

April 2, 2003

To whom this may concern:

Announcement on Revising Performance Prospect

This is to inform that regarding the performance prospect for FY 2002 (April 1, 2002 through March 31, 2003), both the non-consolidated (parent-only) and the consolidated performance prospect announced on November 19, 2002 will be revised in numerical value as follows:

1. Revision in the numerical value of the non-consolidated full-term performance prospect for March 2003 term (April 1, 2002 through March 31, 2003)

(in million yen, %)

| | Sales | Operating income | Ordinary income | Net income |
|--|---------|------------------|-----------------|------------|
| (A) Prospect previously announced (on November 19, 2002) | 208,000 | (500) | (500) | 300 |
| (B) Prospect revised this time | 213,000 | (2,000) | (1,000) | (2,000) |
| Change in amount (B-A) | 5,000 | (1,500) | (500) | (2,300) |
| Rate of change | 2.4 | - | - | - |
| Record of previous term (March 2002) | 193,840 | (4,112) | (2,678) | (3,363) |

2. Revision in the numerical value of the consolidated full-term performance prospect for March 2003 term (April 1, 2002 through March 31, 2003)

(in million yen, %)

| | Sales | Operating income | Ordinary income | Net income |
|--|---------|------------------|-----------------|------------|
| (A) Prospect previously announced (on November 19, 2002) | 306,000 | 2,300 | 2,500 | 2,000 |
| (B) Prospect revised this time | 309,000 | 500 | 1,500 | (500) |
| Change in amount (B-A) | 3,000 | (1,800) | (1,000) | (2,500) |
| Rate of change | 1.0 | - | - | - |
| Record of previous term (March 2002) | 275,709 | (6,786) | (3,775) | (4,234) |

3. Reasons (on consolidated basis)

(1) Appropriation of retirement benefit cost (accrued in FY 2002):

Approx. 1.8 billion yen (on non-consolidated basis)

- a. Increase in operating cost due to the increased actuarial difference arising from the change in discount rate from currently 3.5% to 2.5% per annum.**

Approx. 700 million yen (on non-consolidated basis)

- b. Increase in operating cost due to the decline in the market prices of trust stocks, and to the increase in actuarial difference resulting from losses on pension asset management:**

Approx. 1.1 billion yen (on non-consolidated basis)

In our company, the actuarial difference is based on the constant percentage method (10 years), and dealt with as cost from the fiscal year of accrual.

(2) Appropriation of appraisal losses on investment securities:

Approx. 2.5 billion yen (of which, about 2.4 billion yen on non-consolidation basis)

Appropriation of an extraordinary loss on holding listed-stocks of financial institutions, etc., resulting from the decline of the market prices of such stocks at the end of the term.

(The amount of posting evaluation losses on listed-stocks for the full term is about 3.0 billion yen including the losses of the first half of the term, of which 2.9 billion yen is on non-consolidation basis.)

(3) The state of profits and losses on other business activities

Thanks to the firm market on commodity chemicals such as methanol and para-xylene, sales are expected to be better than previously expected, but partly because of the rising price of primary fuel, the operating profit will generally remain as expected. Regarding the non-operating profit and loss account, the equity method profit will be improved (700 million yen) by reason of the rising market of methanol. (The non-operating profit and loss account on non-consolidated basis will be improved by increased dividends receivable from affiliated companies.)

Details concerning the performance for the full term are currently being summed up.

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