



CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED JUNE 30, 2010

(In accordance with Japanese accounting standards)

FOR IMMEDIATE RELEASE

August 3, 2010 -- Mitsubishi Rayon Company, Limited announces its consolidated financial results for the three months ended June 30, 2010, the first quarter of the year ending March 31, 2011.

Consolidated Financial Highlights

Consolidated Financial Highlights		(Millions of yen, exc	ept per share)
	First Q	uarter ended	
	June 30	June 30	
	<u>2010</u>	2009	Change
Net sales	112,011	62,180	80.1 %
Operating income (loss)	4,830	(5,683)	- %
Net income (loss)	388	(5,257)	- %
Amounts per share (yen):			
Net income (loss):			
Basic	0.68	(9.19)	
		(2 513) A	

Consolidated Net Assets, Liabilities and Total Assets

(Millions of yen, except per share)

(Millions of yen)

	First Quarter ended	Year ending
	June 30	March 31
	<u>2010</u>	2010
Total assets	566,695	567,454
Net assets	171,456	169,406
Equity ratio (%)	26.8 %	26.4 %
Net assets per share (yen)	265.75	261.40

Forecast for the year ending March 31, 2011

	Six months ending September 30	Year ending March 31
	<u>2010</u>	2011
Net sales	240,000	470,000
Operating income	12,000	18,300
Net income	2,500	3,700

Note:

The forecast of consolidated results announced on May 12, 2010 is revised by this report.

MITSUBISHI RAYON CO., LTD. Consolidated Statements of Income

	First Quarter ended		
	June 30	June 30	
	2010	2009	
Net Sales	112,011	62,180	
Cost of Sales	88,574	54,363	
Gross profit	23,437	7,816	
Selling, General and Administrative Expenses	18,606	13,499	
Operating income (loss)	4,830	(5,683)	
Other Income (Expenses):			
Interest income	36	39	
Dividends income	235	251	
Interest expense	(776)	(693)	
Financing expenses	(1)	(738)	
Equity in earnings of affiliates	860	-	
Foreign currency translation adjustments	(2,213)	688	
Gain on valuation of derivatives	1,021	-	
Gain on sales of fixed assets	1	0	
Loss on sales and disposal of fixed assets	(65)	(186)	
Loss of impairment of fixed assets	(107)	(201)	
Gain on sales of investment securities	144	1	
Loss on sales of investment securities	-	(0)	
Loss on revaluation of investment securities	(2)	(3)	
Gain on sales of investments in capital of subsidiaries and affiliates	2	-	
Environmental expenses	(1,073)	-	
Loss on adjustment for changes of accounting standard for asset retirement obligations	(653)	-	
Other, net	200	(168)	
	(2,388)	(1,010)	
Income (loss) before income taxes and minority interests	2,441	(6,693)	
Income Taxes:			
Current	1,054	(1,681)	
Deferred	(122)	-	
Income (loss) before minority interests	1,509	(5,011)	
Minority interests in (income) loss	(1, 121)	(245)	
Net income (loss)	388	(5,257)	

	First Quar	ter ended
	June 30 2010	June 30 2009
Amounts per share (yen):	2010	2000
Net income (loss): Basic	0.68	(9.19)

MITSUBISHI RAYON CO., LTD. Consolidated Balance Sheets

	First Quarter ended	Year ended March 31	
	June 30		
[Assets]	2010	2010	
Current Assets:			
Cash and time deposits	28,238	29,854	
Notes and accounts receivable:			
Notes receivable	5,394	5,840	
Accounts receivable	75,015	69,734	
Less allowance for doubtful accounts	(680)	(817)	
	79,729	74,757	
Stocks of parent company	1,583	1,850	
Finished goods	34,535	31,242	
Work in process	3,022	3,173	
Raw materials and supplies	21,683	21,032	
Other current assets	12,720	13,575	
Total current assets	181,513	175,485	
Description of Discrimination of Contra			
Property, Plant and Equipment, at Cost:	20.624	20,000	
Land	29,624	29,636	
Buildings	127,972	126,588	
Machinery and equipment	477,342	480,047	
Construction-in-progress	33,884	32,745	
Leased assets	541	509	
T 1, 11 '.'	669,366	669,528	
Less accumulated depreciation	(407,899)	(404,985)	
Property, plant and equipment, net	261,466	264,543	
Investments and Other Assets:			
Investment securities	47,697	52,039	
Goodwill	29,364	30,828	
Less allowance for doubtful accounts	(44)	(114)	
Other assets	46,697	44,670	
Total investments and other assets	123,715	127,425	
Total assets	566,695	567,454	

MITSUBISHI RAYON CO.,LTD. Consolidated Balance Sheets (continued)

	First Quarter ended	Year ended
	June 30	March 31
[Liabilities]	2010	2010
Current Liabilities:		
Short-term bank loans	32,243	36,623
Current portion of bonds	10,000	10,000
Notes and accounts payable:		,
Notes pavable	1,946	2,216
Accounts payable	57,082	52,169
	59,028	54,385
Allowances	3,263	5,945
Other current liabilities	27,108	27,088
Total current liabilities	131,643	134,043
Long-Term Liabilities:		
Long-term debt	209,502	214,288
Allowance for retirement benefits	40,544	39,934
Other allowances	414	371
Other long-term liabilities	13,133	9,408
Total long-term liabilities	263,595	264,003
Total liabilities	395,238	398,047
[Net Assets]		
Shareholders' Equity:		
Common stock	53,229	53,229
Capital surplus	28,588	28,588
Retained earnings	82,345	81,957
Less treasury stock, at cost	(10,327)	(10,319)
Total shareholders' equity	153,836	153,455
Valuation and translation adjustments and other:		
Unrealized gain on other securities	2,907	6,394
Deferred losses on hedges	(46)	(38)
Foreign currency translation adjustments	(4,673)	(10,266)
Total valuation, translation adjustments and other	(1,812)	(3,911)
Minority Interests in Consolidated Subsidiaries	19,432	19,862
Total net assets	171,456	169,406
Total liabilities and net assets	566,695	567,454

MITSUBISHI RAYON CO., LTD. Consolidated Statements of Cash Flows

June 30 June 30 Operating Activities: 010 2009 Operating Activities: 2.441 (6.680) Mijustments to reconcile income befor income taxes and minority interests to net cash provided by operating activities: 7.226 6.295 Depreciation and amoritation 7.226 6.295 147 2011 Goodwill amoritation 5.62 137 - - Increase (decrease) in allowance for retirement bonfits 502 12 1 (Increase) decrease in allowance for retirement bonfits 502 12 1 6.206 1 1 1 7.5 603 - 1.135 1 6.210 1 1 7.6 603 1 1 7.8 600 142 1 7.6 603 1 1.00 16.00 10.00		First Quar	ter ended
Operating Activities: 2,441 (6,693) Mplustments to reconcile income baces and minority interests 2,441 (6,693) Minority interests to net cash provided by operating activities: 7,226 6,295 Depreciation and amorization 5,622 187 Environmental expenses 107 2011 Cookall amorization 5,622 112 Increase (decrease) in allowance for retirement bonfits 5,622 12 Increase (decrease in allowance for doubhil acounts (210) (220) Advance receipt from sales of production expenses - 1,135 Functing expenses 1 7,76 693 Functing copenses 1,272 (200) (290) Equity in (carring) losses of affiliates (860) 132 Lass on alses and disposit of property, plant and equipment - 140 Ginal loss on vacuation of securities and investories - 3 Increase decrease in investories - 3 3 Ginal loss on vacuation of securities and investories - 3 3 Interest expenses <th>—</th> <th></th> <th></th>	—		
Income Goes) before income taxes and minority interests 2.441 (6.680) minority interests to net cash provided by operating activities' Depreciation and manufaction 7.226 (6.285 Loss of inpairment of fixed assets 107 201 Goodwill amountation 7.226 (6.295 Loss of inpairment of fixed assets 107 201 Condwill amountation 662 1187 Environmental expenses 1.073 - Increase (decrease in prepaired pension expense 10.73 - Increase (decrease in allowance for retirement benefits 502 12 Increase) decrease in allowance for doubtful accounts (210) Goodwill amount for advance for doubtful accounts (210) Goodwill amount (210) Goodwill (210) Goodw		2010	2009
Adjustments to reconcile income befor income taxes and minority interests to net cash provided by operating activities' 7.226 6.296 Desp criation and amorization 7.226 6.296 Loss of impairment of fixed assets 107 201 Condwill amorization 562 137 Desp considuation of the changes of accounting standard for asset retirement obligations 653 - Increase (decrease) in allowance for retirement benefits 502 12 (Increase) decrease in allowance for retirement benefits 502 12 (Increase) decrease in allowance for retirement benefits 3.156 - (Increase) decrease in allowance for doubting laccounts (210) (29) Advance receipt from sales of production capacity 3,156 - Interest expenses 1 738 Forcign currency translation adjustments (210) - - (Gain) loss on avaluation of derivatives (1,021) - - (Gain) loss on avaluation of derivatives (3,163) 1,345 Subtotal 9,661 18,145 Interest expenase paid (608) (629)			<i>,</i> , ,
minority interests to net cash provided by operating activities: Depreciation of Amortization 7,226 (6.295 Loss of impairment of fixed assets 107 201 Environmental expenses 1,073 - Environmental expenses 1,073 - Loss on adjustment for changes of accounting standard for asset retirement obligations 653 - Increases (decrease) in allowance for doubtful accounts 0,156 (Increase) decrease in propaid pension expense Increase) decrease in allowance for doubtful accounts 0,156 (Increase) decrease in allowance for doubtful accounts 0,156 (Increase) decrease in allowance for doubtful accounts 0,156 (Increase) decrease in allowance for doubtful accounts 0,157 (Increase) decrease in allowance for doubtful accounts 0,176 (Increase) decrease in allowance for doubtful accounts 0,177 (Increase) decrease in investments 1,010 (Gain) loss on valuation of derivatives 0,122) (Increase) decrease in investments 0,102 (Increase) decrease in investments 0,102 (Increase) decrease in investments 0,102 (Increase) decrease in investments 0,103 (Increase) decrease in investment 0,103 (Increase) decrease in 1,103 (Increase) decr		2,441	(6,693)
Depreciation and amortization7,2266.235Loss of impriment of fixed assets107201Goodwill amortization562137Forvironmental expenses1,073-Loss on adjustment for changes of accounting standard for asset retirement obligations653-Increase (decrease) in allowance for orbitrinon benefits(210)(29)Advance receipt from sales of production capacity3,156-Intereats expenses17766033Francing expenses17786033Francing expenses17786033Foreign currency translation adjustments1,010(6655)Interest expension(1,021)(Gair) loss on revuluation of securities and investments-140Increases / decrease in inventories(3,103)1,744Increases / decrease in ances and accounts receivable(4,433)4,813Increases / decrease in ances and accounts receivable(4,135)7,357Increase / decrease in inventories(7,11290Interest expenses paid(608)(629)Increase / decrease in ances and accounts payable1,135Subtotal9,66118,145Net cash provided by operating activitics7914Varchase of property, plant and equipment2011Varchase of property, plant and equipment2011Varchase of property, plant and equipment2011Varchase of investment securities7914Varc	······································		
Loss of impairment of Excl assets107201Godwill amorization562187Environmental expenses1.073-Lass on adjustment for changes of accounting standard for asset retirement obligations663-Increases) decrease in allowance for retirement benefits50212(Increase) decrease in allowance for doubthil accounts0210(29)(Advance receives in propsid pension expense-1.135(Increase) decrease in allowance for doubthil accounts0210(29)(Paratcing expenses776603(Financing expenses)1738Foreign currency translation adjustments1.010(663)Interest and dividend sincome(272)0200Fynity in (exrringe) losses of affiliates(1,020)-(Gain) loss on valuation of derivatives(1,020)-(Gain) loss on valuation of accurities and investments(Increase) decrease in notes and accounts payable(4,333)4.813(Increase) decrease in notes and accounts payable2.71220Interest addividends income received2.71220Interest addividends income received2.71220Interest addividends income received3.901.135Nutotat0.003(629)1.136Vietchase of property, plant and equipment-1.150Increase (decrease) in allowance receivable(0,031)(11,020)Net eash provided by operating activities-1.150Nutotat0.003 <t< td=""><td></td><td>7.000</td><td>6.905</td></t<>		7.000	6.905
Geodwill amortization562137Loss on adjustment for changes of accounting standard for asset retirement obligations653-Increase (decrease in inprepaid pension expense-1,135Increase (decrease in inprepaid pension expense-1,135Increase (decrease in allowance for doubting accounts3,156-Interest expenses-693Financing expenses-16Foreign currency translation adjustments1,010(663)Interest and vidends income(272)(280)Equip currency translation adjustments-140Gainb loss on valuation of derivatives(1,02)-(Gainb loss on valuation of derivatives-310Increase) decrease in investments(Gainb loss on valuation of derivatives(3,105)1,746Increase) decrease in investments-310Increase) decrease in investments-310Increase) decrease in investments-310Increase) decrease in investments-310Increase (decrease) in accrued consumption taxes(751)1,220Other, net-1,63016,792Interest and dividend sincome received-1,000Interest act adis of property, plant and equipment-1,000Order, net-1,10011Verchase of property, plant and equipment-1,150Purchases of property, plant and equipment-1,150Purchases of property, plant and equipment </td <td>•</td> <td>,</td> <td>,</td>	•	,	,
Environmental expenses 1,073 - Loss on adjustment for charges of accounting standard for asset retirement obligations 653 - Increase (decrease in allowance for retirement benefits 502 12 Increase) decrease in allowance for doubtful accounts (210) (220) Advance receipt from sales of production capacity 3,156 - Interest addividends income (272) (290) Equiption of the expenses 1 788 Foreign currency translation adjustments (1,02) - Loss on sales and disposal of property, plant and equipment - 140 Gain loss on revaluation of derivatives (1,02) - - Gain loss on revaluation of securities and investments - 3 1 Increase (decrease in motions (2,10) - - 3 Increase (decrease) in noises and accounts receivable (4,155) 1,250 1,250 Increase (decrease in motes and accounts receivable (1,680) 1,135 Subtotal naccoust (decrease and accounts receivable (1,680) 1,135 Subtotal <td>1</td> <td></td> <td></td>	1		
Loss on adjustment for changes of accounting standard for asset retirement obligations 653 - Increase (decrease) in allowance for outbrown thenefits 502 12 Charcease) decrease in allowance for doubtin accounts (210) (290) Advance receipt from sales of production capacity 3,156 - Interest expenses 76 683 Franzing expenses 1010 (665) Interest and dividends income (212) - Loss on sales and disposal of property, plant and equipment - 140 (Gain) loss on valuation of accurities and investments - 3 (Gain) loss on valuation of accurities and investments - 3 (Increase) decrease in invertoris (3,106) 1,746 Increase (decrease) in accrued consumption taxes (751) 1,220 Othere, net (1,858) 1,135 Subtotal 9,661 18,145 Interest and dividends income received 271 200 Interest expenses paid (628) 16,029 Interest approved by operating activities 8,400 16,029			187
Increase (decrease) in proput pension expense 502 112 (Increase) decrease in allowance for doubtful accounts (210) (230) (Arrease) decrease in allowance for doubtful accounts (210) (230) Advance receipt from sales of production capacity 3,156 - Interest expenses 776 683 Forcing currency translation adjustments 1,010 (665) Interest and dividends income (272) (290) (Gair) bass on valuation of derivatives (1,021) - (Gair) bass on valuation of derivatives (1,021) - (Gair) bass on valuation of derivatives (3,105) 1,746 (Gairo bass on valuation of derivatives (3,105) 1,746 (Increase) decrease in notes and accounts receivable (4,353) 1,7357 (Increase) decrease in notes and accounts receivable (4,353) 1,1355 Subtotal 1 200 1135 Interest addividends income received 201 11 Avance see paid (608) (629) Increase (decrease) in acce and accounts receivable (924)	1	,	-
Increase) decrease in prepaid pension expense - 1.135 Increase) decrease in allowance for doubtful accounts (210) (29) Advance receipt from sales of production capacity 3.156 - Interest acpenses 776 693 Foreign currency translation adjustments 1,010 (665) Interest and dividends income (272) (290) Equity in (earnings) losses of affiliates (860) 142 Loss on sales and disposal of property, plant and equipment - 140 (Gain) loss on realuation of securities and investments - 3 Increase) decrease in notes and accounts payable (4,315) 7,355 Increase (decrease) in notes and accounts payable (4,315) 7,355 Subtotal (9,661) 18,145 Interest and dividends income received 271 290 Interest and dividends income received 271 290 Interest and dividends income received (1,013) Net cash previded by operating activities (400) Verchases of property, plant and equipment (9,24) (1,013) Verchases of			- 19
Cherease) decrease in allowance for doubtful accounts (210) (29) Advance receipt from sales of production capacity 3,156 - Interest expenses 176 693 Foreign currency translation adjustments 1,010 (665) Interest and dividends income (272) (290) Gauin Disco valuation of derivatives (1,021) - 1 Gain Disco valuation of derivatives (1,021) - 1 1 Gain Disco valuation of derivatives (1,021) - 1 <			
Advance receipt from sales of production capacity 3,156 - Interest expenses 1 778 Foreign currency translation adjustments 1,010 (6653) Interest and dividends income (272) (280) Equipy in the expenses - 140 Clash on seal and for poerty, plant and equipment - - Loss on sales on revaluation of securities and investments - - Glain bloss on revaluation of securities and investments - - 3 (Increase) decrease in notes and accounts payable (3,105) 1,746 Increase (decrease) in notes and accounts payable (3,155) 1,7357 Increase (decrease) in accrue consumption taxes (751) 1,220 Other, net 9,661 18,145 Incore taxe paid (962) (622) Incore taxe paid (962) (103) Net cash provided by operating activities 8,400 16,792 Incore taxe of property, plant and equipment - 1,156 Varchases of property, plant and equipment - 1,160 Varchases of property, plant and equipment - 1,162			,
Interest expenses 1 776 693 Financing expenses 1 776 693 Foreign currency translation adjustments 1 010 6663 Interest and dividends income 2 (272) (290) Equity in (earning) losses of affiliates (8660) 142 Loss on sales and disposal of property, plant and equipment - 140 (Gain) loss on revaluation of derivatives (1,021) (Gain) loss on revaluation of derivatives (1,021) (Gain) loss on revaluation of derivatives (1,021) (Gain) loss on revaluation of derivatives (1,025) 1.746 Increase (decrease) in accrued consumption taxes (1,055) 1.746 Increase (decrease) in accrued consumption taxes (751) 1.220 Other, net (1,589) 1.135 Subtotal 9,661 18,145 Interest expenses paid (608) (629) Increase (decrease) in accrued consumption taxes (1,589) 1.135 Subtotal 9,661 18,145 Interest expenses paid (608) (629) Increase (decrease) in accrued consumption taxes (1,589) 1.135 Subtotal 9,661 18,145 Interest expenses paid (608) (629) Increase texpenses paid (608) (629) Increase (decrease) in solution (1,302) Proceeds from sales of property, plant and equipment (2,911) (1,302) Proceeds from sales of property, plant and equipment (2,911) (1,302) Proceeds from sales of investment securities 791 4 Purchase of investments in subsidiaries - (1,531,877) Proceeds from banes ace of investments in subsidiaries - (1,531,877) Proceeds from taxes of investments in subsidiaries - (1,531,877) Proceeds from taxes of investments in subsidiaries - (1,531) Proceeds from taxes on of econolidation - 11,189 Payment for lange in		()	(29)
Financing expenses 1 738 Foreign currency transition adjustments 1.010 6663 Interest and dividends income (272) (290) Equity in (earnings) losses of affiliates (860) 142 Loss on sales and disposal of property, plant and equipment - 140 (Gain) loss on revaluation of securities and investments - 3 (Increase) decrease in notes and accounts receivable (4,353) 4.813 (Increase) decrease in notes and accounts payable 4,315 7,357 Increase (decrease) in accrued consumption taxes (751) 1,220 Other, net (1,588) 1,145 Subtotal 9,661 18,145 Interest and dividends income received 271 290 Interest expenses paid (608) (629) Income taxes paid (924) (1,013) Varchases of property, plant and equipment 20 11 Avarchases (1,0130) (71,012) Proceeds from sales of property, plant and equipment 201 (720) Varchases of investment securities		,	602
Foreign currency translation adjustments1.010(665)Interest and dividends income(272)(290)Equity in (earnings) losses of affiliates(860)142Loss on salues and disposal of property, plant and equipment-140(Gain) loss on revaluation of derivatives(1,021)-(Gain) loss on revaluation of derivatives(3,105)1,746Increase) decrease in notes and accounts receivable(4,353)4,813(Increase) decrease in notes and accounts payable4,3157,387Increase (decrease) in accrued consumption taxes(7,51)1,220Other, net(1,588)1,135Subtotal9,66118,145Interest expenses paid(608)(629)Increase (decrease) in accrued consumption taxes(7,51)1,220Other, net(2,72)290)11,335Net cash provided by operating activities8,40016,792Interest expenses paid(608)(629)Increase (decrease) in short-term loans receivable(0)11,302Proceeds from sales of property, plant and equipment-1,150Purchases of investment securities7914Varchase of investment securities7914Varchase of investment securities7914Varchase of investments in subsidiaries-(153,187)Proceeds from sales of property, plant and equipment-1,150Varchase of investments in subsidiariesVarchase of investment securities791 <td< td=""><td></td><td></td><td></td></td<>			
Interest and dividends income (272) (290) Equity in (earnings) losses of affiliates (860) 142 Loss on sales and disposal of property, plant and equipment - 140 (Gain) loss on revaluation of securities and investments - 3 (Increase) decrease in motes and accounts receivable (4,353) 4,813 (Increase) decrease in motes and accounts payable 4,315 7,357 Increase (decrease) in accrued consumption taxes (751) 1,220 Other, net (1,589) 1,135 Subtotal 9,661 18,145 Increase (decrease) in accrued consumption taxes (608) (629) Interest and dividends income received 271 290 Interest and dividends income received 271 290 Interest and dividends income received 271 290 Income taxes paid (924) (1,013) Net cash provided by operating activities 8,400 16,792 Purchases of property, plant and equipment 20 11 Advanced proceeds from sales of property, plant and equipment 20 110			
Equity in (carnings) losses of affiliates (860) 142 Loss on sales and disposal of property, plant and equipment - 140 (Gain) loss on valuation of derivatives (1,021) - (Gain) loss on revaluation of derivatives (1,021) - (Gain) loss on revaluation of derivatives (4,353) 4,813 (Increase) decrease in inventories (3,105) 1,746 Increase (decrease) in accrued consumption taxes (751) 1,220 Other, net (1,589) 1,135 Subtotal 9,661 18,145 Interest expenses paid (608) (629) Increase (decrease) in occured consumption taxes (3,931) (11,302) Net cash provided by operating activities 8,400 16,792 Interest expenses paid (2,931) (11,302) Yncchaese of property, plant and equipment 2,031) (11,302) Yncchaese of property, plant and equipment 2,01 (740) Varchaese of investment securities 791 4 Purchaese of investment securities 791 4 Purchaese		· · · · · ·	
Loss on sales and disposal of property, plant and equipment - 140 (Gain) loss on valuation of derivatives (1,021) - (Gain) loss on valuation of derivatives - 3 (Darcease) decrease in notes and accounts receivable (4,353) 4,813 (Increase) decrease in notes and accounts payable 4,315 7,357 Increase (decrease) in notes and accounts payable 4,315 7,357 Increase (decrease) in accrued consumption taxes (751) 1,220 Other, net (1,589) 11,815 Interest expenses paid (608) (622) Income taxes paid (9,24) (1,130) Net cash provided by operating activities 8,400 16,782 Varchases of property, plant and equipment (3,931) (11,302) Avanced proceeds from sales of property, plant and equipment 20 (11,02) Varchase of investment is subsidiaries (201) (740) Avanced proceeds from sales of property, plant and equipment - (15,31,87) Varchases of investment is subsidiaries (201) (740) resulting in busines acquistion </td <td></td> <td></td> <td> ,</td>			,
(Gain) loss on valuation of derivatives $(1,021)$ -(Gain) loss on revaluation of securities and investments-3(Increase) decrease in notes and accounts precivable $(4,353)$ $4,813$ (Increase) decrease) in accrued consumption taxes $(3,106)$ $1,746$ (Increase) decrease) in accrued consumption taxes (751) $1,220$ Other, net $(1,589)$ $1,135$ Subtotal $9,661$ $18,145$ Interest expenses paid (608) (629) Increase (decrease) in provided by operating activities $8,400$ $16,792$ Interest expenses paid (924) $(1,1302)$ Increase sof property, plant and equipment $2,911$ 290 Increase of property, plant and equipment $2,911$ 290 'nvchases of property, plant and equipment 20 11 'nrchase of investment securities 791 4 'nrchase of investment securities 791 4 'nrchase of investments in subsidiaries $ (153,187)$ 'nrchase of investments in subsidiaries $ (153,187)$ 'nrease (decrease) in short-term bank loans (145) $144,766$ 'Neceds from sales of orosolidation $ -$ 'nrease (decrease) in short-term bank loans (145) $144,766$ 'nrease (decrease) in c		()	
(Gain) loss on revaluation of securities and investments-3(Increase) decrease in notes and accounts payable(4,353)4,813(Increase) decrease in notes and accounts payable(4,3157,357Increase (decrease) in notes and accounts payable(1,589)1,135Subtotal9,66118,145Interest and dividends income received271290Increase (decrease) paid(608)(629)Income taxes paid(608)(629)Income taxes paid(9,24)(1,013)Net cash provided by operating activities8,40016,792Income taxes paid2011Advanced proceeds from sales of property, plant and equipment2011Averchase of investment securities(5)(1,005)Proceeds from sales of property, plant and equipment-1,150Proceeds from sales of property, plant and equipment-1,150Averchase of investment securities7914Purchase of investments in subsidiaries-(153,187)Proceeds from sales of property, plant and equipment-11.189Averchase of investments in subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-(89)Proceeds from purchase of investments in subsidiaries-(154)Proceeds from purchase of investments in subsidiaries-(154)Proceeds from purchase of investment subsidiaries-(89) </td <td></td> <td></td> <td>140</td>			140
Increase) decrease in notes and accounts receivable $(4,353)$ $4,813$ (Increase) decrease) in notes and accounts payable $(3,105)$ $1,746$ Increase (decrease) in accrued consumption taxes (751) $1,220$ Other, net $(1,589)$ $1,135$ Subtotal $9,661$ $18,145$ Interest expenses paid (608) (629) Increase (decrease) in provided by operating activities $8,400$ $16,792$ Archases of property, plant and equipment $(3,931)$ $(11,302)$ Proceeds from sales of property, plant and equipment 20 11 Avanced proceeds from sales of property, plant and equipment 20 11 Purchases of investment securities 791 4 Purchases of investment securities (201) (740) Purchases of investment securities (201) (740) Proceeds from sales of investment is subsidiaries $ (153,187)$ Proceeds from purchase of investments in subsidiaries $ (153,187)$ Proceeds from purchase of investments in subsidiaries $ (153,187)$ Proceeds from purchase of investments in subsidiaries $ (153,187)$ Proceeds from long-term loans payable $(2,3624)$ (289) Proceeds from long-term loans payable $(2,3624)$ (289) Proceeds from long-term loans payable $(1,570)$ (720) Net cash used in investing activities $(3,862)$ $(154,077)$ Proceeds from long-term loans payable $(2,3624)$ (289) Proceeds from long-term l		(1,021)	-
Increase (decrease) in notes and accounts payable $(3,105)$ $1,746$ Increase (decrease) in accrued consumption taxes (751) $1,220$ Other, net $(1,589)$ $1,135$ Subtotal9,66118,145Interest and dividends income received 271 290Increase (decrease) in accrued consumption taxes (608) (6229) Income taxes paid (924) $(1,013)$ Net cash provided by operating activities $8,400$ $16,792$ Income taxes paid 20 11 Advanced proceeds from sales of property, plant and equipment 20 11 Advanced proceeds from sales of property, plant and equipment 20 11 Advanced proceeds from sales of property, plant and equipment $(6)6$ $(1,005)$ Proceeds from sales of investment securities (91) (740) Advanced proceeds from sales of investment securities (0) (34) Purchases of investment securities $(15,187)$ (720) Proceeds from purchase of investments in subsidiaries $ (15,187)$ Proceeds from purchase of investments in subsidiaries $ (89)$ Proceeds from purchase of investments in subsidiaries $ (89)$ Proceeds from long term loans payable $(15,41)$ $(144,766)$ Proceeds from long term loans payable $(23,624)$ (829) Proceeds from long term loans payable $(16,72)$ $(15,72)$ Net cash used in investing activities $(1,615)$ $(144,766)$ Proceeds from long term loans payable<		-	
Increase (decrease) in notes and accounts payable4,3157,357Increase (decrease) in accrued consumption taxes(751)1,220Other, net(1,589)1,135Subtotal9,66118,145Interest and dividends income received271290Interest expenses paid(608)(629)Income taxes paid(924)(1,013)Net cash provided by operating activities8,40016,792Investing Activities:2011Purchases of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment-1,150Avenchase of investment securities(5)(1,005)Purchases of investment securities(91)(740)Proceeds from sales of property, plant and equipment00(34)Avenchase of investment securities-(15,187)Proceeds from sales of investments in subsidiaries-(15,187)Proceeds from sales of investments in subsidiaries-(11,189)Proceeds from sales of investments in subsidiaries-(15,3187)Proceeds from sales of investments in subsidiaries-(11,189)Proceeds from long term loans payable(3,862)(154,077)Net cash used in investing activities(145)144,766Proceeds from long term loans payable(145)144,766Proceeds from long term loans payable(145)144,766Proceeds from long term loans payable(145)144,766Proceeds from long term loans payable<			,
Increase (decrease) in accrued consumption taxes (751) 1,220 Other, net (1,589) 1,135 Subtotal 9,661 18,145 Interest and dividends income received 271 290 Income taxes paid (608) (629) Income taxes paid (924) (1,133) Net cash provided by operating activities 8,400 16,792 Income taxes paid (3,931) (11,302) Torceeds from sales of property, plant and equipment 20 11 Advanced proceeds from sales of property, plant and equipment - 1,150 Purchase of investment securities 791 4 Purchase of investments in subsidiaries (0) (34) Repayment of loans payable of subsidiaries - (153,187) Proceeds from purchase of investments in subsidiaries - 11,189 Payments for sales of investments in subsidiaries - </td <td></td> <td></td> <td>,</td>			,
Other, net(1,589)1,135Subtotal9,66118,145Interest and dividends income received271290Incerest expenses paid(608)(629)Income taxes paid(924)(1,013)Net cash provided by operating activities8,40016,792Income taxes paid(3,931)(11,302)Proceeds from sales of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment-1,150Purchases of investment securities(5)(1,005)Proceeds from sales of investment securities7914Purchases of investment securities7914Purchase of investment securities(0)(34)Porceeds from purchase of investments in subsidiaries-(15,187)Proceeds from purchase of investments in subsidiaries-1,189Proceeds from purchase of investments in subsidiaries-(15,3187)Proceeds from purchase of investments in subsidiaries-(15,3187)Proceeds from purchase of investments in subsidiaries-(15,314)resulting in change in scope of consolidation-(89)Proceeds from long term loans payable(23,624)(828)Proceeds from long term loans payable(11)(585)Proceeds from long term loans payable-5,091Proceeds from long term loans payable(18,7107,500Proceeds from long term loans payable(18,712)(1,237)Cash dividends paid(1)(58	1 5	· · · · · ·	
Subtotal9,66118,145Interest and dividends income received271290Interest expenses paid(608)(629)Income taxes paid(924)(1,13)Net cash provided by operating activities8,40016,792Investing Activities:Proceeds from sales of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment-1,150Proceeds from sales of investment securities(5)(1,005)Proceeds from sales of investment securities(201)(740)Increase (decrease) in short-term loans receivable(0)(34)Repayment of loans payable of subsidiaries-11,189resulting in change in scope of consolidation-(153,187)Proceeds from long term loans payable(3862)(154,072)Net cash used in investing activities(3862)(154,072)Financing Activities:-(3862)(154,072)Repayment of long term loans payable(3,682)(154,072)Net cash used in investing activities(3,862)(154,072)Financing Activities:-5,091(37)Net cash used in investing activities-5,091Cash dividends paid(11)(585)Cash dividends paid(11)(535)Net increase (decrease) in short-term bank loans-5,091Cash dividends paid(11)(535)Cash dividends paid <td< td=""><td></td><td>(</td><td></td></td<>		(
Interest and dividends income received271290Interest expenses paid(608)(629)Income taxes paid(924)(1,013)Net cash provided by operating activities8,40016,792Income taxes paid(2924)(1,013)Net cash provided by operating activities8,40016,792Investing Activities:2011Purchases of property, plant and equipment-1,150Purchase of investment securities(201)(740)Proceeds from sales of property, plant and equipment-(153,187)Purchase of investment securities7914Purchase of investments in subsidiaries(201)(740)Repayment of loans payable of subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-11,189Proceeds from purchase of investments in subsidiaries-(89)Proceeds from purchase of investments in subsidiaries-(89)Proceeds from purchase of consolidation-11,189Payments for sales of investing activities(3,862)(154,077)Financing Activities:(3,862)(154,077)Financing Activities:-5,0917,500Proceeds from long term loans payable(23,624)(828)Financing Activities:-5,0917,350Net cash used in investing activities-5,0917,350Cash dividends paid5,091Cash dividends paid5,091 <td< td=""><td></td><td>()===)</td><td>,</td></td<>		()===)	,
Interest expenses paid(608)(629)Income taxes paid(924)(1,013)Net cash provided by operating activities $8,400$ 16,792Investing Activities:Purchases of property, plant and equipment(3,931)(11,302)Proceeds from sales of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment-1,150Purchases of investment securities(5)(1,005)Purchases of investment securities(201)(740)Purchase of investment is subsidiaries(201)(740)Purchase of investments in subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-11,189Proceeds from purchase of consolidation-11,189Presulting in change in scope of consolidation-(534)(72)Net cash used in investing activities(3,862)(154,077)Financing Activities:(115,017)(534)(72)Net cash used in investing activities-5,091Proceeds from long-term loans payable(23,624)(828)Financing Activities:-5,091Cash dividends paid(11)(788)Proceeds from transacton of derivatives-5,091Proceeds from transacton of derivatives-5,091Cash dividends paid(11)(788)Proceeds from long-term loans payable(23,624)(828)Financing expenses paid(11)(788)Proceeds from transacton of derivat		,	,
Income taxes paid(924)(1,013)Net cash provided by operating activities8,40016,792Investing Activities:(3,931)(11,302)Purchases of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment-1,150Purchases of investment securities(5)(1,005)Proceeds from sales of investment securities7914Purchase of investment securities(0)(34)Proceeds from sales of investment securities(153,187)Proceeds from purchase of investments in subsidiaries(153,187)Proceeds from purchase of investments in subsidiaries-resulting in change in scope of consolidation-Proceeds from long threatments in subsidiaries-resulting in change in scope of consolidation-Proceeds from long term loans payable(3,862)Proceeds from long term loans payable(1450)Proceeds from long term loans payable(23,624)Resulting in change in scope of consolidation-Proceeds from long term loans payable(1450)Proceeds from long term loans payable(23,624)Proceeds from long term loans payable(1450)Proceeds from transact on derivatives-Sproceeds from transact on derivatives-Proceeds from transact on derivatives-Proceeds from transact on derivatives(1,672)Proceeds from transact on derivatives(1,872)Proceeds from transact on derivatives(1,872)Pro			
Net cash provided by operating activities8,40016,792Investing Activities:(3,931)(11,302)Purchases of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment-1,150Purchases of investment securities(5)(1,005)Purchase of investment securities(201)(740)Purchase of investment securities(201)(740)Increase (decrease) in short-term loans receivable(0)(34)Repayment of loans payable of subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-(154)resulting in change in scope of consolidation-(154)Payments for sales of investments in subsidiaries-(89)Proceeds from long-term loans payable(3,862)(154,077)Financing Activities:(3,862)(154,077)Financing Activities:(145)144,766Proceeds from transacton of derivatives-5,091Proceeds from transacton of derivatives-5,091Proceeds from transacton of derivatives-5,091Proceeds from transacton of derivatives(157)(153)Net cash used in financing activities(16,582)(153,97)Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(157)(153,97)Other, net(37)(15)Net cash used in financing activitie		()	
Investing Activities: (3,931) (11,302) Proceeds from sales of property, plant and equipment 20 11 Advanced proceeds from sales of property, plant and equipment - 1,150 Purchases of investment securities (5) (1,005) Proceeds from sales of investment securities 791 4 Purchase of investment securities (201) (740) Increase (decrease) in short-term loans receivable (00) (34) Repayment of loans payable of subsidiaries - (153,187) Proceeds from purchase of investments in subsidiaries - (189) Proceeds from slop of consolidation - (189) Payments for sales of investments in subsidiaries - (89) resulting in change in scope of consolidation - (89) Other, net (534) (72) Net cash used in investing activities (145) 144,766 Proceeds from transact of drivatives - 5,091 Proceeds from long-term loans payable (13,732) (145) Proceeds from long-term loans payable - 5,091			
Purchases of property, plant and equipment $(3,931)$ $(11,302)$ Proceeds from sales of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment- $1,150$ Purchases of investment securities (5) $(1,005)$ Proceeds from sales of investment securities (201) (740) Purchase of investment subsidiaries (201) (740) Increase (decrease) in short term loans receivable (0) (34) Repayment of loans payable of subsidiaries- $(153,187)$ Proceeds from purchase of investments in subsidiaries- $(153,187)$ Proceeds from purchase of investments in subsidiaries- (89) resulting in change in scope of consolidation- (89) Pother, net (534) (72) Net cash used in investing activities $(3,862)$ $(154,077)$ Financing Activities:- (534) (72) Net increase (decrease) in short-term bank loans (145) $144,766$ Proceeds from loans payable $(23,624)$ (828) Proceeds from long-term loans payable- $5,091$ Repayment of long-term loans payable- $5,091$ Cash dividends paid(11) (585) Cash dividends paid(11) (585) Proceeds from transacton of derivatives- $5,091$ Cash dividends paid(11) (585) Cash dividends paid(11) (585) Cash dividends paid to minority shareholders $(1,872)$ $(1,237)$	Net cash provided by operating activities	8,400	10,792
Purchases of property, plant and equipment $(3,931)$ $(11,302)$ Proceeds from sales of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment- $1,150$ Purchases of investment securities (5) $(1,005)$ Proceeds from sales of investment securities (201) (740) Purchase of investment subsidiaries (201) (740) Increase (decrease) in short term loans receivable (0) (34) Repayment of loans payable of subsidiaries- $(153,187)$ Proceeds from purchase of investments in subsidiaries- $(153,187)$ Proceeds from purchase of investments in subsidiaries- (89) resulting in change in scope of consolidation- (89) Pother, net (534) (72) Net cash used in investing activities $(3,862)$ $(154,077)$ Financing Activities:- (534) (72) Net increase (decrease) in short-term bank loans (145) $144,766$ Proceeds from loans payable $(23,624)$ (828) Proceeds from long-term loans payable- $5,091$ Repayment of long-term loans payable- $5,091$ Cash dividends paid(11) (585) Cash dividends paid(11) (585) Proceeds from transacton of derivatives- $5,091$ Cash dividends paid(11) (585) Cash dividends paid(11) (585) Cash dividends paid to minority shareholders $(1,872)$ $(1,237)$	Investing Activities:		
Proceeds from sales of property, plant and equipment2011Advanced proceeds from sales of property, plant and equipment-1,150Purchases of investment securities(5)(1,005)Proceeds from sales of investment securities7914Purchase of investment securities7914Purchase of investment subsidiaries(201)(740)Increase (decrease) in short-term loans receivable(0)(34)Repayment of loans payable of subsidiaries-(153,187)Proceeds from unchase of investments in subsidiaries-(153,187)Proceeds from sales of investments in subsidiaries-(183,187)Proceeds from sales of investments in subsidiaries-(89)resulting in change in scope of consolidation-(89)Payments for sales of investments in subsidiaries-(89)resulting in change in scope of consolidation-(89)Other, net(534)(72)Net cash used in investing activities(3,862)(154,077)Financing Activities:-5,091Net increase (decrease) in short-term bank loans(145)144,766Proceeds from transacton of derivatives-5,091Proceeds from transacton of derivatives-5,091Cash dividends paid(11)(685)Cash dividends paid(11)(585)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net inc		(3,931)	(11, 302)
Advanced proceeds from sales of property, plant and equipment-1,150Purchases of investment securities(5)(1,005)Proceeds from sales of investments ecurities7914Purchase of investments in subsidiaries(201)(740)Increase (decrease) in short-term loans receivable(0)(34)Repayment of loans payable of subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-(189)Payments for sales of investments in subsidiaries-(89)Payments for sales of investing activities(3,862)(154,077)Net cash used in investing activities(3,862)(154,077)Financing Activities:(145)144,766Proceeds from long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net cash used in financing activities(1,615)17,403Cash and cash equivalents(1,615)17,403Cash di vidents at beginni	Proceeds from sales of property, plant and equipment		
Purchases of investment securities(5)(1,005)Proceeds from sales of investment securities7914Purchase of investments in subsidiaries(201)(740)Increase (decrease) in short-term loans receivable(0)(34)Repayment of loans payable of subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-(11,189)Payments for sales of investments in subsidiaries-(89)Puter, net(534)(72)Net cash used in investing activities(3,862)(154,077)Financing Activities:(3,862)(154,077)Net increase (decrease) in short-term bank loans(145)144,766Proceeds from long-term loans payable(23,624)(828)Financing xpenses paid(1)(738)Proceeds from transacton of derivatives-5,091Cash dividends paid(11)(585)Cash dividends paid(11)(585)Cash dividends paid(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents(1,615)17,403Cash and cash equivalents(29,833)45,491		-	1,150
Proceeds from sales of investment securities7914Purchase of investments in subsidiaries(201)(740)Increase (decrease) in short-term loans receivable(0)(34)Repayment of loans payable of subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-11,189Payments for sales of investments in subsidiaries-(89)Payments for sales of investments in subsidiaries-(89)Poter eds from purchase of investments in subsidiaries-(89)Payments for sales of investing activities(3,862)(154,077)Financing Activities:(3,862)(154,077)Financing Activities:(115)144,766Proceeds from long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transactor of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(29,833)45,491		(5)	
Increase (decrease) in short-term loans receivable(0)(34)Repayment of loans payable of subsidiaries resulting in business acquisition-(153,187)Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation-11,189Payments for sales of investments in subsidiaries resulting in change in scope of consolidation-(89)Dther, net(534)(72)Net cash used in investing activities(3,862)(154,077)Financing Activities: Net increase (decrease) in short-term bank loans(145)144,766Proceeds from long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid(11)(585)Cash dividends paid(13,70)(1,237)Net cash used in financing activities(3,7)(15)Net cash used in financing activities(3,7)(1,237)Cash dividends paid(1,1)(585)Cash dividends paid(1,1)(585)Cash dividends paid to minority shareholders(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net cash used in financing activities(1,615)17,403Cash and cash equivalents(2,615)17,403Cash and cash equivalents(2,615)17,403Cash and cash equivalents(2,615)17,403<	Proceeds from sales of investment securities	791	
Repayment of loans payable of subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-11,189Payments for sales of investments in subsidiaries-(89)Payments for sales of investments in subsidiaries-(89)Payment of loans payable(154,077)(154,077)Net cash used in investing activities(3,862)(154,077)Financing Activities:-(145)144,766Proceeds from long-term loans payable(145)144,766Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents29,83345,491	Purchase of investments in subsidiaries	(201)	(740)
Repayment of loans payable of subsidiaries-(153,187)Proceeds from purchase of investments in subsidiaries-11,189Payments for sales of investments in subsidiaries-(89)Payments for sales of investments in subsidiaries-(89)Payment of loans payable(154,077)(154,077)Net cash used in investing activities(3,862)(154,077)Financing Activities:-(145)144,766Proceeds from long-term loans payable(145)144,766Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents29,83345,491	Increase (decrease) in short-term loans receivable	(0)	(34)
resulting in business acquisition (1133,187) Proceeds from purchase of investments in subsidiaries - 11,189 Payments for sales of investments in subsidiaries - (89) Payments for sales of investments in subsidiaries - (89) Other, net (534) (72) Net cash used in investing activities (3,862) (154,077) Financing Activities: Net increase (decrease) in short-term bank loans (145) 144,766 Proceeds from long-term loans payable (23,624) (828) Financing expenses paid (1) (738) Proceeds from transacton of derivatives - 5,091 Cash dividends paid (11) (585) Cash dividends paid to minority shareholders (1,872) (1,237) Other, net (37) (15) Net cash used in financing activities (6,981) 153,953 Effect of exchange rate changes on cash and cash equivalents (1,615) 17,403 Cash dividends equivalents at beginning of year 29,833 45,491		(-)	,
Proceeds from purchase of investments in subsidiaries-11,189Payments for sales of investments in subsidiaries-(89)Payments for sales of investments in subsidiaries-(89)other, net(534)(72)Net cash used in investing activities(3,862)(154,077)Financing Activities:Net increase (decrease) in short-term bank loans(145)144,766Proceeds from long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid(11)(585)Deter, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(21,615)17,403Cash and cash equivalents29,83345,491		-	(153,187)
resulting in change in scope of consolidation Payments for sales of investments in subsidiaries resulting in change in scope of consolidation Other, net (534) (72) Net cash used in investing activities (3,862) (154,077) Financing Activities: Net increase (decrease) in short-term bank loans (145) 144,766 Proceeds from long-term loans payable (23,624) (828) Financing expenses paid (1) (738) Proceeds from transacton of derivatives resulting in business acquisition Cash dividends paid (11) (585) Other, net (37) (15) Net cash used in financing activities (6,981) 153,953 Effect of exchange rate changes on cash and cash equivalents (1,615) 17,403 Cash and cash equivalents at beginning of year (1,615) 17,403 (29,833 45,491			
Payments for sales of investments in subsidiaries-(89)resulting in change in scope of consolidation(534)(72)Other, net(534)(72)Net cash used in investing activities(3,862)(154,077)Financing Activities:Net cash used in investing activities(145)144,766Proceeds from long-term loans payable18,7107,500Repayment of long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491		-	11,189
resulting in change in scope of consolidation Other, net (534) (72) Net cash used in investing activities (3,862) (154,077) Financing Activities: (145) 144,766 Proceeds from long-term loans payable 18,710 7,500 Repayment of long-term loans payable (23,624) (828) Financing expenses paid (1) (738) Proceeds from transacton of derivatives - 5,091 Cash dividends paid (11) (585) Cash dividends paid (11) (585) Other, net (37) (15) Net cash used in financing activities (6,981) 153,953 Effect of exchange rate changes on cash and cash equivalents 827 735 Net increase (decrease) in cash and cash equivalents (1,615) 17,403 Cash and cash equivalents at beginning of year 29,833 45,491			
Other, net(534)(72)Net cash used in investing activities(3,862)(154,077)Financing Activities:(145)144,766Proceeds from long-term loans payable18,7107,500Repayment of long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid(11)(585)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491		-	(89)
Net cash used in investing activities(3,862)(154,077)Financing Activities:(145)144,766Proceeds from long-term loans payable18,7107,500Repayment of long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents29,83345,491		(534)	(79)
Net increase (decrease) in short-term bank loans(145)144,766Proceeds from long-term loans payable18,7107,500Repayment of long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491			
Net increase (decrease) in short-term bank loans(145)144,766Proceeds from long-term loans payable18,7107,500Repayment of long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491			
Proceeds from long-term loans payable18,7107,500Repayment of long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491		(- · -)	= -
Repayment of long-term loans payable(23,624)(828)Financing expenses paid(1)(738)Proceeds from transacton of derivatives resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491			
Financing expenses paid(1)(738)Proceeds from transacton of derivatives resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491			,
Proceeds from transacton of derivatives-5,091resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491		,	
resulting in business acquisition-5,091Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491		(1)	(738)
resulting in business acquisition(11)(585)Cash dividends paid(11)(585)Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491		_	5 091
Cash dividends paid to minority shareholders(1,872)(1,237)Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491			,
Other, net(37)(15)Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491			
Net cash used in financing activities(6,981)153,953Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491			
Effect of exchange rate changes on cash and cash equivalents827735Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491			
Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491	Net cash used in financing activities	(6,981)	153,953
Net increase (decrease) in cash and cash equivalents(1,615)17,403Cash and cash equivalents at beginning of year29,83345,491	Effect of exchange rate changes on each and each aquivalents	897	795
Cash and cash equivalents at beginning of year 29,833 45,491			
		,	
	Cash and cash equivalents at beginning of year Cash and cash equivalents at end of first quarter	29,833	62,894

🙏 MITSUBISHI RAYON CO.,LTD.

Business Segment Information

(Millions of yen)

Effective from the first quarter of fiscal year ending March 31, 2011, "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17 issued on March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20 issued on March 21, 2008) have been applied.

The four new reportable segments are "Chemicals & Plastics Segment", "AN Monomer and Derivatives Segment", "Carbon Fibers & Composite Materials Segment" and "Fibers Segment".

		Rep	ortable segment	s					
									(*3)
			Carbon Fibers						Figures in
		AN Monomer	&						consolidated
First Quarter ended	Chemicals &	and	Composite			(*1)		(*2)	statement of
June 30, 2010	Plastics	Derivatives	Materials	Fibers	Subtotal	Others	Total	Adjustments	income
1.Sales and operating income									
Sales to third parties	73,784	8,209	6,333	10,202	98,529	13,481	112,011	-	112,011
Intergroup sales and transfers	4,756	3,745	9	196	8,707	4,862	13,569	(13, 569)	-
Total Sales	78,541	11,954	6,342	10,399	107,237	18,344	125,581	(13, 569)	112,011
Segment income (loss)	5,752	1,486	(621)	160	6,778	(286)	6,491	(1,660)	4,830
(Operating income (loss))									

*1) Others include business segments which are not included in reportable segments such as "Aqua business", "Engineering business", "Construction materials business" and "Corporate services".

*2) Segment income (loss) from "Adjustments" includes (87) million yen of eliminations of intersegment transactions and (1,573) million yen of previous years' actuarial loss. *3) Segment income (loss) is adjusted to the operating income (loss) figure in consolidated statement of income.

Main products of each segment

Segment	Main products
Chemicals & Plastics	Chemicals, Molding materials, Acrylic sheets, Coating materials, Functional copolymer, UV curing paints, Copolymer for plastic modifiers, Acrylic films, Prism sheet for LCD backlights, Plastic optical fibers, and Rod lens
AN Monomer and Derivatives	Acrylonitrile and derivatives
Carbon Fibers & Composite Materials Carbon fibers, Fabricated composite materials, and Materials for aircraft	
Fibers	Acrylic fibers, Acetate fibers, Polyester fibers, Polypropylene fibers

		Acrylic Fibers	Carbon Fiber	s			
		& AN	&	Acetate Fibers,			
First Quarter ended	Chemicals &	Monomer	Composite	Membranes		Eliminations	
June 30, 2009	Plastics	and Derivatives	Materials	and Others	Total	or Corporate	Consolidated
1.Sales and operating income							
Sales to third parties	30,130	8,758	5,607	17,684	62,180	-	62,180
Intergroup sales and transfers	2,370	484	8	8,099	10,962	(10, 962)	-
Total Sales	32,501	9,243	5,615	25,783	73,143	(10,962)	62,180
Operating loss	(1,502)	(705)	(2,985)	(713)	(5,905)	222	(5,683)
Without recognition of previous years' actuarial gain or losses as Operating expenses		[(592)]	[(2,787)]	[(531)]	[(4,471)]	[222]	[(4,248)]

Main products of each segment

Segment	Main products
Chemicals & Plastics	Chemicals, Molding materials, Acrylic sheets, Coating materials, Functional copolymer, UV curing paints, Copolymer for plastic modifiers, Acrylic films, Prism sheet for LCD backlights, Plastic optical fibers, and Rod lens
Acrylic Fibers & AN Monomer and Derivatives	Acrylic Fibers, Acrylonitrile and derivatives
Carbon Fibers & Composite Materials	Carbon fibers, Fabricated composite materials, and Materials for aircraft
Acetate Fibers, Membranes and Others	Acetate fibers, Polyester fibers, Polypropylene fibers, Water purifiers, Hollow-fiber membrane filters, Artificial carbonated spring manufacturing equipment, Water treatment systems, Plant engineering, and Construction materials.