

CONSOLIDATED FINANCIAL RESULTS FOR THE THIRD QUARTER ENDED DECEMBER 31, 2007

(In accordance with Japanese accounting standards)

FOR IMMEDIATE RELEASE

February 4, 2008 -- Mitsubishi Rayon Company, Limited announces its consolidated financial results for the nine months ended Dec 31, 2007, the third quarter of the year ending March 31, 2008.

Consolidated Financial Highlights

(Millions of yen, except per share)

	Third Quarter ended		Change	Year ended
	December 31	December 31		March 31
	<u>2006</u>	<u>2007</u>		<u>2007</u>
Net sales	300,418	312,746	4.1 %	417,027
Operating income	41,695	31,489	(24.5) %	59,665
Net income	23,886	13,525	(43.4) %	31,273
Amounts per share (yen):				
Net income:				
Basic	39.83	22.56		52.15

Consolidated Shareholders' Equity, Debts and Total Assets

(Millions of yen, except per share and ratio)

	Year ended	Third Quarter ended	Third Quarter ended
	March 31	December 31	December 31
	<u>2007</u>	<u>2007</u>	<u>2006</u>
Total assets	449,578	464,422	440,344
Net assets	225,713	225,104	215,172
Equity ratio (%)	47.2 %	46.3 %	46.1 %
Net Assets per share (yen)	354.32	358.39	338.39

Consolidated Cash Flows

(Millions of yen)

	Third Quarter ended		Year ended
	December 31	December 31	March 31
	<u>2006</u>	<u>2007</u>	<u>2007</u>
Net cash provided by operating activities	26,685	27,015	52,168
Net cash used in investing activities	(29,049)	(37,159)	(41,153)
Net cash used in financing activities	2,162	14,353	(10,150)
Cash and cash equivalents at end of year	9,844	14,794	10,701

Forecast of Consolidated Results

(Millions of yen)

	Year ending
	March 31
	<u>2008</u>
Net sales	420,000
Operating income	38,000
Net income	15,500

Note:

The forecast of consolidated results announced on October 31, 2007 is revised by this report.



Consolidated Statements of Operations

(Millions of yen)

	Third Quarter ended		Year ended
	December 31 2006	December 31 2007	March 31 2007
Net Sales	300,418	312,746	417,027
Cost of Sales	222,067	236,247	307,808
Gross profit	78,351	76,498	109,219
Selling, General and Administrative Expenses	36,655	45,009	49,553
Operating income	41,695	31,489	59,665
Other Income	4,611	3,114	4,896
Other Expenses	(4,686)	(8,174)	(8,169)
Income before income taxes and minority interest	41,619	26,429	56,392
Income Taxes:			
Current	15,800	10,211	19,767
Deferred	-	-	2,481
Income before minority interests	25,819	16,217	34,143
Minority Interests	(1,933)	(2,692)	(2,869)
Net income	23,886	13,525	31,273

(Yen)

	Third Quarter ended		Year ended
	December 31 2006	December 31 2007	March 31 2007
Amounts per Share:			
Net income:			
Basic	39.83	22.56	52.15

Consolidated Balance Sheets

(Millions of yen)

	Year ended	Third Quarter ended	
	March 31 2007	December 31 2007	December 31 2006
[Assets]			
Current Assets:			
Cash and time deposits	10,711	14,804	9,854
Notes and accounts receivable	95,722	87,978	89,689
Inventories	52,678	63,758	55,382
Other current assets	16,601	21,951	16,088
Total current assets	175,713	188,492	171,014
Property, Plant and Equipment	170,074	169,575	167,446
Investments and Other Assets	103,790	106,354	101,883
Total assets	449,578	464,422	440,344
[Liabilities]			
Current Liabilities:			
Short-term bank loans	37,966	41,938	46,529
Notes and accounts payable	77,119	78,698	70,928
Other current liabilities	49,023	38,808	46,341
Total current liabilities	164,109	159,445	163,800
Long-Term Liabilities:			
Long-term debt	27,320	47,780	28,851
Retirement allowances	29,404	27,865	29,770
Other long-term liabilities	3,030	4,226	2,750
Total long-term liabilities	59,755	79,872	61,372
Total liabilities	223,865	239,317	225,172
[Net Assets]			
Shareholders' Equity:			
Common stock	53,229	53,229	53,229
Capital surplus	28,793	28,797	28,792
Retained earnings	114,700	121,929	107,314
Less treasury stock, at cost	(350)	(488)	(312)
Total shareholders' equity	196,372	203,468	189,024
Valuation and translation adjustments and others:			
Unrealized gain on other securities	16,150	11,678	14,864
Deferred losses on hedges	0	(55)	(28)
Revaluation difference	30	30	30
Foreign currency translation adjustments	(131)	(317)	(1,005)
Total valuation and translation adjustments and others	16,050	11,335	13,860
Minority Interests in Consolidated Subsidiaries	13,289	10,300	12,286
Total net assets	225,713	225,104	215,172
Total liabilities and net assets	449,578	464,422	440,344

Business Segment Information

(Millions of yen)

Third Quarter ended December 31, 2006	Chemicals and Plastics	Acrylic fibers& Acrylonitrile and Derivatives	Carbon fibers& Composite materials	Acetate& Membranes and Others	Total	Eliminations or Corporate	Consolidated
Sales and operating income							
Sales to third parties	135,249	53,328	29,278	82,561	300,418	-	300,418
Intergroup sales and transfers	8,727	3,096	7	32,864	44,695	(44,695)	-
Total Sales	143,976	56,425	29,285	115,425	345,114	(44,695)	300,418
Operating expenses	117,005	54,942	20,609	110,961	303,518	(44,795)	258,723
Operating income	26,971	1,482	8,675	4,464	41,595	100	41,695
(Without recognition of previous years' actuarial gain or losses as Operating expenses)	[20,123]	[(81)]	[7,363]	[3,503]	[30,909]	[100]	[31,010]

Third Quarter ended December 31, 2007	Chemicals and Plastics	Acrylic fibers& Acrylonitrile and Derivatives	Carbon fibers& Composite materials	Acetate& Membranes and Others	Total	Eliminations or Corporate	Consolidated
Sales and operating income							
Sales to third parties	138,284	58,685	35,980	79,796	312,746	-	312,746
Intergroup sales and transfers	9,190	4,183	10	27,836	41,220	(41,220)	-
Total Sales	147,474	62,869	35,990	107,632	353,967	(41,220)	312,746
Operating expenses	129,366	60,999	26,647	105,400	322,414	(41,157)	281,256
Operating income	18,108	1,869	9,343	2,231	31,553	(63)	31,489
(Without recognition of previous years' actuarial gain or losses as Operating expenses)	[18,962]	[2,034]	[9,551]	[2,380]	[32,928]	[(63)]	[32,864]

Year ended March 31, 2007	Chemicals and Plastics	Acrylic fibers& Acrylonitrile and Derivatives	Carbon fibers& Composite materials	Acetate& Membranes and Others	Total	Eliminations or Corporate	Consolidated
Sales and operating income							
Sales to third parties	185,606	73,751	39,982	117,686	417,027	-	417,027
Intergroup sales and transfers	11,154	4,415	8	43,683	59,260	(59,260)	-
Total Sales	196,760	78,166	39,990	161,370	476,288	(59,260)	417,027
Operating expenses	158,108	75,966	27,872	154,750	416,698	(59,336)	357,362
Operating income	38,652	2,199	12,117	6,620	59,590	75	59,665
(Without recognition of previous years' actuarial gain or losses as Operating expenses)	[29,548]	[125]	[10,349]	[5,356]	[45,380]	[75]	[45,455]

Note:

From the 3rd Quarter of year 2007, the classification of segments has changed.

The data by the segments of the prior periods listed above reflects the changes have been made.