

April 19, 2007

Revised Estimates of Fiscal 2006 Business Performance

We have revised our forecasts (released at the time of the Company's interim reports on November 8, 2006) of the Company's business performance for fiscal 2006, ended March 31, 2007. Our latest estimates are given below.

1. Estimates of business results on a consolidated basis for the term ended March 31, 2007

(millions of yen)

	Net sales	Operating income	Net income
Previous forecast (A) (Released Nov. 8, 2006)	410,000	57,000	33,000
Revised estimate (B)	415,000	59,000	31,000
Increase (decrease) (B-A)	5,000	2,000	(2,000)
Percentage change	+1.2	+3.5	-6.1
Figure for previous term (to March 31, 2006)	348,967	38,766	24,425

2. Estimates of business results on a non-consolidated basis for the term ended March 31, 2007

(millions of yen)

	Net sales	Operating income	Net income
Previous forecast (A) (Released Nov. 8, 2006)	235,000	37,000	26,500
Revised estimate (B)	238,000	39,200	25,900
Increase (decrease) (B-A)	3,000	2,200	(600)
Percentage change	+1.3	+5.9	-2.3
Figure for previous term (to March 31, 2006)	227,916	22,738	18,006

3. Reasons for revised estimates

During the reporting term, both the parent company and its consolidated subsidiaries have enjoyed strong demand for MMA monomer for use in both plastics and chemical products. Moreover, in the Group's carbon fibers and composite materials operations, demand for these products from makers of industrial materials and manufacturers of sports and leisure goods also experienced growth. As a result, our current estimates lead us to expect that net sales and operating income for fiscal 2006 will all exceed the forecasts made in November. Regarding the net income figures, however, we expect to post lower figures compared with the November forecasts, as a result of expenditure for the purpose of reorganizing the Group's structure along more efficient lines, resulting in an increased extraordinary loss for the term.

For your reference:

Regarding business performance for the reporting term (ended March 2007), the Company has made estimates after deduction from operating expenses in the amount of ¥14.2 billion for amortization of differences arising from changes in actuarial assumptions under the pension accounting system during the previous term ended March 2006.

On the assumption that the Company had recognized no differences under pension accounting, the estimates of

results for the reporting term (on both a consolidated and non-consolidated basis) would be as shown in the following tables.

1. Estimates of business results (consolidated basis) for the term ended March 31, 2007 excluding effect of changes in actuarial assumptions

(millions of yen)

	Net sales	Operating income	Net income
Previous forecast (A) (Released Nov. 8, 2006)	410,000	42,000	24,000
Revised estimate (B)	415,000	45,000	22,500
Increase (decrease) (B-A)	5,000	3,000	(1,500)
Percentage change	+1.2	+7.1	-6.3

2. Estimates of business results (non-consolidated basis) for the term ended March 31, 2007 excluding effect of changes in actuarial assumptions

(millions of yen)

	Net sales	Operating income	Net income
Previous forecast (A) (Released Nov. 8, 2006)	235,000	22,000	17,500
Revised estimate (B)	238,000	25,000	17,400
Increase (decrease) (B-A)	3,000	3,000	(100)
Percentage change	+1.3	+13.6	-0.6