



January 30, 2009

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## Announcement of revisions in the forecast of full year results 2008

Tokai Carbon Co., Ltd., announces that, in light of recent trends in performance and other factors, it has revised its full-year earnings forecasts for the fiscal year ended December 31, 2008 (January 1 – December 31, 2008), previously released on October 31, 2008. Details follow.

### 1. Revised Forecast of Consolidated Earnings for the FY ended December 31, 2008

1) Consolidated	(in million yen, except percent changes)				
	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	134,000	22,000	21,200	12,700	57.49
Revised forecast (B)	128,400	21,500	18,700	11,000	50.05
Difference (B - A)	(5,600)	(500)	(2,500)	(1,700)	(7.44)
Change (%)	(4.2)	(2.3)	(11.8)	(13.4)	(12.9)
For reference: FY 2007 (Actual Result)	117,432	20,745	20,908	11,403	53.42

2) Non-consolidated	(in million yen, except percent changes)				
	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	80,000	11,600	12,600	8,200	37.12
Revised forecast (B)	79,900	11,800	11,400	5,500	25.02
Difference (B - A)	(100)	200	(1,200)	(2,700)	(12.10)
Change (%)	(0.1)	1.7	(9.5)	(32.9)	(32.6)
For reference: FY 2007 (Actual Result)	69,925	12,396	13,263	8,773	41.10

### 2. Reasons for Revision

#### 1) Consolidated

Tokai Carbon continued efforts to adjust selling prices in line with rising raw materials prices and to improve productivity and cut costs in all of its business segments during the fiscal year ended December 31, 2008. However, the impact of the yen's steep appreciation

against currencies such as the US dollar and the euro, combined with falling production levels in industries relevant to the Group's operations, and other factors, resulted in lower net sales, operating income, ordinary income, and net income.

## 2) Non-consolidated

Ordinary income was lower owing to an increase in foreign currency translation losses (non-operating expenses) recorded on foreign-currency-denominated assets and liabilities at the end of the period due to the yen's steep appreciation against currencies such as the US dollar and the euro. Net income was lower due to ¥2,208 million in provisions for losses on equity investments, recorded in light of consolidated subsidiaries' current profit and loss and net asset accounts.

\* Earnings forecasts appearing in this document are based on information available at the time of the document's release, and actual results may differ materially from those expressed or implied by such forecasts due to a variety of factors.