August 7, 2009
Mitsubishi Rayon Co., Ltd.

Revision to the Sixth Medium-Term Management Plan (Future Management of the Mitsubishi Rayon Group)

In May 2008, the Mitsubishi Rayon Group adopted its Sixth Medium-Term Management Plan for fiscal 2008-2010, dubbed *Global US → 2010*.

However, financial results in the first year of the plan were far below the forecast level, a reflection of the global recession. After the start of fiscal 2009, there—are now some signs of a turnaround but the uncertain outlook and the slow pace of the turnaround are undeniable.

To attain growth in our core businesses—defined in the Medium-Term Plan as a key task—Mitsubishi Rayon acquired Lucite International Group Limited on May 28, 2009. This move was a major step forward towards building a global group. Meanwhile, in tackling unprofitable businesses, the Company executed structural reforms, chiefly for the acrylic fiber business.

In the light of these circumstances, Mitsubishi Rayon has revised the Sixth Medium-Term Management Plan and set out a vision for the Group in 2018, entitled *New Design MRC*.

Under *New Design MRC*, the core MMA business will adopt a more powerful business model and will strive to solidify its world-leading position. In addition, the Company will actively pursue alliances and M&A to develop next-generation core businesses to enable the Mitsubishi Rayon Group to achieve high profitability and growth.

After the revision, the Sixth Medium-Term Management Plan sets numerical targets of sales of ¥480 billion and operating income of ¥24 billion for fiscal 2010 (compared to ¥500 billion and 40 billion yen, respectively, in the previous announcement) and sales of ¥1 trillion and operating income of ¥100 billion by 2018 on a Group-wide basis.

About *New Design MRC* (based on the revision to the Sixth Medium-Term Management Plan)

1. Targets

- Build top-ranking business complexes in our core businesses.
- Around 2018, achieve sales revenue of ¥1 trillion and operating income of ¥100 billion.

2. Issues to Address

(1) Accelerate global strategies in our core business (MMA Business Complex).

- Quickly maximize synergies generated from the integration of Lucite.
- Constantly strengthen and expand the MMA business.
  Build an MMA plant with unparalleled cost competitiveness on an early date.
  Build a new plant for acrylic resin molded materials and acrylic resin plates in the Middle East or in the Asian region.

(2) Cultivate next-generation core businesses on the basis of environment-related businesses

- Strengthen the carbon fiber business.

  Accelerate the development of low-cost carbon fibers and step up the expansion to growth areas of wind power generation and automotive applications.

  Establish a leading position in industrial applications around 2015.

- Accelerate global expansion of the water purification business.

  Accelerate the efforts to massively increase membrane production and to cut costs as well as business growth and overseas expansion by forging alliances.

(3) Develop new materials and create new businesses.

- Focus management resources on operations relating to automobiles, electronic materials, and life sciences to expand operations in the areas around the present and next-generation core businesses.

(4) Pursue an ongoing program to strengthen operational competitiveness (JK → 2010)

- Continue with ongoing emergency measures and carry out a fundamental reassessment of competitiveness.

(5) Continue and step up the structural reform of unprofitable businesses.

3. Numerical Targets

The following demonstrates the numerical targets after the revision to the Sixth Medium-Term Management Plan.

(¥billion)	FY2008	FY2009 (forecast)	FY2010 (revised projection)	FY2018 (goal)
Sales	345.0	370.0	480.0	1,000.0
Chemicals & Plastics	156.8	228.0	308.0	
Acrylic fibers, AN monomer and derivatives	47.3	33.0	40.0	
Carbon fibers and composite materials	37.9	22.0	35.0	
Acetate fibers & membranes and others	103.0	87.0	97.0	
Operating income (prior to amortization of differences arising from changes in actuarial assumptions)	(1.7)	9.5	24.0	100.0
Chemicals & Plastics	4.4	18.0	24.0	
Acrylic fibers, AN monomer and derivatives	(9.1)	(1.0)	0	
Carbon fibers and composite materials	1.9	(7.5)	(3.0)	
Acetate fibers & membranes and others	1.1	0	3.0	

Capital expenditures	44.3	Total for FY2008-10: 90.0	
Depreciation	27.1	Total for FY2008-10: 82.0	
R&D expenses	13.4	Total for FY2008-10: 40.0	

EBITDA (operating income + depreciation)	26.2	40.0	62.0	170.0
Dividends (yen/share)	4	Undecided		