

FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2002

(In accordance with Japanese Accounting Standard)

FOR IMMEDIATE RELEASE

Mitsubishi Rayon Company Limited announces its financial results for the year ended March 31, 2002

Consolidated Financial Highlights

	(Millions of yen, except per share amounts)			Six Months
	Years ended March 31			ended September 30
	<u>2002</u>	<u>2001</u>	<u>Change</u>	<u>2001</u>
Net sales	¥ 306,455	¥ 326,254	-6.1 %	¥ 156,895
Operating income	19,207	20,607	-6.8	11,299
Net (loss)income	(964)	(141)	-	1,084
Per share				
Net income				
-- Basic	¥ (1.54)	¥ (0.23)		¥ 1.73
Depreciation expenses	¥ 16,537	¥ 16,898		¥ 7,971
Capital expenditures	16,722	14,866		8,184
R&D expenses	10,795	10,768		5,261

Consolidated Shareholders' Equity, Debts and Total Assets

	(Millions of yen, except per share and ratio amounts)			Six Months
	Years ended March 31			ended September 30
Shareholders' equity	¥ 136,153	¥ 138,942		¥ 137,850
Equity ratio	39.1 %	38.7 %		39.1 %
Equity per share	¥ 217.34	¥ 221.77		¥ 220.03
Debts	91,060	97,665		95,953
Total assets	348,102	359,041		352,776

Consolidated Cash Flows

	(Millions of yen, except per share amounts)			Six Months
	Years ended March 31			ended September 30
Net cash provided by operating activities	¥ 31,685	¥ 28,612		¥ 11,489
Net cash used in investing activities	(16,991)	(7,361)		(8,199)
Net cash used in financing activities	(14,534)	(20,044)		(7,588)
Cash and cash equivalents				
at the end of year	10,948	10,331		6,387

Number of Group Companies

Consolidated subsidiaries	45	45	45
Unconsolidated subsidiaries applying equity r	-	-	-
Associated companies applying equity method	26	29	28

Forecast of Consolidated Results

	(Millions of yen)	
	Year ended	Six Months
	March 31	ended September 30
	<u>2003</u>	<u>2002</u>
Net sales	¥ 300,000	¥ 147,000
Operating income	22,000	10,000
Net income	9,000	4,000
Depreciation expenses	¥ 15,500	¥ 7,500
Capital expenditures	23,000	12,000
R&D expenses	10,800	5,400

Consolidated Balance Sheets

[Assets]	(Millions of yen)		
	Year ended	Year ended	Six Months
	March 31	March 31	ended September
	2002	2001	2001
Current Assets:			
Cash and time deposits	¥ 11,100	¥ 10,449	¥ 6,834
Marketable securities	-	679	159
Notes and accounts receivable:			
Notes	12,228	16,397	14,217
Accounts	61,912	74,492	67,702
Less allowance for doubtful accounts	(1,020)	(603)	(955)
	73,120	90,287	80,964
Inventories	43,438	43,790	45,525
Deferred tax assets	1,568	2,152	2,268
Other current assets	14,694	11,189	15,673
Total current assets	143,923	158,548	151,427
Property, Plant And Equipment:	475,812	476,014	474,572
Less accumulated depreciation	(345,367)	(350,374)	(344,160)
Property, plant and equipment, net	130,444	125,639	130,412
Investments And Other Assets:			
Investments in and advances to unconsolidated subsidiaries and affiliates	12,922	15,697	14,514
Other investment securities	32,554	34,491	30,147
Deferred tax assets	16,398	13,336	13,930
Other assets	11,858	11,327	12,343
Total investments and other assets	73,734	74,853	70,935
Total assets	¥ 348,102	¥ 359,041	¥ 352,776

Consolidated Balance Sheets

	(Millions of yen)					
	Year ended		Year ended		Six Months	
	March 31		March 31		ended September	
[Liabilities and Shareholder' Equity]	2002		2001		2001	
Current Liabilities:						
Short-term bank loans	¥	49,984	¥	56,912	¥	53,699
Notes and accounts payable:						
Notes		10,197		12,386		11,042
Accounts		40,184		47,612		43,241
		50,381		59,998		54,283
Accrued expenses		4,536		4,677		4,409
Accrued income taxes		709		6,146		1,183
Deferred tax liabilities		40		41		68
Other current liabilities		26,232		23,503		24,607
Total current liabilities		131,886		151,279		138,252
Long-Term Liabilities:						
Long-term debt		41,075		40,753		42,253
Retirement allowances		30,678		21,193		25,241
Deferred tax liabilities		66		138		103
Other long-term liabilities		2,635		4,630		4,549
Total long-term liabilities		74,455		66,715		72,148
Minority Interests In Consolidated Subsidiaries		5,606		2,105		4,525
Shareholders' Equity:						
Common stock		53,229		53,229		53,229
Capital surplus		38,088		38,088		38,088
Revaluation difference		30		30		30
Retained earnings		48,363		53,087		52,292
Unrealized gain on marketable securities		(69)		(45)		(945)
Translation adjustments		(3,470)		(5,447)		(4,844)
Less treasury common stock, at cost		(18)		(0)		(0)
Total shareholders' equity		136,153		138,942		137,850
Contingent Liabilities						
Total liabilities and shareholders' equity	¥	348,102	¥	359,041	¥	352,776