

**Supplementary Financial Information
for the First Quarter (3-month period) of Fiscal 2010
(April 2010 to June 2010)**

**August 3, 2010
Mitsubishi Rayon Co., Ltd.**

I. Outline of Business Performance for the First quarter of Fiscal 2010 (consolidated basis)

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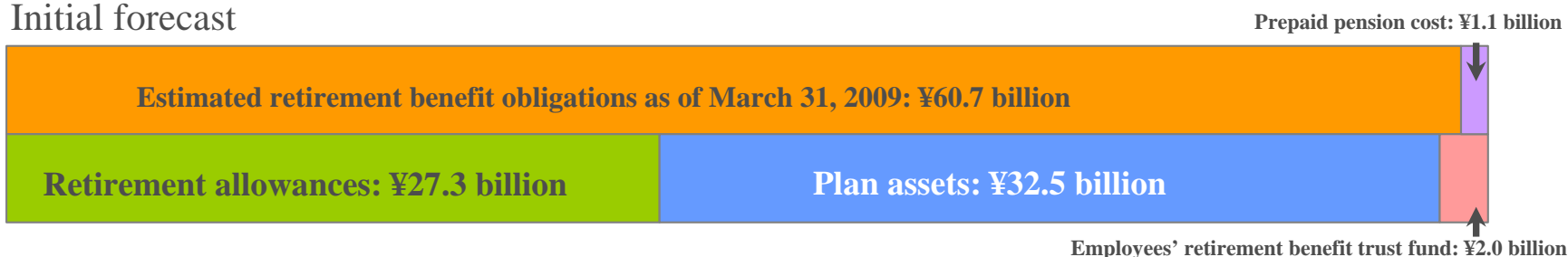
- 1. Investment Projects**

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

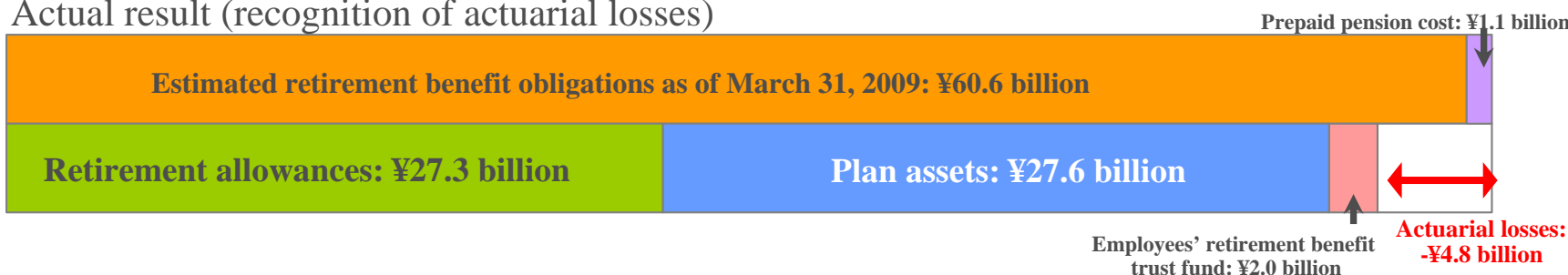
1. Recognition and Amortization of Actuarial Losses

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

Initial forecast



Actual result (recognition of actuarial losses)



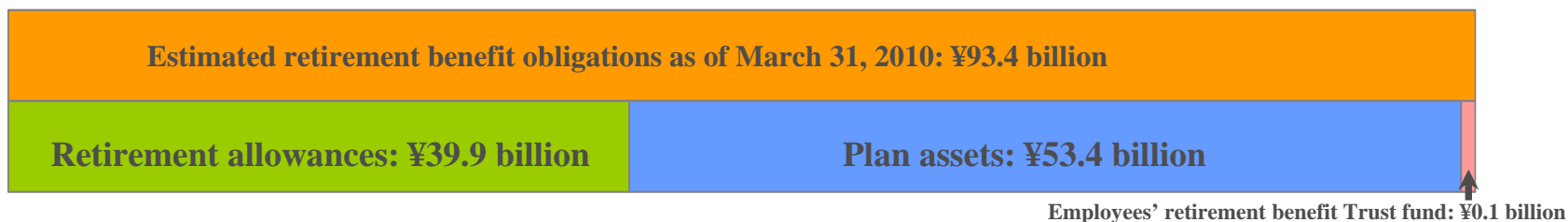
2. Impact on Earnings Performance of the Company for Fiscal 2009

In line with the recognition of actuarial losses ¥4.8 billion described above, operating income decreased by ¥4.9 billion for fiscal 2009.

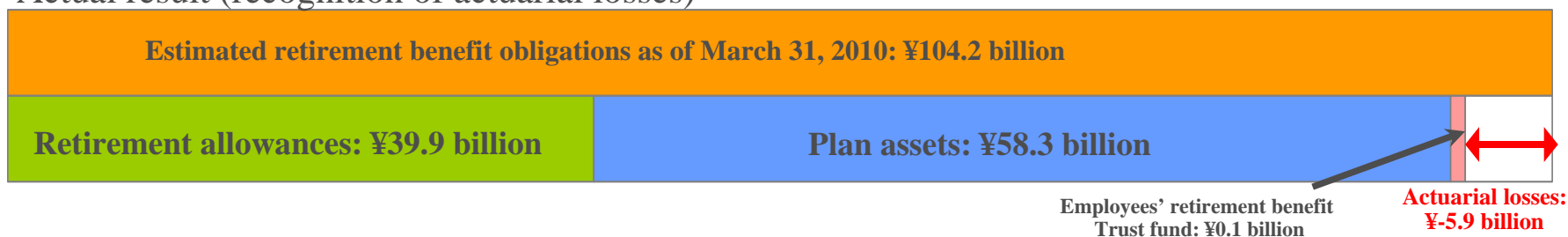
1. Recognition and Amortization of Actuarial Losses

For the reporting term ended March 2010, the Company has recognized actuarial losses on its pension plan resulting from changes in actuarial assumptions in a total amount of ¥5.9 billion (a ¥10.8 billion increase in retirement benefit obligations, a ¥4.9 billion increase in plan assets at fair value), which the Company will amortize in lump-sum for the term ending March 2011.

Initial forecast



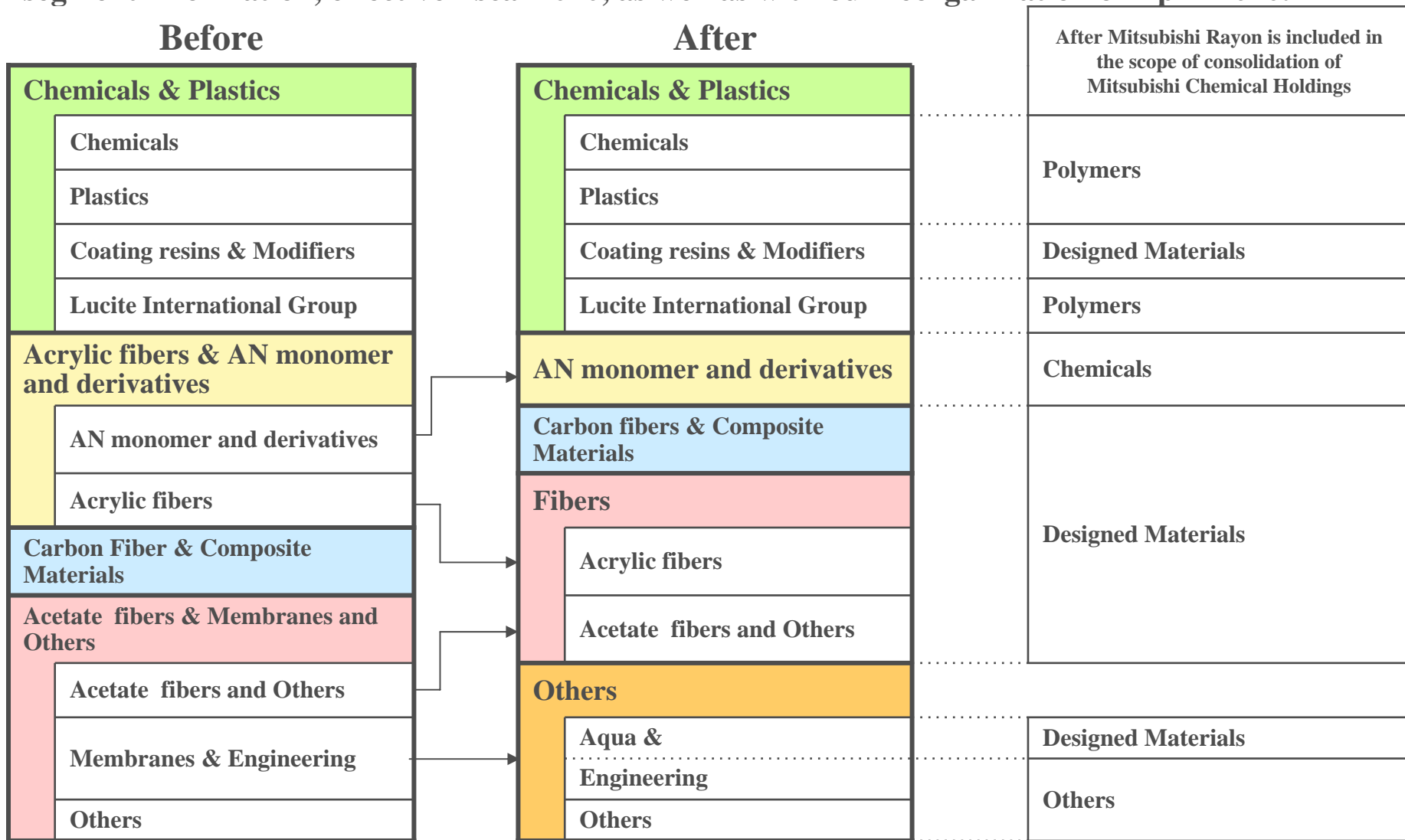
Actual result (recognition of actuarial losses)



2. Impact on Earnings Performance of the Company for Fiscal 2010

In line with the recognition of actuarial losses ¥5.9 billion described above, operating income will decrease by ¥5.7 billion for this year. And for the 1st(April-June)quarter, operating income decreased by ¥ 1.6billion.

We changed our segmentation to comply with accounting standards in relation to disclosure of segment information, effective fiscal 2010, as well as with our reorganization of April 2010.



Segment		Acrylic Business Group		Non-Acrylic Business Group
		MMA Business Complex	AN (Acrylonitrile) Business Complex	
Chemicals & Plastics	Chemicals	MMA monomers, Functional monomers		
	Plastics	Acrylic sheets, acrylic resin pellets, Plastic optical fibers, plastic rod lenses, prism sheets		PBT resins
	Coating resins & Modifiers	Coating resins, Plastic modifiers		
AN monomer and derivatives			AN (Acrylonitrile) monomer, Flocculants, etc	
Carbon fibers & Composite Materials			Carbon fibers, Prepreg, Processed products	
Fibers	Acrylic fibers		Acrylic fibers	
	Acetate fibers and Others			Textiles
Others	Aqua & Engineering			Water purifiers, Water treatment equipment and systems, Plant Engineering
	Others			Ryoko Co., Ltd. , Others

Item	Unit	FY2009 results					FY2010 results
		Q1	Q2	Q3	Q4	Full	Q1
Net sales	¥ billion	62.2	87.6	107.7	107.5	365.0	112.0
Operating income	¥ billion	(5.7)	3.2	4.4	3.6	5.4	4.8
		(4.2)	4.3	5.5	4.8	10.4	6.4
Net income	¥ billion	(5.3)	(4.5)	(2.2)	6.9	(5.0)	0.4
Dividend	¥ per share	-	0.0	-	0.0	0.0	

Operating income Upper line: After amortization
 Lower line: Prior to amortization

Basic operating conditions

Exchange rate ¥/US\$	97	93	89	90	92	92
Price of domestically refined naphtha ¥/kl	33,300	41,200	42,500	47,700	41,200	49,700

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

Sales/Operating Income by Business Segment

For the First Quarter (3-month period) of Fiscal 2010

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Quarterly

(¥ billion)

		FY2009 results					FY2010 results
		Q1	Q2	Q3	Q4	Full term	Q1
Sales	Chemicals & Plastics	30.1	49.3	70.9	66.0	216.3	73.8
	AN monomer	5.7	5.5	6.3	6.8	24.2	8.2
	Carbon fibers & Composite Materials	5.6	5.9	6.0	6.2	23.7	6.3
	Fibers	10.4	11.6	10.1	11.7	43.7	10.2
	Others	10.5	15.3	14.5	16.9	57.1	13.5
	Total	62.2	87.6	107.7	107.5	365.0	112.0
Operating Income	Chemicals & Plastics	(0.6)	5.9	6.1	4.6	16.0	5.8
	AN monomer	(0.1)	(0.3)	0.1	0.5	0.2	1.5
	Carbon fibers & Composite Materials	(2.8)	(1.3)	(1.0)	(0.7)	(5.7)	(0.6)
	Fibers	(1.2)	(0.5)	(0.0)	(0.1)	(1.8)	0.2
	Others	0.2	0.6	0.4	0.4	1.5	(0.3)
	Amount of adjustment	(1.2)	(1.3)	(1.1)	(1.1)	(4.7)	(1.7)
Total	(5.7)	3.2	4.4	3.6	5.4	4.8	

Note: Business segment data have changed following the application of accounting standards for segment information disclosure from fiscal 2010. At the same time, the amortization of actuarial differences in pension accounting has been recorded as an adjustment amount, and operating income for each business segment has been stated as an amount prior to amortization of differences in actuarial value.

Chemicals & Plastics (Quarterly)

(¥ billion)

	FY2009 results					FY2010 results
	Q1	Q2	Q3	Q4	Full term	Q1
Net Sales	30.1	49.3	70.9	66.0	216.3	73.8
Chemicals	12.6	16.0	14.7	14.0	57.4	17.8
Plastics	10.5	12.2	12.0	12.4	47.0	12.7
Coating resins & Modifiers	7.0	8.3	8.7	7.9	32.0	8.9
Lucite International Group	-	12.8	35.4	31.7	79.9	34.5
Operating income (Excluding effect of amortization in question)	(0.6)	5.9	6.1	4.6	16.0	5.8

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

AN monomer and derivatives (Quarterly)

(¥ billion)

	FY2009 results					FY2010 results
	Q1	Q2	Q3	Q4	Full term	Q1
Net Sales	5.7	5.5	6.3	6.8	24.2	8.2
Operating income	(0.1)	(0.3)	0.1	0.5	0.2	1.5

Carbon fibers & Composite Materials (Quarterly)

(¥ billion)

	FY2009 results					FY2010 results
	Q1	Q2	Q3	Q4	Full term	Q1
Net Sales	5.6	5.9	6.0	6.2	23.7	6.3
Operating income	(2.8)	(1.3)	(1.0)	(0.7)	(5.7)	(0.6)

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

Fibers (Quarterly)

(¥ billion)

	FY2009 results					FY2010 results
	Q1	Q2	Q3	Q4	Full term	Q1
Net Sales	10.4	11.6	10.1	11.7	43.7	10.2
Acrylic fibers	3.1	3.1	2.2	3.0	11.4	3.0
Acetate fibers and Textiles,etc	7.3	8.5	7.9	8.7	32.3	7.2
Operating income (Excluding effect of amortization in question)	(1.2)	(0.5)	(0.0)	(0.1)	(1.8)	0.2

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

Others (Quarterly)

(¥ billion)

	FY2009 results					FY2010 results
	Q1	Q2	Q3	Q4	Full term	Q1
Net Sales	10.5	15.3	14.5	16.9	57.1	13.5
Aqua & Engineering	2.8	3.8	3.2	5.4	15.2	3.1
Others	7.7	11.5	11.3	11.4	41.9	10.4
Operating income (Excluding effect of amortization in question)	0.2	0.6	0.4	0.4	1.5	(0.3)

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

Non-Operating Income and Expenses

For the First Quarter (3-month period) of Fiscal 2010

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(¥ billion)

Item	Previous Q1	Reporting Q1	YoY change	Remarks
Non-operating income	1.2	2.5	1.3	
Interest & dividend received	0.3	0.3	(0.0)	
Return on investment in equity-method affiliates	—	0.9	0.9	
Others	0.9	1.4	0.5	Foreign exchange gain (0.7bil) Loss on revaluation of derivatives +1.0bil
Non-operating expenses	1.8	3.2	(1.4)	
Interest paid	0.7	0.8	(0.1)	
Foreign Exchange Loss	—	2.2	(2.2)	
Others	1.1	0.2	0.9	Financing expenses +0.7bil
Non-operating gain (loss)	(0.6)	(0.6)	(0.0)	
Financial account balance	(0.4)	(0.5)	(0.1)	

(¥ billion)

Item	Previous Q1	Reporting Q1	YoY change	Remarks
Extraordinary gains	0.0	0.1	0.1	
Gain on sale of fixed assets	0.0	0.0	0.0	
Others	0.0	0.1	0.1	
Extraordinary losses	0.4	1.9	(1.5)	
Loss on sale and disposal of fixed assets	0.2	0.1	0.1	
Impairment loss	0.2	0.1	0.1	
Loss on valuation of investment securities	0.0	0.0	0.0	
Others	0.0	1.7	(1.7)	Environmental expenditures (1.1bil) Effect of asset retirement obligation (0.7bil)
Net extraordinary gain (loss)	(0.4)	(1.8)	(1.4)	

(¥ billion)

Item	FY2009 (as of Mar.31,2010)	FY2010 (as of Jun.30,2010)	Change	Remarks
Total assets	567.5	566.7	(0.8)	
Current assets	175.5	181.5	6.0	
Tangible fixed assets	264.5	261.5	(3.0)	Capital investment :+3.5 bil Depreciation:(7.2 bil)
Investment securities	52.0	47.7	(4.3)	
Other noncurrent assets	75.4	76.0	0.6	
Total liabilities	398.0	395.2	(2.8)	
Interest-bearing liabilities	260.9	251.7	(9.2)	
Total net assets	169.4	171.5	2.1	
Shareholders' equity	153.5	153.8	0.3	Net income:+0.4bil
Gains/losses on valuation & exchange translation	(3.9)	(1.8)	2.1	Valuation difference on available-for-sale securities :(3.5bil), Foreign Currency translation adjustment:+5.6bil
Minority interests	19.9	19.4	(0.5)	
Total liabilities and net assets	567.5	566.7	(0.8)	

(¥ billion)

Item	Previous Q1	Reporting Q1	Remarks
Cash flows from operating activities	16.8	8.4	Loss before income taxes: 2.4bil, Depreciation amortization: +7.2bil, Notes and accounts receivable :(4.4bil), Inventories: (3.1bil), Notes and accounts payable: +4.3bil
Cash flows from investing activities	(154.1)	(3.9)	Purchases of property, plant and equipment :(3.9bil)
Free cash flows	(137.3)	4.5	
Cash flows from financing activities	154.0	(7.0)	Long and short-term loan payable: (5.1bil)
Increase (decrease) of cash and cash equivalents	17.4	(1.6)	
Cash and cash equivalents , End of March	62.9	28.2	

First half performance estimates for fiscal 2010 have been revised, but full term estimates have not.

(¥ billion)

Item	Unit	FY2009 results						FY2010 estimates			
		Q1	Q2	H1	Q3	Q4	Full term	Q1 results	Q2 estimates	H1 estimates	Full term estimates
Net sales	¥ billion	62.2	87.6	149.8	107.7	107.5	365.0	112.0	128.0	240.0	470.0
Operating income	¥ billion	(5.7)	3.2	(2.5)	4.4	3.6	5.4	4.8	7.2	12.0	18.3
		(4.2)	4.3	0.1	5.5	4.8	10.4	6.4	8.6	15.0	24.0
Net income	¥ billion	(5.3)	(4.5)	(9.8)	(2.2)	6.9	(5.0)	0.4	2.1	2.5	3.7
Dividend	¥/share	-	0.0	0.0	-	0.0	0.0	-	0.0	0.0	Undecided
Capital expenditures	¥ billion	11.6	6.1	17.7	3.3	4.1	25.1	3.5	9.5	13.0	28.0
Depreciation	¥ billion	6.3	6.6	12.9	8.6	8.5	30.0	7.2	7.8	15.0	31.0
Amortization of goodwill	¥ billion	0.2	0.3	0.5	0.6	0.6	1.7	0.6	0.6	1.2	2.4
R&D expenses	¥ billion	3.2	3.4	6.5	3.5	3.7	13.7	3.7	4.1	7.8	15.7
Amortization of actuarial losses in pension accounting	¥ billion	1.4	1.1	2.6	1.1	1.2	4.9	1.6	1.4	3.0	5.7
Conditions											
Exchange rate	¥/\$	97	93	95	89	90	92	92	90	90	90
Naphtha price	¥//KL	33,300	41,200	37,300	42,500	47,700	41,200	49,700	43,000	46,400	50,000

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

(¥ billion)

Item	Unit	FY2009 results	FY2010 estimates			
			H1 estimate			Full term estimates (May12,2010)
			Revised estimate (Aug3,2010)	Previous estimate (May12,2010)	change	(Full term estimates have not been revised)
Net sales	¥ billion	365.0	240.0	228.0	12.0	470.0
Operating income	¥ billion	5.4	12.0	9.1	2.9	18.3
		10.4	15.0	12.0	3.0	24.0
Net income	¥ billion	(5.0)	2.5	0.8	1.7	3.7
Dividend	¥/share	0.0	0.0	Undecided		Undecided
Capital expenditures	¥ billion	25.1	13.0	13.0	0.0	28.0
Depreciation	¥ billion	30.0	15.0	15.0	0.0	31.0
Amortization of goodwill	¥ billion	1.7	1.2	1.2	0.0	2.4
R&D expenses	¥ billion	13.7	7.8	7.8	0.0	15.7
Amortization of actuarial losses in pension accounting	¥ billion	4.9	3.0	2.9	0.1	5.7
Conditions						
Exchange rate	¥/\$	92	90	90		90
Naphtha price	¥/KL	41,200	46,400	50,000		50,000

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

Performance Estimates by Business Segment

FY2010 estimates

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First half performance estimates for fiscal 2010 have been revised, but full term estimates have not.

(¥ billion)

		FY2009 results						FY2010 estimates			
		Q1	Q2	H1	Q3	Q4	Full term	Q1 results	Q2 estimates	H1 estimates	Full term estimates
Sales	Chemicals & Plastics	30.1	49.3	79.4	70.9	66.0	216.3	73.8	82.2	156.0	302.0
	AN monomer	5.7	5.5	11.1	6.3	6.8	24.2	8.2	9.8	18.0	29.0
	Carbon fibers & Composite Materials	5.6	5.9	11.6	6.0	6.2	23.7	6.3	6.7	13.0	25.0
	Fibers	10.4	11.6	21.9	10.1	11.7	43.7	10.2	11.3	21.5	44.0
	Others	10.5	15.3	25.8	14.5	16.9	57.1	13.5	18.0	31.5	70.0
	Total	62.2	87.6	149.8	107.7	107.5	365.0	112.0	128.0	240.0	470.0
Operating income	Chemicals & Plastics	(0.6)	5.9	5.3	6.1	4.6	16.0	5.8	9.2	15.0	25.3
	AN monomer	(0.1)	(0.3)	(0.3)	0.1	0.5	0.2	1.5	0.5	2.0	2.4
	Carbon fibers & Composite Materials	(2.8)	(1.3)	(4.1)	(1.0)	(0.7)	(5.7)	(0.6)	(1.4)	(2.0)	(4.4)
	Fibers	(1.2)	(0.5)	(1.7)	(0.0)	(0.1)	(1.8)	0.2	(0.2)	0.0	0.2
	Others	0.2	0.6	0.7	0.4	0.4	1.5	(0.3)	0.3	0.0	1.0
	Amount of adjustment	(1.2)	(1.3)	(2.5)	(1.1)	(1.1)	(4.7)	(1.7)	(1.3)	(3.0)	(6.2)
Total	(5.7)	3.2	(2.5)	4.4	3.6	5.4	4.8	7.2	12.0	18.3	

Following the application of accounting standards for segment information disclosure from fiscal 2010, the amortization of actuarial differences in pension accounting has been recorded as an adjustment amount and operating income for each business segment has been stated as an amount prior to amortization.

Performance Estimates by Business Segment

Comparison with
Previous estimates (May 12, 2010)

FY2010 estimates

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(¥ billion)

		FY2009 results	FY2010 estimates			
			H1 estimate			Full term estimates (May12,2010)
			Revised estimate (Aug3,2010)	Previous estimate (May12,2010)	change	(Full-term estimates have not been revised)
Sales	Chemicals & Plastics	216.3	156.0	147.0	9.0	302.0
	AN monomer	24.2	18.0	16.0	2.0	29.0
	Carbon fibers & Composite Materials	23.7	13.0	12.0	1.0	25.0
	Fibers	43.7	21.5	21.0	0.5	44.0
	Others	57.1	31.5	32.0	(0.5)	70.0
	Total	365.0	240.0	228.0	12.0	470.0
Operating income	Chemicals & Plastics	16.0	15.0	12.6	2.4	25.3
	AN monomer	0.2	2.0	1.2	0.8	2.4
	Carbon fibers & Composite Materials	(5.7)	(2.0)	(2.2)	0.2	(4.4)
	Fibers	(1.8)	0.0	0.1	(0.1)	0.2
	Others	1.5	0.0	0.5	(0.5)	1.0
	Amount of adjustment	(4.7)	(3.0)	(3.1)	0.1	(6.2)
Total	5.4	12.0	9.1	2.9	18.3	

Following the application of accounting standards for segment information disclosure from fiscal 2010, the amortization of actuarial differences in pension accounting has been recorded as an adjustment amount and operating income for each business segment has been stated as an amount prior to amortization.

Startup	Products	Capacity	Company	Location	Investment (US\$ million)
Sep 2008	Acrylic resin pellets	40,000 tons/year	Daesan MMA (joint venture with Honam Petro-chem.)	Korea	50:50 equity stakes
May 2009	MMA monomers	90,000 tons/year			
Dec 2009	Acrylic sheets	20,000 tons/year	Thai MMA	Thailand	270
Undecided (original schedule 2Q 2010)	MMA monomers	90,000→180,000 tons/year			
Apr 2011	Carbon fiber precursor	7,000 tons/year within 3 years	MRC -SGL Precursor	Japan	Not announced
2Q 2011 (postponement from original schedule 4Q 2009)	Carbon fibers	5,400 →8,100 tons/year	Mitsubishi Rayon	Japan	¥ 12billion
2013	MMA monomers	250,000 tons/year	Joint venture with SABIC.	Saudi Arabia	Undecided
	Acrylic resin pellets	30,000 tons/year			

Note : Q=calendar year quarter

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