

December 22, 2009
Mitsubishi Rayon Co., Ltd.

Update on the transfer of shares in subsidiary

By resolution of the Board of Directors of Mitsubishi Rayon Co., Ltd. (MRC) held on September 28, 2009, MRC has decided to transfer the equity stake it holds in its consolidated subsidiary Ningbo Rayon Acrylic Fibers Co., Ltd. (hereinafter Ningbo Rayon) to Nantong Zhongxin Textile and Dyeing Co., Ltd. and Fordking Limited of Hong Kong. The details regarding this transfer of shares were released on September 28, 2009 in a news release entitled, "Announcement of transfer of shares in subsidiary."

We submitted an application to the Chinese authorities for approval of the share transfer, and received notification of their approval on December 21, 2009.

The transfer of shares will result in extraordinary gain of ¥1.4 billion in the third quarter of fiscal 2009 (ending March 2010). This extraordinary gain has already been factored into our business performance forecasts for fiscal 2009, announced November 6, 2009.

For further reference:

FY2009 business performance forecasts for MRC on a consolidated basis (announced on November 6, 2009)

(Unit - million yen)

	Sales	Operating income	Ordinary income (loss)	Net income (loss)
Full term	¥370,000	¥4,600	(¥7,000)	(¥8,500)

FY2008 business performance of MRC on a consolidated basis

(Unit - million yen)

	Sales	Operating income (loss)	Ordinary income (loss)	Net income (loss)
Full term	¥345,048	(¥7,612)	(¥3,758)	(¥28,950)