in the previous term). Excluding amortization of net retirement benefit obligations due to the change in accounting (actuarial loss of ¥2,050 million in FY2007 and actuarial loss of ¥5,899 million in FY2008), operating loss and ordinary income in FY2008 were ¥5,729 million (operating income of ¥18,095 million in the previous term) and ¥2,591 million (88.3% decrease over the previous term), respectively.

(TRANSLATION FOR REFERENCE ONLY)

Consolidated net sales and operating income by segment

(million yen)

	FY2007 (April 1, 2007 to March 31, 2008)		FY2008 (April 1, 2008 to March 31, 2009)		Compared with the previous term	
	Net Sales	Operating Income	Net Sales	Operating Income	Net Sales	Operating Income
Chemicals & Plastics	186,968	23,595	156,835	4,377	(30,133)	(19,218)
Acrylic Fibers & AN Monomer and Derivatives	73,737	980	47,275	(9,074)	(26,462)	(10,054)
Carbon Fibers & Composite Materials	46,790	11,340	37,887	1,875	(8,903)	(9,465)
Acetate Fibers, Membranes and Others	111,032	3,620	103,050	1,034	(7,982)	(2,586)
Eliminations or Corporate	-	21	-	73	-	52
Consolidated Total	418,529	39,558	345,048	(1,712)	(73,481)	(41,270)
Mitsubishi Rayon (Non-consolidated)	240,205	18,095	189,636	(5,729)	(50,569)	(23,824)

(Notes) Operating income in the above table excludes amortization of net retirement benefit obligations due to the change in accounting (actuarial loss of ¥2,050 million in FY2007 and actuarial loss of ¥5,899 million in FY2008).

1) Chemicals & Plastics

<Chemicals>

Sales of MMA monomer were sluggish in general in the fiscal year under review. This reflected weak domestic demand for transparent resins and a slowdown of sales for Asia, which had remained steady, seriously impacted by weakened demand. From the latter half of the fiscal year, sharp appreciation of the yen, pressure of product price reduction due to lowering material and fuel prices, and production adjustment further affected to our results. The business of Thai MMA Co., Ltd. and Huizhou MMA Co., Ltd. in China remained steady during the first half, but were affected by rapidly slackened demand due to the economic slowdown in the second half.

<Specialty Plastics and Specialty Chemicals>

Sales of acrylic molding materials were generally remained sluggish in the fiscal year under review, due to markedly weakened demand from the automobile and home electronic appliance industries, and enhanced production adjustments in Japan and abroad in the second half. Nantong Rayon Chemical Co., Ltd. in China saw its earnings worsen, because of a decrease in sales caused by rapidly slowing demand and declines in product prices.

In acrylic sheet products, overall sales were down. Demand for those products for use in light guiding panels, signboards and sign displays softened significantly and product prices dropped. Earnings of Mitsubishi Rayon Polymer Nantong Co., Ltd. in China was severely affected by a sharp decrease in sales volume.

Earnings from coating materials steeply decreased. Although demand for ships remained firm, demand for automobiles, the mainstay material, began to weaken markedly in the second half, which led to adjust our production.

Sales of the plastic modifier “Metablen” for use in construction materials and other areas in the vinyl chloride field, sagged due to slowed housing demand in Japan. Sales of “Metablen” in the non-vinyl chloride field, which were robust in the 1st half of the year, decreased considerably in the second half affected by the economic recession.

Sales of acrylic films remained weak due to sluggish domestic demand for the film for construction materials on the back of slow housing demand.

<Information Materials >

Sales of plastic optical fiber for automotive LAN in Europe decreased substantially in the fiscal year under review, and sales of plastic rod lenses for hybrid printers, which had remained firm, declined.

With respect to “Diaart”, prism sheets for LCD backlights, earnings further worsened, reflecting a continued fall in sales volume and prices due to intensified competition and rapidly weakened demand, despite a further adjustment of production.

2) Acrylic Fibers & AN Monomer and Derivatives

<Acrylic Fibers>

Demand for acrylic staple fibers weakened much more worldwide in the fiscal year under review, due to a further shift by customers to other materials reflecting the price hikes of raw materials and fuel in the first half. To cope with this, we further adjusted production in Japan and China, which, however, failed to stop earnings deterioration. Under such a severe business environment, we decided to implement several restructuring measures, including withdrawal from the spinning business through the sale of P.T. Vonex Indonesia, a sharp cut in production capacity of raw cotton in Japan, and a drastic reform of Ningbo Rayon Acrylic Fibers Co., Ltd. in China.

This harsh business climate is still continuing. We will accelerate the implementation of business structural reforms, including reforming the portfolio of products with the emphasis on a shift to specialized materials, and diverting acrylic fibers to precursors for carbon fibers.

<AN Monomer and Derivatives>

Earnings of Dia-Nitrix Co., Ltd. deteriorated considerably in the fiscal year under review, owing to a sharp decline in sales volume of AN amid the slow demand for the one for acrylic fibers, and downward pressure on product prices caused by rapid price declines of raw materials and fuel in the second half. Sales of acrylamide were sluggish due to weak demand both in Japan and overseas.

3) Carbon Fibers & Composite Materials

Looking at carbon fibers and composite materials, we expect the growth of the entire carbon fiber market will continue over the long term, but the business environment is becoming increasingly harsh at the moment, being significantly hurt by an increase in production capacity at other manufacturers and the worldwide economic downturn. Sales of carbon fibers and composite materials remained sluggish as demand for those for use in sports and leisure products, the forte of the Company, shrank rapidly. The Group worked on market development of a new carbon fiber “Pyrofil P330 series” for use in large industrial structures.

We adjusted production to cope with a rapid fall in demand. Given the shrinking demand amid the severe economic situation, we also decided to suspend the construction work of a new burning plant at the Otake Production Center and postpone its start of operation by about one year.

4) Acetate Fibers, Membranes and Others

<Acetate Fibers and Others>

In Mitsubishi Rayon Textile Co., Ltd., earnings deteriorated substantially in the fiscal year under review, reflecting globally weakening consumption of clothes due to the economic downturn and the yen’s sharp appreciation in the second half. Sales of “Soalon” tri-acetate filament yarn expanded in Europe and Asia, while demand softened in the United States, the main market. Sales of “Lynda”

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di-acetate filament yarn increased in Japan, but sales declined in the lining field overseas.

<Membranes and Others>

In the home-use water purifier section, sales remained virtually unchanged from the previous term, thanks to our efforts to expand sales of pot-type water purifiers, for which the market is growing, despite the sluggish housing equipment market. Sales of functional membranes were generally weak, hurt by a decline in Japan's public works projects, although we won orders from China for the said membranes for large sewage treatment plants.

In the engineering business section, we achieved greater sales than we did in the previous term, mainly from plant construction work, which is the Company's strong area, amid the severe business environment, where companies curtailed investments reflecting the deteriorated economy.

Sales of resin products for automobiles remained weak for Ryoko Co., Ltd.

(2) Fund Procurement

1) Fund procurement status

During the fiscal year under review, the Company refrained from raising funds through an issue of bonds and capital increase.

2) Plant and Equipment Investment

(i) Plant and equipment completed during FY2008

Otake Production Center:

Renewal of fuel transportation facilities

(ii) Ongoing new construction and enhancement of main facilities in FY2008

Thai MMA Co., Ltd. (Chemicals & Plastics business):

Expansion of MMA monomer production facilities

New construction of acrylic sheet production facilities

Otake Production Center (Carbon Fibers & Composite Materials business):

New construction of carbon fiber production facilities

3) Acquisition or disposal of shares and other equity of other companies or new share warrants

< Share sales agreement >

The Company decided to sell all of its shares in P.T. Vonex Indonesia, an acrylic fiber spinning company in Indonesia, at its Board of Directors meeting held on September 29, 2008, and entered into a share sales agreement on September 30, 2008.

< Share purchase agreement >

The Company approved the signing of an agreement to acquire all issued shares of Lucite International Group Limited (hereinafter referred to as "Lucite") of the United Kingdom at its Board of Directors meeting held on November 11, 2008 in order to include Lucite in its consolidated subsidiary, and entered into a share purchase agreement on the same day.

(i) Purpose of the acquisition

Strengthen and expand the MMA business, its core business, by obtaining MMA (methyl methacrylate) manufacturing bases in the U.S. and Europe and enhancing the MMA production technology, through this acquisition.

(ii) Sellers of Lucite shares

Funds managed by Charterhouse Capital Partners LLP and other shareholders

(iii) Name, main businesses and scale of the target company

(a) Name

Lucite International Group Limited

(b) Main business lines

Production of MMA monomer, and polymers and resin products derived from MMA monomer

(c) Scale

(TRANSLATION FOR REFERENCE ONLY)

Sales: £849 million (for the fiscal year ended December 2007)

Number of employees: 1,984 (as of the end of December 2007)

(iv) Time of the acquisition

To be acquired immediately after obtaining approval of the relevant authorities.

(v) Number of acquired shares and holding ratio after the acquisition

(a) Number of acquired shares

9,556,000

(b) Holding ratio after the acquisition

100%

(vi) Total acquisition cost, fund procurement and payment method

(a) Total acquisition cost

US\$1,600 million

(b) Fund procurement and payment method

Funds for the acquisition will be loans provided by The Bank of Tokyo-Mitsubishi UFJ, Ltd. The total amount will be paid in cash.

(TRANSLATION FOR REFERENCE ONLY)

(3) Status of Assets and Profits/Losses

1) Status of assets and profits/losses of the Group (million yen)

Items	81st fiscal year (year ended on March 31, 2006)	82nd fiscal year (year ended on March 31, 2007)	83rd fiscal year (year ended on March 31, 2008)	84th fiscal year (year ended on March 31, 2009)
Net sales	348,967	417,027	418,529	345,048
Ordinary income (loss)	38,858	58,471	33,968	(3,758)
Net income (loss)	24,425	31,273	14,274	(28,950)
Net income (loss) per share (yen)	40.46	52.15	23.91	(50.58)
Net assets	185,841	225,713	215,819	160,995
Total assets	381,557	449,578	451,540	408,933

(Note) Effective the 82nd fiscal year, we have applied “Accounting Standards for Presentation of Net Assets in the Balance Sheet” (ASBJ Statement No.5 issued on December 9, 2005) and “Implementation Guidance on the Accounting Standard for Presentation of Net Assets in the Balance Sheet” (ASBJ Guidance No.8 issued on December 9, 2005).

2) Status of assets and profits/losses of the Company (million yen)

Items	81st fiscal year (year ended on March 31, 2006)	82nd fiscal year (year ended on March 31, 2007)	83rd fiscal year (year ended on March 31, 2008)	84th fiscal year (year ended on March 31, 2009)
Net sales	227,916	238,042	240,205	189,636
Ordinary income (loss)	27,157	44,343	20,271	(3,308)
Net income (loss)	18,006	25,943	9,966	(26,652)
Net income (loss) per share (yen)	29.86	43.26	16.70	(46.56)
Net assets	157,286	177,111	160,514	124,961
Total assets	280,048	327,170	331,020	320,388

(Note) Effective the 82nd fiscal year, we have applied “Accounting Standards for Presentation of Net Assets in the Balance Sheet” (ASBJ Statement No.5 issued on December 9, 2005) and “Implementation Guidance on the Accounting Standard for Presentation of Net Assets in the Balance Sheet” (ASBJ Guidance No.8 issued on December 9, 2005).

(4) Issues the Group Faces

1) Management policy

Under the management philosophy of “Best Quality for a Better Life - Contributing to the abundant future of people,” the Group’s basic management objective is to transform “Mitsubishi Rayon Group into a high-earning enterprise with excellent growth potential” that will continuously contribute to the good of society.

For the realization of the objective, we have the following business attitudes.

First, we will tackle various issues on global environment conservation and ensure compliance with laws based on the understanding that the Group’s existence is conditioned on the fulfillment of corporate social responsibility (CSR) as a company and the social trust so obtained. Based on the experience of the Group, we have introduced an internal control system covering legal compliance, risk management and information management in our daily business activities. From now on, we will further enhance this internal control system’s functions.

Second, we will implement management in which organizational unity is strong and individuals can demonstrate their abilities to the maximum degree, that is, “management that makes effective use of personnel,” based on the recognition that for a company to continue challenging demanding goals, all employees need to be independent, self-motivated and enthusiastic.

Third, we will conduct rigorous portfolio management to concentrate our management resources in the businesses where we can leverage our strong technologies and create many new businesses in promising fields. We will establish groups of "US" businesses, which "U" stands for uniqueness and "S" stands for specialty, and pursue the best global position in each business.

2) Major management issues

The Group has carried out the sixth three-year medium-term management plan “Global US → 2010” since fiscal year 2008. Under this management plan whose basic concept is “New Design 2015,” we are conducting various specific measures, aiming to realize an ideal entity in 2015. Under the worldwide economic recession since last year, we are also implementing efficient management by going back to the starting point and reconstructing our management foundation.

Major issues for fiscal year 2009 are as follows.

< Enhancement of operational competitiveness >

The Group has obtained excellent results from its activities to raise operational competitiveness ("JK activity"), particularly in the improvements of our operation and production processes. Under the sixth medium-term management plan, we will also continuously promote the above activities as the "JK → 2010.", as driving power to restore our earning structure. We aim to further improve our competitiveness through the development of applications and the cultivation of markets in addition to the comprehensive management of product lineups and inventory control, which have been continuously implemented.

< Accelerating the growth of the acrylic business >

The Group will concentrate management resources on acrylic operations which consist of the MMA (methyl methacrylate) and AN (acrylonitrile) businesses, aiming to establish an MMA chain that is dominant worldwide, while reconstructing the AN business.

In the MMA business, the Group has established an integrated MMA business structure covering products from monomers through polymers in Japan, Thailand and China, and implemented plans to enlarge manufacturing facilities in South Korea and Thailand. From now on, the Group will proceed integration work in relation to Lucite, aiming to establish the business foundation for securing a globally No.1 position. We will also develop new products and applications with polymers, copolymers and optical elements, and enhance the MMA business in the form of a business chain.

We will strive to expand the AN business centering on the carbon fibers and composite materials business. We will expand the carbon fibers and composite materials business as the "US" business. To this end, we will take full advantage of our strengths, placing new products on the market, increasing sales of high value-added products, and considering further enhancement programs with the future in mind. In the acrylic fiber business, we will reform business structure by downsizing operations.

< Measures for unprofitable businesses >

We will decide whether it is appropriate to continue the low-profit business that has no future growth potential and has little synergy with other businesses, taking into account the efficient use of management resources. We will restructure unprofitable businesses of group companies overseas, among others.

< Creating new businesses >

With focused allocation of management resources, the Group will tenaciously work to create new businesses as our next core businesses in the water environment-related business area, the electronic and optical materials business areas, and the automobile-related business area. In February 2009, the Company established the Yokohama Corporate Research Laboratories, through which we will accelerate the creation of new technologies and businesses in the fields of

electronic and optical materials and life science.

< Thorough implementation of internal control >

The Group's highest priority is the fulfillment of its corporate social responsibility (CSR) goals. The CSR Committee, consisting of Directors, supervises the Corporate Ethics Committee, Risk Management Committee, Safety, Environment and Quality Assurance Committee, and Information Security Committee formulates the entire Group's activity policy, and coordinates each committee's activities, aiming to further improve CSR activities.

We are working on the enhancement of internal control in accordance with the "Basic Policy for Internal Control." In fiscal year 2008, the Risk Management Committee, whose objective is to strengthen the risk management system of the Group, took the initiative in strengthening measures against critical risks, and pursue the establishment of an effective risk management system. In fiscal year 2009, we will ensure the execution of internal control under this system. For internal control related to financial reports, we evaluated the status of establishment and operations of groupwide control and operation process in accordance with the "Operation Rules for Internal Control related to Financial Reporting." In fiscal year 2009, we will also ensure the execution of internal control following these operation rules.

(TRANSLATION FOR REFERENCE ONLY)

(5) Main Businesses of the Group (As of March 31, 2009)

The Group's principal businesses are production and sale of the following products:

Chemicals & Plastics	<p>Chemicals (MMA monomer, methacrylic acid esters, organic solvents, fine chemicals)</p> <p>Molding materials (acrylic molding materials, PBT molding materials)</p> <p>Sheets (acrylic sheets)</p> <p>Coating materials, functional copolymer, UV curing paints</p> <p>Copolymer for plastic modifiers</p> <p>Acrylic films</p> <p>Prism sheet for LCD backlights</p> <p>Plastic optical fibers</p> <p>Plastic rod lenses</p>
Acrylic Fibers & AN Monomer and Derivatives	<p>Acrylic fibers (staple fibers)</p> <p>Acrylonitrile and derivatives</p>
Carbon Fibers & Composite Materials	<p>Carbon fibers (tow, cloth, prepreg, chopped fibers)</p> <p>Fabricated composite materials (for sports applications and industrial applications)</p> <p>Materials for aircraft</p>
Acetate Fibers, Membranes and Others	<p>Acetate fibers (filament yarns, tow)</p> <p>Polyester fibers (filament yarns)</p> <p>Polypropylene fibers (filament yarns)</p> <p>Water purifiers (home use, commercial use, portables)</p> <p>Hollow-fiber membranes filters (for wastewater treatment, water purifying, industrial use, power plant use, medical use)</p> <p>Artificial carbonated spring manufacturing equipment</p> <p>Water treatment systems</p> <p>Plant engineering</p> <p>Construction materials</p>

(6) Principal offices and plants of the Group (As of March 31, 2009)

Mitsubishi Rayon Co., Ltd.	Head office	6-41, Konan 1-chome, Minato-ku, Tokyo
	Branches	Osaka Branch (Osaka-shi, Osaka) Nagoya Branch (Nagoya-shi, Aichi)
	Production Centers	Otake Production Center (Otake-shi, Hiroshima) Toyohashi Production Center (Toyohashi-shi, Aichi) Toyama Production Center (Toyama-shi, Toyama) Yokohama Production Center (Yokohama-shi, Kanagawa)
	Laboratories	Corporate Research Laboratories (Otake-shi, Hiroshima) Yokohama Corporate Research Laboratories (Yokohama-shi, Kanagawa) Toyohashi Corporate Research Laboratories (Toyohashi-shi, Aichi) Production Technology Laboratories (Otake-shi, Hiroshima)
Subsidiaries	Japan	Dia-Nitrix Co., Ltd. Head office: Minato-ku, Tokyo Branch: Osaka Branch (Osaka-shi, Osaka) Plants: Mizushima Plant (Kurashiki-shi, Okayama) Otake Plant (Otake-shi, Hiroshima) Kurosaki Plant (Kitakyushu-shi, Fukuoka) Yokohama Plant (Yokohama-shi, Kanagawa) Toyama Plant (Toyama-shi, Toyama) Laboratories: Corporate Research Laboratories (Yokohama-shi, Kanagawa)
		Mitsubishi Rayon Engineering Co., Ltd. Head office: Minato-ku, Tokyo Production Centers: Otake Production Center (Otake-shi, Hiroshima) Toyohashi Production Center (Toyohashi-shi, Aichi) Toyama Production Center (Toyama-shi, Toyama) Yokohama Production Center (Yokohama-shi, Kanagawa)
		Mitsubishi Rayon Textile Co., Ltd. Head office: Osaka-shi, Osaka
		Ryoko Co., Ltd. Head office: Chuo-ku, Tokyo Branches: Osaka Branch (Osaka-shi, Osaka) Sendai Branch (Sendai-shi, Miyagi) Nagoya Branch (Nagoya-shi, Aichi) Fukuoka Branch (Fukuoka-shi, Fukuoka)
		MRC Finance Co., Ltd. Head office: Minato-ku, Tokyo
		Ningbo Rayon Acrylic Fibers Co., Ltd. (China)
		Huizhou MMA Co., Ltd. (China)
	Overseas	Mitsubishi Rayon America Inc. (U.S.A.)
		Jiangsu Xinling Chemical Co., Ltd. (China)
		Mitsubishi Rayon Polymer Nantong Co., Ltd. (China)
		Nantong Rayon Chemical Co., Ltd. (China)
		Thai MMA Co., Ltd. (Thailand)

(TRANSLATION FOR REFERENCE ONLY)

(7) Status of Employees (As of March 31, 2009)

1) Number of employees of the Group

Name of segment by business category	Number of employees
Chemicals & Plastics	2,341
Acrylic Fibers & AN Monomer and Derivatives	1,310
Carbon Fibers & Composite Materials	615
Acetate Fibers, Membranes and Others	2,505
Corporate	925
Total	7,696

(Note) "Corporate" indicates the number of employees belonging to sections that cannot be classified by business category.

2) Employees of the Company

Number	increase/decrease from the end of the previous term	Average age	Average length of service (years)
2,838	+28	41.0	19.2

(8) Status of Major Subsidiaries (As of March 31, 2009)

Company	Issued share capital	Investment ratio	Principal activities
Dia-Nitrix Co., Ltd.	million yen 2,000	% 65.0	Production and sale of acrylonitrile, acrylamide, and production catalytic agent and polymer flocculants thereof
Mitsubishi Rayon Engineering Co., Ltd.	1,200	100.0	Engineering business, and production and sale of hollow fiber membrane products
Mitsubishi Rayon Textile Co., Ltd.	450	100.0	Sale of synthetic fibers, fabric & textile and other fiber products
Ryoko Co., Ltd.	100	80.0	Sale of plastic products and fabricated plastic products, and designing and decorating of interior room
MRC Finance Co., Ltd.	30	100.0	Financial business
Ningbo Rayon Acrylic Fibers Co., Ltd.	thousand US dollars 70,000	100.0	Production and sale of acrylic fibers
Huizhou MMA Co., Ltd.	65,000	100.0	Production and sale of MMA monomer
Mitsubishi Rayon America Inc.	55,207	100.0	Collection of information and sale
Jiangsu Xinling Chemical Co., Ltd.	39,600	97.7	Production and sale of dimethylformamide and methylamine
Mitsubishi Rayon Polymer Nantong Co., Ltd.	27,500	100.0	Production and sale of acrylic sheets and coating materials
Nantong Rayon Chemical Co., Ltd.	20,730	80.0	Production and sale of acrylic molding materials
Thai MMA Co., Ltd.	million Thai Bahts 5,590	50.0	Production and sale of MMA monomer and functional esters

(Note) P.T. Vonex Indonesia, which had been a major subsidiary up until the previous term, has been removed from the list of major subsidiaries as the Company concluded an agreement to sell all of its shares during the fiscal year under review.

(TRANSLATION FOR REFERENCE ONLY)

(9) Status of Major Creditors (As of March 31, 2009)

Creditor	Loans payable
	million yen
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	28,481
Syndicate loans (Note)	20,000
Mitsubishi UFJ Trust and Banking Corporation	16,300
Meiji Yasuda Life Insurance Company	10,000
The Hachijuni Bank, Ltd.	8,500
Bank of Tokyo-Mitsubishi UFJ (China), Ltd.	7,740
The Nanto Bank, Ltd.	7,000
The Norinchukin Bank	6,000
Mizuho Corporate Bank, Ltd.	5,298
The Joyo Bank, Ltd.	3,000
The Yamaguchi Bank, Ltd.	3,000

(Note) Details of the syndicate loans are as follows:

1. Joint financing of 13 companies with the Bank of Tokyo-Mitsubishi UFJ, Ltd. as the lead manager: 5,000 million yen
2. Joint financing of 22 companies with the Bank of Tokyo-Mitsubishi UFJ, Ltd. as the lead manager: 15,000 million yen

(TRANSLATION FOR REFERENCE ONLY)

2. Shareholders' Equity (As of March 31, 2009)

- (1) Total number of shares authorized to be issued 1,200,000,000
(2) Total number of outstanding shares 599,997,820
(Including 27,739,851 treasury stocks)
(3) Number of shareholders 82,616 (3,755 increase from the previous term)
(4) Major shareholders

Name of shareholder	Shareholders' stake in the Company	
	Number of shares (1,000)	Investment ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	33,311	5.8
Japan Trustee Services Bank, Ltd. (trust account)	27,805	4.8
Japan Trustee Services Bank, Ltd. (trust account 4G)	24,284	4.2
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	21,964	3.8
Meiji Yasuda Life Insurance Company	20,624	3.6
National Mutual Insurance Federation of Agricultural Cooperatives	16,727	2.9
Nippon Life Insurance Company	13,482	2.3
Mitsubishi UFJ Trust and Banking Corporation	10,592	1.8
Mitsubishi Heavy Industries, Ltd.	10,072	1.7
BBH 493025 Black Rock Global Allocation	7,893	1.3

(Note) Treasury stocks (27,739,851 shares) are excluded in calculating investment ratios.

3. New Share Warrants (As of March 31, 2009)

There were no noteworthy events.

(TRANSLATION FOR REFERENCE ONLY)

4. Directors and Corporate Auditors

(1) Names, etc. of Directors of the Board and Corporate Auditors (As of March 31, 2009)

Position	Name	Principal duties and representation for other corporations
Representative Director and Chairman of the Board	Yoshiyuki Sumeragi	Chairman of the Board of Directors
Representative Director, President and Presidential Executive Officer	Masanao Kambara	Chairman of CSR Committee, Risk Management Committee, Safety, Environment and Quality Assurance Committee, Corporate Ethics Committee, and JK Committee Officer in charge of Audit Office
Director and Senior Managing Executive Officer	Takumi Ubagai	Chairman of Information Security Committee In charge of Corporate Ethics Committee and Information Security Committee Officer in charge of Corporate Ethics Officer in charge of Export Control Office, Mitsubishi Rayon America Inc., MRC Asia (Thailand) Ltd., MRC Hong Kong Co., Ltd., MRC Shanghai Business Consulting Co., Ltd., Human Resources Department, General Administration Department, Control & Finance Department, HR & Accounting Operation Support Center, Logistics & Information Systems Planning Office, MMA Business Bloc and Affiliated Companies Bloc Control of Nagoya Branch Director of CO-OP Chemical Co., Ltd.
Director and Senior Managing Executive Officer	Noriyuki Tajiri	In charge of Management Advisory Committee, Management Meeting and Officers Meeting, In charge of CSR Committee, Risk Management Committee and JK Committee Officer in charge of Corporate Planning Division, AN Business Bloc and Specialty Fibers Business Bloc Assistant Officer in charge of Audit Office Control of Osaka Branch General Manager of Corporate Planning Division
Director and Managing Executive Officer	Akio Kataoka	In charge of Safety, Environment & Quality Assurance Committee Officer in charge of Safety, Environment & Quality Assurance and Product Liability Officer in charge of Safety, Environment & Quality Assurance Department, Production Technology Administration Department, Utilities Center, Research & Development Administration Department, Intellectual Property Department, Corporate Research Laboratories, Yokohama Corporate Research Laboratories, Toyohashi Corporate Research Laboratories, Production Technology Laboratories, Tokyo Technology & Information Center and MRE Business Bloc In charge of Production Centers and Hachinohe Factory

(TRANSLATION FOR REFERENCE ONLY)

Position	Name	Principal duties and representation for other corporations
Director and Executive Officer	Michio Tatebayashi	Officer in charge of Public & Investors Relations Office Assistant Officer in charge of AN Business Bloc General Manager of Carbon Fiber & Composite Materials Division
Director and Executive Officer	Akira Nakata	Director of Research & Development Administration Department
Corporate Auditor (Full-time)	Toshifumi Shinohara	
Corporate Auditor (Full-time)	Toru Sakamaki	
Corporate Auditor (Full-time)	Hisatoshi Adachi	
Corporate Auditor	Noriyuki Hoshi	

(Notes)

1. Director Akira Nakata newly assumed the office of Director on June 27, 2008.
2. Directors Naoki Yamamoto, Toshifumi Shinohara and Mikiyoshi Araki retired on June 27, 2008.
3. Corporate Auditors Toshifumi Shinohara and Hisatoshi Adachi newly assumed the office of Corporate Auditors on June 27, 2008.
4. Corporate Auditors Koichi Katayama, Isao Takeuchi and Hideki Hoshina retired on June 27, 2008.
5. Corporate Auditors Hisatoshi Adachi and Noriyuki Hoshi are external auditors as stipulated in Article 2, Item 16 of the Corporation Law.
6. Corporate Auditor Toru Sakamaki has been in charge of accounting operations of the Company for 23 years and has considerable expertise on finance and accounting.

(TRANSLATION FOR REFERENCE ONLY)

(2) Remuneration of Directors and Corporate Auditors

Category	Number of payees	Amount (million yen)
Director	10	252
Corporate Auditor	7	107
[Of which, number of External Auditor]	[4]	[45]
Total	17	359

- (Notes) 1. Yearly remuneration of directors is limited to ¥480 million and this amount does not include the amount of salary of directors concurrently working as employee (resolution at the Ordinary General Meeting of Shareholders in June 2007). Yearly remuneration of Corporate Auditors is limited to ¥130 million (resolution at the Ordinary General Meeting of Shareholders in June 2007).
2. Remuneration of directors does not include the amount of salary of directors concurrently working as employee. The amount of salary of directors concurrently working as employee paid in FY2008 is ¥33 million. The number of directors concurrently working as employee as at the end of FY2008 is two.
3. The number of Directors and Corporate Auditors as at the end of FY2008 is seven and four (of whom two are external auditors), respectively.

(3) External Directors

1) Main activities of external directors

Category	Name	Main activities
Corporate Auditor (Full-time)	Hisatoshi Adachi	Participated in all of 25 Board of Directors' meetings held in FY2008 since he was appointed Director, and stated opinions and gave appropriate advice on internal control and conceivable risks in various situations of business operation from the viewpoint of compliance. Also attended all 12 Board of Corporate Auditors' meetings held after his assumption of office in FY2008 and mutually examined the actual audit data and discerned items that could be business risks and problems, then discussed such items, if any.
Corporate Auditor	Noriyuki Hoshi	Participated in all of 30 Board of Directors' meetings held in FY2008, and pointed to risks likely to stem from conceivable situations in operating businesses and made remarks on the assessment of such risks, especially from a legal point of view. Also attended all 16 Board of Corporate Auditors' meetings held in FY2008, and heard results of visiting audits from full-time Corporate Auditors, then examined and discussed with them whether there had been any legal problems.

5. Accounting Auditor

(1) Name of accounting auditor: Ernst & Young ShinNihon LLC

(Note) Pursuant to the provision of Article 34-22, Paragraph 10 of the Certified Public Accountants Act, the name of the accounting auditor was changed from “Ernst & Young ShinNihon” to “Ernst & Young ShinNihon LLC” as of July 1, 2008.

(2) Amount of Remuneration, etc.

	Amount of remuneration, etc.
Amount of remuneration, etc. of accounting auditor concerning FY2008	69 million yen
Total amount of such as money that must be paid to accounting auditor by the Company and its subsidiaries.	79 million yen

- (Notes) 1. Of all important subsidiaries of the Company, Huizhou MMA Co., Ltd., Ningbo Rayon Acrylic Fibers Co., Ltd., and Mitsubishi Rayon Polymer Nantong Co., Ltd. and three other companies are audited (limited to audit in compliance with provisions of the Corporation Law or Financial Instruments and Exchange Law (including foreign laws and regulations that correspond to these laws)) by certified public accountants or audit firms (including those who have qualifications that correspond to these qualifications in foreign countries) that are different from the accounting auditor of the Company.
2. In the audit contract between the Company and accounting auditor, audit remuneration, etc. are not clearly divided into remuneration for audit based on the Corporation Law and that based on Financial Instruments and Exchange Law, nor can we divide them in effect. Accordingly, the total amount of these items has been listed as the amount of remuneration, etc. concerning FY2008.

(3) Policy on dismissal or non-reappointment

The Company has a policy of dismissing the accounting auditor if the Board of Corporate Auditors' decides that the case falls under any of items as specified in Article 340, Paragraph 1 of the Corporation Law.

6. Outline of Resolution for Developing Systems to Secure the Appropriateness of Business Operations

The outline of the decision on our basic policy concerning compliance by Directors of the Board with the laws, regulations and Articles of Incorporation, and development of systems to secure the appropriateness of business operations is as follows:

- (1) Systems to secure that the execution of duties by Directors and employees conforms to the laws, regulations and Articles of Incorporation
All the Directors and employees of the Group in and outside of Japan shall comply with the “Corporate Ethics Policy” and the “Business Code of Conduct”. The lawfulness of the execution of duties by the Directors shall be secured through an operations report given at the meeting of Board of Directors, information exchange and mutual monitoring. To achieve transparent and fair management, the “Management Advisory Committee” composed of outside experts shall be held to seek advice and proposals for the President on the direction and other aspects of medium- to long-term management. To fulfill corporate social responsibility, the CSR Committee shall be established to supervise the Risk Management Committee, Corporate Ethics Committee, Safety, Environment and Quality Assurance Committee, and Information Security Committee, while developing a cross-sectional compliance system. To secure the employees’ thoroughgoing compliance with laws, regulations and internal rules, “Compliance Contact (Hotline)” also established in and outside of the Company shall be operated appropriately and the internal audit sector shall conduct internal audits rigorously.
- (2) Systems to retain and manage information on the execution of duties by Directors
Information on the operations of Directors and employees shall be managed in accordance with relevant rules, under the “Information Security Policy,” our basic policy for information management. The “Rules Concerning Corporate Information Disclosure” shall be established with regards to the disclosure of important information on corporate management, and pursuant to the disclosure standards provided in these rules, such information shall be disclosed in a timely and appropriate manner. Important documents related to the execution of duties by Directors shall be kept all together at the relevant administrative section for certain retention periods in accordance with the “Rules Concerning Important Documents.”
- (3) Rules and other systems concerning management of risk of loss
The Risk Management Committee shall supervise risk management for overall business operations of the entire Group, prepare basic rules on risk management method, enhance daily preventive systems by implementing standard measures against risks, which are provided in the “Rules Concerning Business Operation,” and the head of each organization shall properly manage risks at its responsibility. Furthermore, the internal audit section shall conduct internal audits over the business operation status and raise the effectiveness of risk management as a whole. The “Rules Concerning Risk Management” shall be revised to improve the

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capability to manage and respond to crisis and emergencies. Crisis Countermeasures Headquarters shall be established in accordance with the said rules to prevent the expansion of damage and restore the previous status without delay. To make reliable financial reports, “Operation Rules for Internal Control over Financial Reporting” shall be prescribed, and in accordance with these rules, reports on evaluation results for the effectiveness of internal control over financial reporting shall be given in the form of internal control reports.

- (4) Systems to ensure the efficient execution of duties by Directors
In determining policies for important matters related to business operations, discussions shall be fully made at the Management Meeting, which is held once a week, before the Board of Directors meetings. In the decision-making process, resultant decisions shall be conveyed immediately to all Directors and relevant sections using the electronic document control system, and operations based on the said decision shall be implemented within the authority and responsibility that are stipulated in “office organization” and “division of duties.”
- (5) Systems to ensure the appropriate operations in the corporate group
The “Rules for Management of Group Companies,” which can be applied to all the Group companies, shall be established to ensure reporting and communications by the Group companies to the Company as well as guidance by the Company to the Group companies, while appreciating the independence of each Group company, to achieve appropriate business operational control.
- (6) Systems to ensure effective audits by Corporate Auditors
Assistants to Corporate Auditors shall be appointed, and to secure the independence of such assistants, details such as their appointment, evaluation, and transfer shall be subject to the consent of the Board of Corporate Auditors.
Corporate Auditors shall have interviews with Directors and employees, whenever necessary, regarding important matters related to the execution of operations and the establishment of internal control system, and periodic individual interviews with Directors or Executive Officers, aiming to increase effectiveness and flexibility of auditing operations. The Board of Corporate Auditors, the accounting auditor (certified public accountants) and the Audit Office shall hold meetings to exchange information on a regular basis and have close communication and coordination, in order to secure the effectiveness of auditing operations by Corporate Auditors.
- (Note) The main points different from the business report for the previous term (83rd term) are as follows:
1. Establishment of the “Rules Concerning Corporate Information Disclosure”: (2)
 2. Revision of the “Rules Concerning Risk Management”: (3)

(TRANSLATION FOR REFERENCE ONLY)

1. Consolidated Balance Sheet

Consolidated Balance Sheet
(as of March 31, 2009)

Item	Amount	Item	Amount
	million yen		million yen
ASSETS	408,933	LIABILITIES	247,937
<u>Current Assets:</u>	<u>167,736</u>	<u>Current Liabilities:</u>	<u>135,492</u>
Cash and deposits	45,491	Notes payable and accounts payable	31,344
Notes receivable and accounts receivable	55,831	Short-term borrowings	71,511
Finished goods	31,285	Accrued income tax, etc.	1,063
Work in progress	3,311	Deferred tax	62
Raw materials and stored	13,293	Allowance for bonuses	3,204
Deferred tax	4,106	Allowance for loss on business liquidation	4,323
Others	15,087	Others	23,984
Allowance for doubtful accounts	(670)		
<u>Fixed Assets:</u>	<u>241,197</u>	<u>Fixed Liabilities:</u>	<u>112,445</u>
<u>Tangible fixed assets</u>	<u>169,802</u>	Bonds	30,000
Buildings and structures	41,612	Long-term borrowings	51,517
Machinery, instruments and vehicles	69,583	Deferred tax	125
Land	26,140	Allowance for retirement benefits	27,321
Construction in progress	29,217	Allowance for retirement benefits to officers	120
Others	3,248	Allowance for repairs	453
<u>Intangible fixed assets</u>	<u>5,256</u>	Others	2,906
Goodwill	1,325		
Others	3,931	NET ASSETS	160,995
<u>Investment and other assets</u>	<u>66,138</u>	<u>Shareholders' Equity:</u>	<u>159,106</u>
Investment securities	45,587	Common stock	53,229
Deferred tax	15,767	Capital surplus	28,588
Others	4,864	Retained earnings	87,553
Allowance for doubtful accounts	(80)	Treasury stocks	(10,264)
		<u>Valuation and Translation Adjustments and others:</u>	<u>(11,315)</u>
		Unrealized gain on other securities	1,510
		Deferred gains/losses on hedges	(160)
		Foreign currency translation adjustment	(12,664)
		<u>Minority Interest:</u>	<u>13,204</u>
<u>Total Assets</u>	408,933	<u>Total Liabilities and Net Assets</u>	408,933

(TRANSLATION FOR REFERENCE ONLY)

2. Consolidated Statement of Income

Consolidated Statement of Income
(April 1, 2008 to March 31, 2009)

Item	Amount	
	million yen	million yen
Net sales		345,048
Cost of sales		292,166
Gross profit		52,881
Selling, general and administrative expenses		60,494
Operating income (loss)		(7,612)
Non-operating income		7,446
Interest	251	
Dividend income	809	
Foreign exchange gain	5,145	
Miscellaneous income	1,239	
Non-operating expenses		3,591
Interest	2,148	
Equity in loss of affiliates	463	
Miscellaneous expenses	979	
Ordinary income (loss)		(3,758)
Extraordinary income		1,658
Gain on sale of fixed assets	51	
Gain on sale of investment securities	1,327	
Insurance income	280	
Extraordinary loss		33,528
Loss on retirement and disposal of fixed assets	1,809	
Impairment loss	11,346	
Loss on disposal of investment securities	4	
Loss on revaluation of investment securities	13,165	
Structure improvement expenses	650	
Loss on liquidation of business	2,228	
Allowance for loss on business liquidation	4,323	
Net income (loss) before income taxes and adjustments		(35,628)
Income tax, inhabitant tax and enterprise tax	3,345	
Adjustments of income tax, etc	(7,205)	
Income tax for prior periods	(3,479)	
Adjustments of income tax for prior periods	3,080	(4,259)
Minority interests (loss)		(2,418)
Net income (loss)		(28,950)

(TRANSLATION FOR REFERENCE ONLY)

3. Consolidated Statement of Changes in Shareholders' Equity

Consolidated Statement of Changes in Shareholders' Equity

(April 1, 2008 to March 31, 2009)

(million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2008	53,229	28,796	122,706	(10,488)	194,245
Decrease due to the change of accounting policies applied to foreign subsidiaries			(1,285)		(1,285)
Changes in the fiscal year under review					
Net income (loss)			(28,950)		(28,950)
Cash dividends paid			(4,865)		(4,865)
Purchases of treasury stock				(146)	(146)
Disposal of treasury stock		(208)	(51)	369	109
Contribution to employee incentive and welfare fund of foreign subsidiaries			(0)		(0)
Net changes in items other than those in shareholders' equity					
Total changes in the fiscal year under review	-	(208)	(33,868)	223	(33,853)
Balance at March 31, 2009	53,229	28,588	87,553	(10,264)	159,106

	Valuation and translation adjustments and others				Minority interest	Total net assets
	Unrealized gain on other securities	Deferred gains/losses on hedges	Foreign currency translation adjustments and others	Total valuation and translation adjustments and others		
Balance at March 31, 2008	5,753	7	(476)	5,283	16,290	215,819
Decrease due to the change of accounting policies applied to foreign subsidiaries						(1,285)
Changes in the fiscal year under review						
Net income (loss)						(28,950)
Cash dividends paid						(4,865)
Purchases of treasury stock						(146)
Disposal of treasury stock						109
Contribution to employee incentive and welfare fund of foreign subsidiaries						(0)
Net changes in items other than those in shareholders' equity	(4,243)	(168)	(12,188)	(16,599)	(3,085)	(19,684)
Total changes in the fiscal year under review	(4,243)	(168)	(12,188)	(16,599)	(3,085)	(53,538)
Balance at March 31, 2009	1,510	(160)	(12,664)	(11,315)	13,204	160,995

4. Notes to Consolidated Financial Statements

Notes to Consolidated Financial Statements

1. Basis for Presentation and Summary of Significant Accounting Policies for the Preparation of the Consolidated Financial Statements

(1) Scope of Consolidation

- 1) Number of consolidated subsidiaries, etc. is 52.

Major consolidated subsidiaries:

Dia-Nitrix Co., Ltd.	Mitsubishi Rayon Engineering Co., Ltd.
Mitsubishi Rayon Textile Co., Ltd.	Ryoko Co., Ltd.
MRC Finance Co., Ltd.	Ningbo Rayon Acrylic Fibers Co., Ltd.
Huizhou MMA Co., Ltd.	Mitsubishi Rayon America Inc.
Mitsubishi Rayon Polymer Nantong Co., Ltd.	Jiangsu Xinling Chemical Co., Ltd.
Nantong Rayon Chemical Co., Ltd.	Thai MMA Co., Ltd.

- 2) The number of consolidated subsidiaries increased by two from the previous term, with one subsidiary ceasing to be a consolidated one.

- ◆ Companies converted into consolidated subsidiaries following their establishment:

Mitsubishi Rayon (Shanghai) Co., Ltd.

MRC Group Holdings (UK) Limited

- ◆ Company ceasing to be a consolidated subsidiary upon completion of liquidation:

Dia Fashion Planning Co., Ltd.

Earnings results for the period until the completion of liquidation are included in the consolidated financial statements.

- 3) Kyoritsu Processing Y.K. does not significantly affect the Company's consolidated financial statements in the total assets, net sales, net income (the portion corresponding to the shares held by the Company) and retained earnings (the portion corresponding to the shares held by the Company). Accordingly, this company is excluded from the consolidation.

(2) Application of the Equity Method

- 1) Number of affiliated companies accounted for by the equity method is 18.

Major affiliated companies accounted for by the equity method:

DAESAN MMA Co., Ltd.

UMG ABS, Ltd.

Du-Pont MRC Co., Ltd.

- 2) Number of affiliated companies accounted for by the equity method decreased by one from the previous term.

Excluded affiliated company accounted for by the equity method upon the completion of liquidation

Renown Jersey Co., Ltd.

Earnings results for the period until the completion of liquidation are included in

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- consolidated financial statements.
- 3) Number of non-consolidated affiliated company not accounted for by the equity method is one. This company does not affect the consolidated net income/loss and consolidated retained earnings and lacks importance as a whole. Accordingly, this company is excluded from the application of the equity method.

(TRANSLATION FOR REFERENCE ONLY)

(3) Fiscal Year, etc. of Consolidated Subsidiaries, etc.

Fiscal year of the following 23 consolidated subsidiaries ends on December 31, which differs from that of the Company, and necessary adjustments have been made for the consolidation

Thai MMA Co., Ltd.	Huizhou MMA Co., Ltd.
Suzhou Sanyouli Chemicals Co., Ltd.	Jiangsu Xinling Chemical Co., Ltd.
Diapolyacrylate Co., Ltd.	Nantong Rayon Chemical Co., Ltd.
Mitsubishi Rayon Polymer Nantong Co., Ltd.	Diatec (Shanghai) Co., Ltd.
Dianal America, Inc.	Suzhou MRC Opto - Device Co., Ltd.
Ningbo Rayon Acrylic Fibers Co., Ltd.	P.T. Vonex Indonesia
Grafil, Inc.	Newport Adhesives and Composites, Inc.
MRC Golf, Inc.	Dalian Rayon Environmental Equipment Co., Ltd.
MRC Holdings Ltd.	Mitsubishi Rayon America Inc.
MRC Asia (Thailand) Ltd.	MRC Hong Kong Co., Ltd.
MRC Shanghai Business Consulting Co., Ltd.	Mitsubishi Rayon (Shanghai) Co., Ltd.
MRC Group Holdings (UK) Ltd.	

(4) Accounting Standards

1) Valuation standards and methods for significant asset

(i) Securities

Securities held to maturities: Stated at amortized cost (straight-line method)

Other securities:

Marketable securities: Stated at market value based on the quoted market prices at the end of the term and other factors. Unrealized gain or loss is reported in a component of net assets, with the cost of securities sold is calculated by the moving-average method.

Non-marketable securities: Stated at cost based on the moving-average method

(ii) Derivatives: Stated at market value

(iii) Inventories: Mainly stated at the cost determined by the weighted-average method (values in the balance sheet are calculated using the method of devaluing book value upon decline of profitability)

Change in accounting

Beginning in the fiscal year under review, the Company applied the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006). As a result, gross profit declined by ¥2,662 million, operating loss increased by ¥2,662 million, and ordinary loss and net loss before income taxes and adjustments rose by ¥1,973 million respectively, compared with the conventional method of accounting.

- 2) Depreciation method of significant depreciable assets
- (i) Tangible fixed assets (excluding lease assets)
 - Buildings (excluding fixtures): Mainly by the straight-line method
 - Other tangible fixed assets: Mainly by the declining balance method

Additional information

Changes in useful lives of tangible fixed assets

Taking advantage of the revision of the Corporate Tax Law, the Company, its 10 consolidated subsidiaries and 2 affiliated companies accounted for by the equity method (which located in Japan) reviewed the useful lives of tangible fixed assets, and changed mainly the useful lives of machinery and equipment beginning in the fiscal year under review.

As a result, gross profit declined by ¥938 million, operating loss, ordinary loss, and net loss before income taxes and adjustments increased by ¥939 million, ¥939 million, and ¥910 million respectively, compared with the conventional method of accounting.

- (ii) Intangible fixed assets: By the straight-line method
 - Software for internal use is amortized by the straight-line method over the estimate of useful lives of a five-year period.
- (iii) Lease assets
 - Lease assets related to finance lease transactions that do not transfer ownership:

Depreciation is computed using the straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero.

Finance lease transactions that do not transfer ownership with lease transactions commencement dates on or before March 31, 2008 are accounted for in a manner similar to accounting treatments for ordinary rental transactions.

(Accounting standard for lease transactions)

Finance lease transactions that do not transfer ownership were previously accounted for in a manner similar to accounting treatments for ordinary rental transactions. Beginning in the fiscal year under review, however, the Company applied the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13; June 17, 1993 (the First Committee of Business Accounting Council), and revised on March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions (ASBJ Guidance No. 16; January 18, 1994 (The Japanese Institute of Certified Public Accountants, Committee of Accounting System), and revised on March 30, 2007), and finance lease transactions that do not transfer ownership have been accounted for in a manner similar to accounting treatments for ordinary sale and purchase transactions.

This change had little effect on the Company’s assets, and there are no effect on profits and losses.

3) Basis for provision of allowances

(i) Allowance for bad debts:

To prepare for losses regarding loans and accounts receivable due to defaults, allowance is estimated and provided for uncollectible receivables. These estimates are generally based on the historical ratio of actual losses or, in the case of specific receivables expected to become bad debts, on each examination of its collectability.

(ii) Allowance for bonuses to employees:

To prepare for payment of bonuses to employees, allowance is provided for based on the estimated amount of bonuses payable to employees.

(iii) Allowance for losses on restructuring:

To prepare for losses expected to occur due to withdrawal from business and restructuring, the Company provides for the estimated amount of losses.

(Additional information)

In the acrylic fiber business, the Company is forecast to incur losses of ¥4,285 million from withdrawal from the spinning business in Indonesia and ¥37 million from restructuring of the raw cotton production business in China, and the total of these estimates was booked as allowance for losses on restructuring.

As a result, the Company booked ¥4,323 million in allowance for losses on restructuring as extraordinary loss for the fiscal year under review.

(iv) Allowance for retirement benefits to employees:

To prepare for the payment of retirement benefits to employees, the Company provides for an amount calculated based on projected year-end benefit obligations and plan assets at the end of the fiscal year under review.

Prior service cost is generally recognized as they occur.

Actuarial gain or loss is generally recognized in the consolidated fiscal year immediately following the fiscal year in which such gain or loss occurs.

(v) Allowance for retirement benefits to Directors:

To prepare for the payment of retirement benefits to Directors, 10 consolidated subsidiaries provide for the necessary amount as of the end of the fiscal year, calculated based on internal rules.

(vi) Allowance for repairs:

To prepare for periodical and Large-scale repair of plants and facilities, the Company and two consolidated subsidiaries provide for the estimated costs for such repair by allocating the amount to each of the fiscal terms up until the next periodical repair.

4) Hedge accounting

(i) Method of hedge accounting

Principally, the deferral hedge accounting method is applied. Forward foreign exchange and interest rate swaps which meet certain criteria are excluded from the application of deferral hedge accounting.

(TRANSLATION FOR REFERENCE ONLY)

- (ii) Hedging instruments and hedged items
 - (Hedging instruments) (Hedged items)
 - Forward foreign exchange contract Forecasted transactions denominated in foreign currencies
 - Interest rate swaps Loans

(iii) Hedge policy
The risk exposure to fluctuations in exchange rates and interest rates is hedged in accordance with the Company's "Market Risk Management Rules" and "Risk Management Policy".

(iv) Method of assessing effectiveness of hedge
The Company evaluates the effectiveness of hedges by reference to the cumulative cash flows for the elapsed period on hedging instruments and hedged items, respectively.

5) Other substantial matters concerning preparation of consolidated financial statements

(i) Accounting for consumption tax
The tax-exclusion (net of tax) method is applied to account for national and local consumption taxes.

(Practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements)

Beginning in the fiscal year under review, the Company applied the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (Practical Issues Task Force No. 18, May 17, 2006) and made necessary revisions for the consolidated accounting.

As a result, retained earnings decreased by ¥1,285 million due to reduction of the same amount at the beginning of the fiscal year under review. This change had little effect on the Company's profits and losses.

(5) Valuation method for assets and liabilities of consolidated subsidiaries, etc.

Assets and liabilities of consolidated subsidiaries, etc. are valued on a full-fair value basis.

(6) Amortization of goodwill and negative goodwill

Goodwill and negative goodwill are mostly amortized equally over the period of five years after the date of accrual thereof.

(TRANSLATION FOR REFERENCE ONLY)

(7) Change in accounting

(Consolidated balance sheet)

- 1) With the application of the “Cabinet Office Ordinance Partially Revising Regulation for Terminology, Forms and Preparation of Financial Statements, etc” (Cabinet Office Ordinance No. 50, August 7, 2008), items that were reported as “Inventories” in the previous term are separately stated as “Finished goods,” “Work in process” and “Raw materials and stored” from the fiscal year under review. “Finished goods,” “Work in process” and “Raw materials and stored” included in “Inventories” in the previous term were ¥34,435 million, ¥5,993 million and ¥18,435 million, respectively.
- 2) “Long-term loan,” which had been separately reported under “Investment and other assets” until the previous term, are now included in “Others” of “Investment and other assets” as its material influence on the consolidated balance sheet had been significantly decreased.
“Long-term loan” for the fiscal year under review were zero.

(TRANSLATION FOR REFERENCE ONLY)

2. Notes to Consolidated Balance Sheet

(1) Assets pledged and liabilities secured

1) Assets pledged	(million yen)
Land	20

There are no liabilities secured by pledged assets.

(2) Accumulated depreciation in tangible fixed assets 396,817 million yen

(3) Guarantee obligations

The Company provides guarantee against bank loan, etc.
for affiliated companies and others as follows:

1) Affiliates	(million yen)
Daesan MMA Corp.	3,500
Du-Pont MRC Co., Ltd.	675
P.T. Diachem Resins Indonesia and one other company	243
Subtotal	4,418

2) Others	(million yen)
Employees	146
Total	4,564

(4) Advanced depreciation, which is directly deducted from the cost of acquisition of tangible fixed assets due to government subsidy, etc., is ¥1,637 million (¥3 million for buildings and structures, ¥227 million for machinery instruments and ¥1,407 million for land).

(TRANSLATION FOR REFERENCE ONLY)

3. Notes to Consolidated Statement of Changes in Shareholders' Equity

(1) Type and total number of outstanding shares as of the end of fiscal year under review
Common shares: 599,997,820 shares

(2) Cash dividends

1) Cash dividends paid

Resolution	Type of shares	Total amount of cash dividends (million yen)	Cash dividends per share (yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 27, 2008	Common shares	3,148	5.50	March 31, 2008	June 30, 2008
Board of Directors' Meeting held on November 6, 2008	Common shares	1,717	3.00	September 30, 2008	December 8, 2008
Total	-	4,865	-	-	-

2) Cash dividends for which the record date falls on a day in the fiscal year under review but the effective date will be in the following fiscal year

The Company has proposed the followings concerning cash dividends of common shares as an agenda of Ordinary General Meeting of Shareholders to be held on June 29, 2009:

- Total amount of cash dividends 572 million yen
- Cash dividends per share ¥1.00
- Record date March 31, 2009
- Effective date June 30, 2009

Retained earnings will be the source of cash dividends.

4. Notes to Per Share Information

(1) Net assets per share ¥258.26
(2) Net income (loss) per share (¥50.58)

(TRANSLATION FOR REFERENCE ONLY)

(Reference)

Consolidated Statement of Cash Flows
(April 1, 2008 to March 31, 2009)

Item	Amount
	million yen
Cash flows from operating activities	21,359
Net income (loss) before income taxes and adjustments	(35,628)
Depreciation	27,159
Impairment loss	11,346
Loss on revaluation of investment securities	13,165
Decrease in accounts receivable	22,771
Decrease in accounts payable	(27,747)
Others	10,292
Cash flows from investment activities	(34,305)
Additions to tangible fixed assets	(39,383)
Others	5,078
Cash flows from financing activities	44,350
Net increase in short-term borrowings	33,813
Proceeds from long-term borrowings	20,796
Repayment of long-term borrowings	(5,780)
Payments of cash dividends	(4,858)
Others	378
Translation gains (losses) on cash and cash equivalents	(3,274)
Increase or decrease in cash and cash equivalents	28,129
Cash and cash equivalents at beginning of fiscal year	17,361
Cash and cash equivalents at end of fiscal year	45,491

(TRANSLATION FOR REFERENCE ONLY)

1. Balance Sheet

(Non-consolidated)

Balance Sheet
(as of March 31, 2009)

Item	Amount	Item	Amount
	million yen		million yen
ASSETS	320,388	LIABILITIES	195,427
<u>Current Assets:</u>	<u>92,696</u>	<u>Current Liabilities:</u>	<u>91,981</u>
Cash and deposits	25,669	Notes payable	151
Notes receivable	1,338	Accounts payable – trade	18,011
Accounts receivable	25,286	Short-term borrowings	47,500
Lease investment assets	3	Lease obligations	10
Finished goods	14,492	Accounts payable	13,065
Raw materials	4,310	Accrued expenses	2,753
Work-in-process	1,210	Accrued income tax, etc.	66
Stores	1,594	Advance received	64
Prepaid expense	309	Deposits received	585
Deferred tax	2,894	Allowance for bonuses	1,838
Short-term loans	3,988	Allowance for losses on business liquidation	3,574
Accounts due	6,636	Allowance for losses on guarantees	4,357
Derivatives	5,093	Others	1
Others	1,614		
Allowance for bad debts	(1,745)		
		<u>Fixed Liabilities:</u>	<u>103,445</u>
<u>Fixed Assets:</u>	<u>227,692</u>	Bonds	30,000
<u>Tangible fixed assets</u>	<u>120,997</u>	Long-term indebtedness	46,000
Buildings	28,864	Lease obligations	23
Structures	6,795	Allowance for retirement benefits	25,681
Machinery instruments	42,421	Allowance for repairs	45
Vehicles	73	Others	1,695
Tools, furniture and fittings	2,170		
Land	22,857	NET ASSETS	124,961
Lease assets	21	<u>Shareholders' Equity</u>	<u>123,336</u>
Construction in progress	17,792	<u>Common stock</u>	<u>53,229</u>
<u>Intangible fixed assets</u>	<u>1,818</u>	<u>Capital surplus</u>	<u>28,509</u>
Tenant right	853	Capital reserves	28,509
Software	924	<u>Retained earnings</u>	<u>51,860</u>
Others	41	Other retained earnings	51,860
<u>Investment and other assets</u>	<u>104,876</u>	Reserve for reduction of fixed assets	851
Investment securities	27,046	Reserves for extraordinary depreciation	298
Shares of affiliates	42,443	General reserve	49,859
Investments	174	Deferred retained earnings	851
Investments in affiliates	18,799	<u>Treasury stock</u>	<u>(10,262)</u>
Long-term loans to affiliates	1,178		
Bankruptcy claim, rehabilitation claim, etc.	57	<u>Valuation and Translation</u>	<u>1,625</u>
Long-term prepaid expenses	505	<u>Adjustments and others</u>	
Prepaid pension expense	1,135	<u>Gain on revaluation of securities</u>	<u>1,625</u>
Deferred tax	12,584		
Others	2,197		
Allowance for bad debts	(1,246)		
Total Assets	320,388	Total Liabilities and Net Assets	320,388

(TRANSLATION FOR REFERENCE ONLY)

2. Statement of Income

(Non-consolidated)

Statement of Income
(from April 1, 2008 to March 31, 2009)

Item	Amount	
	million yen	million yen
Net sales		189,636
Cost of sales		166,190
Gross profit		23,446
Selling, general and administrative expenses		35,076
Operating income (loss)		(11,629)
Non-operating income		11,447
Interest	135	
Dividend income	4,365	
Gains from lease of property	1,366	
Foreign exchange gain	5,212	
Miscellaneous income	367	
Non-operating expenses		3,126
Interest	1,256	
Expense for lease of property	1,061	
Miscellaneous expenses	808	
Ordinary income (loss)		(3,308)
Extraordinary income		1,347
Gain on sale of fixed assets	20	
Gain on sale of investment securities	1,327	
Extraordinary loss		31,635
Loss on retirement and disposal of fixed assets	1,588	
Impairment loss	3,064	
Loss on disposal of investment securities	0	
Loss on revaluation of investment securities	13,075	
Loss on revaluation of shares of affiliates	8	
Loss on revaluation of investments in affiliates	4,368	
Transfer to allowance for bad debts	1,182	
Structure improvement expenses	405	
Loss on business liquidation	10	
Allowance for losses on business liquidation	3,574	
Allowance for losses on guarantees	4,357	
Net income (loss) before income taxes and adjustments		(33,596)
Income tax, inhabitant tax and enterprise tax	283	
Adjustment of income tax, etc.	(6,828)	
Income tax, etc. for prior periods	(3,479)	
Adjustment of income tax, etc. for prior periods	3,080	
Net income (loss)		(26,652)

(TRANSLATION FOR REFERENCE ONLY)

3. Statement of Changes in Shareholders' Equity (Non-consolidated)

Statement of Changes in Shareholders' Equity

(from April 1, 2008 to March 31, 2009)

(million yen)

	Shareholders' equity								
	Common stock	Capital surplus			Retained earnings				
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings				Total retained earnings
				Reserve for reduction of fixed asset	Reserves for extra-ordinary depreciation	General reserve	Deferred retained earnings		
Balance at March 31, 2008	53,229	28,509	208	28,717	868	493	49,859	32,207	83,429
Changes in the fiscal year under review									
Net income (loss)								(26,652)	(26,652)
Cash dividends paid								(4,865)	(4,865)
Purchases of treasury stock									
Disposal of treasury stock			(208)	(208)				(51)	(51)
Reserve for reduction of fixed assets					0			(0)	-
Reversal of reserve for reduction of fixed assets					(18)			18	-
Reversal of reserves for extraordinary depreciation						(194)		194	-
Net changes in items other than those in shareholders' equity									
Total changes in the fiscal year under review	-	-	(208)	(208)	(17)	(194)	-	(31,356)	(31,569)
Balance at March 31, 2009	53,229	28,509	-	28,509	851	298	49,859	851	51,860

	Shareholders' equity		Valuation and translation adjustments and others		Total net assets
	Treasury stock	Total shareholders' equity	Gain on revaluation of securities	Total valuation and translation adjustments and others	
Balance at March 31, 2008	(10,486)	154,890	5,623	5,623	160,514
Changes in the fiscal year under review					
Net income (loss)		(26,652)			(26,652)
Cash dividends paid		(4,865)			(4,865)
Purchases of treasury stock	(146)	(146)			(146)
Disposal of treasury stock	369	109			109
Reserve for reduction of fixed assets		-			-
Reversal of reserve for reduction of fixed assets		-			-
Reversal of reserves for extraordinary depreciation		-			-
Net changes in items other than those in shareholders' equity			(3,997)	(3,997)	(3,997)
Total changes in the fiscal year under review	223	(31,554)	(3,997)	(3,997)	(35,552)
Balance at March 31, 2009	(10,262)	123,336	1,625	1,625	124,961

(TRANSLATION FOR REFERENCE ONLY)

4. Notes to Non-Consolidated Financial Statements

Notes to Non-Consolidated Financial Statements

1. Summary of Significant Accounting Policies

(1) Valuation standards and methods for Securities

Securities held to maturities: Stated at amortized cost (straight-line method)

Shares of subsidiaries and affiliates: Stated at cost based on the moving-average method

Other securities:

Marketable securities: Stated at market value based on the quoted market prices at the end of the term and other factors. Unrealized gain or loss is reported in a component of net assets, with the cost of securities sold is calculated by the moving-average method.

Non-marketable securities: Stated at cost based on the moving-average method

(2) Valuation standards and methods for derivatives

Derivatives: Stated at market value

(3) Valuation standards and methods for inventories

Finished goods, raw materials and work-in-process:

Stated at the cost determined by the weighted-average method (values in the balance sheet are calculated using the method of devaluing book value upon decline of profitability)

Stores: Mainly stated at the cost determined by the weighted-average method (values in the balance sheet are calculated using the method of devaluing book value upon decline of profitability)

Change in accounting

From the fiscal year under review, the Company applied the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006).

As a result, gross profit declined by ¥1,953 million, operating loss increased by ¥1,953 million, and ordinary loss and net loss before income taxes and adjustments increased by ¥1,464 million respectively, compared with the conventional method of accounting.

(4) Depreciation method of fixed assets

(TRANSLATION FOR REFERENCE ONLY)

(i) Tangible fixed assets (excluding lease assets)

Buildings (excluding fixtures): Straight-line method

Other tangible fixed assets: Declining balance method

Additional information

Changes in useful lives of tangible fixed assets

Taking advantage of the revision of the Corporate Tax Law, the Company reviewed the useful lives of tangible fixed assets, and changed mainly the useful lives of machinery and equipment beginning in the fiscal year under review.

As a result, gross profit declined by ¥917 million, operating loss increased by ¥918 million, ordinary loss increased by ¥924 million, and net loss before income taxes and adjustments increased by ¥895 million respectively, compared with the conventional method of accounting.

(ii) Intangible fixed assets (excluding lease assets): Straight-line method

Software for internal use is amortized by the straight-line method over the estimate of useful lives of a five-year period.

(iii) Lease assets

Lease assets related to finance lease transactions that do not transfer ownership:

Depreciation is computed using the straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero.

Finance lease transactions that do not transfer ownership with lease transactions commencement dates on or before March 31, 2008 are accounted for in a manner similar to accounting treatments for ordinary rental transactions.

(Accounting standard for lease transactions)

Finance lease transactions that do not transfer ownership were previously accounted for in a manner similar to accounting treatments for ordinary rental transactions. Beginning in the fiscal year under review, however, the Company applied the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13; June 17, 1993 (the First Committee of Business Accounting Council), and revised on March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions (ASBJ Guidance No. 16; January 18, 1994 (The Japanese Institute of Certified Public Accountants, Committee of Accounting System), and revised on March 30, 2007), and finance lease transactions that do not transfer ownership have been accounted for in a manner similar to accounting treatments for ordinary sale and purchase transactions.

This change had little effect on the Company’s assets, and there are no effect on profits and losses.

(5) Basis for provision of allowances

Allowance for bad debts:

To prepare for losses regarding loans and accounts receivable due to defaults, allowance is estimated and provided for uncollectible receivables.

These estimates are based on the historical ratio of actual losses or, in the case of specific receivables expected to become bad debts, on each

examination of its collectability.

Allowance for bonuses to employees:

To prepare for payment of bonuses to employees, allowance is provided for based on the estimated amount of bonuses payable to employees.

Allowance for losses on restructuring:

The Company provided for an estimated amount of losses from withdrawal from a business

Additional information

The Company provided for the estimated amount of losses from withdrawal from acrylic fiber spinning business in Indonesia as allowance for losses on restructuring.

As a result, the Company booked ¥3,574 million in allowance for losses on restructuring as extraordinary loss for the fiscal year under review.

Allowance for losses on guarantee obligations:

To prepare for losses on guarantee obligations provided to subsidiaries, the Company provided for an amount calculated based on projected losses, taking into account financial position, etc. of guaranteed subsidiaries.

Additional information

To prepare for losses on guarantee obligations provided to subsidiaries in China, the Company provided for an amount calculated based on projected losses as allowance for losses on guarantee obligations, taking into account financial position, etc. of the subsidiaries.

As a result, the Company booked ¥4,357 million in allowance for losses on guarantee obligations as extraordinary loss for the fiscal year under review.

Allowance for retirement benefits to employees:

To prepare for the payment of retirement benefits to employees, the Company provides for an amount calculated based on projected year-end benefit obligations and plan assets at the end of the fiscal year under review.

Prior service cost is recognized as they occur.

Actuarial gain or loss is recognized in the fiscal year immediately following the fiscal year in which such gain or loss occurs.

Allowance for repairs:

To prepare for periodical and Large-scale repair of plants and facilities, the Company accounts for the estimated costs for such repair by allocating the amount to each of the fiscal terms up until the next periodical repair.

(TRANSLATION FOR REFERENCE ONLY)

(6) Hedge accounting

1) Method of hedge accounting

Principally, the deferral hedge accounting method is applied. Forward foreign exchange and interest rate swaps which meet certain criteria are excluded from the application of deferral hedge accounting.

2) Hedging instruments and hedged items

(Hedging instruments)

Forward foreign exchange contract

Interest rate swaps

(Hedged items)

Forecasted transactions denominated in foreign currencies

Loans

3) Hedge policy

The risk exposure to fluctuations in exchange rates and interest rates is hedged in accordance with the Company's "Market Risk Management Rules" and "Risk Management Policy".

4) Method of assessing effectiveness of hedge

The Company evaluates the effectiveness of hedges by reference to the cumulative cash flows for the elapsed period on hedging instruments and hedged items, respectively.

(7) Other matter concerning the preparation of non-consolidated financial statements

Accounting for consumption tax

The tax-exclusion (net of tax) method is applied to account for national and local consumption taxes.

(8) Change in accounting

(Balance sheet)

"Long-term accounts due," which was separately reported under "Investment and other assets" until the previous term, are now included in "Others" of "Investment and other assets" as its material influence on the balance sheet had been significantly decreased.

"Long-term accounts due" for the fiscal year under review is ¥437 million.

(TRANSLATION FOR REFERENCE ONLY)

2. Notes to the Balance Sheet

(1) Accumulated depreciation of tangible fixed assets 327,965 million yen

(2) Guarantee obligations

The Company has provided guarantee against bank loans for affiliated companies and others as follows:

1) Affiliates	(million yen)
Ningbo Rayon Acrylic Fibers Co., Ltd.	6,434
MRC Finance Co., Ltd.	6,000
Huizhou MMA Co., Ltd.	4,032
Daesan MMA Corp.	3,500
Du-Pont MRC Co., Ltd.	675
Mitsubishi Rayon Polymer Nantong Co., Ltd. and eight other companies	1,447
<u>Subtotal</u>	<u>22,089</u>
2) Others	(million yen)
<u>Employees</u>	<u>146</u>
Total	22,235

In addition, the Company provides guarantee against borrowings of affiliated companies from a consolidated subsidiary as follows:

Affiliates	(million yen)
Affiliates of the Company that are borrowers of MRC Finance Co., Ltd.	3,470

(3) Receivables and payables against affiliates are as follows: (million yen)

1) Short-term receivables	13,023
2) Long-term receivables	1,622
3) Short-term payables	18,271
4) Long-term payables	32

(4) Advanced depreciation which is directly deducted from the cost of acquisition of tangible fixed assets due to government subsidy, etc. is ¥1,637 million (¥3 million for buildings, ¥227 million for machinery instruments and ¥1,407 million for land).

(TRANSLATION FOR REFERENCE ONLY)

3. Notes to Statement of Income

(1) Transactions with affiliates	(million yen)
1) Sales	45,433
2) Amount of goods purchased	47,385
3) Non-operating transactions	36,596

4. Notes to Statement of Changes in Shareholders' Equity

(1) Type and total number of treasury stock as at the end of fiscal year under review	
Common shares	27,739,851 shares

5. Notes to Deferred Tax Accounting

Breakdown of deferred tax assets and deferred tax liabilities by main source of accrual

(1) Deferred tax assets	(million yen)
Allowance for bonus to employees	747
Allowance for retirement benefits to employees	10,817
Allowance for losses on restructuring	1,454
Allowance for losses on guarantee obligations	1,772
Loss on revaluation of investments securities	9,884
Amount exceeding the limit of provision for allowance for bad debts	1,181
Amount exceeding the limit of depreciation	1,408
Losses carried forward	1,982
Others	248
<hr/> Subtotal of deferred tax assets	29,498
Valuation allowance	(12,554)
<hr/> Total deferred tax assets	16,943
(2) Deferred tax liabilities	(million yen)
Fixed asset reduction reserve	(583)
Reserves for extraordinary depreciation	(204)
Other gain or loss on revaluation of securities	(676)
<hr/> Total deferred tax liabilities	(1,465)
<hr/> Net deferred tax assets	15,478

(TRANSLATION FOR REFERENCE ONLY)

6. Notes to Fixed Assets used on Lease

(1) Finance lease transactions

1) Lease assets related to finance lease transactions that do not transfer ownership

(i) Lease assets

(a) Tangible fixed assets

Mostly host computers

(b) Intangible fixed assets

Software

(ii) Depreciation method of lease assets

Indicated in (4) Depreciation method of fixed assets in the Summary of Significant Accounting Policies

Finance lease transactions that do not transfer ownership with lease transactions commencement dates on or before March 31, 2008 are accounted for in a manner similar to accounting treatments for ordinary rental transactions.

(1) Equivalent of acquisition cost, accumulated depreciation and balance at the end of period of leased property. (million yen)

	Equivalent of acquisition cost	Equivalent of accumulated depreciation	Equivalent of balance at the end of period
Vehicles	111	67	43
Tools, furniture and fittings	142	87	54
Total	253	154	98

(Note) Equivalent of acquisition cost is calculated using the inclusive-of-interest method as the ratio of balance of lease commitments at the end of period to balance of tangible fixed assets at the end of period is low.

(2) Equivalent of balance of lease commitments at the end of period (million yen)

Due within one year 42

Due exceeding one year 55

Total 98

(Note) Equivalent of balance of lease commitments at the end of period is calculated using the inclusive-of-interest method as the ratio of balance of lease commitments at the end of period to balance of tangible fixed assets at the end of period is low.

(3) Lease payments and equivalent of depreciation expense (million yen)

1) Lease payments 64

2) Equivalent of depreciation expense 64

(4) Method of calculating equivalent of depreciation expense

Equivalent of depreciation expense is calculated based on the straight-line method over the lease period without residual value.

(TRANSLATION FOR REFERENCE ONLY)

7. Notes to Transactions with Related Parties

Subsidiaries

Attribution	Name of companies	Issued share capital or contribution to capital	Principal activities or occupation	Percentage of voting rights (%)	Details of interest		Details of transactions	Amount of transactions (million yen)	Account item	Balance at the end of period (million yen)
					Interlocking of officers, etc.	Business relationship				
Subsidiary	Mitsubishi Rayon Engineering Co., Ltd.	1,200 million yen	Engineering business, and production and sale of hollow fiber membrane products	(Direct ownership) 100	12 interlocking officers	Purchase of facilities and subcontracting of engineering and construction works and maintenance operations, etc.	Purchase of facilities, designing, engineering and construction works	29,577	Accounts payable	11,917
Subsidiary	MRC Finance Co., Ltd.	30 million yen	Financial business	(Direct ownership) 100	3 interlocking officers	N/A	Guarantee obligations	6,000	-	-
Subsidiary	Huizhou MMA Co., Ltd.	US\$ 65,000,000	Production and sale of MMA monomer	(Direct ownership) 100	6 interlocking officers	Sale and purchase of products, and provision of know-how	Guarantee obligations	4,032	-	-
Subsidiary	Ningbo Rayon Acrylic Fibers Co., Ltd.	US\$ 70,000,000	Production and sale of acrylic fibers	(Direct ownership) 100	4 interlocking officers	Sale and purchase of products, and provision of know-how	Guarantee obligations	6,434	-	-
Affiliate	Daesan MMA Corp.	KRW 120,000 million	Production and sale of MMA/MAA monomers and acrylic molding materials	(Direct ownership) 50	4 interlocking officers	Sale and purchase of products, and provision of know-how	Guarantee obligations	3,500	-	-

- (Notes) 1. In the above table, amount of transactions does not include consumption taxes, etc., but balance at the end of period includes consumption tax, etc.
2. Terms of transactions and policy on deciding terms thereof, etc.
- (1) As for transactions with Mitsubishi Rayon Engineering Co., Ltd., purchase prices of facilities are determined by multiplying the cost by a certain wholesale rate and consideration for design and engineering work is determined after consultation by both parties with estimated cost as a basis.
- (2) Guarantee obligations provided to MRC Finance Co., Ltd. are for borrowings of MRC Finance from financial institutions to provide loans to affiliates of the Company.
- (3) Guarantee provided to Huizhou MMA Co., Ltd., Ningbo Rayon Acrylic Fibers Co., Ltd. and Daesan MMA Corp. are for borrowings of these companies for plant and equipment fund, etc. from financial institutions.

8. Notes to Per Share Information

- (1) Net assets per share: ¥218.36
- (2) Net income (loss) per share: (¥46.56)

[English Translation of the Auditors' Report Originally Issued in the Japanese Language]

Independent Auditors' Report

May 11, 2009

The Board of Directors
Mitsubishi Rayon Co., Ltd.

Ernst & Young ShinNihon LLC
Seichi Kurosawa (Seal)
Designated and Engagement Partner
Certified Public Accountant

Mitsuo Cho (Seal)
Designated and Engagement Partner
Certified Public Accountant

Ken Tarui (Seal)
Designated and Engagement Partner
Certified Public Accountant

We have audited the consolidated financial statements, that is, the Consolidated Balance Sheets, the Consolidated Statements of Income, the Consolidated Statements of Changes in Shareholdres' Equity and Notes to Consolidated Financial Statements of Mitsubishi Rayon Co., Ltd. for the fiscal year from April 1, 2008 to March 31, 2009 in accordance with Article 444, Paragraph 4 of the Corporation Law. Preparation of the consolidated financial statements is of the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated financial statements based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan.

Those auditing standards require us to obtain reasonable assurance about whether the consolidated financial statements is free of material misstatement. Our audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluation of the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

We find that the consolidated financial statements mentioned above fairly present all the important matters of the state of assets and income/loss for the fiscal year under review of the corporate group, consisting of Mitsubishi Rayon Co., Ltd. and its consolidated subsidiaries, in conformity with auditing standards generally accepted in Japan.

Our firm and operating partners have no conflict of interests in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

[English Translation of the Auditors' Report Originally Issued in the Japanese Language]

Independent Auditors' Report

May 11, 2009

The Board of Directors
Mitsubishi Rayon Co., Ltd.

Ernst & Young ShinNihon LLC
Seichi Kurosawa (Seal)
Designated and Engagement Partner
Certified Public Accountant

Mitsuo Cho (Seal)
Designated and Engagement Partner
Certified Public Accountant

Ken Tarui (Seal)
Designated and Engagement Partner
Certified Public Accountant

We have audited the financial statements, that is, the Non-Consolidated Balance Sheets, the Non-consolidated Statements of Income, the Non-Consolidated Statements of Changes in Shareholdres' Equity, Notes to Non-Consolidated Financial Statements and supporting schedules of Mitsubishi Rayon Co., Ltd. for the 84th term from April 1, 2008 to March 31, 2009 in accordance with Article 436, Paragraph 2, Item 1 of the Corporation Law. Preparation of the non-consolidated financial statements and supporting schedules is of the responsibility of the Company's management. Our responsibility is to express an opinion on the non-consolidated financial statements and supporting schedules based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the non-consolidated financial statements and supporting schedules is free of material misstatement. Our audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluation of the overall presentation of the non-consolidated financial statements and supporting schedules. We believe that our audit provides a reasonable basis for our opinion.

We find that the non-consolidated financial statements and supporting schedules mentioned above fairly present all the important matters of the state of assets and income/loss for the fiscal year under review of Mitsubishi Rayon Co., Ltd. in conformity with auditing standards generally accepted in Japan.

Our firm and operating partners have no conflict of interests in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

[English Translation of the Auditors' Report Originally Issued in the Japanese Language]

Corporate Auditor's Report

The Board of Corporate Auditors has prepared this Audit Report upon deliberation based on the audit reports prepared by each Corporate Auditor concerning the execution of duties by Directors for the 84th term from April 1, 2008 to March 31, 2009, and hereby reports as follows:

1. Auditing methods employed by Corporate Auditors and the Board of Corporate Auditors and their contents

The Board of Corporate Auditors prescribed an audit policy, plan and other relevant matters, received reports from each Corporate Auditor on their implementation of audits and results thereof, as well as reports from Directors, etc. and the Account Auditor on the performance of their duties, and sought explanations from them whenever necessary.

Each Corporate Auditor complied with the auditing standards of Corporate Auditors established by the Board of Corporate Auditors, followed the audit policy, plan, etc., communicated with Directors, staff of the internal audit sector, other employees, etc., strove to collect information and establish an environment for auditing, attended Board of Directors meetings and other important meetings, received reports from Directors, employees, etc. on the execution of their duties, sought explanations from them whenever necessary, inspected important approval documents, etc., and examined the status of operations and assets at the head office and principal production centers. We also audited: the resolution of the Board of Directors concerning the establishment of the system for ensuring that the execution of duties by Directors complies with the related laws, regulations and the Articles of Incorporation, and other systems stipulated in Article 100, Paragraph 1 and Paragraph 3 of the Enforcement Regulations of the Corporation Law aiming to secure the appropriateness of companies' operations; and the status of an internal control system established in accordance with said resolution. We received reports from Directors, etc. and Ernst & Young ShinNihon LLC on the evaluation of internal control system related to financial reports and the status of audits, and sought explanations from them whenever necessary. Meanwhile, we communicated and exchanged information with Directors, Corporate Auditors, etc. of subsidiaries, and received reports from subsidiaries on their operations whenever necessary. Based on the above methods, we examined the business report and the supporting schedules for the fiscal year under review.

In addition, we checked that the Account Auditor implemented appropriate audits while maintaining independence, received reports from the Account Auditor on the execution of their duties, and sought explanations whenever necessary. Furthermore, we received notice from the Account Auditor that "The system for ensuring that duties are performed properly" (matters set forth in each item of Article 131 of the Company Calculation Regulations) is organized in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council; October 28, 2005), etc., and sought explanations whenever necessary. Based on the above methods, we examined non-consolidated financial statements (balance sheets, statements of income, statements of changes in shareholders' equity, and notes to financial statements) and the supporting schedules for the fiscal year under review, as well as consolidated financial

statements (consolidated balance sheets, consolidated statements of income, consolidated statements of changes in shareholders' equity, and notes to consolidated financial statements).

2. Audit results

(1) Results of audit of Business Report, etc.

- i. We regard that the business report and the supporting schedules fairly present the state of the Company in accordance with the related laws and regulations and the Articles of Incorporation.
- ii. As for the performance of duties by Directors, we find no significant evidence of wrongful act or violation of related laws and regulations, nor the Articles of Incorporation.
- iii. We regard the content of the resolution by the Board of Directors concerning the internal control system to be proper.

As for the performance of duties by Directors, which concerns the internal control system, including the internal control system related to financial reports, we find no matters to point.

(2) Results of the audit of non-consolidated financial statements and the supporting schedules

We regard that the auditing methods and results by Ernst & Young ShinNihon LLC are appropriate.

(3) Results of audit of consolidated financial statements

We regard that the audit methods and results by Ernst & Young ShinNihon LLC are appropriate.

May 13, 2009

The Board of Corporate Auditors, Mitsubishi Rayon Co., Ltd.

Full-time Corporate Auditor: Toshifumi Shinohara (Seal)

Full-time Corporate Auditor: Toru Sakamaki (Seal)

Full-time Corporate Auditor: Hisatoshi Adachi (Seal)

Corporate Auditor: Noriyuki Hoshi (Seal)

Note: Full-time Corporate Auditor Hisatoshi Adachi and Corporate Auditor Noriyuki Hoshi are external auditors provided for in Article 2, Item 16 and Article 335, Paragraph 3 of the Corporation Law.

Reference Materials concerning Exercise of Voting Rights

Agenda 1. Appropriation of Surplus

We propose the appropriation of surplus be as follows:

Although our basic policy is to maintain continuous and stable payment of dividends, due to substantially worsened earnings under an unprecedentedly severe environment, we would like to pay a year-end cash dividend of ¥1.00 per share of the Company's common stock on June 30, 2009. The total amount of such dividends will be ¥572,257,969. With an interim cash dividend of ¥3.00 per share, shareholders will earn a total of ¥4.00 per share in cash dividends for the fiscal year under review.

Agenda 2. Partial Amendment to the Articles of Incorporation

1. Reason for the Amendment

Following the enforcement of the "Act for Partial Revision of the Act on Transfer of Bonds, etc. for Streamlining Settlement Concerning Stock Trading, etc." (Act No. 88 of 2004), the Company proposes deleting parts of the provisions thereof regarding the share certificates, the beneficial shareholders, and the register of beneficial shareholders since they have become meaningless after the issuance of share certificates are abolished. In addition, the required changes shall be made by revision or addition of other provisions.

Further, it has been deemed that, in accordance with Article 6, Paragraph 1 of the Supplementary Provisions of the said Act, the amendment to Article 7 of the current Articles of Incorporation for abolishing the provisions thereof was resolved on January 5, 2009, or the day when said act took effect, the effective date of the amendment.

2. Content of the Amendment

The amendment is as follows:

(Underlined portions indicate the changes.)

Current Articles of Incorporation	Proposed provisions after amendment
<p style="text-align: center;">Chapter II. Shares</p> <p><u>Article 7. (Issuance of share certificates)</u></p> <p>1. <u>The Company shall issue certificates for the shares.</u></p> <p>2. <u>Notwithstanding the provision of the preceding paragraph, the Company shall not issue certificates for less-than-one-unit shares unless otherwise provided in the Share Handling Regulations.</u></p> <p>Article 8. (Rights of shareholders holding less-than-one-unit shares)</p> <p>Shareholders holding less-than-one-unit shares of the Company <u>(including beneficial shareholders depositing share certificates with Japan Securities Depository Center, Inc.)</u> may not exercise rights other than those set forth below and in Article 9 of these Articles of Incorporation with respect to such less-than-one-unit shares:</p> <p style="padding-left: 40px;">the rights set out in each Item of Paragraph 2 of Article 189 of the Corporate Law (including the right to receive dividend of surplus, the right to receive gratis issue, the right to claim purchase of shares under unit and the right to receive distribution of residual assets, etc.).</p> <p>Article 9. (Additional purchase of shares under unit) (Skipped)</p> <p>Article 10. (Share Handling Regulations)</p> <p>The handling of <u>and the fees relating to the shares</u> of the Company shall be subject to, in addition to the laws and ordinances, these Articles of Incorporation and the Share Handling Regulations established by the Board of Directors.</p>	<p style="text-align: center;">Chapter II. Shares</p> <p>(Deleted)</p> <p>Article 7. (Rights of shareholders holding less-than-one-unit shares)</p> <p>Shareholders holding less-than-one-unit shares of the Company may not exercise rights other than those set forth below and in Article 8 of these Articles of Incorporation with respect to such less-than-one-unit shares:</p> <p style="padding-left: 40px;">the rights set out in each Item of Paragraph 2 of Article 189 of the Corporate Law (including the right to receive dividend of surplus, the right to receive gratis issue, the right to claim purchase of shares under unit and the right to receive distribution of residual assets, etc.).</p> <p>Article 8. (Additional purchase of shares under unit) (Unchanged)</p> <p>Article 9. (Share Handling Regulations)</p> <p>The handling of shares of the Company <u>including procedures for the exercise of rights of shareholders</u> shall be subject to, in addition to the laws and ordinances, these Articles of Incorporation and the Share Handling Regulations established by the Board of Directors.</p>

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Current Articles of Incorporation	Proposed provisions after amendment
<p>Article <u>11</u>. (Administrator of register of shareholders)</p> <p>1. (Skipped)</p> <p>2. (Skipped)</p> <p>3. The register of shareholders of the Company <u>(including the register of beneficial shareholders that is a register of shareholders depositing share certificates with Japan Securities Depository Center, Inc.)</u>, register of share warrant <u>and register of lost share certificates</u> shall be kept at the business office of the administrator of register and the entry or recording therein, purchase by the Company of the shares under unit, purchase by shareholders holding less than one unit of the shares (up to one unit) and other business relating to shares and share warrant shall be handled by the administrator of the register of shareholders and not by the Company.</p> <p>Article <u>12</u>. (Notification by shareholders, etc.)</p> <p>1. Shareholders, registered share pledgees or the legal representative of each of them shall file their names, addresses <u>and seals</u> as provided in the Share Handling Regulations.</p> <p>2. (Skipped)</p> <p>3. (Skipped)</p> <p>(Newly established)</p>	<p>Article <u>10</u>. (Administrator of register of shareholders)</p> <p>1. (Unchanged)</p> <p>2. (Unchanged)</p> <p><u>3</u>. The register of shareholders of the Company <u>and</u> register of share warrant shall be kept at the business office of the administrator of register and the entry or recording therein, purchase by the Company of the shares under unit, purchase by shareholders holding less than one unit of the shares (up to one unit) and other business relating to shares and share warrant shall be handled by the administrator of the register of shareholders and not by the Company.</p> <p>Article <u>11</u>. (Notification by shareholders, etc.)</p> <p>1. Shareholders, registered share pledgees or the legal representative of each of them shall file their names <u>and</u> addresses as provided in the Share Handling Regulations.</p> <p>2. (Unchanged)</p> <p>3. (Unchanged)</p> <p>(The article numbers shall be moved forward hereinafter.)</p> <p style="text-align: center;"><u>Supplementary Provisions</u></p> <p><u>Article 1. (Entry or recording of register of lost share certificates, etc.)</u></p> <p><u>1. The register of lost share certificates of the Company shall be kept at the business office of the administrator of register and the entry or recording therein shall be handled by the administrator of the register of shareholders and not by the Company.</u></p> <p><u>2. The entry or recording of the register of lost share certificates of the Company shall be subject to, in addition to the laws and ordinances, these Articles of Incorporation and the Share Handling Regulations established by the Board of Directors.</u></p> <p><u>Article 2. (Transitional Measures)</u></p> <p><u>Provisions of Article 1 of the Supplementary Provisions and this Article shall be deleted as of January 6, 2010.</u></p>

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Agenda 3. Election of Seven Directors

The term of office of all of the seven Directors expires at the close of this general meeting, and we propose the election of seven Directors.

The candidates for Directors are as follows:

No.	Name (date of birth)	Brief history, position and principal duties at the Company, and executive positions at other companies	Number of shares owned
1	Yoshiyuki Sumeragi (December 12, 1939)	<p>Brief History</p> <p>April 1962 Joined the Company</p> <p>June 1993 Director of the Board</p> <p>June 1997 Managing Director of the Board</p> <p>June 1999 Senior Managing Director of the Board</p> <p>June 2000 Representative Director and President of the Company</p> <p>June 2005 Representative Director; President and Presidential Executive Officer of the Company</p> <p>June 2006 Representative Director and Chairman of the Board of the Company</p> <p>Position and principal duties</p> <p>Representative Director and Chairman of the Board</p> <p>Chairman of the Board of Directors</p>	186,040
2	Masanao Kambara (March 26, 1943)	<p>Brief History</p> <p>April 1965 Joined the Company</p> <p>June 1997 Director of the Board</p> <p>June 2000 Managing Director of the Board</p> <p>June 2001 Managing Director and Senior Executive Officer of the Company</p> <p>June 2002 Senior Managing Director and Senior Executive Officer of the Company</p> <p>June 2004 Representative Director; Senior Managing Director and Senior Executive Officer of the Company</p> <p>June 2006 Representative Director; President and Presidential Executive Officer of the Company</p> <p>Position and principal duties</p> <p>Representative Director, President and Presidential Executive Officer</p> <p>Chairman of CSR Committee, Risk Management Committee, Safety, Environment & Quality Assurance Committee, Corporate Ethics Committee and JK Committee</p> <p>Officer in charge of Audit Office</p>	146,000

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No.	Name (date of birth)	Brief history, position and principal duties at the Company, and executive positions at other companies	Number of shares owned
3	Takumi Ubagai (August 7, 1948)	<p>Brief History</p> <p>April 1971 Joined the Company</p> <p>June 2001 Director of the Board and Executive Officer of the Company</p> <p>June 2004 Managing Director and Senior Executive Officer of the Company</p> <p>June 2007 Director and Senior Managing Executive Officer of the Company</p> <p>Position and principal duties</p> <p>Director of the Board</p> <p>Senior Managing Executive Officer</p> <p>Chairman of Information Security Committee</p> <p>In charge of Corporate Ethics Committee and Information Security Committee</p> <p>Officer in charge of Corporate Ethics</p> <p>Officer in charge of Export Control Office, Mitsubishi Rayon America Inc., MRC Asia (Thailand) Ltd., MRC Hong Kong Co., Ltd., MRC Shanghai Business Consulting Co., Ltd., Human Resources Department, General Administration Department, Control & Finance Department, Logistics & Information Systems Planning Office, MMA Business Bloc and Affiliated Companies Bloc</p> <p>Control of Nagoya Branch</p>	94,000
4	Noriyuki Tajiri (February 13, 1950)	<p>Brief History</p> <p>April 1974 Joined the Company</p> <p>June 2003 Director of the Board</p> <p>June 2005 Director and Executive Officer of the Company</p> <p>June 2006 Managing Director and Senior Executive Officer of the Company</p> <p>June 2007 Director and Managing Executive Officer of the Company</p> <p>June 2008 Director and Senior Managing Executive Officer of the Company</p> <p>Position and principal duties</p> <p>Director of the Board</p> <p>Senior Managing Executive Officer</p> <p>In charge of Management Advisory Committee, Management Committee and Officers Meeting</p> <p>In charge of CSR Committee, Risk Management Committee and JK Committee</p> <p>Officer in charge of Corporate Planning Division and AN Business Bloc and Specialty Fibers Business Bloc</p> <p>Assistant Officer in charge of Audit Office</p> <p>Control of Osaka Branch</p>	52,000

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No.	Name (date of birth)	Brief history, position and principal duties at the Company, and executive positions at other companies	Number of shares owned
5	Akio Kataoka (April 13, 1949)	<p>Brief History April 1972 Joined the Company June 2004 Director and Executive Officer of the Company June 2007 Director and Managing Executive Officer of the Company</p> <p>Position and principal duties Director of the Board Managing Executive Officer In charge of Safety, Environment & Quality Assurance Committee Officer in charge of Safety, Environment & Quality Assurance and Product Liability Officer in charge of Safety, Environment & Quality Assurance Department, Production Technology Administration Department, Utilities Center, Research & Development Administration Department, Intellectual Property Department, Corporate Research Laboratories, Yokohama Corporate Research Laboratories, Toyohashi Corporate Research Laboratories, Production Technology Laboratories and MRE Business Bloc Control of Production Centers and Hachinohe Factory Director of Production Technology Administration Department</p>	42,000
6	Michio Tatebayashi (July 7, 1951)	<p>Brief History April 1975 Joined the Company June 2006 Director and Executive Officer of the Company</p> <p>Position and principal duties Director of the Board Executive Officer Officer in charge of Public & Investors Relations Office Assistant Officer in charge of AN Business Bloc General Manager of Carbon Fiber & Composite Materials Division and Director of GDL Office</p>	30,000
7	Akira Nakata (June 16, 1954)	<p>Brief History April 1981 Joined the Company June 2008 Director and Executive Officer of the Company</p> <p>Position and principal duties Director of the Board Executive Officer Assistant Officer in charge of Research & Development Administration Department, Intellectual Property Department, Corporate Research Laboratories, Yokohama Corporate Research Laboratories, Toyohashi Corporate Research Laboratories and Production Technology Laboratories Director of Research & Development Administration Department</p>	25,000

(Note) None of the candidates has conflict of interests with the Company.

End

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Instructions for the Exercise of Voting Rights via the Internet

When exercising the voting rights via the Internet, please read the following instructions.

1. Please access the following website from a personal computer or a cell-phone and go to the dedicated voting site. Note, however, that the service will not be available from 2 a.m. to 5 a.m. daily.

<http://www.evotep.jp/>

(Note) The “Login ID” and “Tentative Password” on the “exercise of voting rights form” are necessary for logging in to the dedicated voting site.

2. Exercise of voting rights via the Internet can be accepted **until the close of business (5:45 p.m.) of the Company on June 26, 2009 (Friday)**.
3. When voting right is exercised both by mailing the voting form and via the Internet, **the vote via the Internet shall be deemed effective on a priority basis**.
4. If the voting right is exercised via the Internet more than one (1) time, the **last vote shall be deemed effective**.
5. In the event that any shareholder should attend the general meeting of shareholders despite having exercised his or her voting right via the Internet, **the vote via the Internet will be deemed invalid**.
6. Any access charges assessed by the Internet providers and communications charges assessed by communications companies in exercising voting rights shall be borne by the shareholders. In exercising voting rights via cell-phone website, any access charges such as packet communication charges and cell-phone charges assessed by cell-phone service providers shall be borne by the shareholders.

System Environment, etc.

For the exercise of voting rights via the Internet, the following system environment is required:

1. Access to the Internet
2. Availability of the following equipment:
 - (1) OS environment and Internet browser software
 - For Windows users (Japanese language version of 98, 2000, Me, NT4.0, XP or Vista)
Microsoft Internet Explorer 5.01SP1 (Japanese language version) or later
Netscape Communicator 4.7 (Japanese language version) or later
* Please note that Netscape 6 and later versions are not supported
 - For Macintosh users (Japanese language version of MacOS 9.2 or later, or Xv10.2)
Microsoft Internet Explorer 5.01 (Japanese language version) or later
Netscape Communicator 4.7 (Japanese language version) or later
* Please note that Netscape 6 and later versions are not supported
Safari
* Safari 2.0.4 of MacOS Xv10.4.8 or Safari 3.1 of MacOS Xv10.5
 - (2) Computer screen with a screen resolution of 800 x 600 or higher
(Note) Please note that PDA and game equipment are not usable for the exercise of voting rights via the Internet.
 - * Windows[®] is registered trademark of a U.S. corporation Microsoft Corporation in the United States and/or other countries.
 - * Macintosh[®] is registered trademark of a U.S. corporation Apple Computer, Inc. in the United States and/or other countries.
 - * Internet Explorer is trademark of Microsoft Corporation.
 - * Netscape Communicator is trademark of Netscape Communications Corporation.
 - * Other names of articles are trademark or registered trademarks of each respective company.

<Contact for Inquiries regarding Exercise of Voting Rights via the Internet>

1. For any inquiries regarding the operation of personal computers, etc., please contact the following:

Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Division	
Tel:	0120-173-027 (toll free)
Service hours:	9:00 a.m. to 9:00 p.m. (daily)

2. For any other inquiries, please contact the following:

Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Division	
Tel:	0120-232-711 (toll free)
Service hours:	9:00 a.m. to 5:00 p.m. (Monday through Friday)