

October 30, 2007

Company Name: Kuraray Co., Ltd.  
Representative: Yasuaki Wakui,  
Representative Director and President  
Securities Code No.: 3405  
Listings: First Sections, Tokyo Stock Exchange and  
Osaka Securities Exchange  
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## **Notice Concerning Dividend Payment for the Fiscal Year Ending March 31, 2008 (Revisions to Dividend Forecasts and Distributions)**

Kuraray Co., Ltd. (hereafter referred to as “Kuraray” or “the Company”) today announced details of its decision to undertake an interim per share dividend distribution for the six-month period ended September 30, 2007, based on a decision reached at a Board of Directors’ meeting held on October 30, 2007.

### **1. Dividend Details**

	Details Ratified	Previous Forecast (Announced on April 26, 2007)	Corresponding Period of the Previous Fiscal Year
Record date	September 30, 2007	As left	September 30, 2006
Dividend per share (Yen)	11.00	10.00	8.50
Dividend amount (Millions of yen)	3,829	-	3,125
Effective date	December 3, 2007	-	December 7, 2006
Payment source	Retained earnings	-	Retained earnings

### **2. Rationale**

The allocation of profits to shareholders is one of Kuraray’s top management issues. Our goals are to increase returns to shareholders through continuous improvements in performance and to secure a dividend payout ratio of more than 30% of consolidated net income. In addition, during the three-year span of our GS-21 medium-term business plan (fiscal 2006 to 2008), we will endeavor to attain a shareholder return ratio of 70% through dividend distributions and the buyback of treasury stock while improving capital efficiency.

Underpinned by these policies, and in light of the Company’s steady performance throughout the six-month period ended September 30, 2007, Kuraray has decided to revise its interim dividend forecast to ¥11.00 per share, an increase of ¥1.00 per share compared with the previous forecast of ¥10.00 per share, and an improvement of ¥2.50 per share from the interim dividend paid of ¥8.50 per share for the corresponding period of the previous fiscal year.

Based on a consolidated net income forecast of ¥25.5 billion for the period, Kuraray plans to pay a fiscal year-end dividend of ¥11.00 per share for the fiscal year ending March 31, 2008, an increase of ¥1.00 per share from the previous forecast of

¥10.00 per share, and an improvement of ¥1.00 per share compared with the previous fiscal year period-end dividend of ¥10.00 per share.

Details of revised fiscal year-end dividend forecasts are as follows.

Record date	Dividend per Share (Yen)		
	Interim dividend	Year-end dividend	Annual dividend
Previous forecast (Announced on April 26, 2007)	10.00	10.00	20.00
Revised forecast		11.00	22.00
Current period	11.00		
Fiscal year ended March 31, 2007	8.50	10.00	18.50