

**'TORAY'**

Innovation by Chemistry

**August 7, 2009**

# **Announcement of Consolidated Results For the First Quarter Ended June 30, 2009**

**Toray Industries, Inc.**



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# I. Consolidated Business Results for the 1Q Ended June 30, 2009

# Summary of Consolidated Business Results for the 1Q Ended June 30, 2009



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Unit :Billion yen

	1Q FY Mar/09	1Q FY Mar/10	Changes
Net Sales	387.4	<b>278.7</b>	- 108.7 (-28.1%)
Cost of Sales	314.9	<b>231.3</b>	- 83.7 (-26.6%)
Gross Profit	72.5	<b>47.4</b>	- 25.1 (-34.6%)
(Gross Profit to Net Sales)	18.7%	<b>17.0%</b>	-1.7 points
Operating Income (Loss)	13.2	<b>▲ 2.4</b>	-15.6 ( - )
(Operating Income (Loss) to Net Sales)	3.4%	<b>-0.9%</b>	-4.3 points
Non-operating Income and Expenses, net	▲ 0.8	<b>▲ 5.2</b>	-4.4
Ordinary Income (Loss)	12.5	<b>▲ 7.6</b>	-20.1 ( - )
Special Credits and Charges, net	▲ 3.2	<b>▲ 2.6</b>	+0.5
Income (Loss) before Income Taxes	9.3	<b>▲ 10.2</b>	-19.5 ( - )
Net Income (Loss)	4.4	<b>▲ 7.4</b>	-11.8 ( - )

#### Exchange Rate

<Yen/US\$>

(FY Mar/09 1Q → FY Mar/10 1Q)

1Q average: 104.6 → 97.3

End of the term: 106.4 → 96.0

<Yen/Euro>

(FY Mar/09 1Q → FY Mar/10 1Q)

1Q average: 163.4 → 132.6

End of the term: 168.1 → 135.5

#### Oil Price

<US\$/B> (DUBAI FOB)

(FY Mar/09 1Q → FY Mar/10 1Q)

1Q average: 116.8 → 59.1

\*Consolidated business results are the sums of Apr. – Jun. business results in companies whose FY ends on March 31 and Jan. – Mar. business results in companies whose FY ends on December 31.

# Non-operating Income and Expenses

Billion yen

	1Q FY Mar/09	1Q FY Mar/10	Changes	Comments
Non-operating Income	4.6	<b>2.1</b>	-2.5	
Interest and Dividend Income	1.5	<b>1.0</b>	-0.5	
Equity in Earnings of Affiliates	1.7	-	-1.7	
Others	1.4	<b>1.1</b>	-0.4	
Non-operating Expenses	<b>▲ 5.4</b>	<b>▲ 7.3</b>	-1.9	
Interest Expenses	<b>▲ 2.6</b>	<b>▲ 2.5</b>	+0.2	
Equity in Losses of Affiliates	-	<b>▲ 0.7</b>	-0.7	
Others	<b>▲ 2.7</b>	<b>▲ 4.1</b>	-1.4	
Non-operating Income and Expenses, net	<b>▲ 0.8</b>	<b>▲ 5.2</b>	-4.4	
Interest and Dividend Income, Interest Expenses, net	<b>▲ 1.1</b>	<b>▲ 1.5</b>	-0.3	

\* Positive numbers : Income , Negative numbers ( ▲ ) : Expenses

# Special Credits and Charges

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Billion yen

	1Q FY Mar/09	1Q FY Mar/10	Changes	Comments
<b>Special Credits</b>	<b>2.1</b>	<b>0.1</b>	<b>-2.0</b>	
Gain on Sales of Property, Plant and Equipment	<b>0.4</b>	<b>0.1</b>	-0.4	
Gain on Sales of Investment Securities	<b>1.7</b>	-	-1.7	
Others	<b>0.0</b>	-	-0.0	
<b>Special Charges</b>	<b>▲ 5.3</b>	<b>▲ 2.7</b>	<b>+2.6</b>	
Loss on Sales and Disposal of Property, Plant and Equipment	<b>▲ 0.9</b>	<b>▲ 0.6</b>	+0.4	
Loss on Write-down of Investment Securities	<b>▲ 0.0</b>	<b>▲ 2.0</b>	-2.0	
Loss on Liquidation and Devaluation of Subsidiaries and Affiliates	<b>▲ 2.8</b>	<b>▲ 0.0</b>	+2.8	
Loss on Valuation of Inventories	<b>▲ 1.2</b>	-	+1.2	
Others	<b>▲ 0.4</b>	<b>▲ 0.1</b>	+0.2	
<b>Special Credits and Charges, net</b>	<b>▲ 3.2</b>	<b>▲ 2.6</b>	<b>+0.5</b>	

\* Positive numbers : Income , Negative numbers ( ▲ ) : Expenses

# Assets, Liabilities, Net Assets and Free Cash Flows



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Billion yen

	End of Mar/09	End of Jun/09	Changes	Comments
Total Assets	1,523.6	<b>1,531.5</b>	+7.9	
Current Assets	655.9	<b>646.4</b>	-9.5	
Tangible Assets	596.3	<b>597.4</b>	+1.2	
Intangible Assets	10.5	<b>10.7</b>	+0.2	
Investments and Other Assets	260.9	<b>277.0</b>	+16.1	Increase of net unrealized gains on investment securities, etc.

	End of Mar/09	End of Jun/09	Changes	Comments
Total Liabilities	1,011.0	<b>1,008.3</b>	-2.7	
Current Liabilities	460.8	<b>454.9</b>	-5.9	
Other Liabilities	550.2	<b>553.4</b>	+3.2	
Total Net Assets	512.6	<b>523.2</b>	+10.6	
Interest-bearing Debts	663.9	<b>687.2</b>	+23.2	
D/E Ratio	1.42	<b>1.44</b>	+0.02	

<Free Cash Flows>

Billion yen

	1Q FY Mar/09	1Q FY Mar/10	Changes
Cash Flows from Operating Activities	<b>▲4.8</b>	<b>▲0.1</b>	+4.7
Cash Flows from Investment Activities	<b>▲28.3</b>	<b>▲14.7</b>	+13.6
Free Cash Flows	<b>▲33.1</b>	<b>▲14.8</b>	+18.3

# Capital Expenditures, Depreciation



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Billion yen

	1Q FY Mar/09	1Q FY Mar/10	Changes	Comments
Capital Expenditures	15.8	<b>8.4</b>	-7.4	Toray : 3.4, Japan : 1.1, Overseas : 3.8
Depreciation -)	20.1	<b>18.0</b>	-2.2	Toray : 9.0, Japan : 2.4, Overseas : 6.5
Transfer, Disposal, etc.	▲ 21.9	<b>10.7</b>	+32.7	
Changes in Tangible Assets	▲ 26.3	<b>1.2</b>		

## Major Capital Expenditures:

<Japan> Toray : Carbon fiber production facilities

# Net Sales and Operating Income by Business Segment



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Unit: Billion yen

	Net Sales			Operating Income		
	1Q FY Mar/09	1Q FY Mar/10	Changes	1Q FY Mar/09	1Q FY Mar/10	Changes
Fibers & Textiles	145.0	<b>112.1</b>	-32.9 (-22.7%)	3.1	<b>▲ 1.1</b>	-4.2 (-)
Plastics & Chemicals	106.8	<b>70.8</b>	-36.0 (-33.7%)	3.5	<b>▲ 0.9</b>	-4.4 (-)
IT-related Products	62.3	<b>50.2</b>	-12.1 (-19.4%)	3.6	<b>1.5</b>	-2.1 (-58.9%)
Carbon Fiber Composite Materials	19.7	<b>9.9</b>	-9.7 (-49.5%)	3.3	<b>▲ 0.8</b>	-4.1 (-)
Environment & Engineering	38.6	<b>22.2</b>	-16.5 (-42.6%)	<b>▲ 0.7</b>	<b>▲ 1.5</b>	-0.7 (-)
Life Science & Other Businesses	15.0	<b>13.5</b>	-1.5 (-10.0%)	0.1	<b>▲ 0.3</b>	-0.4 (-)
(Pharmaceuticals and Medical Products)	10.4	<b>10.5</b>	+0.0 (+0.3%)	<b>▲ 0.6</b>	<b>▲ 0.4</b>	+0.2 (-)
Total	387.4	<b>278.7</b>	-108.7 (-28.1%)	13.0	<b>▲ 3.0</b>	-16.0 (-)
Elimination & Corporate				0.3	<b>0.6</b>	+0.4
Consolidated	387.4	<b>278.7</b>	-108.7 (-28.1%)	13.2	<b>▲ 2.4</b>	-15.6 (-)

# Results by Business Segment (Fibers & Textiles)

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Unit: Billion yen

		1Q FY Mar/09	1Q FY Mar/10	Changes	
Net Sales	Toray	28.3	<b>20.7</b>	-7.6	(-26.9%)
	Japanese Subsidiaries	68.1	<b>57.6</b>	-10.5	(-15.4%)
	Overseas Subsidiaries	48.5	<b>33.7</b>	-14.8	(-30.5%)
	Total	145.0	<b>112.1</b>	-32.9	(-22.7%)
Operating Income	Toray	0.2	<b>▲ 2.0</b>	-2.1	( - )
	Japanese Subsidiaries	2.1	<b>0.7</b>	-1.4	(-68.3%)
	Overseas Subsidiaries	0.9	<b>▲ 0.1</b>	-1.1	( - )
	Adjustment	<b>▲ 0.0</b>	<b>0.4</b>	+0.4	
	Total	3.1	<b>▲ 1.1</b>	-4.2	( - )

## <Major Subsidiaries >

Japan : Toray International, Inc.,  
Ichimura Sangyo, Co., Ltd.,  
Chori Co., Ltd., etc.

Asia : PENFABRIC (Malaysia),  
LUCKYTEX (Thailand),  
ITS (Indonesia),  
FNL (China), etc.

Europe  
& US : ALCANTARA (Italy), etc.

### Toray: Sales / Income decreased

Apparel applications remained sluggish in general except for some applications for SPA. Demand for industrial-use applications led by automotive applications also continued to be drastically lower. Output reduction continued in order to adjust inventory levels.

### Japanese Subsidiaries: Sales / Income decreased

Some garment business was steady at a trading subsidiary, however, total business remained sluggish reflecting the impact of economic downturn in Japan and overseas.

### Overseas Subsidiaries: Sales / Income decreased

Against the backdrop of weak demand resulting from the economic downturn, sales volume in general decreased except for some operations such as the polyester filament business in Korea and the non-woven fabric business in China.

# Results by Business Segment (Plastics & Chemicals)

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Unit: Billion yen

		1Q FY Mar/09	1Q FY Mar/10	Changes	
Net Sales	Toray	23.1	<b>14.3</b>	-8.8	(-38.2%)
	Japanese Subsidiaries	40.0	<b>29.9</b>	-10.1	(-25.2%)
	Overseas Subsidiaries	43.7	<b>26.6</b>	-17.1	(-39.2%)
	Total	106.8	<b>70.8</b>	-36.0	(-33.7%)
Operating Income	Toray	▲ 0.4	▲ <b>2.9</b>	-2.5	( - )
	Japanese Subsidiaries	2.9	<b>0.9</b>	-1.9	(-67.9%)
	Overseas Subsidiaries	0.7	<b>1.0</b>	+0.3	(+44.7%)
	Adjustment	0.4	<b>0.0</b>	-0.4	
	Total	3.5	▲ <b>0.9</b>	-4.4	( - )

## <Major Subsidiaries>

Japan : Toray Advanced Film Co., Ltd.,  
Toray Fine Chemicals Co., Ltd.,  
Soda Aromatic Co., Ltd.,  
Chori Co., Ltd., etc.  
Overseas : TPA (US), TPM (Malaysia),  
TPEu (France), TSI (Korea), etc.

### Toray: Sales / Income decreased

Demand for automotive and electric/electronic appliance applications continued to be weak, and shipment for both plastic resins and films also remained sluggish. Output reduction continued in order to adjust inventory levels.

### Japanese Subsidiaries: Sales / Income decreased

Business performance of fine chemicals-related subsidiaries and trading subsidiaries tended to be weak on the whole reflecting the flagging demand.

### Overseas Subsidiaries: Sales decreased / Income increased

Overall business was affected by the slump in demand except for a plastic resins subsidiary in Malaysia which reported healthy shipment to China for domestic demand and to ASEAN countries. Also, businesses were steady at a US films subsidiary.

# Results by Business Segment (IT-related Products)



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Unit: Billion yen

		1Q FY Mar/09	1Q FY Mar/10	Changes	
Net Sales	Toray	29.8	21.9	-7.9	(-26.6%)
	Japanese Subsidiaries	15.3	17.0	+1.7	(+10.8%)
	Overseas Subsidiaries	17.2	11.4	-5.8	(-33.9%)
	Total	62.3	50.2	-12.1	(-19.4%)
Operating Income	Toray	2.1	▲ 0.2	-2.3	( - )
	Japanese Subsidiaries	0.7	1.1	+0.3	(+45.6%)
	Overseas Subsidiaries	0.6	0.5	-0.1	(-17.8%)
	Adjustment	0.1	0.1	-0.0	
	Total	3.6	1.5	-2.1	(-58.9%)

## <Major Subsidiaries>

Japan : Toray Engineering Co., Ltd.,  
Toray Advanced Film Co., Ltd., etc.  
Overseas : TPA (US), TPEu (France),  
TSI (Korea), STEMCO (Korea), etc.

### Toray: Sales / Income decreased

With the impact of the global economic downturn, sales and income decreased compared to the year-earlier period. Output reduction continued particularly in PET films for the adjustment of inventory levels. Demand showed signs of recovery reflecting the improvement in operations of flat panel display manufacturers.

### Japanese Subsidiaries: Sales / Income increased

Shipment of production equipment for LCD color filters increased from a year ago at an IT-related machinery subsidiary.

### Overseas Subsidiaries: Sales / Income decreased

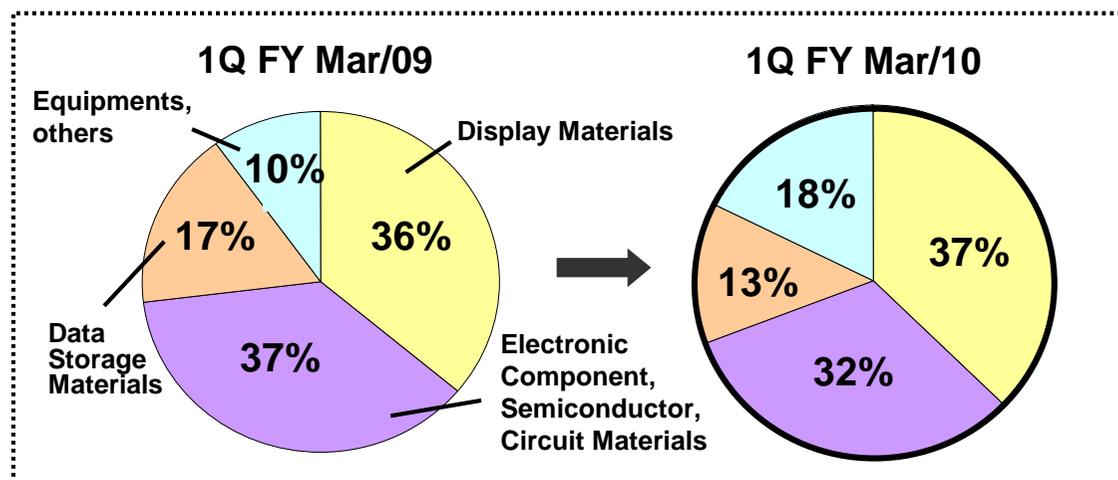
There were some signs of recovery in demand for flat panel display-related materials, however, shipment of data storage materials were slow.

# Details of the Sales of IT-related Products Segment



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[Sales ratio by sub-segment]



[Sales trends by sub-segment]

(Unit: Billion yen)

Sub-segment	1Q FY Mar/09	1Q FY Mar/10	Changes
Display Materials	22.5	18.7	-17%
Electronic Component, Semiconductor, Circuit Materials	23.0	16.0	-30%
Data Storage Materials	10.7	6.5	-39%
Equipments, others	6.2	8.9	+45%
<b>Total of IT-related Products Segment</b>	<b>62.3</b>	<b>50.2</b>	<b>-19%</b>

Sub-segments	Products
Display Materials	Optical films, processed optical films, PDP paste materials, color filters, paste materials for color filters, chemicals materials, OLED materials, etc.
Electronic Component, Semiconductor, Circuit Materials	Films for electronic components / circuit materials, FPC copper clad laminated films, adhesive tapes for TAB, adhesive sheets for semiconductors / electronic components, semiconductor coating materials, CMP pads, two-layer copper clad laminated films, TAB tapes, COF tapes, plastics, plastics products, etc.
Data Storage Materials	Magnetic materials, TTR (Thermal Transfer Ribbon), films for graphic art base, graphic materials, etc.
Equipments, others	Slit coaters for LCD, die bonding equipment, inspection equipment, equipment / components for PDP, trading companies, IT support systems, services, others

# Results by Business Segment (Carbon Fiber Composite Materials)

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Unit: Billion yen

		1Q FY Mar/09	1Q FY Mar/10	Changes	
Net Sales	Toray	12.3	<b>7.3</b>	-5.0	(-40.7%)
	Japanese Subsidiaries	9.8	<b>4.6</b>	-5.2	(-53.3%)
	Overseas Subsidiaries	18.1	<b>6.0</b>	-12.1	(-66.7%)
	Adjustment	▲ 20.6	▲ <b>8.0</b>	+12.6	
	Total	19.7	<b>9.9</b>	-9.7	(-49.5%)
Operating Income	Toray	0.9	▲ <b>1.5</b>	-2.4	( - )
	Japanese Subsidiaries	0.1	<b>0.0</b>	-0.1	(-75.5%)
	Overseas Subsidiaries	1.6	▲ <b>0.3</b>	-1.9	( - )
	Adjustment	0.7	<b>1.0</b>	+0.3	
	Total	3.3	▲ <b>0.8</b>	-4.1	( - )

## <Major Subsidiaries>

Japan : Toray International, Inc.

Overseas : SOFICAR (France),  
CFA (US), TCA (US)

As the segment highly conducts global operation with Japanese, Europe, and US facilities, internal sales figures are shown in adjustment line to describe the true state of the business.

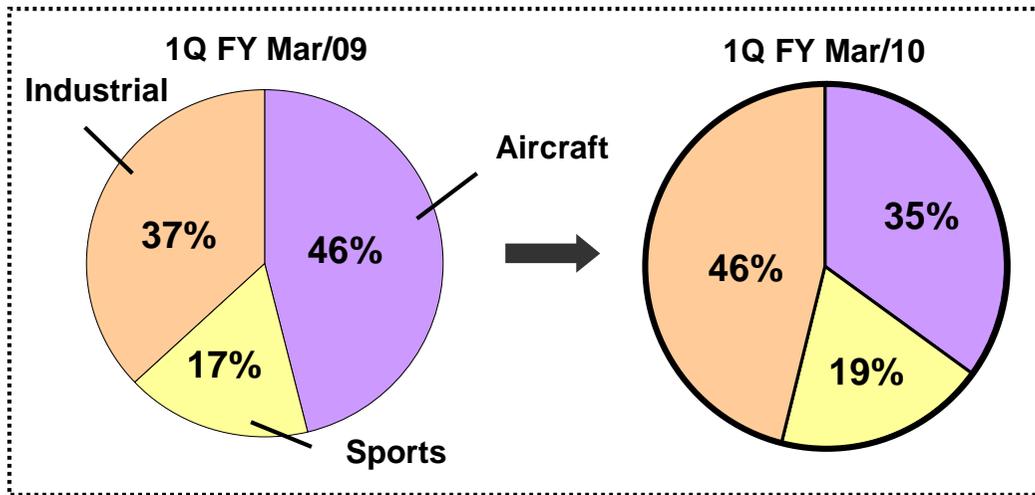
Reflecting the global economic downturn, demand slumped in aircraft, sports and industrial applications. The Group carried out production adjustments at existing facilities and postponed the commencement of operation of new facilities.

# Details of the Sales of Carbon Fiber Composite Materials Segment



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[Sales ratio by sub-segment]



Sub-segments	Applications
Aircraft	Commercial Aircraft Satellites, etc.
Sports	Golf Shafts Fishing Rods Bicycles Tennis Rackets, etc.
Industrial	Pressure Vessels / Tanks Automobiles Boats Windmills PC Chassis Civil Engineering / Construction-related applications Machine parts Fuel cell related materials, etc.

[Sales trends by sub-segment]

(Unit: Billion yen)

Sub-segment	1Q FY Mar/09	1Q FY Mar/10	Changes
Aircraft	8.9	3.4	-61%
Sports	3.4	1.9	-44%
Industrial	7.4	4.6	-38%
<b>Total of Carbon Fiber Composite Materials Segment</b>	<b>19.7</b>	<b>9.9</b>	<b>-50%</b>

# Results by Business Segment (Environment & Engineering)



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Unit: Billion yen

		1Q FY Mar/09	1Q FY Mar/10	Changes	
Net Sales	Toray	1.7	1.2	-0.5	(-26.9%)
	Japanese Subsidiaries	36.4	20.3	-16.1	(-44.2%)
	Overseas Subsidiaries	0.6	0.6	+0.0	(+6.8%)
	Total	38.6	22.2	-16.5	(-42.6%)
Operating Income	Toray	▲ 0.5	▲ 0.5	+0.0	( - )
	Japanese Subsidiaries	0.1	▲ 0.7	-0.7	( - )
	Overseas Subsidiaries	▲ 0.2	▲ 0.3	-0.1	( - )
	Adjustment	▲ 0.1	0.0	+0.1	
	Total	▲ 0.7	▲ 1.5	-0.7	( - )

## <Major Subsidiaries>

Japan : Toray Construction Co., Ltd.,  
Toray Engineering Co., Ltd.,  
Toray ACE Co., Ltd.,  
Suido Kiko Kaisha, Ltd., etc.

### Toray: Sales decreased / Income remained flat

Shipment of reverse osmosis membranes and microfiltration membranes were steady, though, there were impact of exchange rate fluctuations. Export business of home water purifiers was weak.

### Japanese Subsidiaries: Sales / Income decreased

Completed projects decreased in construction business at a construction subsidiary. Transaction volume of machinery export decreased substantially at a trading subsidiary.

### Overseas Subsidiaries: Sales remained flat / Income decreased

# Results by Business Segment (Life Science & Other Businesses)



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Unit: Billion yen

		1Q FY Mar/09	1Q FY Mar/10	Changes	
Net Sales	Toray	1.6	<b>1.8</b>	+0.2	(+15.3%)
	Japanese Subsidiaries	12.9	<b>11.0</b>	-1.9	(-14.8%)
	Overseas Subsidiaries	0.5	<b>0.7</b>	+0.2	(+32.9%)
	Total	15.0	<b>13.5</b>	-1.5	(-10.0%)
	(Pharmaceuticals and Medical Products)	10.4	<b>10.5</b>	+0.0	(+0.3%)
Operating Income	Toray	▲ 0.7	▲ <b>0.4</b>	+0.3	( - )
	Japanese Subsidiaries	0.7	▲ <b>0.1</b>	-0.8	( - )
	Overseas Subsidiaries	0.1	<b>0.1</b>	-0.0	(-6.5%)
	Adjustment	0.0	<b>0.1</b>	+0.1	
	Total	0.1	▲ <b>0.3</b>	-0.4	( - )
	(Pharmaceuticals and Medical Products)	▲ 0.6	▲ <b>0.4</b>	+0.2	( - )

## <Major Subsidiaries>

Japan : Toray Medical Co., Ltd.,  
Toray Research Center Inc.,  
Toray Enterprise Corp., etc.

### Pharmaceuticals and Medical Products: Sales remained flat / Income improved

Sales of pharmaceuticals were strong and sales volume of artificial kidneys also increased, however, there were impact of exchange rate fluctuations.

### Others: Sales / Income decreased

Sales volume declined at Japanese trading subsidiary and customer orders were low at an analytical service subsidiary.

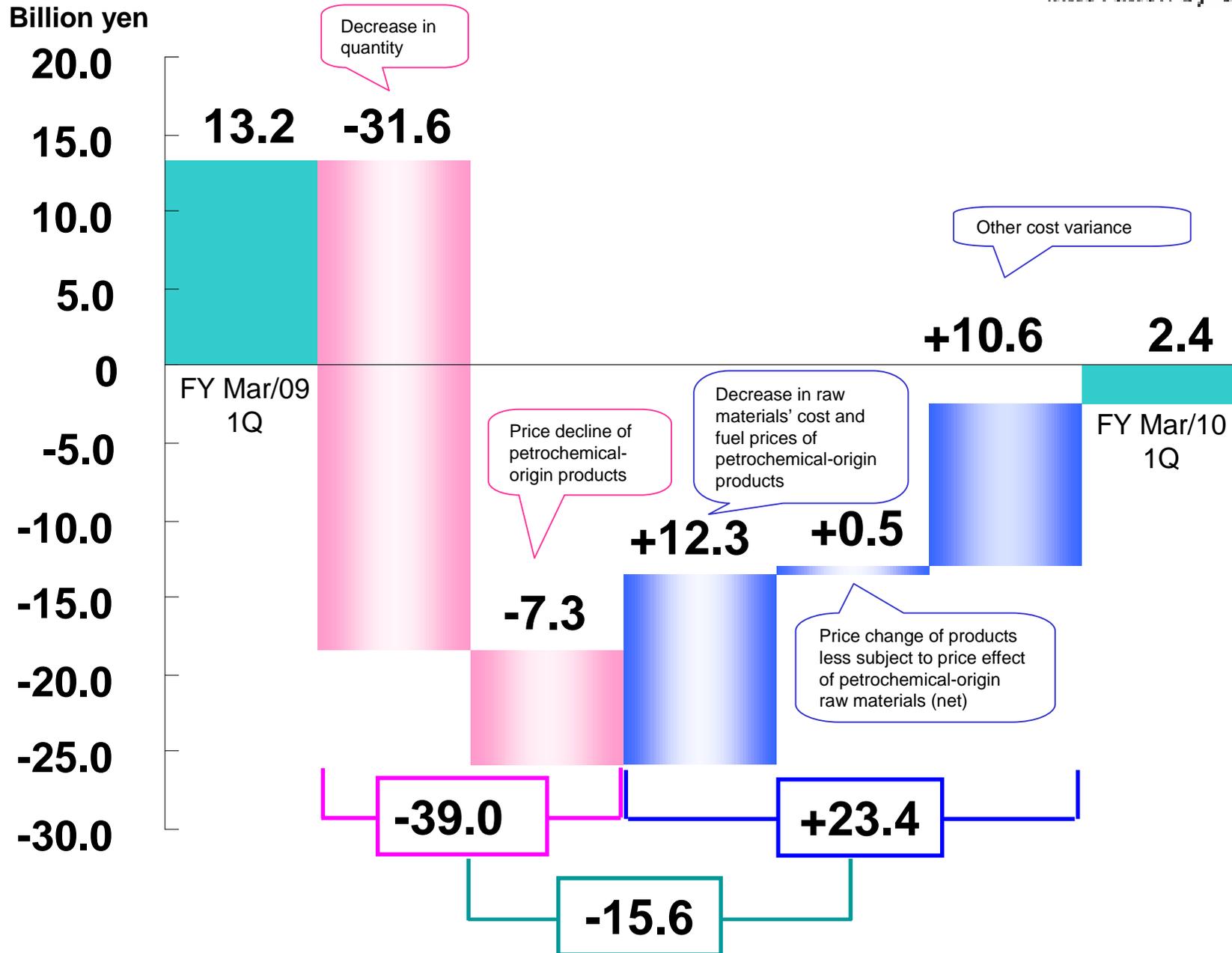
# Operating Income Comparison of 4Q FY Mar/09 and 1Q FY Mar/10



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Billion yen

Business Segment	Operating Income 4Q FY Mar/09 → 1Q FY Mar/10 ( ) difference	Variance Factors
Fibers & Textiles	2.3 → 1.1 (+1.2)	<ul style="list-style-type: none"> <li>As for Toray parent, severe business environment continued in apparel applications, however, in industrial applications, inventory adjustment through the supply chain proceeded. As a result, output reduction was eased.</li> </ul>
Plastics & Chemicals	6.7 → 0.9 (+5.8)	<ul style="list-style-type: none"> <li>As for Toray parent and Japanese subsidiaries, sales volume increased due to proceeded inventory adjustment at the customers.</li> <li>Business performance improved at a Malaysian plastic resins subsidiary through shipment increase to China for domestic demand and to ASEAN countries, and improvement of the product spread, etc.</li> </ul>
IT-related Products	3.0 → 1.5 (+4.4)	<ul style="list-style-type: none"> <li>Sales volume of FPD-related materials increased reflecting the improvement in operations of LCD panel manufacturers.</li> </ul>
Carbon Fiber Composite Materials	0.3 → 0.8 (-0.5)	<ul style="list-style-type: none"> <li>Demand declined in all applications due to the impact of economic downturn and the continued inventory adjustment through the supply chain.</li> </ul>
Environment & Engineering	2.9 → 1.5 (-4.4)	<ul style="list-style-type: none"> <li>Income of Japanese subsidiaries tends to be mostly accounted for the 4Q</li> </ul>
Life Science & Other Businesses	2.3 → 0.3 (-2.6)	<ul style="list-style-type: none"> <li>Income tends to be mostly accounted for the 4Q</li> </ul>
Elimination & Corporate	0.2 → 0.6 (+0.8)	
Consolidated	7.1 → 2.4 (+4.7)	

# Income Variance Factor Analysis



# Results of Major Subsidiaries

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Unit: Billion yen

	Net Sales			Operating Income		
	1Q FY Mar/09	1Q FY Mar/10	Changes	1Q FY Mar/09	1Q FY Mar/10	Changes
Toray International Inc.	101.1	<b>67.9</b>	-33.2	1.5	<b>1.1</b>	-0.4
Toray Engineering Co., Ltd.	13.9	<b>16.9</b>	+3.0	0.2	<b>0.7</b>	+0.4
Toray Construction Co., Ltd.	12.4	<b>6.6</b>	-5.8	0.5	<b>▲0.2</b>	-0.7
Toray Advanced Film Co., Ltd.	11.8	<b>10.5</b>	-1.3	0.5	<b>0.3</b>	-0.2
Toray Medical Co., Ltd.	8.6	<b>8.2</b>	-0.4	0.0	<b>▲0.2</b>	-0.2
TSI (Korea)	21.2	<b>13.9</b>	-7.4	0.8	<b>1.1</b>	+0.3
TPM (Malaysia)	17.3	<b>12.7</b>	-4.5	<b>▲0.2</b>	<b>0.4</b>	+0.6

Subsidiaries in Southeast Asia *1	Fibers & Textiles	27.9	<b>16.4</b>	-11.5	0.3	<b>▲0.2</b>	-0.6
	Plastics & Chemicals	19.8	<b>13.7</b>	-6.1	0.1	<b>0.5</b>	+0.4
	Others	2.2	<b>1.5</b>	-0.6	<b>▲0.1</b>	<b>0.0</b>	+0.1
	Total	49.9	<b>31.6</b>	-18.2	0.4	<b>0.3</b>	-0.1

Subsidiaries in China *2	Fibers & Textiles	17.8	<b>14.2</b>	-3.6	<b>▲0.4</b>	<b>▲0.5</b>	-0.1
	Plastics & Chemicals	10.3	<b>5.7</b>	-4.6	0.2	<b>▲0.1</b>	-0.2
	Others	3.1	<b>1.9</b>	-1.2	0.2	<b>0.0</b>	-0.3
	Total	31.2	<b>21.7</b>	-9.5	0.0	<b>▲0.6</b>	-0.5

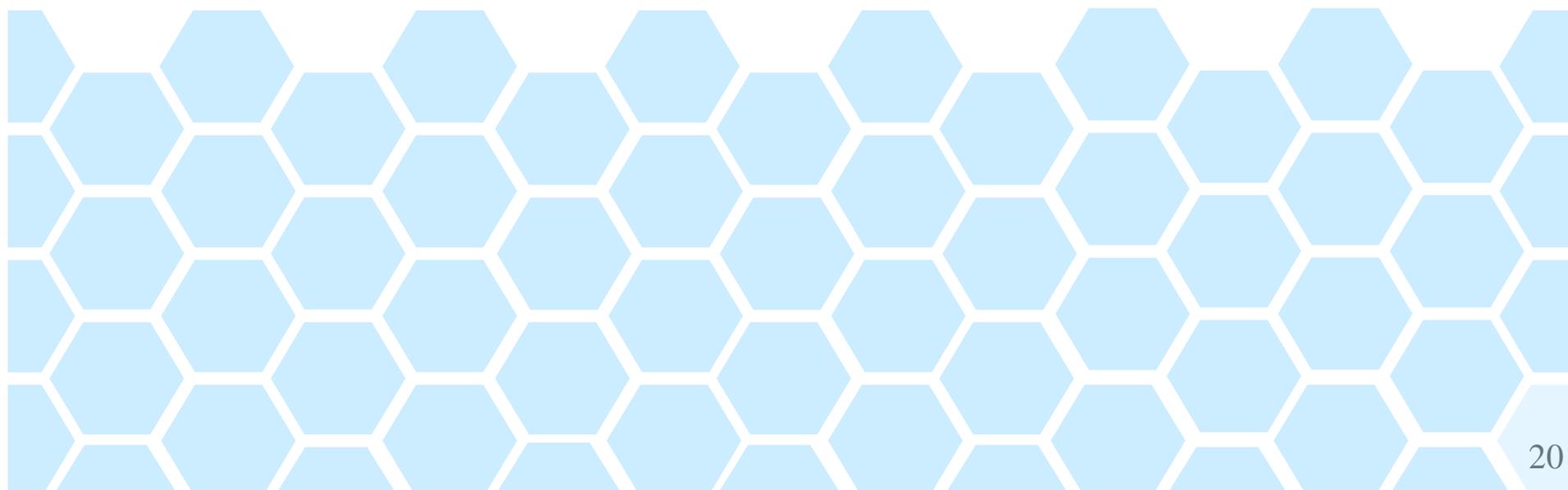
Films Subsidiaries (Overseas) *3	Plastics & Chemicals	22.4	<b>13.5</b>	-8.9	0.4	<b>0.7</b>	+0.3
	IT-related Products	9.5	<b>6.2</b>	-3.3	0.6	<b>0.2</b>	-0.4
	Total	31.8	<b>19.7</b>	-12.1	1.0	<b>0.9</b>	-0.0

\*1 : ITS, ETX, ISTEM, ACTEM, CENTEX, Penfibre, PAB-G, TTS, LTX, TTTM, TPM sum total

\*2 : TFNL, TSD, TAK/TAZ, TJQ, TPN, TCH, TSL, THK-G, TPHK/TPSZ, RKH/RKZ, TFH/TFZ sum total

\*3: TSI, Penfibre, TPA, TPEu, TFH/TFZ sum total

## II. Forecast of Consolidated Results for the Six Months Ending Sept. 30, 2009



# Forecast of Consolidated Results for the Six Months Ending Sept. 30, 2009



Innovation by Chemistry

Billion yen

	FY Mar/09 (Apr.-Sept.) Actual	FY Mar/10 (Apr.-Sept.) Forecast	Changes	Previous Forecast	Difference from Previous Forecast
Net Sales	800.9	<b>590.0</b>	-210.9 (-26.3%)	570.0	+20.0
Operating Income (Loss)	30.3	<b>▲ 5.0</b>	-35.3 (-)	<b>▲ 15.0</b>	+10.0
Ordinary Income (Loss)	27.5	<b>▲ 12.0</b>	-39.5 (-)	<b>▲ 20.0</b>	+8.0
Net Income (Loss)	10.5	<b>▲ 12.0</b>	-22.5 (-)	<b>▲ 20.0</b>	+8.0

Remarks : Estimated exchange rate : 95 yen / US\$ (July ~)  
Estimated oil price : 70 US\$/ B (DU B AI FOB) (July ~)

Note) The Company intends to review the forecast at the time of announcing the financial results for the July - September quarter taking into account various factors such as the trends in external environment.

# Forecast by Business Segment



Innovation by Chemistry

<Six months period (Apr.-Sept.) on a consolidated basis>

Unit: Billion yen

	Net Sales			Operating Income				FY Mar/10 Difference from Previous Forecast	
	FY Mar/09 (Apr.-Sept.)	FY Mar/10 (Apr.-Sept.) Forecast	Changes	FY Mar/09 (Apr.-Sept.)	FY Mar/10 (Apr.-Sept.) Forecast	Changes		Net Sales	Operating Income
Fibers & Textiles	300.5	<b>235.0</b>	-65.5 (-21.8%)	6.2	<b>▲ 1.5</b>	-7.7 (-)		+5.0	+2.5
Plastics & Chemicals	219.4	<b>145.0</b>	-74.4 (-33.9%)	8.2	<b>▲ 2.0</b>	-10.2 (-)		+10.0	+1.0
IT-related Products	131.2	<b>100.0</b>	-31.2 (-23.8%)	9.6	<b>3.0</b>	-6.6 (-68.8%)		+10.0	+5.0
Carbon Fiber Composite Materials	38.1	<b>20.0</b>	-18.1 (-47.5%)	5.6	<b>▲ 3.0</b>	-8.6 (-)		-5.0	-
Environment & Engineering	80.4	<b>60.0</b>	-20.4 (-25.4%)	0.2	<b>▲ 1.5</b>	-1.7 (-)		-	+0.5
Life Science & Other Businesses	31.3	<b>30.0</b>	-1.3 (-4.0%)	0.8	<b>▲ 0.5</b>	-1.3 (-)		-	+0.5
(Pharmaceuticals & Medical Products)	22.1	<b>23.0</b>	+0.9 (+4.0%)	<b>▲ 0.7</b>	<b>▲ 0.5</b>	+0.2 (-)		+2.0	+0.5
Elimination & Corporate				<b>▲ 0.3</b>	<b>0.5</b>	+0.8			+0.5
Consolidated	800.9	<b>590.0</b>	-210.9 (-26.3%)	30.3	<b>▲ 5.0</b>	-35.3 (-)		+20.0	+10.0

Descriptions of predicted business results, projections, and business plans for the Six Months ending September 30, 2009 contained in this material are based on predictive forecasts of the future business environment made at the present time.

The material in this presentation is not a guarantee of the Company's future business performance.