

Company Name: Rinnai Corporation
 2-26, Fukuzumi-cho, Nakagawa-ku,
 Nagoya 454-0802, Japan

Representative: Hiroyasu Naito,
 President & Representative Director

Listings: First Sections of Tokyo and Nagoya Stock
 Exchanges (Securities Code: 5947)

Contact: Masao Kosugi, Executive Officer and
 General Manager of Administration Department

TEL: +81 (52) 361-8211

Announcement of Revised Performance Forecasts

In light of its recent business performances, Rinnai Corporation has revised its consolidated results forecast for the fiscal year ending March 31, 2009, previously announced on November 10, 2008.

1. Revision of consolidated financial results forecast for the fiscal year ending March 31, 2009 (April 1, 2008 to March 31, 2009)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Previous forecast (A)	257,000	18,000	18,300	9,400	173.53
Revised forecast (B)	240,000	13,900	10,900	3,000	55.38
Difference (B - A)	-17,000	-4,100	-7,400	-6,400	—
Change (%)	-6.6	-22.8	-40.4	-68.1	—
(For references) Year ended March 31, 2008 (actual)	248,761	15,124	15,398	8,269	152.66

2. Reason for revision

As financial instability spreads around the world, the Japanese economy is expected to remain severe due to a number of factors. These include depressed exports caused by the yen's ongoing appreciation, as well as weak personal consumption and a deteriorating employment situation. In light of its performance in the three-quarter period under review, as well as unprecedented decline in the world economy and progressive appreciation of the yen, the Corporation expects to post a year-on-year decrease in net sales and a foreign exchange loss. For these reasons, the Corporation has revised its forecasts as shown above.

The performance forecasts stated in this report are based on available information and are deemed rational by management. Actual results may differ from these forecasts for various reasons.