

October 16, 2003

Mitsubishi Rayon Co., Ltd.

## Revised Estimates of Business Performance

In response to recent developments in the Company's business performance, we have revised the business result estimates for the six months ended September 30, 2003, which were released on May 12, 2003. The revised estimates are shown below.

### 1. Estimates of FY2003 interim business results on a consolidated basis (for six months ended September 30, 2003)

( million Yen; %)

	Net sales	Operating income	Ordinary income	Net income
Previous forecasts (A); Released May 12, 2003	147,000	11,000	8,500	4,500
Updated estimates (B)	153,000	13,400	11,200	7,000
Difference (B – A)	6,000	2,400	2,700	2,500
Difference by percentage	4.0	21.8	31.7	55.5
Figures for previous interim term	146,416	9,193	7,415	2,565

### 2. Estimates of FY2003 interim business results on a non-consolidated basis (for six months ended September 30, 2003)

( million Yen; %)

	Net sales	Operating income	Ordinary income	Net income
Previous forecasts (A); released May 12, 2003	97,000	7,000	7,000	4,500
Updated estimates (B)	101,660	8,920	8,480	5,620
Difference (B – A)	4,660	1,920	1,480	1,120
Difference by percentage	4.8	27.4	21.1	24.8
Figures for previous interim term	95,394	6,615	5,697	2,090

### **3. Reasons for Upward Revision of Interim Business Results**

The business environment remained difficult for Mitsubishi Rayon during the first half (April-September) of the current business term, the fiscal year to March 2004, with the Japanese economy continuing to stagnate and prices of raw materials remaining high, as well as an upsurge in the yen's exchange rate in the latter half of the six-month period. On the other hand, positive factors included the fact that the SARS outbreak proved less deadly than had been feared, as well as solid demand for the Company's products from users in the IT and automotive sectors. Thanks to this background, we now project that sales, operating income, and ordinary income results on a consolidated basis will surpass the forecasts we released on May 12, 2003.

Net income for the interim period is also expected to exceed the May forecast, thanks partly to the posting of extraordinary profit in the amount of approximately ¥900 million from the sale of property, plant and equipment as well as investment securities.

Regarding our business performance forecasts for the full term, updated forecasts will be issued on November 11, 2003 at the time of announcement of the interim accounts settlement.

For further information, please contact:

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