

Long-term Corporate Vision
“AP-Growth TORAY 2020”
and
Medium-term Management Program
“Project AP-G 2013”

February 3, 2011

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Results of Medium-term Management Program “Project IT-II”



Results of Major Projects Under “IT-II”

1. Total Cost Reduction (TC Project : Total Cost Reduction Project)

TC reduction target <FY Mar/09 budget→FYMar/11> <Billion yen>

	Target	Forecast
Reduction of fixed costs	60	60
Reduction of variable costs	40	42
Total	100	102

2. Action Program for Survival (APS Project : Action Program for Survival)

Maximize earnings by “ensuring sales through every possible effort”

Increase sales volume using optimal pricing strategies (increasing market shares in priority fields, etc.)

Improve product spread through optimal price setting and reduction effects of variable costs, etc.

Establish reasonable forecasts for the scale of businesses in the medium term, and optimize the scale and systems for marketing and sales, production, and development functions

Streamline facilities of LCD color filters business, etc.

3. Action Program for Growth (APG Project : Action Program for Growth)

Solution proposal to economical-growth constraints with

Toray Group products and technologies

Enter into battery separator film business

Establish joint venture with Daimler AG for manufacturing and marketing of carbon-fiber based automobile parts

Establish E&E Center to promote technology development for Green Innovation Businesses, etc.

Leveraging growth potential of the enormously growing Asian market (especially in China)

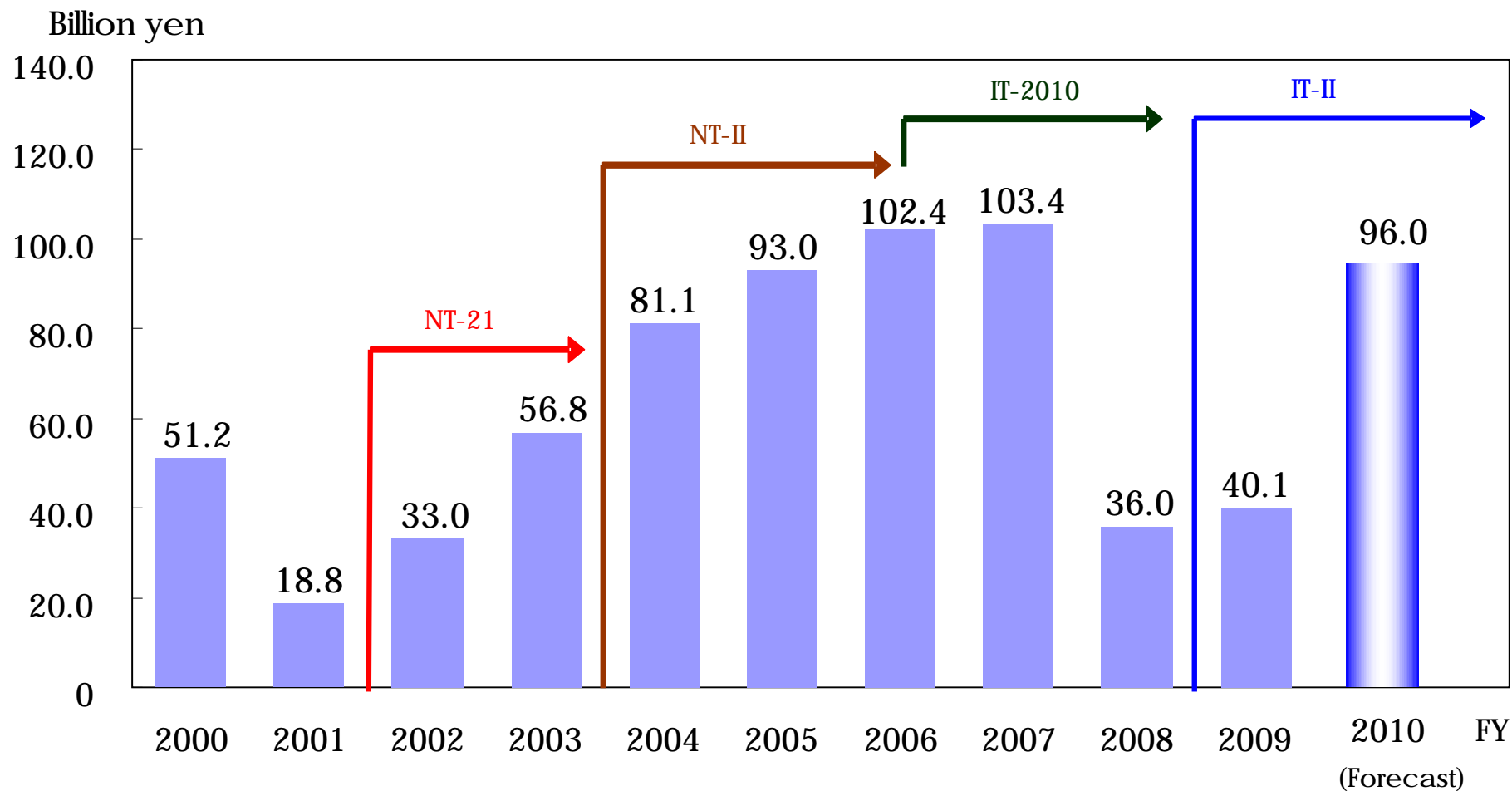
Alliance with local enterprises, enhance and expand production bases

Improvement of Cash Flows

Reduction of capital expenditures and working capitals (inventories, etc.)

Laid the base to return to the growth track

Trends in Consolidated Operating Income



Long-term Corporate Vision “AP-Growth TORAY 2020”

- **Global Growth through Advanced Materials
and Green Innovation -**



Basic Principle of “AP-Growth TORAY 2020”



Toray Group

Corporate group that continually increases revenues and profits

Corporate group that proactively contributes to social development and environmental stewardship

Corporate group that provides high values to all stakeholders

**Realization of
Toray Group Corporate Philosophy
“Contributing to society through the creation of new
value with innovative ideas, technologies and products”**

Business Categories and Strategies

Foundation Businesses

Fibers & Textiles

Plastics & Chemicals

Expand businesses in growth business fields and regions and steadily increase revenues and profits
Improve products and business models to expand earnings and allocate management resources to growth business fields

➡ Steadily drive business expansion and profit growth of the Group

Strategically Expanding Businesses

IT-related Products

Carbon Fiber Composite Materials

Focus on growth business fields including information-telecommunication, automobiles and aircraft, and energy saving and new energy
Allocate management resources with priority
Implement measures including M&A and business alliance

➡ Drive revenue and profit growth over the medium- and long-term and achieve strategic and aggressive business expansion

Intensively Developing and Expanding Businesses

Environment & Engineering

Life Science

Allocate management resources with priority
Develop and expand businesses by measures including M&A and business alliance

➡ Develop as the next driver for revenue and profit growth to follow IT-related products and carbon fiber composite materials

Global Growth through Advanced Materials and Green Innovation

Prospects of Business Structure Reform

To evolve into a corporation that continually increases revenues and profits, Toray Group will implement business structure reforms based on the strategy described below.

Expand Business Revenue and Profit

Steadily expand revenues and profits through Foundation Businesses
Bolster the earnings of Strategically Expanding Businesses through focused allocation of management resources

➔ Position Foundation Businesses and Strategically Expanding Businesses as the drivers of revenue and profit growth. Nurture Intensively Developing and Expanding Businesses to be the next profit base

Expand Global Business

Pursue growth in global markets in every segment to expand the net sales ratio of growth countries and regions from 34% to 50%

➔ Leverage global business opportunities in growth countries and regions

Expand Green Innovation Businesses

Promote the development of products and technologies that will provide solutions to global environmental issues and energy and resource issues

➔ Expand net sales of Green Innovation Businesses to 1 trillion yen around 2020

LCM (Life Cycle Management) Environmental Management

LCM Environmental Management

Toray introduced LCM as a rationale to establish business strategies and management strategies based on an analysis of the balance of environmental load and costs from the standpoint of the entire lifecycle of products, technologies and services in all the industrial and business activities.



Balance

Environmental load
Reduction

and

Sustainable
Growth

For the development of a viable engagement

Image of Financial Indicators

(FYR) <Billion yen>

	FY 2010 (Forecast)	Around 2015 (Image)	Around 2020 (Image)
Net Sales	1,530	2,000	3,000
Foundation Businesses	945 (62%)	1,100 (55%)	1,500 (50%)
Strategically Expanding Businesses Intensively Developing and Expanding Businesses	585 (38%)	900 (45%)	1,500 (50%)
Growth Countries and Regions	520 (34%)	900 (45%)	1,500 (50%)
Green Innovation Businesses	370 (24%)	600 (30%)	1,000 (33%)
			() net sales ratio
Operating Income	96	180	300
Operating Income to Net Sales ratio	6.3%	9%	10%
ROA	about 6%	9%	10%
ROE	about 9%	12%	13%

ROA=Operating Income / Total Assets

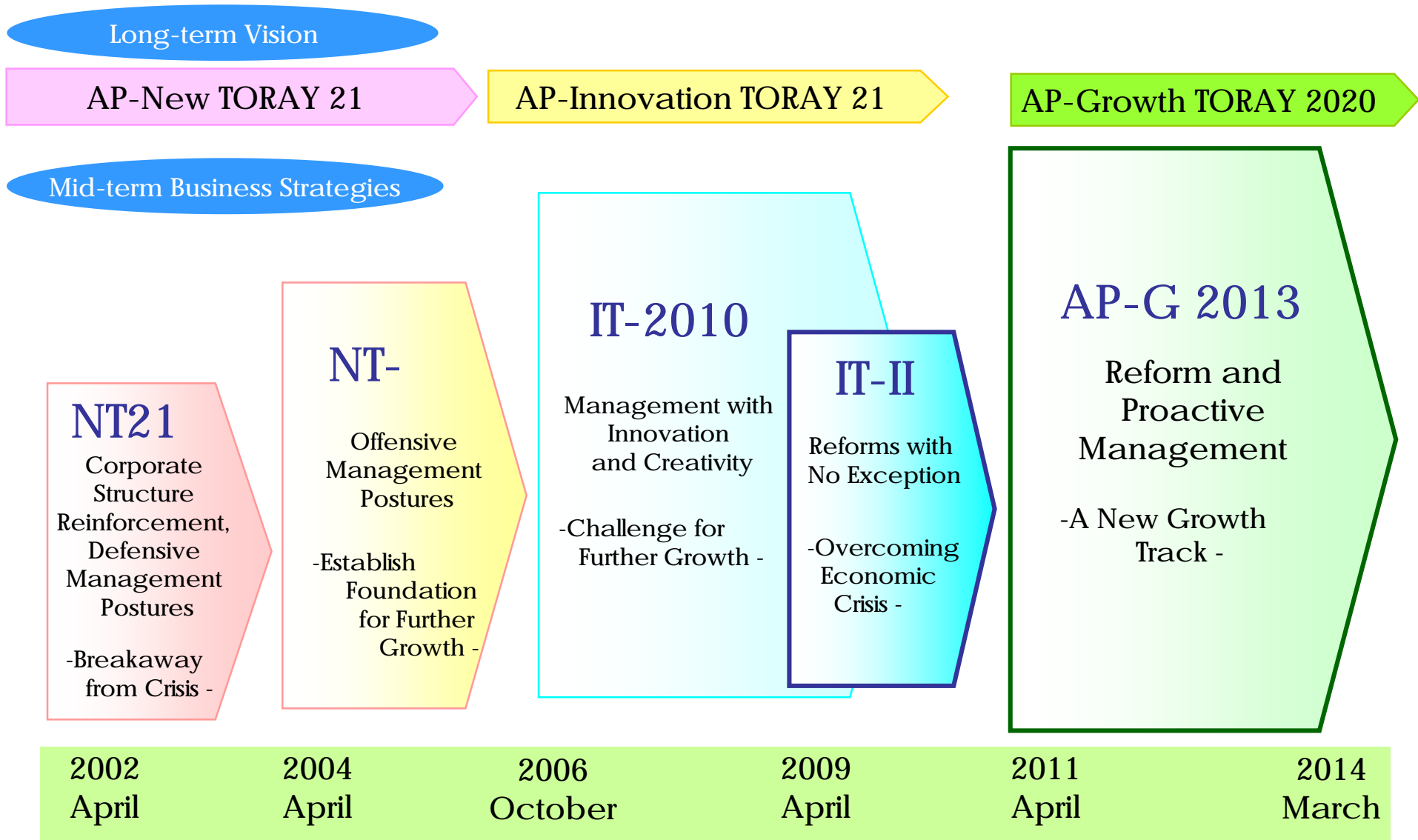
ROE=Net Income / Shareholders' Equity

Medium-term Management Program “Project AP-G 2013”

A New Growth Track through
Reform and Proactive Management



Roadmap to AP-G2013



Key Principle and Basic Strategies

Key Principle

Expand businesses in growth business fields and regions

Establish a robust business footing by cost reductions

Basic Strategies

1. Business expansion in growth business fields

2. Business expansion in growth countries and regions

3. Capital investment strategy

4. M&A and business alliance strategies

5. R&D investment strategy

6. Developing and securing human resources

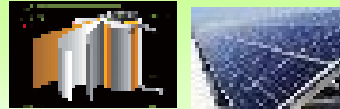
7. Bolstering competitiveness

8. Ongoing promotion of business structure reform

Business Expansion in Growth Business Fields

For the four major growth business fields, Toray Group will expand its business by bolstering development of advanced materials and cross-sectional business approach. Regarding businesses related to environmental issues, Toray Group will comprehensively and aggressively expand its Green Innovation Businesses.

Environment, Water-related and Energy



Aggressively expand carbon fiber composite materials to be the mainstay of Green Innovation Businesses

Expand materials for use in batteries and next-generation power sources

Global expansion of the water treatment business
Expand applications for non-petrochemical-based fibers, resins and films

Information, Telecommunications and Electronics

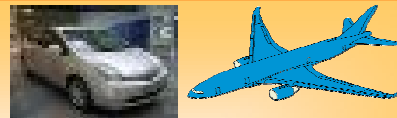


Expand business in the electronic device market including cell phones, flat panel TVs and smartphones

Accelerate development and sales expansion of innovative products through vertically integrated tie-ups with customers

Improve competitiveness by integrating businesses from resin and film materials to parts

Automobiles and Aircraft



Expand new applications of carbon fiber composite materials and high-performance resins that can provide energy efficiencies through weight reduction and reduce greenhouse gas emissions
Develop products to leverage expanding markets for next-generation power trains and automotive electronics

Aggressively expand investment in carbon fiber composite materials

Life Science



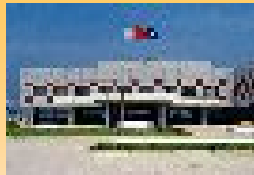
Extend the drug discovery business model
Develop and market high value-added medical materials
Create innovative bio-tools by combining biotechnology and nanotechnology

Business Expansion in Growth Countries and Regions

Leverage the Group's management resources efficiently to expand business smoothly and promptly in Asia and emerging countries.

China

Fibers & Textiles,
Plastics & Chemicals



Establish vertically integrated businesses extending from filament yarn, woven and knitted fabrics to garments
Increase production capacity of polypropylene spunbond to enhance the supply system
Bolster production base for resin compounds and start-up chemical businesses (including DMSO, etc.)

IT-related Products

Improve and expand the supply system of display materials

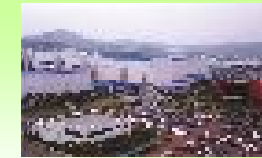
Environment & Engineering



Start-up full-scale production of reverse osmosis membranes at TBMC and strengthen the sales structure

Republic of Korea

Fibers & Textiles,
Plastics & Chemicals



Upgrade existing business structures

IT-related Products
Carbon Fiber Composite Materials

Expand IT-related materials through collaboration with customers
Embark on full-scale carbon fiber business

ASEAN

Fibers & Textiles, Plastics & Chemicals

Upgrade products at each existing local companies and develop new business models which leverage Free Trade Agreements and Economic Partnership Agreements
Expand businesses in growth business fields such as automotive applications

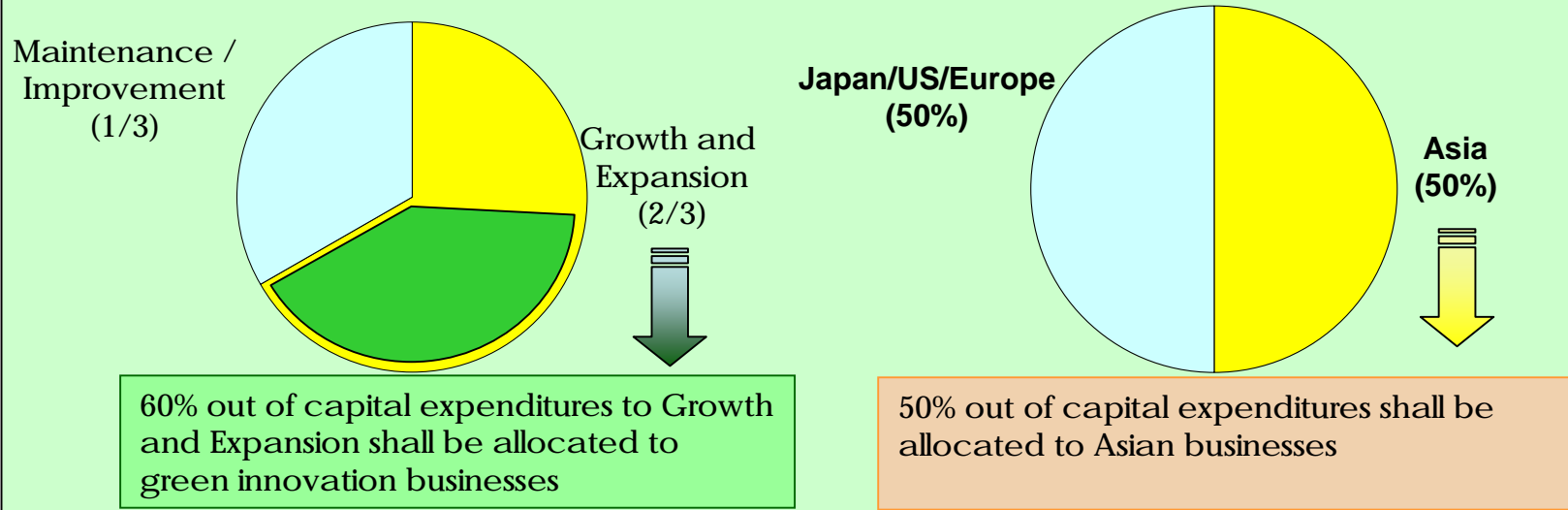
Emerging Countries

Strategically prioritize investment in India, Mideast, Brazil and others

Strategies for Capital Investment, M&A and Business Alliance

Capital Investment Strategy

350 billion yen of capital investment planned in 3 years period from FY 2011

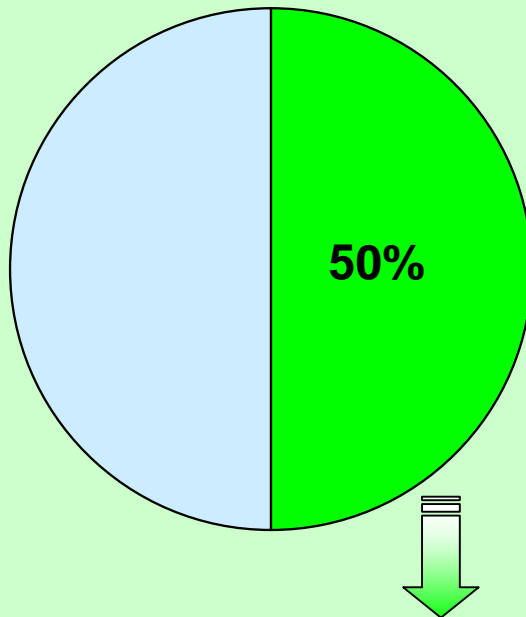


M&A and Business Alliance Strategies

To expedite business expansion, make strategic decisions and actions on priority themes including M&A schemes considered on a business unit basis as well as those promoted from a group-wide perspective
 M&A funds will be held separate from capital expenditures and be invested based on strategic decisions

Increase R&D investment focusing on Green Innovation

160 billion yen in 3 years period
from FY 2011



50% out of R&D expenses shall be
allocated to research and development
related to green innovation

Major Issues

1. Strengthen R&D in green innovation-related themes

<Major Themes>

① High-efficiency in energy use

CFRP for lightening of vehicles and aircraft, etc.

② New energy

Materials, parts for three major batteries
(solar cells, fuel cells, lithium ion battery), etc.

③ Bio-based polymers

Conversion to bio-based polymers such as
polylactic acid, PET, etc.

④ Water treatment

High-performance RO, UF / MF membranes, etc.

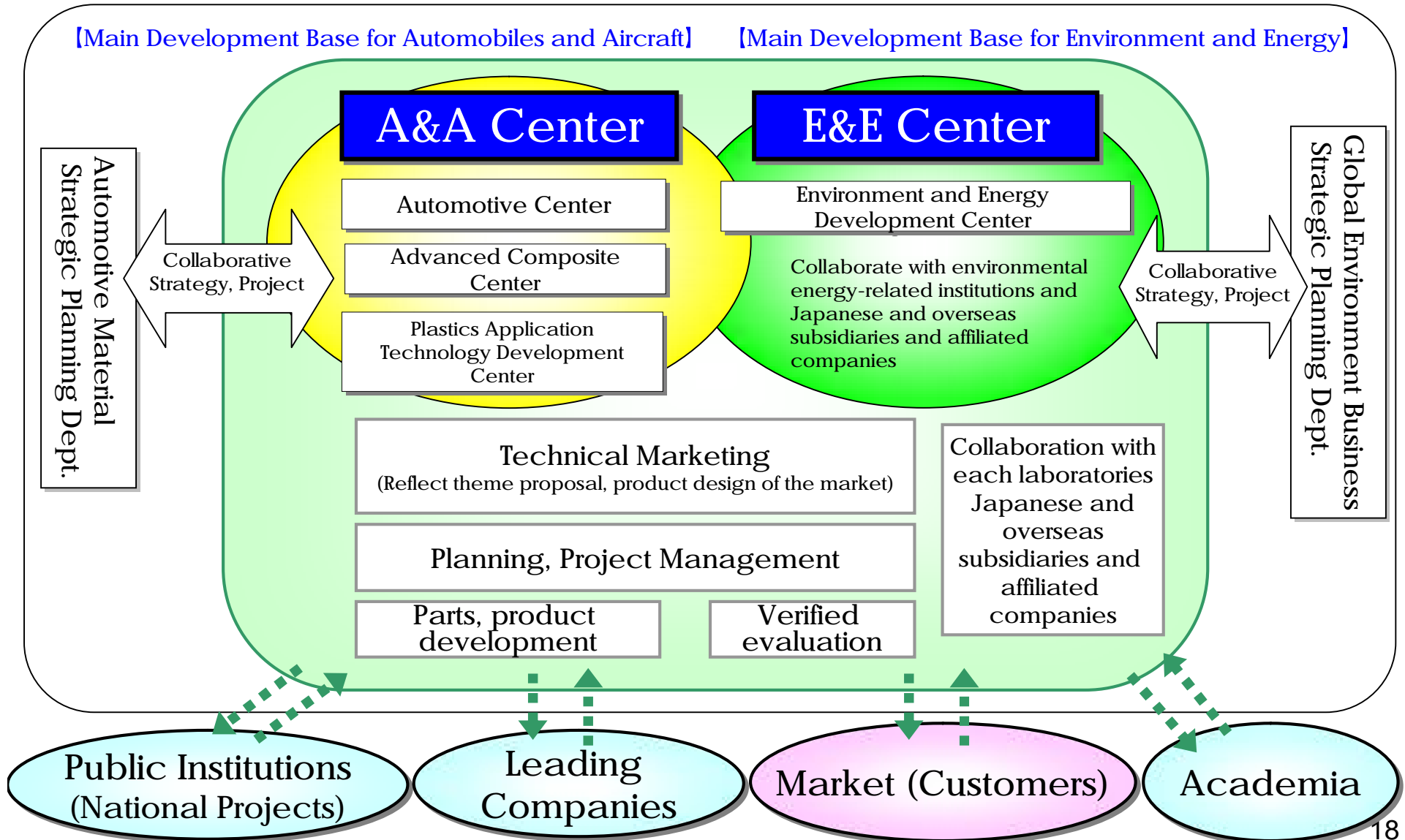
2. Promote open innovation

3. Intensify global research and development

4. Strengthen basic and fundamental research

Promote Open Innovation

Promote integrated co-development with customers : comprehensive ability and speed

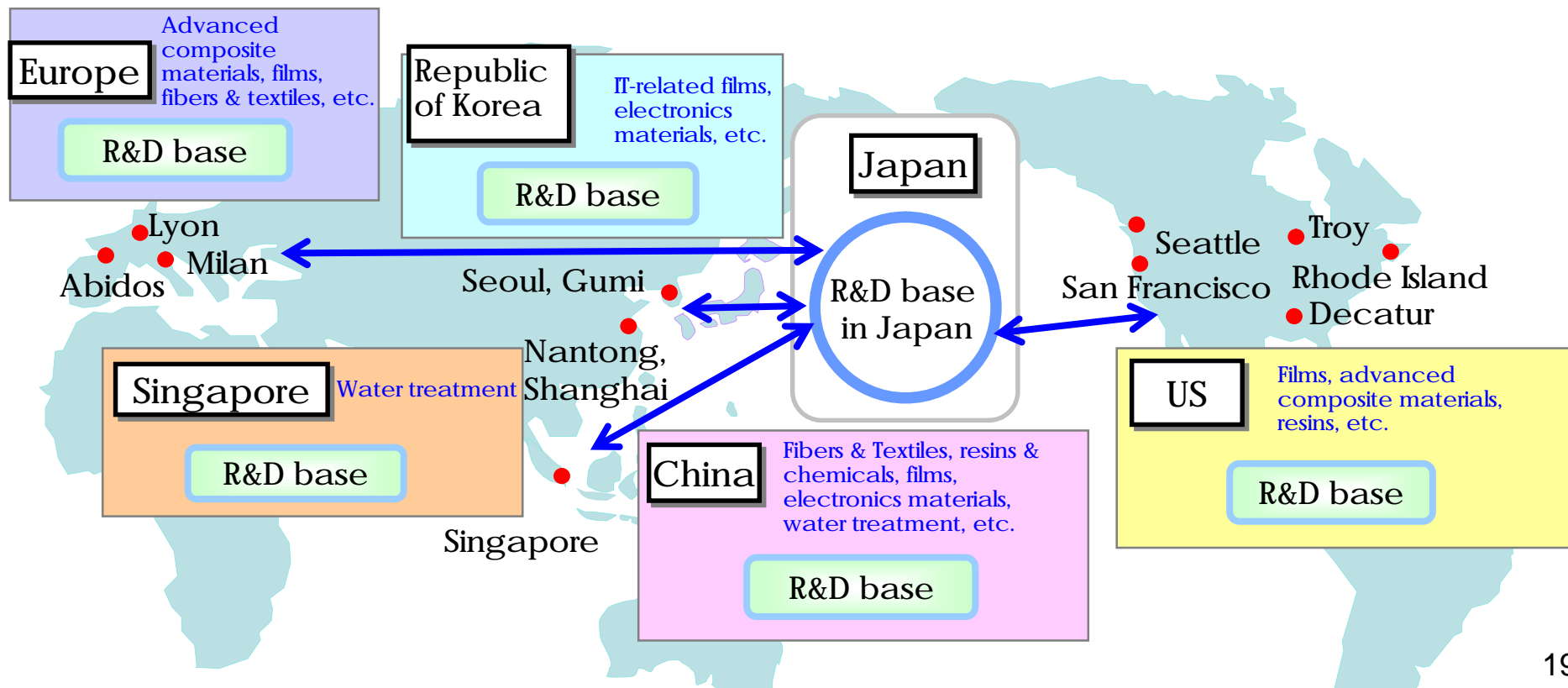


Intensify Global Research and Development

Global implementation of “Business Expansion in Growth Business Fields and Regions”
(Number of R&D staff on a global basis : about 3,300)

Develop collaborative research and technological development with operational bases in each country

Global development of Intellectual Property Strategy



Developing and Securing Human Resources

<Strategic Direction>

1. Develop and secure personnel with high aspirations and global mind-set
2. Secure world-leading R&D and technological capabilities
3. Realize strong operational competency to beat international competition

Develop and secure competent employees who will lead the creation and implementation of key strategies

- Redesign Toray Management School for capable managers to develop into future executives

Employ and foster employees internationally that can excel globally regardless of national boundaries

- Develop and promote local personnel and appoint competent personnel to executives and senior managers
- Strategically increase global recruitment
- Enrich internationalization training (studying-abroad program for Japanese employees and upgrading of training in Japan for local staffs, etc.)

Bolstering Competitiveness, Ongoing Promotion of Business Structure Reform

Bolstering Competitiveness

Undertake efforts to bolster corporate competitiveness to establish a robust business footing

Maintain fixed costs at an appropriate level and radically reduce variable costs (over 70 billion yen)
Strengthen operational strength at manufacturing sites and production technology to enable production of world-class quality and competitiveness
Comprehensively optimize and drive efficiencies in administrative and indirect functions
While maintaining capital investment for business expansion, increase the efficiency of working capital via thorough inventory management, in order to improve cash flows
Improve capital efficiency (ROA, ROE, etc.)
The guideline figure for D/E ratio is 1

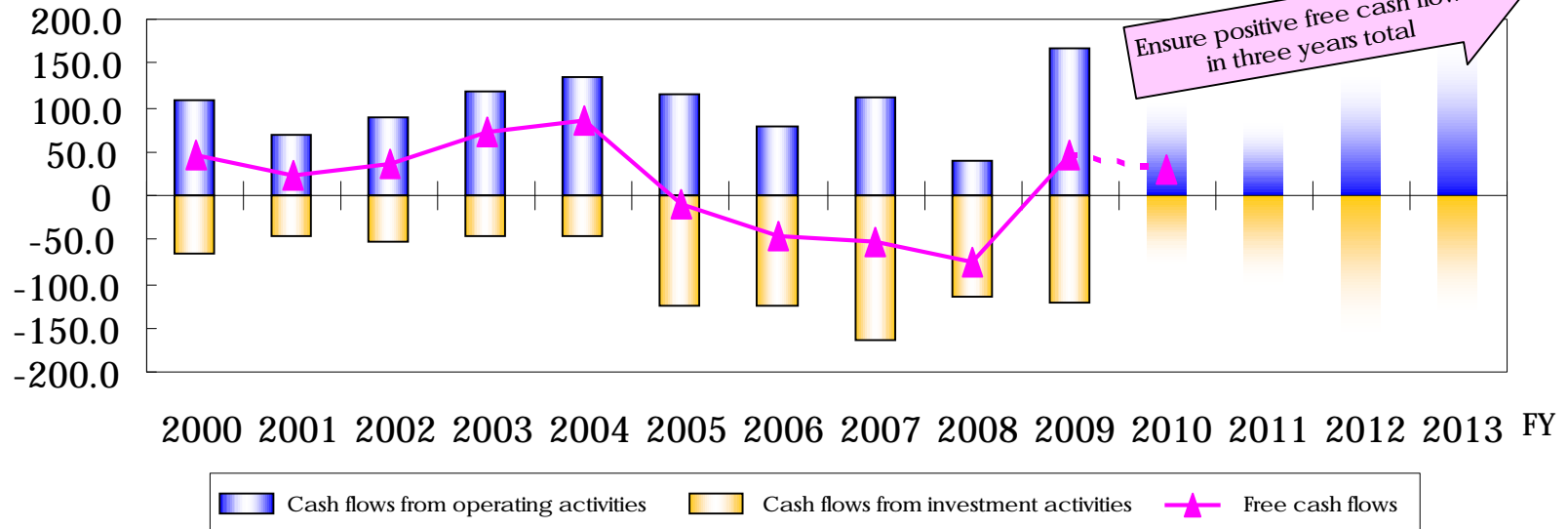
Ongoing Promotion of Business Structure Reform

Continue to implement structural reform of loss-generating and low-profit businesses in Japan and overseas
For Foundation Businesses in Japan, maintain and bolster foundations for production and marketing and sales by shifting offerings to advanced products, strengthening collaboration with existing customers, improving market share and continuing to strengthen corporate structure
Steadily increase profits in Strategically Expanding Businesses by identifying issues such as developing new products and applications and strengthening cost competitiveness
Implement structural reforms including integration and reorganization of group companies in Japan to strategically expand businesses and enhance business synergies

Trends in Cash Flows and Inventories

Billion yen

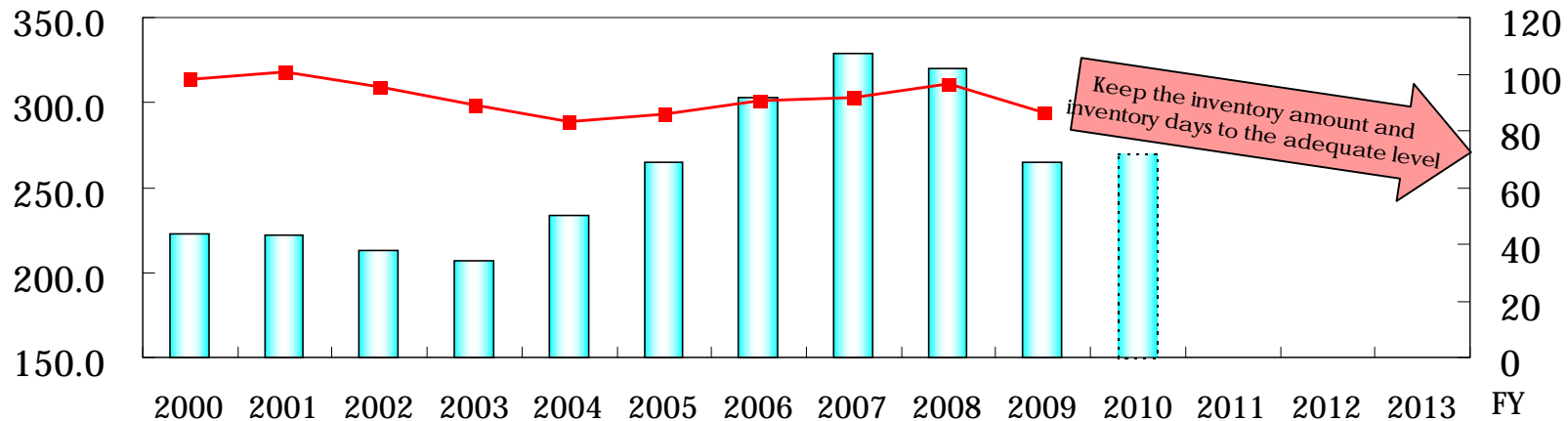
Trends in Consolidated Cash Flows



Inventory Amount
<Bar chart, Billion yen>

Trends in Consolidated Inventories

Inventory Days
<Line chart, days>



Green Innovation Business Expansion (GR) Project

Toray Group will use its strength in chemistry to develop “Green Innovation Businesses” on a global scale to provide solutions to the environmental issues and energy and resource issues, towards the independence from petroleum resources and the realization of a low-carbon society.

Asia and Emerging Country Business Expansion (AE) Project

Toray Group will seek to aggressively develop and expand businesses in Asia and emerging countries in other regions that are expected to realize major economic growth.

Total Cost Reduction (TC-II) Project

Toray Group will continue cost reduction initiatives to reinforce the robust business footing required to achieve its objective of becoming a corporate group that continually increases revenues and profits.

Toray Group will use its strengths in chemistry to develop Green Innovation Businesses on a global scale

Expansion of Green Innovation Businesses

Toray Group will aim to contribute to global issues including the global environment and energy and resource

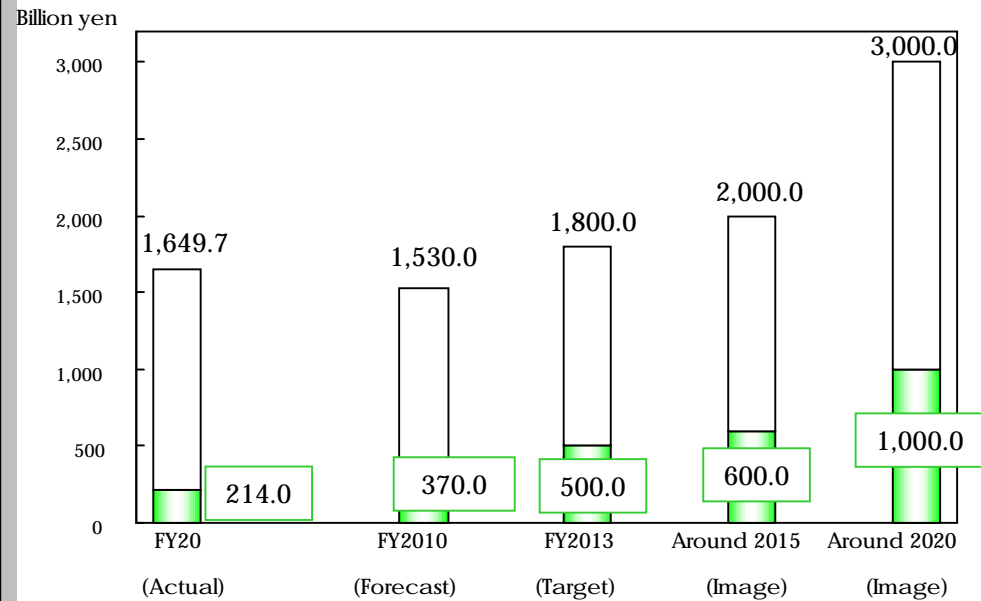
Development of Green Innovation Businesses

Toray Group will develop technologies and businesses related to new materials and components that will contribute to solutions to global environmental issues (solar battery cell encapsulant materials, electrolyte membranes for fuel cells, lithium ion battery electrode materials, etc.)

Reduction of Greenhouse Gas (GHG)

- Toray Group will promote development of technologies and products, and increase sales with aim to reduce GHG emissions achieved through the use of its products to 200 million tons per year around 2020
- Toray Group will aim to reduce 25% of GHG emissions in manufacturing processes by FY2020 over FY1990 in its operations in Japan

Trends in Net Sales of Green Innovation Businesses



Net sales ratio of Green Innovation Businesses



Toray Group aims to expand its Green Innovation Businesses to 1 trillion yen around 2020

<Carbon Fiber Composite Materials>

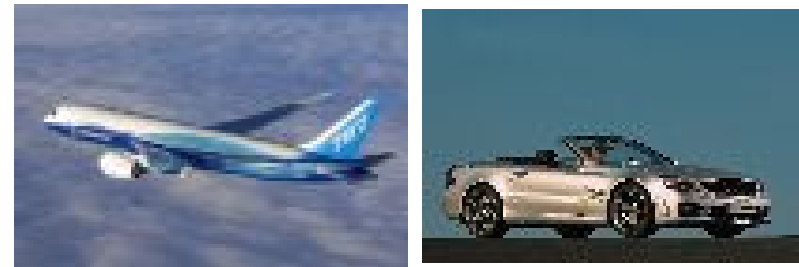
Expansion of Environment, Energy-related Applications

Clean Energy



CNG tank Wind power blade

Light-weight, Energy-saving



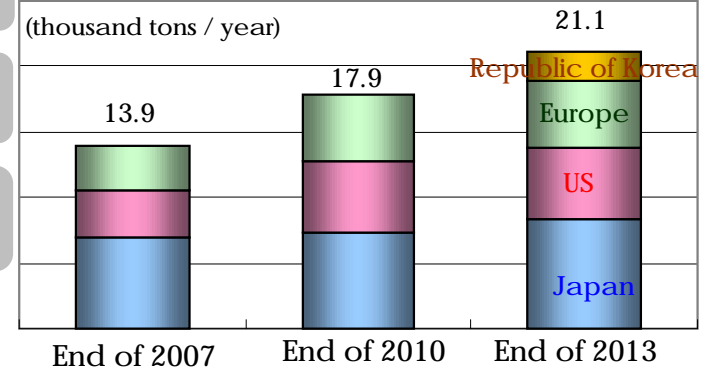
Aircraft Automobile

Recommencement of the expansion of high-performance carbon fibers

Start of full-scale commercialization of carbon fibers in Republic of Korea

Establishment of a joint venture with Daimler AG for the manufacturing and sales of automobile parts

Toray Group Production Capacity (carbon fiber)

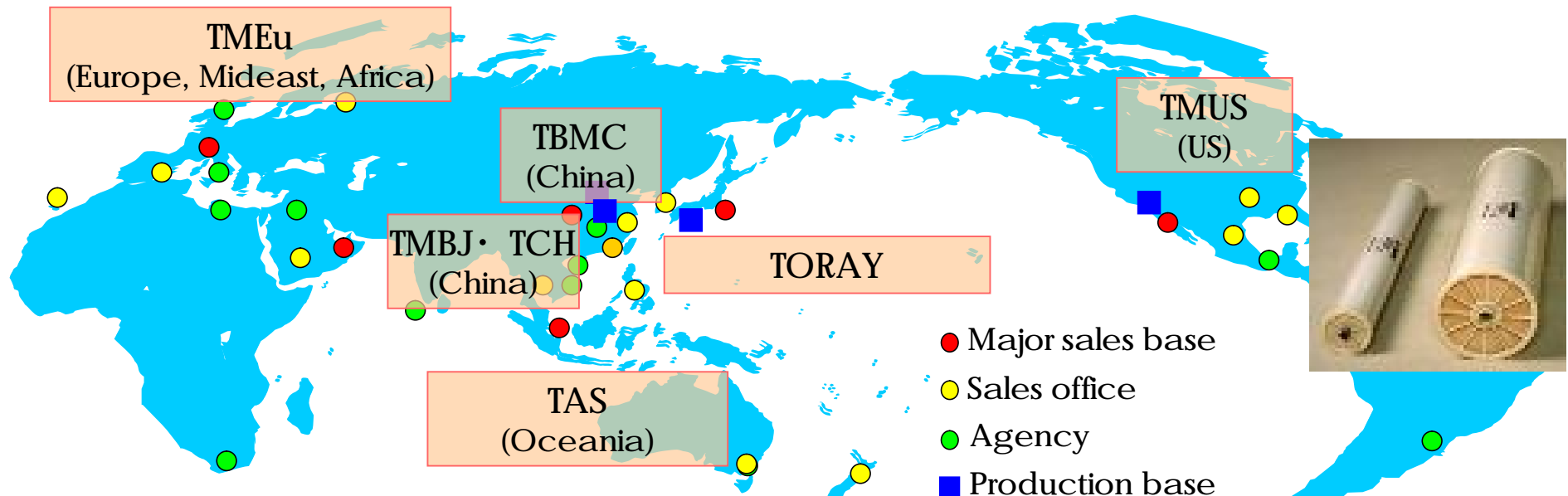
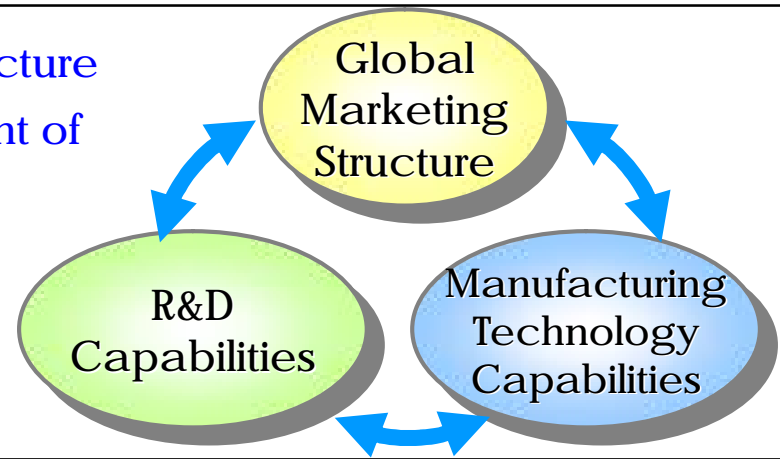


The carbon fiber composite materials will be a core business for the “Green Innovation Businesses” and Toray Group will aim to rapidly expand its application in a wide range of areas

Strategic Fields of Green Innovation Businesses (2) **TORAY** Innovation by Chemistry

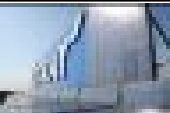
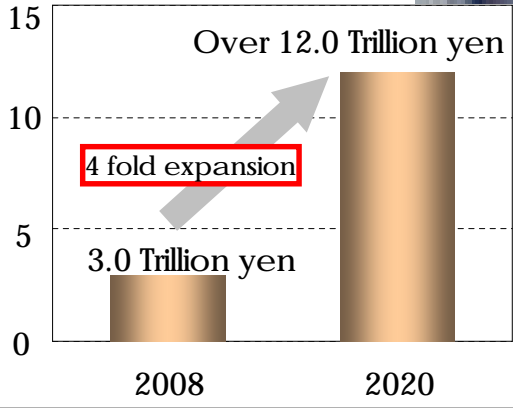
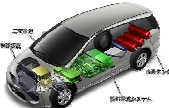
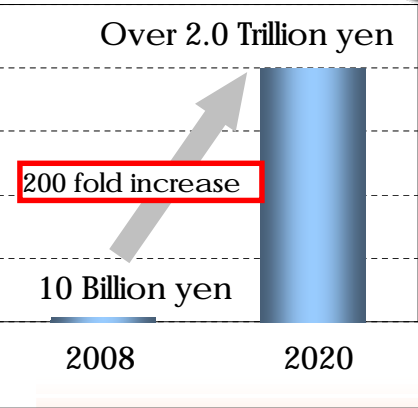

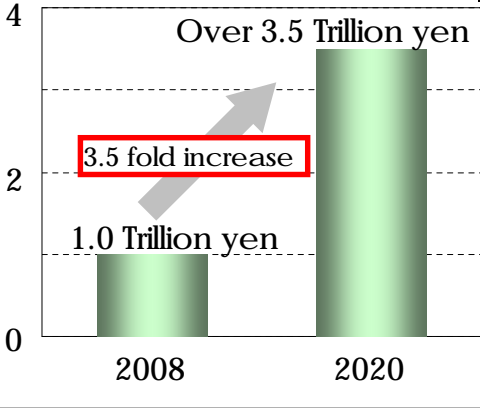
<Water Treatment Membranes>

1. Strengthen and expand **Global Marketing Structure**
2. Strengthen profit structure through **improvement of production system and increase of production capacity**
3. **Create new technologies and new products** fully utilizing comprehensive R&D and manufacturing technology capabilities



Maintain the strong position as the world leader in membrane business by strengthening globalization

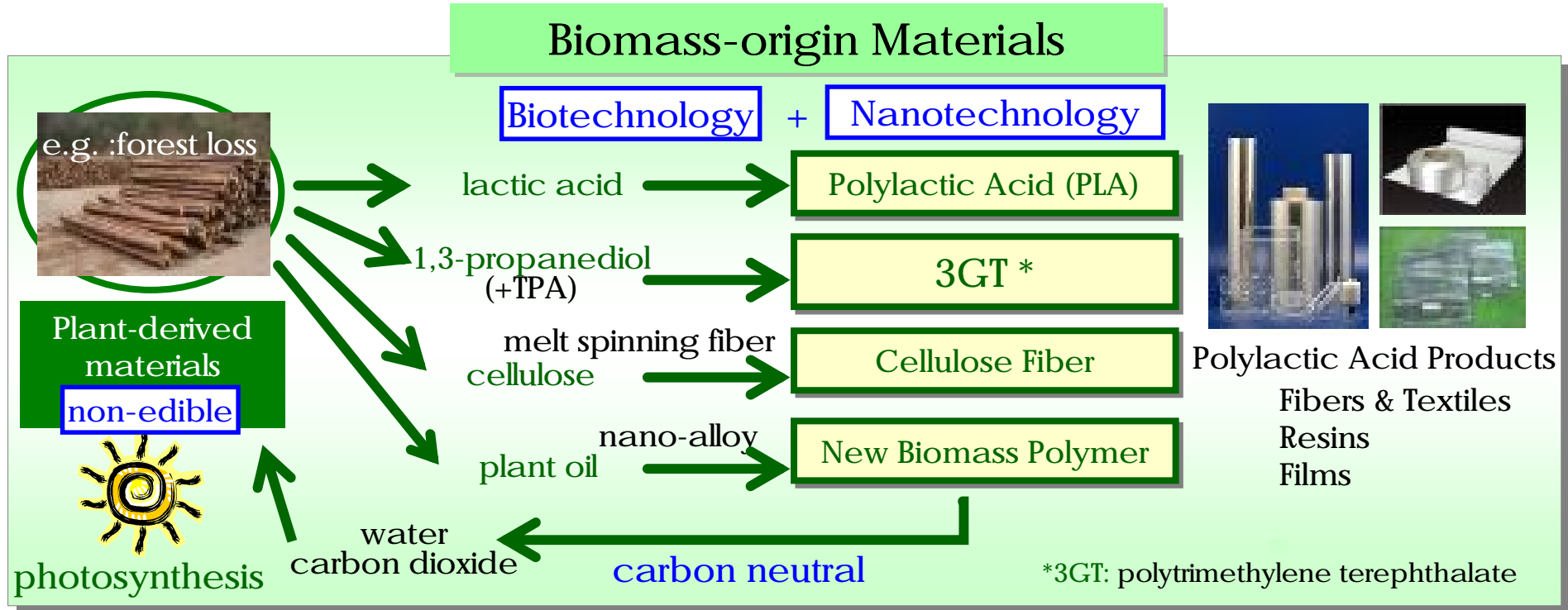
<Battery (solar cell , fuel cell, lithium-ion battery, etc.) Materials>

Solar Cell Materials	Fuel Cell Materials	Lithium-ion Battery Materials
Back Sheet <i>PET Film</i> Front Sheet <i>Fluorine Film</i> Junction Box <i>Engineering Plastics</i> Potting Compound, Adhesive <i>Silicone Resin</i> Substrate Film <i>Polyimide Film</i> Semiconductor Layer <i>Organic Semiconductor</i>	Electrolyte Membrane <i>High-performance Film</i> Gas Diffusion Layer <i>Carbon Fiber</i> Fuel Tank <i>Carbon Fiber</i>	Battery Separator <i>Heat-resistant Microporous Film, OPP Microporous Film</i> Negative-electrode Material <i>Si Material</i> Binder <i>Polyimide-amide Resin</i> Battery Manufacturing Equipment <i>Toray Engineering Co., Ltd.</i> Analysis Technology <i>Toray Research Center Inc.</i>
【System Market Size】  (Trillion yen) 	【System Market Size】  	【Battery Market Size】  

Aim to become a comprehensive manufacturer of battery materials with unified effort of Toray Group

Strategic Fields of Green Innovation Businesses (4)

<Biomass Materials>



Promote development and commercialization of new products utilizing biomass-origin materials

Asia and Emerging Country Business Expansion (AE) Project

Toray Group will seek to aggressively develop and expand businesses in Asia and emerging countries in other regions that are expected to realize major economic growth

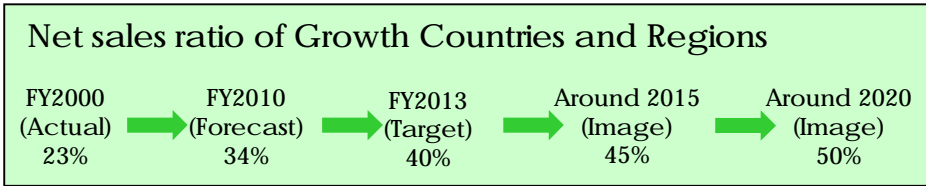
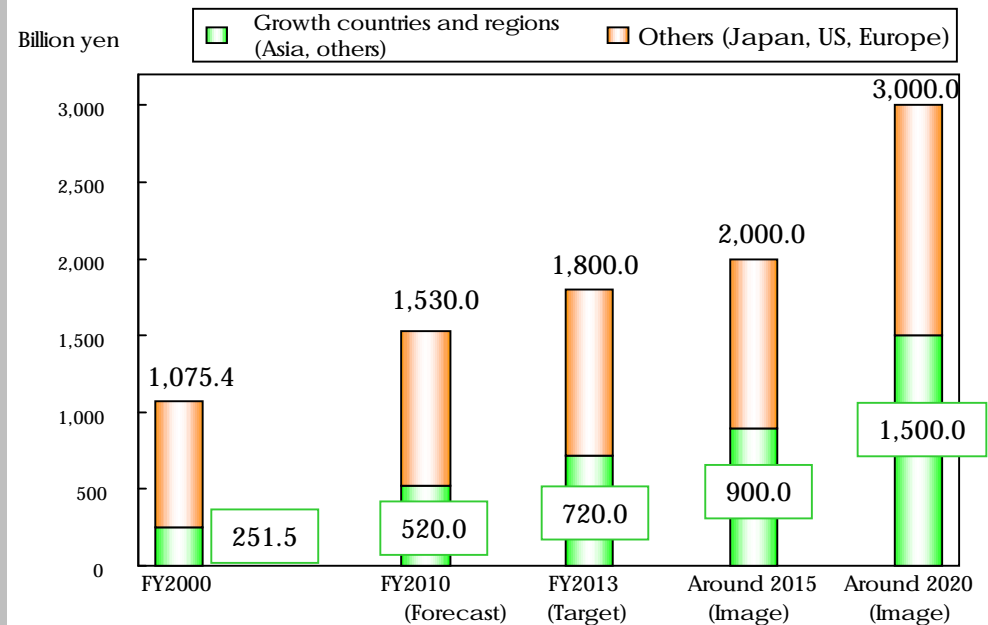
Develop and provide products and materials that meet the needs in Asia and emerging countries. Strengthen marketing and sales capabilities to ensure that products penetrate local markets

Strengthen infrastructure of existing production bases and also establish new facilities in areas where facilities do not currently exist. Bolster local technical support functions to customers

Achieve rapid expansion of businesses by leveraging existing production and sales bases as well as group-wide management resources to the greatest extent possible, and through alliances with local leading companies as necessary

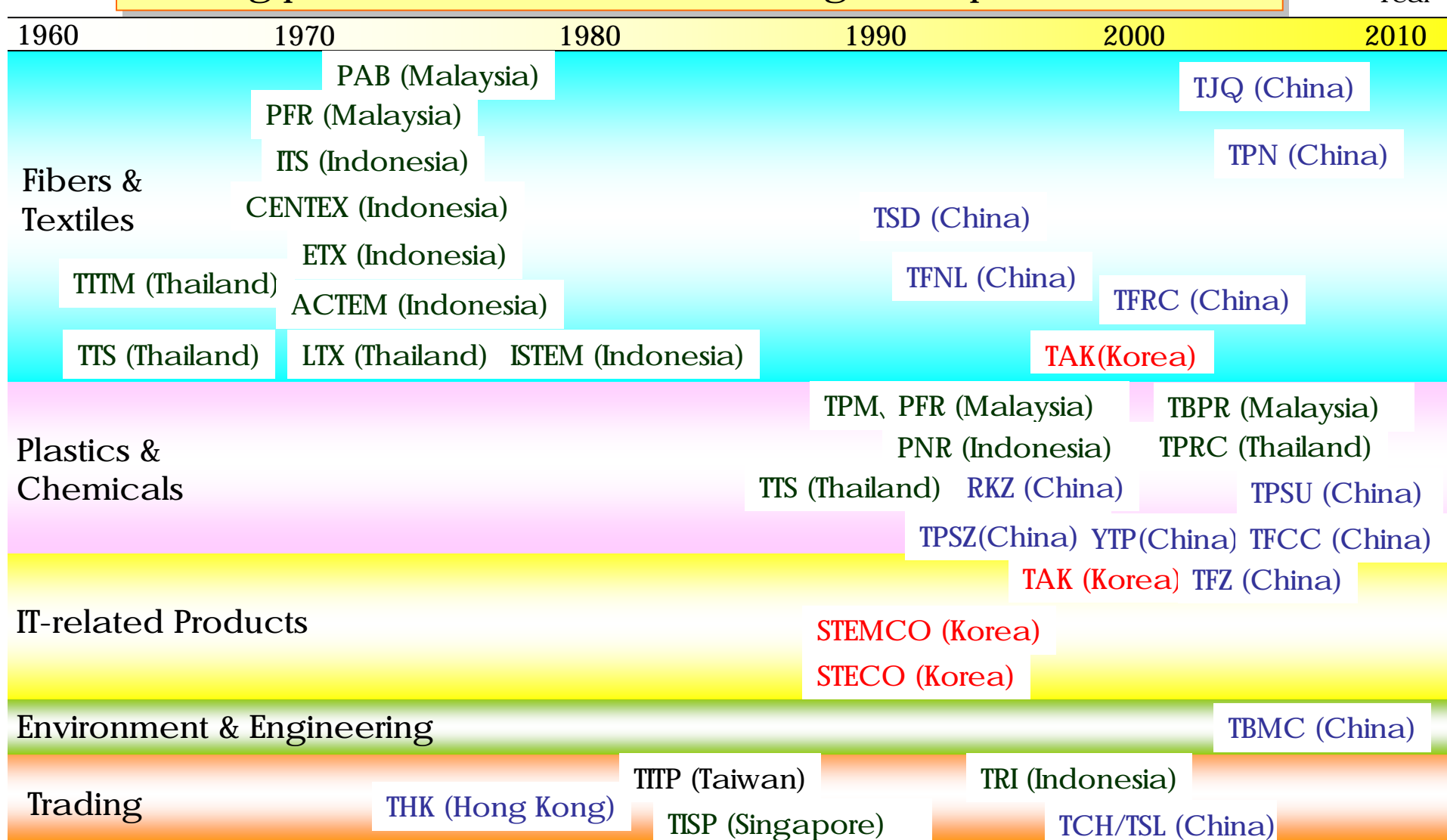
Aggressively expand business mainly with advanced materials to respond to the rapid increase in demand resulting from the growing numbers of both upper- and middle-income group

Trends in Net Sales in Growth Countries and Regions



Operational Base in Asia (1)

Strong presence in Asia is an advantage to expand business



Operational Base in Asia (2)

	China	Republic of Korea	Southeast Asia
Net Sales ^{*1} (FY Mar/11 Forecast)	approx. 170 billion yen	approx. 100 billion yen	approx. 160 billion yen
Consolidated Subsidiaries (End of Sept. 2010 Actual)	33	3	20
Number of Employees on a Consolidated basis ^{*2} (End of Sept. 2010 Actual)	approx. 7,600	approx. 1,700	approx. 9,000
Accumulated Capital Investment ^{*3} (End of Sept. 2010)	approx. 80 billion yen	approx. 90 billion yen	approx. 280 billion yen

*1 Sum total of net sales of consolidated subsidiaries at each region

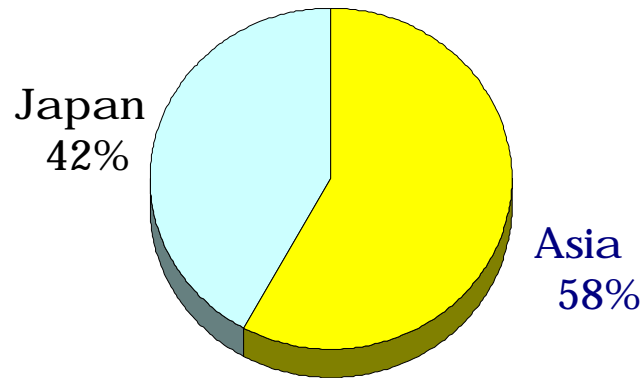
*2 Number of employees of consolidated subsidiaries at each region

*3 Accumulated capital investment of major consolidated subsidiaries at each region

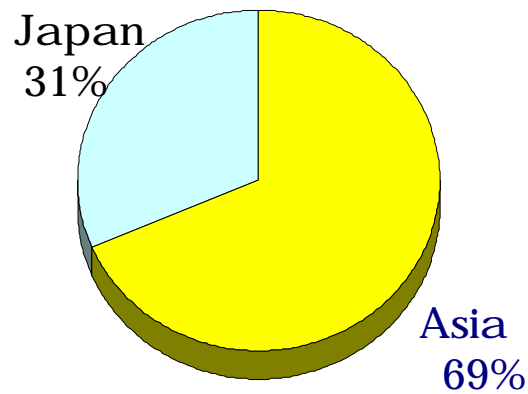
Operational Base in Asia (3)

Production Capacity of Major Products (End of 2010)

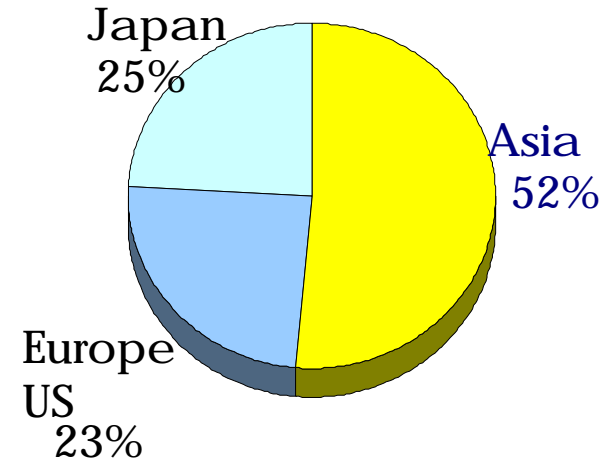
Fibers (filament yarn/staple fiber)



Resins (neat resin)



PET Film



Tangible and intangible management assets in Asia

Promote further business expansion in Asia utilizing all out of existing operational bases

Total Cost Reduction (TC-II) Project

To reinforce the robust business footing, Toray Group will implement the group-wide project outlined below:

Variable Cost Reduction Implement "VCI - 10 (Variable Cost Innovation 10%)" Project

Improvements in unit consumptions will be achieved by applying methods developed at certain Japanese plants to group companies in Japan and overseas

Purchasing VA (Value Analysis) will be undertaken for cost reductions in accordance with business strategies

The Purchasing & Logistics Division will provide support to individual purchasing VA activities and build a global procurement system

Reduce variable costs by over 3% each year and over 10% (over 70 billion yen) over three years

Fixed Cost Reduction

Toray Group will continue to improve its operational effectiveness to keep fixed costs at proper levels in line with profit growth

Financial Targets

		<Billion yen>	
	FY 2010 (Forecast)	FY 2013 (Target)	
Net Sales	1,530	1,800	
Foundation Businesses	945 (62%)	1,000 (56%)	
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Green Innovation Businesses	370 (24%)	500 (28%)	
() net sales ratio			
Operating Income	96	150	
Operating Income to Net Sales Ratio	6.3%	8.3%	
ROA	about 6%	8%	
ROE	about 9%	11%	

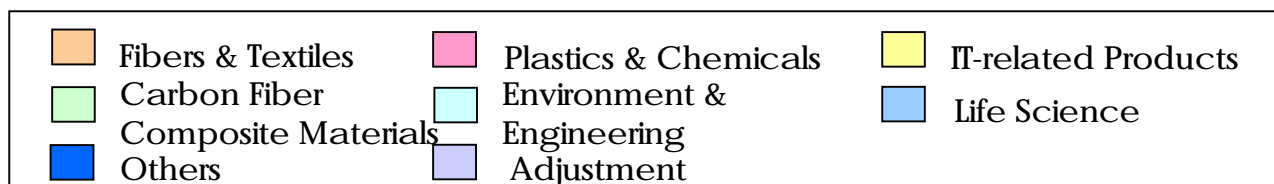
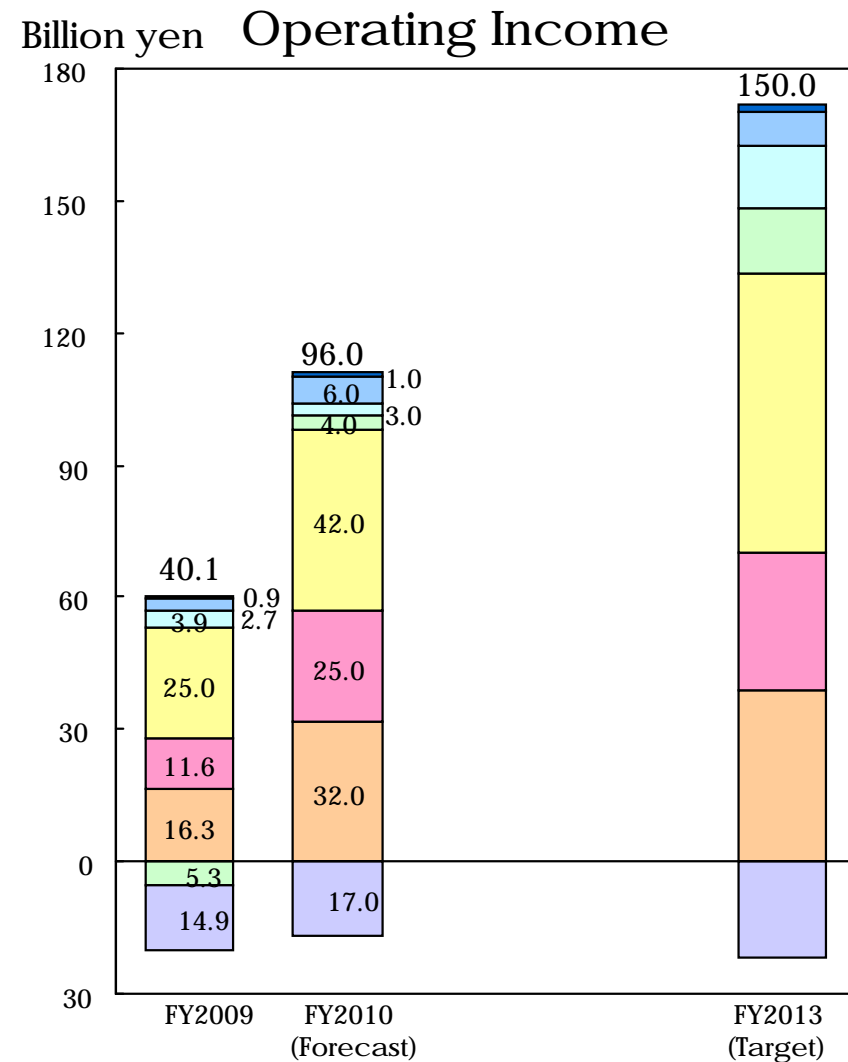
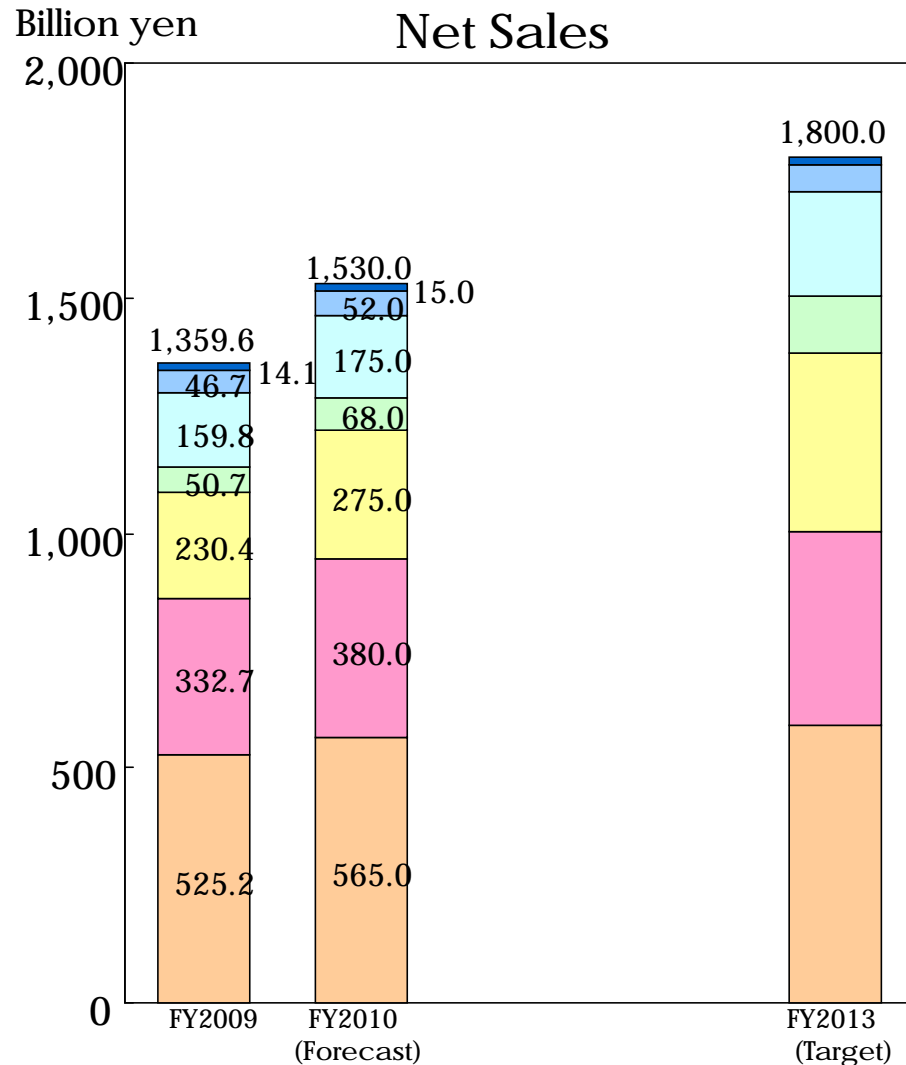
Remarks : Estimated exchange rate 80 yen / US\$
Estimated oil price 95 US \$ / B(DUBAI FOB)

ROA=Operating Income / Total Assets
ROE=Net Income / Shareholders' Equity

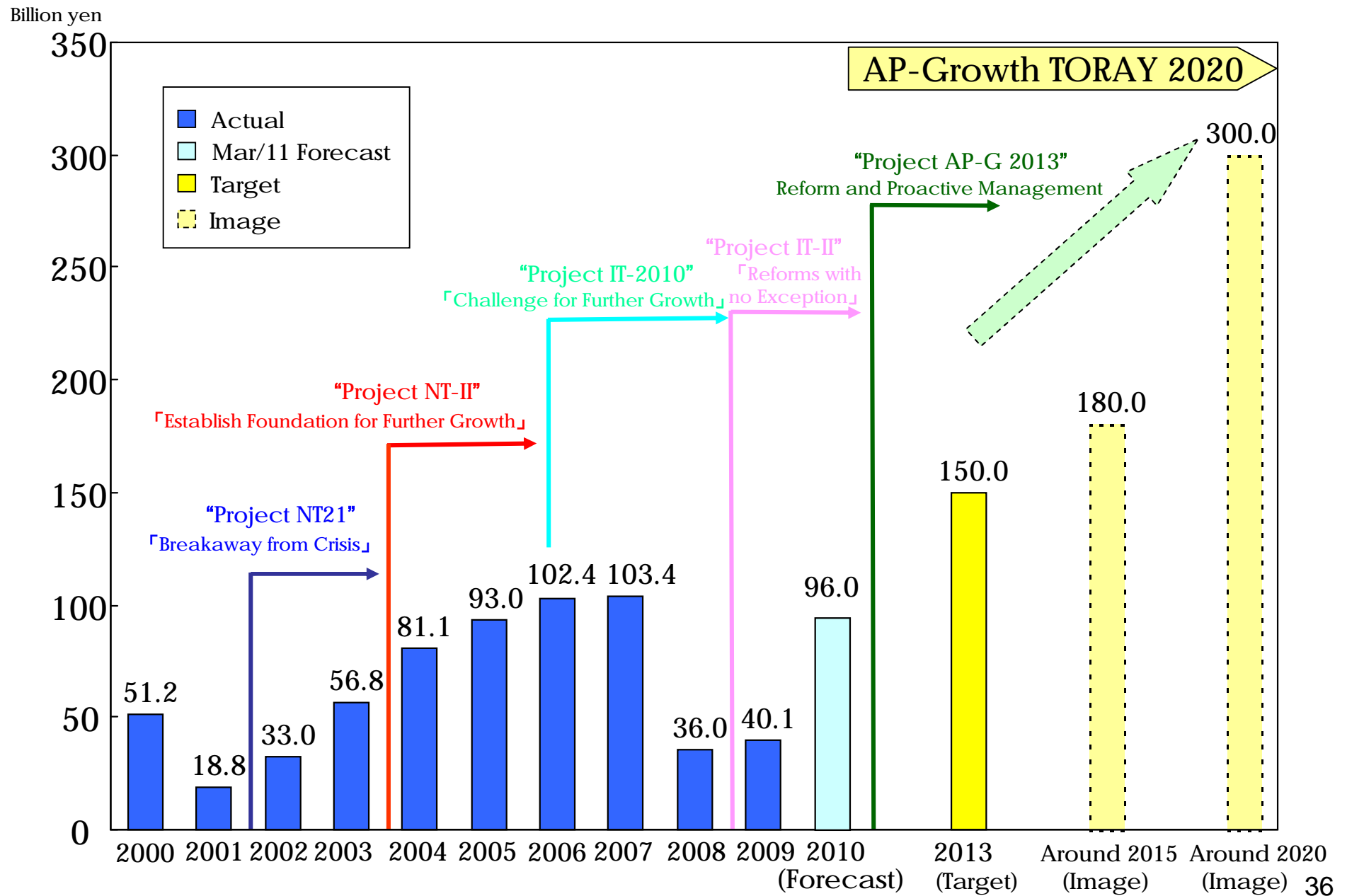
<Basic policy of Dividends>

Aim for sustainable increase of dividends linked to the business performance

Trends in Net Sales / Operating Income by Segment



Trends in Operating Income



<Reference> Medium-term Business Strategies by Segment

Business Categories and Segments

Business Categories	Toray Divisional Organization	Segment	Basic Materials	Advanced Materials
Foundation Businesses	Fibers & Textiles	Fibers & Textiles	Synthetic Fibers Resins Films Chemical Materials, others	High-function Fibers & Textiles Functional Particles High-function Resins High-function Films Display Materials Semiconductor- related Materials High-density Display Materials Carbon Fibers Advanced Composite Materials Pharmaceuticals and Medical Devices, others Environmentally-friendly Materials High-function Separation Membranes
	Resins & Chemicals	Plastics & Chemicals		
	Films	Electronics & Information Related Products		
Strategically Developing Businesses	Electronics & Information Materials	Carbon Fiber Composite Materials		
	Advanced Composite Materials			
Intensively Developing Businesses	Pharmaceuticals & Medical Products	Life Science		
	Water Treatment, Environment	Environment & Engineering	Engineering, others	

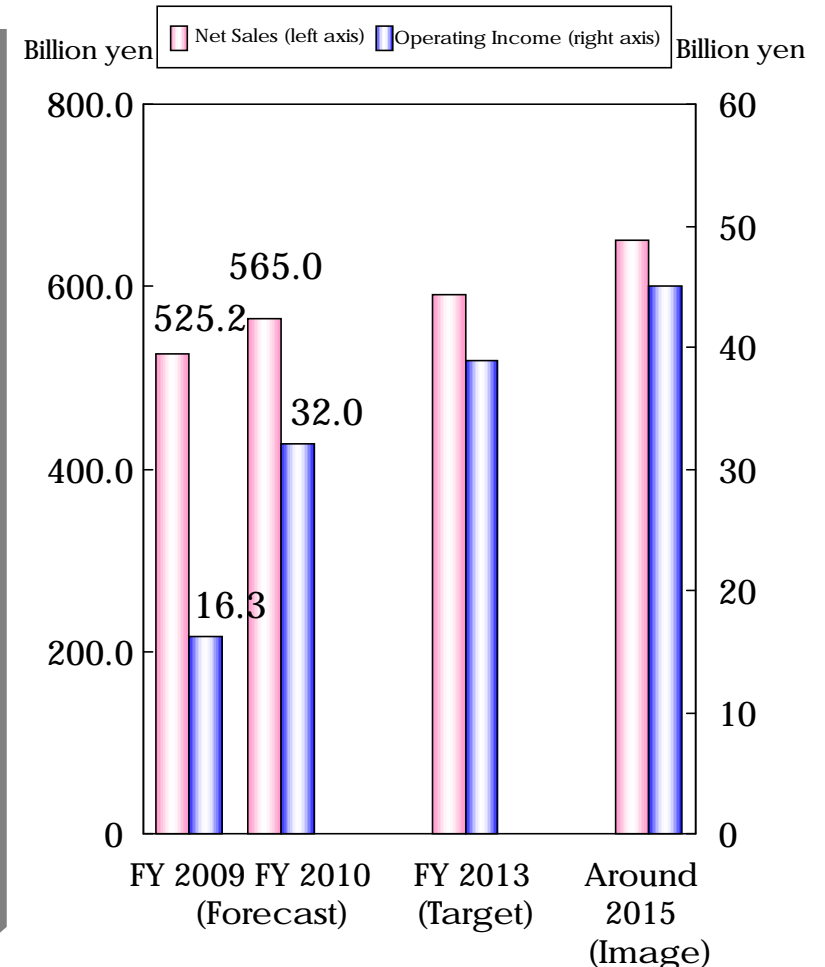
Fibers & Textiles Segment

<Basic Policy>

Maintain and strengthen a stable earnings structure as a Foundation Business and promote business expansion in growth business fields and regions

<Business Strategies>

1. In Japan, maintain domestic production of all materials by improving facilities and products as well as continuing with “ensuring sales through every possible effort”
2. Outside Japan, promote expansion of facilities and businesses in appropriate locations to respond to global growth of the fiber and textile industry
3. Bolster and expand garment business to build a foundation for revenue and profit through extensive optimization of supply chains and as an outlet for fibers and textiles manufactured in and outside Japan
4. Expand sales in growth regions (China, ASEAN, India, etc.) and develop new business models which leverage Free Trade Agreements and Economic Partnership Agreements
5. Expand business related to growth business fields (automotive sector, green innovation product sector, etc.)
6. Expand advanced materials business through high-performance fibers (PPS, fluorofiber, LCP, etc.) and bio-based polymer fibers (PLA, 3GT, etc.).



Plastics & Chemicals Segment

<Basic Policy>

Leverage Group's global operation to achieve improvements in earnings and expand business in growth business fields and regions

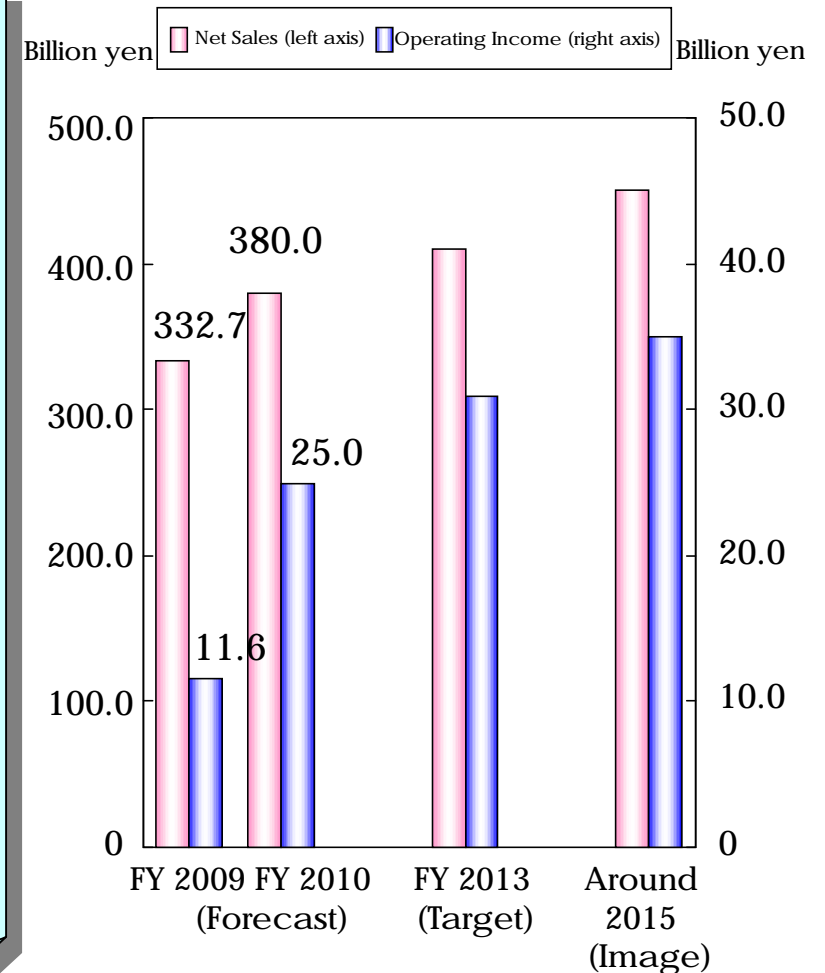
<Business Strategies>

- Resins & Chemicals Business

1. Pursue global business expansion in the face of market changes based on fundamental technologies of chemistry
2. Aggressively promote global alliances and further strengthen ties with customers
3. Launch and expand sales of new products by integrating capabilities regarding resins and chemicals

- Films Business -

1. Expand businesses in the growing markets mainly in Asia
2. Extend the environment and energy businesses as a revenue and profit platform through the development of proprietary technology and proactive pursuit of global alliances
3. Accelerate globalization of the high value-added film processing business



IT-related Products Segment

<Basic Policy>

Bolster production capacity and develop and launch new products to meet increasing demand. Also continue strengthening cost competitiveness in response to expected declines in market prices

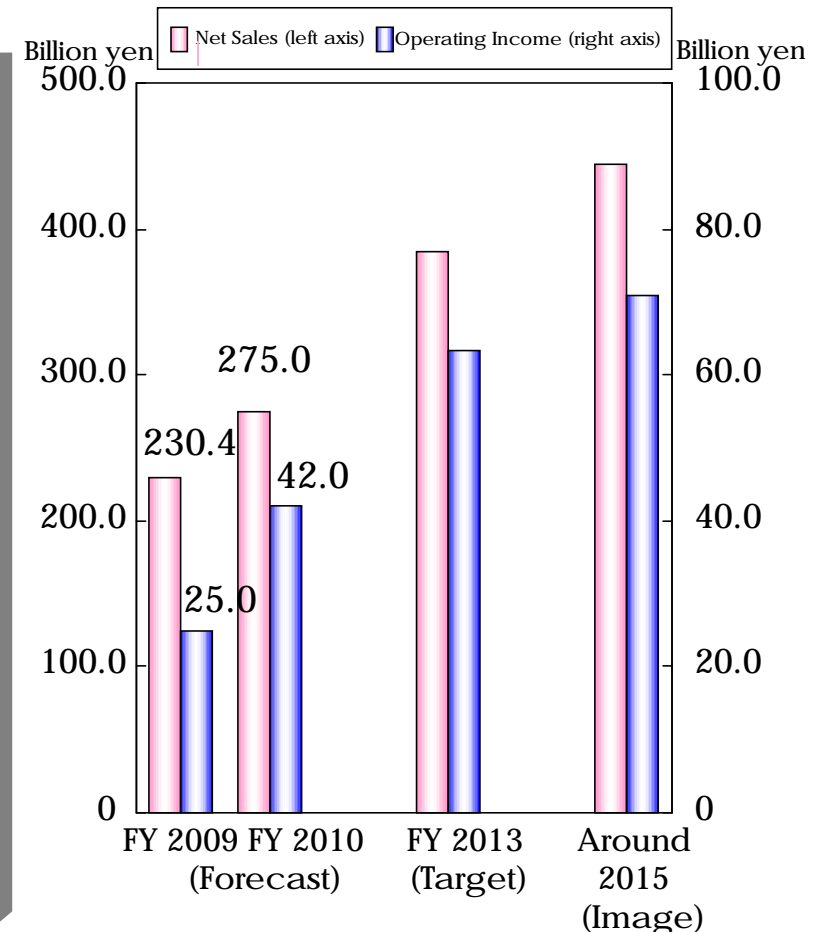
<Basic Strategies>

- Films Business -

1. Aggressively expand display films business leveraging growing demand in the Asian markets by bolstering production capacity, reducing costs and developing and launching new products
2. Expand products associated with global operation by enhancing manufacturing technologies and quality levels at overseas bases
3. Accelerate globalization of the high value-added film processing business

- Electronics & Information Materials Business -

1. Focus on high-performance electronic materials including varnish and paste materials, with proprietary material technology as a key pillar, centering on functional polymers
2. Utilizing the aforementioned high-functional materials, expand business in display, semiconductor and mobile phones and other applications



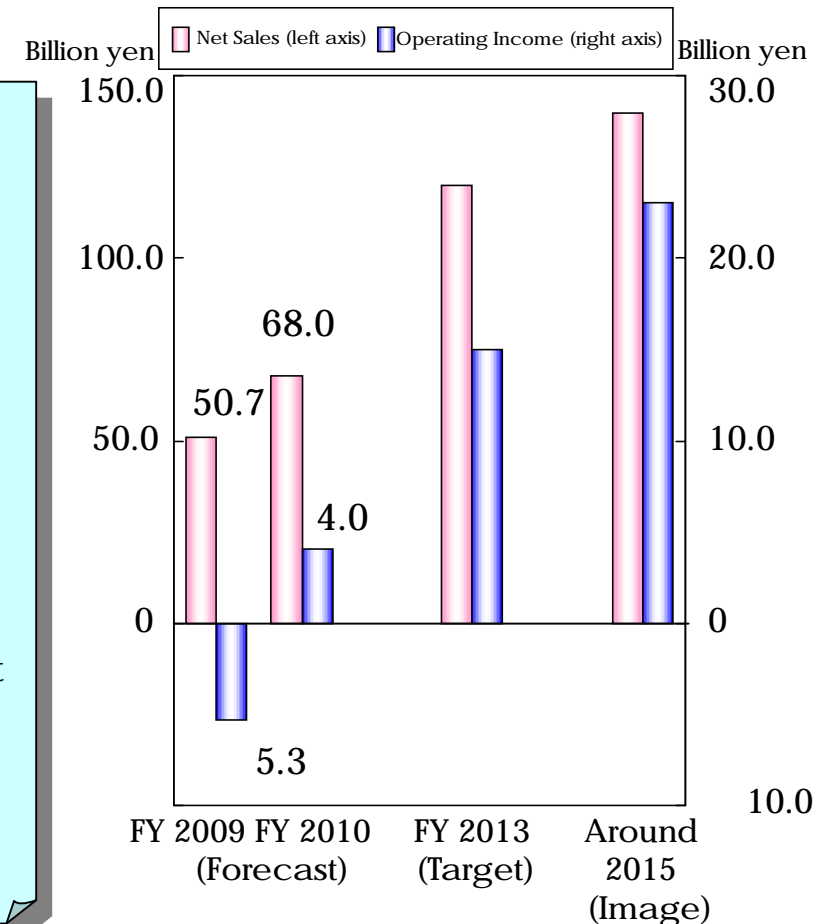
Carbon Fiber Composite Materials Segment

<Basic Policy>

In order to maintain and strengthen position as the world's leading manufacturer in carbon fibers, reinforce strategic approach to important applications and customers, further expand market share, and aim to realize price recovery to establish a highly-profitable business structure

<Basic Strategies>

1. Maintain and strengthen position as the world's leading manufacturer in the high-performance and high-quality carbon fiber market by ensuring the integrity of the aircraft programs
2. Implement a transition to a highly advanced supply chain by extending cooperation with important end-user customers as well as aggressively expand the intermediate materials business
3. Meet growing demand for carbon fiber for industrial applications with a large proportion realized in China by increasing capacity at existing facilities and establishing a production base in Asia that is the most cost competitive in the world
4. Expand composite business by leveraging Toray's strength in molding technology and newly developed intermediate materials



Environment & Engineering Segment

<Basic Policy>

Expand business and provide solutions to environmental fields with the mainstay of separation membranes and filtration technologies. Also promote business expansion in environmental and energy fields utilizing Toray's original engineering technologies

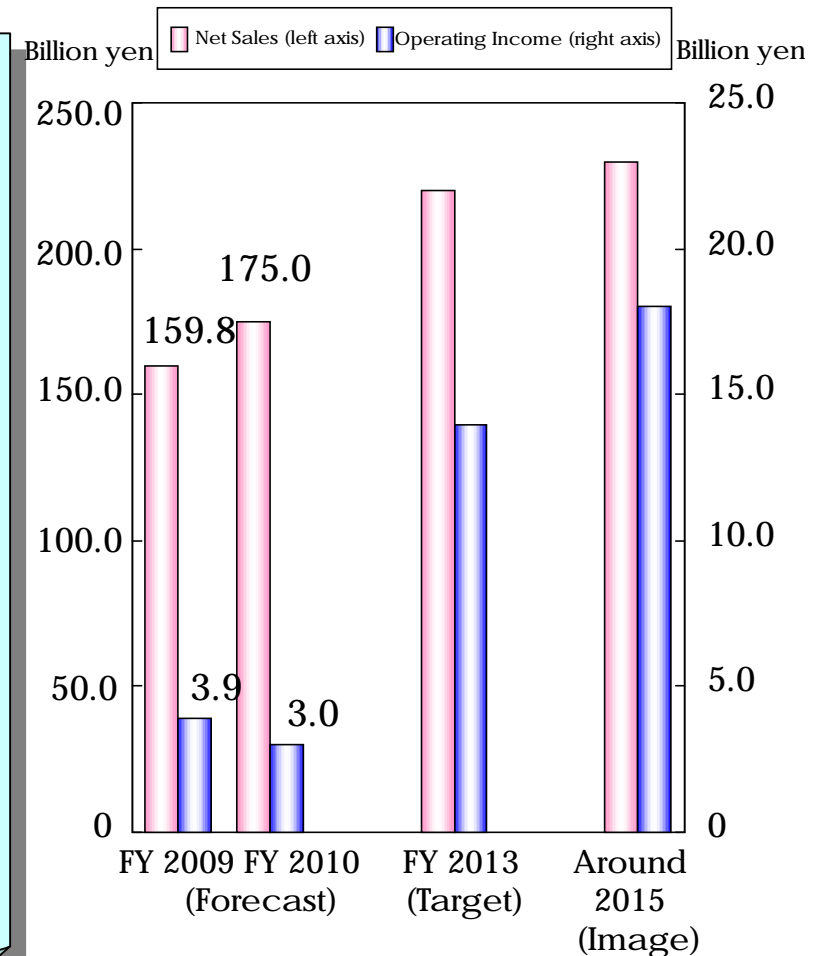
<Basic Strategies>

- Water Treatment & Environment Business -

1. Develop the water treatment membrane business of RO, UF/MF and MBR membranes into the next generation growth engine by expanding market share and bolstering profitability
2. In the membrane system and plant business, build group internal synergies and expand current businesses and create new businesses in Japan and overseas

- Engineering Business -

1. Positioning environment and energy-related fields as the future core business and expand its business utilizing proprietary technologies
2. Develop new businesses by establishing new business models and applying core technologies in new business fields
3. Aggressively expand business in growth countries and regions by leveraging overseas group companies



Life Science Segment

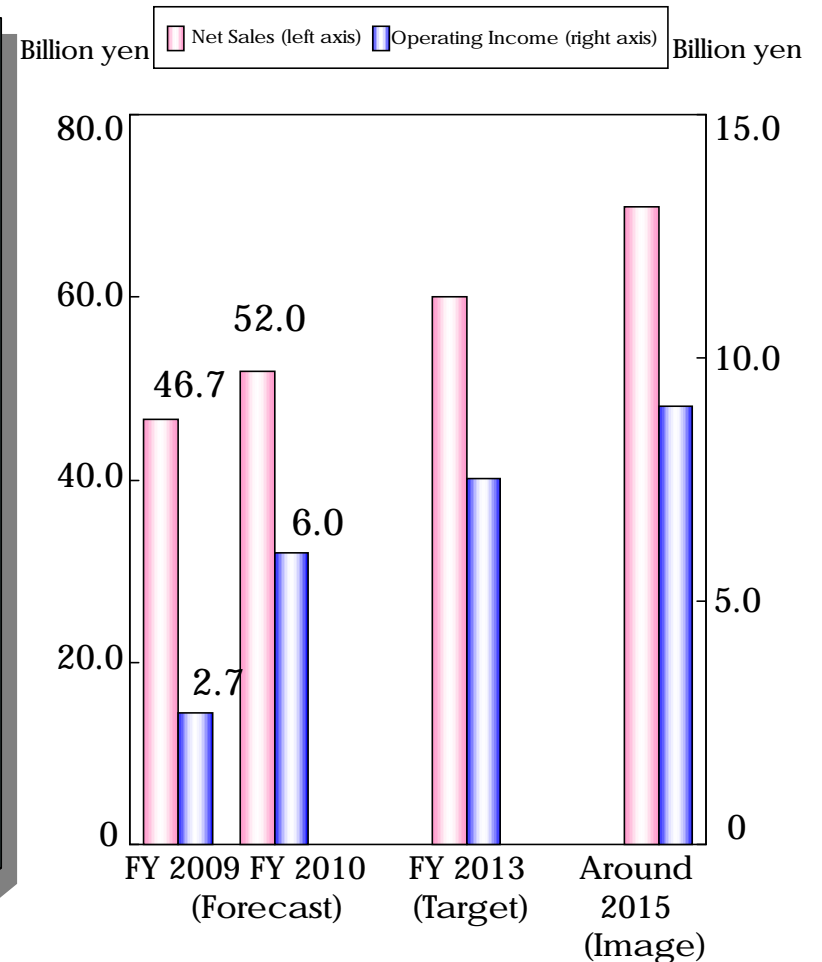
<Basic Policy>

As the market grows led by demand increase in emerging countries, aim for significant business expansion in the long term (by 2020) by developing businesses with Toray's unique characteristics

<Basic Strategies>

- Pharmaceuticals Business -
 1. Increase new indication of existing drugs
 2. Develop and adapt new drugs in nervous system and autoimmune system fields
- Medical Products Business -
 1. Expand business in the areas of blood purification (including dialysis), intervention and materials offerings
 2. Dialysis business
 - ① Increase market share in Japan of the new dialyzer product released in the second half of 2010
 - ② Review options for launching business in emerging countries

Bolster capabilities in sales and marketing and development of the aforementioned businesses to promote business growth in and outside Japan



Descriptions of predicted business results, projections and business plans contained in this material are based on assumptions and forecasts regarding 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.