Disclosed information on the Internet at the Time of Notifying Convocation of the 134th Ordinary General Meeting of Stockholders

Notes to Consolidated Financial Statements
Notes to Nonconsolidated Financial Statements

(From April 1, 2014 to March 31, 2015)

Toray Industries, Inc.

All matters above are provided to stockholders of the Company on the website of the Company on the Internet (http://www.toray.com) in accordance with laws and regulations, and the provision of the Articles of Incorporation of the Company.

Notes to Consolidated Financial Statements

Notes to Basis of Presenting Consolidated Financial Statements, etc.

1. Principles of Consolidation of Toray Group

(1) Number of Subsidiaries: 156
Names of major consolidated subsidiaries are omitted here as they are shown in "(6) Major Subsidiaries" of "1. Review of Operations of Toray Group."
Effective from the current period, three subsidiaries were consolidated due to establishment and other reasons, and six subsidiaries were removed from consolidation due to liquidation and other reasons.

(2) Names of major unconsolidated subsidiaries
The major unconsolidated subsidiaries are Meinan Service, Inc. and Toray International Taipei Inc.
(Main reason for exclusion of subsidiaries from consolidation)
Unconsolidated subsidiaries are small in scale and the Company's interests in their respective amounts of total assets, net sales and net income as well as retained earnings do not significantly affect the Group's consolidated financial statements.

2. Application of Equity Method

(1) Number of unconsolidated subsidiaries accounted for by the equity method: 59
Meinan Service, Inc. and Toray International Taipei Inc. are major unconsolidated subsidiaries. Effective from the current period, three subsidiaries were included in the list of unconsolidated subsidiaries subject to the equity method due to establishment and other reasons.

(2) Number of affiliated companies accounted for by the equity method: 38
Major affiliated companies are Dow Corning Toray Co., Ltd. and Du Pont-Toray Co., Ltd. Effective from the current period, three companies were included in the list of those accounted for by the equity method due to the additional acquisition of shares and other reasons, and three companies were removed from the list of those accounted for by the equity method due to sales and other reasons.

(3) Twenty unconsolidated subsidiaries including Toray International (Korea), Inc. were removed from the list of subsidiaries accounted for by the equity method due to the overall insignificance of the Company's interests in their respective amounts of net income and retained earnings which might not affect the consolidated financial statements in any significant way.

(4) Ten affiliated companies including C.T.T. International Ltd. are not subject to the equity method due to the overall insignificance of the Company's interests in their respective amounts of net income and retained earnings which might not affect the consolidated financial statements in any significant way.

3. Fiscal Year for Consolidated Subsidiaries
Main consolidated subsidiaries with a year-end date different from the consolidated closing date are as follows:

(Names of consolidated subsidiaries)	(Year-end date)
P.T. Indonesia Toray Synthetics and 77 subsidiaries	December 31
Zoltek Companies, Inc. and 7 subsidiaries	September 30

When compiling the consolidated financial statements, the relevant computations were made for subsidiaries having a year-end date of December 31 on the basis of the subsidiaries year-end date, while their major transactions carried out during the period between such date and the Company's year-end date were addressed with necessary adjustments for the purpose of consolidation in the financial statements. For subsidiaries having a year-end date of September 30, the relevant computations were made on the basis of a provisional settlement of accounts as of December 31 equivalent to regular settlement of accounts, while their major transactions carried out during the period between such date and the Company's year-end date were addressed with necessary adjustments for the purpose of consolidation in the financial statements.

4. Significant Accounting Policies

(1) Valuation of major assets:
 (a) Valuation of securities:
  Held-to-maturity debt securities:
   Amortized cost method (Straight-line method).
  Other securities:
   With readily determinable market value:
    Based on market value at the end of the year (unrealized gains and losses are accounted for as "net unrealized gains on securities" in net assets and sales costs are determined by the moving-average cost method).
   With non-readily determinable market value:
    Moving-average cost method.
 (b) Derivative financial instruments: Based on market value.
 (c) Valuation of inventories:
  Principally moving-average cost (balance sheets amounts are lower of the acquisition cost or the net selling value, due to decreased profitability of inventories)

(2) Depreciation and amortization for major fixed assets:
 (a) Property, plant and equipment (except lease assets):
  Principally straight-line method
 (b) Intangible assets (except lease assets):
  Straight-line method
  As for software (for internal use), principally the straight-line method is used with a useful life of 5 years.
 (c) Lease assets:
  Principally, a depreciation method is identical to the method applicable to its own fixed assets. Finance lease transactions which do not transfer the ownership of leased assets whose lease inceptions are on or before March 31, 2008 are accounted for by a method similar to

the method applicable to ordinary operating leases.

(3) Reserves:
(a) Allowance for doubtful accounts:
The allowance for doubtful accounts, including receivables and loans, is determined from the amounts considered unlikely to be recovered, estimated from claim rate records for general receivables and from studying the probability of recovery in individual cases where there is concern over claims.
(b) Reserve for employees' bonuses:
The reserve for employees' bonuses is based on the expected liability for the total bonus amount payable to employees during the current period.
(c) Reserve for bonuses of members of the Board and corporate auditors:
The reserve for bonuses of members of the Board and corporate auditors is based on the expected liability for the total bonus amount payable to members of the Board and corporate auditors during the current period.
(d) Reserve for retirement benefits of members of the Board and corporate auditors:
The reserve for retirement benefits of members of the Board and corporate auditors represents the amount required at the end of the current period based on internal regulations.

(4) Translation of foreign currency transactions and foreign currency financial statements:
All monetary assets and liabilities denominated in the same foreign currencies, whether long-term or short-term, are translated into Japanese yen at the exchange rates prevailing at the balance sheet date. Resulting gains and losses are included in net income or loss for the period.
Translation of foreign currency financial statements of overseas subsidiaries into Japanese yen for consolidation purposes is made by using the current exchange rates prevailing at their respective balance sheet dates, with the exception that the translation of stockholders' equity is made by using historical rates. Revenue and expense accounts are principally translated at the period's average rate of exchange. Differences in yen amounts arising from the use of different rates are presented as "foreign currency translation adjustments" in net assets except for the portion belonging to minority stockholders which is included in "minority interests" in net assets.

(5) Hedge transactions:
The Company and its consolidated subsidiaries apply the deferral accounting method for hedging transactions. For hedging foreign currency exchange rate risk, the allocation method is applied whenever the specific requirements for these transactions are met, while the special accounting method is applied for interest rate swap agreements in cases where the specific requirements for this treatment are fulfilled.

(6) Net defined benefit liability:
To provide for the payment of retirement benefits to employees, net defined benefit liability is recognized at an amount equal to the expected retirement benefit obligations at the end of the current period net of the value of pension assets.
Past service costs are amortized using the straight-line method over a certain period within the employees' average remaining years of service (primarily 14 years) when the costs are incurred.
Actuarial gains and losses are amortized using the straight-line method over a certain period within the employees' average remaining years of service (primarily 14 years) from the following period.
Unrecognized actuarial gains and losses and unrecognized past service costs are recognized in remeasurements of defined benefit plans in accumulated other comprehensive income under the net assets section, net of deferred taxes.

(7) Amortization of goodwill and its period:
Goodwill is generally amortized on a straight-line basis over its estimated useful life within twenty years.

(8) Consumption taxes:
Consumption taxes are not included in sales nor in expense accounts.

Notes to changes in accounting policy

(Changes in accounting policy resulting from revisions of accounting standards)

Effective from the current period, the Company and its domestic consolidated subsidiaries adopt provisions described in the main clause of Section 35 of "Accounting Standard for Retirement Benefits" (the Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012, hereinafter "the Standard") and provisions described in the main clause of Section 67 of "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015). Accordingly, the Company and its domestic consolidated subsidiaries have revised the calculation method for retirement benefit obligations and service costs, have changed the method for attributing projected retirement benefits to each period from a straight-line basis to a benefit formula basis, and have changed the method for determining the discount rate as well.

The application of the Standard, etc. is subject to the tentative treatment set forth in Clause 37 of the Standard, and the effect of the changes in the calculation method of retirement benefit obligations and service costs is added to or deducted from retained earnings at the beginning of the current period.

As a result, the beginning balance of net defined benefit liability at the current period increased by ¥13,995 million, net defined benefit asset decreased by ¥10,482 million, and retained earnings decreased by ¥15,989 million. Operating income for the current period increased by ¥2,023 million and ordinary income and income before income taxes and minority interests increased by ¥2,048 million, respectively.

(Changes in accounting policy that are difficult to distinguish from changes in accounting estimate)

The Company and its domestic consolidated subsidiaries principally adopted a declining-balance method for depreciating property, plant and equipment (except lease assets) in previous fiscal years (provided, however, that the straight-line method is applied to buildings (except building fixtures) acquired on or after April 1, 1998) but changed the method principally to the straight-line method, effective from the current period.

Toray Group started a new medium-term management program from the current period to plan the priority allocation of capital expenditure to overseas countries and regions with expected economic growth as part of its capital expenditure strategy. Taking this opportunity, we have examined the demand trends and operating situation of domestic production facilities and have confirmed that the domestic production facilities are likely to operate stably over their useful lives in the future. We have therefore judged that we should adopt the straight-line method for depreciating domestic property, plant and equipment (except lease assets) to calculate periodic profit and loss more reasonably.

As a result, operating income for the current period increased by ¥7,818 million and ordinary income and income before income taxes and minority interests increased by ¥8,001 million, respectively.

Note to changes in accounting estimate

When accounting for retirement benefits, actuarial gains and losses and past service costs were previously amortized primarily over 15 years but are now amortized primarily over 14 years, effective from the current period, due to a decrease in employees' average remaining years of service.

As a result, operating income for the current period decreased by ¥1,946 million, and ordinary income and income before income taxes and minority interests decreased by ¥1,953 million, respectively.

Notes to Consolidated Balance Sheet

(Millions of yen)

1.	Accumulated depreciation for property, plant and equipment	¥	1,858,287
2.	Assets pledged as collateral and debts with collateral		
	Assets pledged as collateral:		
	Cash and time deposits	¥	4
	Property, plant and equipment, net	¥	5,953
	Investment securities	¥	40
	Other in Investments and other assets	¥	467
	Debts with collateral:		
	Notes and accounts payable - trade	¥	4
	Short-term borrowings	¥	3,190
3.	Guarantees of bank loans, etc. of subsidiaries and affiliated companies	¥	4,552
	Guarantees of bank loans, etc. of clients and employees	¥	6,346
4.	Endorsed notes receivable - trade	¥	743
	Discounted export bills	¥	1,341
5.	Contingent liabilities associated with securitization of receivables	¥	10,032
6.	Total committed lines of credit*	¥	4,400
	Loans receivables outstanding	¥	2,761
	Balance	¥	1,639

* This commitment does not necessarily mean that the Company will extend loans to the maximum limit, since every provision of funds has been made after financial positions and cash flows of the respective subsidiaries and affiliated companies have been taken into consideration by the Company.

Notes to Consolidated Statement of Changes in Net Assets

1. Number of shares in issue and outstanding as of the end of current period
   Common stock 1,631,481,403 shares

2. Dividends
(1) Amounts to be paid

Resolution	Ordinary General Meeting of Stockholders held on June 25, 2014	Board of Directors Meeting held on November 6, 2014
Class of shares	Common stock	Common stock
Total amount	¥8,149 million	¥7,996 million
Dividend per share	¥5	¥5
Record date	March 31, 2014	September 30, 2014
Effective date	June 26, 2014	December 1, 2014

(2) For dividends with record dates that fall in the current period, dividends with effective dates that fall after the end of the current period
The Company will propose, at the Ordinary General Meeting of Stockholders to be held on June 24, 2015, the distribution of the following dividend on common stock:
(a) Total amount: ¥9,595 million
(b) Dividend per share (yen): ¥6
(c) Record date: March 31, 2015
(d) Effective date: June 25, 2015

Retained earnings are scheduled to be used as a dividend resource.

3. Type and number of shares to be issued upon exercise of the stock acquisition rights (excluding those rights whose exercise period has not yet commenced) as of the end of current period
   Common stock 2,148,000 shares

Notes to Financial Instruments

1. Conditions of financial instruments
(1) Policy in relation to financial instruments
The policy of Toray Group (the Company and its consolidated subsidiaries) is to manage funds only by short-term deposits, etc. and to raise funds by borrowing from banks and issuing corporate bonds. The Group uses derivatives to hedge risks associated with foreign currency exchange rates and fluctuations of borrowing interest rates and does not enter into derivative transactions for speculative or trading purposes.
(2) Contents and risk of financial instruments and risk management system
Notes and accounts receivable – trade are operating receivables and therefore are exposed to customer credit risk. Under its internal regulations, the Company carefully manages the payment periods for receivables and outstanding balances of all customers and regularly monitors the credit standing of major clients. Consolidated subsidiaries also monitor and manage the credit standings of their clients.
Operating receivables and payables denominated in foreign currencies that arise from the global business operations are also exposed to the foreign currency exchange risk. The Group hedges this risk mainly through the use of forward exchange contracts against positions after netting receivables and payables denominated in the same foreign currencies. Likewise, the Group mainly uses currency swaps to hedge the foreign currency exchange risk of borrowings denominated in foreign currencies.
Investment securities are exposed to the risk of market price fluctuations. Most of these securities are the shares of corporations with which the Group has business relationships. The fair value of the investment securities and financial positions of the issuing entities (clients) are regularly monitored.
Notes and accounts payable - trade are operating payables, most of which are due and payable within one year.
Short-term borrowings and commercial paper are financing instruments mainly for operating transactions, while long-term borrowings and bonds (due within ten years, in principle) are primarily for capital expenditure. Borrowings and bonds are exposed to the risk of interest rate fluctuation. Borrowings and bonds at floating interest rates carry the risk of higher interest expenses when rates rise, while borrowings and bonds at fixed interest rates carry the risk of higher interest expenses when rates fall. The Group uses derivative transactions (interest rate swap transactions) to minimize the risk of interest rate fluctuation, taking into consideration the balance between fixed interest rates and floating interest rates.
The method for hedge accounting is stated in "Notes to Basis of Presenting Consolidated Financial Statements, etc." 4. (5).
Derivative transactions are executed and managed in accordance with the internal regulations prescribing the authorizations for transactions. To mitigate credit risk, the Group carries out derivative transactions only with highly rated financial institutions.

(3) Supplemental explanation on fair value of financial instruments
The fair value of financial instruments is based on market prices, or reasonable estimates of fair value for instruments for which market prices are not available. Estimates of fair value are subject to fluctuation because they employ various factors and assumptions.

2. Fair value of financial instruments
Carrying value, fair value and difference as of March 31, 2015 are as follows.
In addition, financial instruments, for which it is extremely difficult to measure the fair value, are not included. (See note 2)

	Carrying value (Millions of yen)	Fair value (Millions of yen)	Difference (Millions of yen)
(1) Cash and time deposits	¥116,193	¥116,193	–
(2) Notes and accounts receivable - trade	405,330	405,330	–
(3) Investment securities			
(a) Held-to-maturity debt securities	84	84	0
(b) Investment securities in subsidiaries and affiliated companies	27,486	27,593	107
(c) Other securities	181,235	181,235	–
Assets	730,328	730,435	107
(1) Notes and accounts payable - trade	220,173	220,173	–
(2) Short-term borrowings	142,346	142,346	–
(3) Commercial paper	5,000	5,000	–
(4) Bonds (*1)	140,030	166,617	26,587
(5) Long-term borrowings (*2)	408,025	413,250	5,225
Liabilities	915,574	947,386	31,812
Derivative transactions (*3)			
(a) Hedge accounting is not applied	(193)	(193)	–
(b) Hedge accounting is applied	(398)	(398)	–
Derivative transactions	(591)	(591)	–

*1: Bonds include bonds due within one year.
*2: Long-term borrowings include long-term borrowings due within one year.
*3: Receivables and payables arising from derivative transactions are indicated in net amounts. Total net payables, if any, are shown in parenthesis.

Note 1: Estimation method for fair value of financial instruments and items related to securities and derivative transactions

Assets

(1) Cash and time deposits and (2) Notes and accounts receivable - trade
Carrying value is used for fair value since the items will be settled within the short term and the fair value is approximately equal to the carrying value.

(3) Investment securities
Securities are valued at quoted market price. Bonds, etc. are valued at quoted market price or at the price provided by correspondent financial institutions.

Liabilities

(1) Notes and accounts payable - trade, (2) Short-term borrowings, and (3) Commercial paper
Carrying value is used for fair value since the items will be settled within the short term and the fair value is approximately equal to the carrying value.

(4) Bonds
The fair value of bonds with market price is based on market price. The fair value of bonds without market price is estimated by discounting the principal amounts and interest based on interest rates adjusted for the remaining periods and credit risk of the bonds. However, in the case of bonds subject to the special accounting method for interest rate swaps and fluctuating interest rates, the fair value is approximately equal to the carrying value because the interest rates are adjusted periodically. Therefore, the fair value is based on the carrying value.

(5) Long-term borrowings
The fair value of long-term borrowings is estimated by discounting the principal amounts and interest based on estimated interest rates if similar new borrowings were entered into in the current period. The fair value of long-term borrowings for which the special accounting method for interest rate swaps is applied is estimated by discounting the total principal amount and interest (accounted for together with the interest rate swaps) based on estimated interest rates if similar new borrowings were entered into in the current period. For long-term borrowings at floating interest rates, however, the fair value is approximately equal to the carrying value because the interest rates are adjusted periodically. Therefore, the fair value is based on the carrying value.

Derivative transactions

(a) Hedge accounting is not applied
The fair value of derivative transactions for which hedge accounting is not applied is the forward foreign exchange quotation or the price provided by correspondent financial institutions.

(b) Hedge accounting is applied
The fair value of derivative transactions for which hedge accounting is applied is the forward foreign exchange quotation or the price provided by correspondent financial institutions. However, that the fair value of a derivative transaction subject to the special accounting method for interest rate swaps is included in the fair value of bonds and long-term borrowings because the derivative transactions are accounted for together with the hedged bonds and long-term borrowings. The fair value of forward foreign exchange contracts, etc. to which the allocation method is applied, except for forecasted transactions, is included in the fair value of receivables, payables, long-term borrowings, etc.

because such forward foreign exchange contracts are accounted for together with the corresponding receivables and payables, long-term borrowings, etc.

Note 2: Financial instruments for which it is extremely difficult to determine the fair value

	Carrying value (Millions of yen)
Unlisted securities	¥79,533

Unlisted securities have no quoted market price and the fair value is extremely difficult to determine. Therefore, they are not included in "Assets (3) (b) Investment securities in subsidiaries and affiliated companies and (c) Other securities."

Per Share Information

1. Net assets per share: ¥616.70
2. Net income per share: ¥44.33

Notes to Significant Subsequent Events

Toray Advanced Materials Korea Inc., a consolidated subsidiary of the Company, made a tender offer for the shares in Toray Chemical Korea Inc., another consolidated subsidiary of the Company. The result of the tender offer is as follows.

1. Outline of the tender offer
   (1) Name of the target company: Toray Chemical Korea Inc.
   (2) Type of stock certificates to be acquired: Common stock
   (3) Tender offer period: From March 31, 2015 to April 20, 2015 (21 days)

2. Result of the tender offer
   (1) Number of shares acquired: 14,160,640 shares
   (2) Ownership percentage after the tender offer: 86.85% (calculated after excluding treasury stock)
   (3) Tender offer price: 20,000 won per share of common stock

Notes to Nonconsolidated Financial Statements

Notes (Significant Accounting Policies)

1. Valuation of securities:
   Equity securities issued by subsidiaries and affiliated companies:
   Moving-average cost method
   Other securities:
   With readily determinable market value:
   Based on market value at the end of the period (unrealized gains and losses are accounted for as "net unrealized gains on securities" in net assets and sales costs are determined by the moving-average cost method)
   With non-readily determinable market value:
   Moving-average cost method

2. Valuation of inventories:
   Moving-average cost (balance sheets amounts are lower of the acquisition cost or the net selling value, due to decreased profitability of inventories)

3. Depreciation and amortization for fixed assets:
   Property, plant and equipment: Straight-line method
   Intangible assets: Straight-line method
   As for software (for internal use), the straight-line method is used with a useful life of 5 years.

4. Reserves:
   Allowance for doubtful accounts:
   The allowance for doubtful accounts, including receivables and loans, is determined from the amounts considered unlikely to be recovered, estimated from claim rate records for general receivables and from studying the probability of recovery in individual cases where there is concern over claims.
   Reserve for employees' bonuses:
   The reserve for employees' bonuses is based on the expected liability for the total bonus amount payable to the employees during the current period.
   Reserve for bonuses of members of the Board and corporate auditors:
   The reserve for bonuses of members of the Board and corporate auditors is based on the expected liability for the total bonus amount payable to directors and corporate auditors during the current period.
   Reserve for employees' retirement benefits:
   The reserve for employees' retirement benefits is based on the expected retirement benefit obligations payable to employees and the value of pension assets at the end of the current period. Past service costs are amortized using the straight-line method over a certain period within the employees' average remaining years of service (14 years) when the costs are incurred. Actuarial gains and losses are amortized using the straight-line method, over a certain period within the employees' average remaining years of service (14 years), from the following period.
   Reserve for loss on guarantees:
   Reserve for loss on guarantees represents the loss estimated based on consideration of the financial conditions, etc. of the guaranteed companies.
   Reserve for loss on business of subsidiaries and affiliated companies:
   Reserve for loss on business of subsidiaries and affiliated companies represents the loss estimated based on consideration of the financial conditions and business results, etc. of the subsidiaries and affiliated companies.

5. Hedge transactions:
   The Company applies the deferral accounting method for hedging transactions. For hedging foreign currency exchange rate risk, the Company applies the allocation method whenever the specific requirements for these transactions are met, while the special accounting method is applied for interest rate swap agreements in cases where the specific requirements for this treatment are fulfilled.

6. Retirement benefits:
   The accounting method adopted for actuarial gains and losses and unrecognized past service costs in relation to retirement benefits in the nonconsolidated financial statements differs from the accounting method for the same items in the consolidated financial statements.

7. Consumption taxes:
   Consumption taxes are not included in sales nor in expense accounts.

Notes to changes in accounting policy

(Changes in accounting policy resulting from revisions of accounting standards)

Effective from the current period, the Company adopts provisions described in the main clause of Section 35 of "Accounting Standard for Retirement Benefits" (the Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012, hereinafter "the Standard") and provisions described in the main clause of Section 67 of "Guidance on

Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015). Accordingly, the Company has revised the calculation method for retirement benefit obligations and service costs, has changed the method for attributing projected retirement benefits to each period from a straight-line basis to a benefit formula basis, and has changed the method for determining the discount rate as well.

The application of the Standard, etc. is subject to the tentative treatment set forth in Clause 37 of the Standard, and the effect of the changes in the calculation method of retirement benefit obligations and service costs is added to or deducted from retained earnings at the beginning of the current period.

As a result, the beginning balance of reserve for employees' retirement benefits at the current period increased by ¥11,566 million, while prepaid pension cost decreased by ¥10,482 million and retained earnings brought forward decreased by ¥14,190 million. Operating income for the current period, ordinary income, and income before income taxes increased by ¥1,755 million, respectively.

(Changes in accounting policy that are difficult to distinguish from changes in accounting estimate)

The Company adopted a declining-balance method for depreciating property, plant and equipment in previous fiscal years (provided, however, that the straight-line method is applied to buildings (except building fixtures) acquired on or after April 1, 1998) but changed the method to the straight-line method, effective from the current period.

Toray Group started a new medium-term management program from the current period to plan the priority allocation of capital expenditure to overseas countries and regions with expected economic growth as part of its capital expenditure strategy. Taking this opportunity, the Company has examined the demand trends and operating situation of domestic production facilities and has confirmed that the domestic production facilities are likely to operate stably over their useful lives in the future. We have therefore judged that we should adopt the straight-line method for depreciating the Company's property, plant and equipment to calculate periodic profit and loss more reasonably.

As a result, operating income for the current period increased by ¥6,689 million and ordinary income and income before income taxes increased by ¥6,855 million, respectively.

Note to changes in accounting estimates

When accounting for retirement benefits, actuarial gains and losses and past service costs were previously amortized over 15 years but are now amortized over 14 years, effective from the current period, due to a decrease in employees' average remaining years of service.

As a result, operating income for the current period, ordinary income, and income before income taxes decreased by ¥1,728 million, respectively.

Notes to Nonconsolidated Balance Sheet

(Millions of yen)

1.	Accumulated depreciation for property, plant and equipment	¥	1,001,563
2.	Guarantees of bank loans, etc. of subsidiaries and affiliated companies	¥	81,332
	Guarantees of bank loans, etc. of clients and employees	¥	4
3.	Amounts due from and amounts due to subsidiaries and affiliated companies:		
	Short-term amounts due from subsidiaries and affiliated companies	¥	96,248
	Long-term receivables from subsidiaries and affiliated companies	¥	2,367
	Short-term amounts due to subsidiaries and affiliated companies	¥	95,457
	Long-term payable to subsidiaries and affiliated companies	¥	9,149
4.	Contingent liabilities associated with securitization of receivables	¥	4,178
5.	Total committed lines of credit*	¥	83,020
	Loans receivable outstanding	¥	23,349
	Balance	¥	59,671

* This commitment does not necessarily mean that the Company will extend loans to the maximum limit, since every provision of funds has been made after financial positions and cash flows of the respective subsidiaries and affiliated companies have been taken into consideration by the Company.

Notes to Nonconsolidated Statement of Income

(Millions of yen)

Transactions with subsidiaries and affiliated companies:

Sales of goods to subsidiaries and affiliated companies	¥ 257,343
Purchases of goods from subsidiaries and affiliated companies	¥ 165,969
Transactions other than operating transactions with subsidiaries and affiliated companies	¥ 35,156

Note to Nonconsolidated Statement of Changes in Net Assets

Type and number of shares of treasury stock at March 31, 2015:

Common stock 32,375,056 shares

Notes to Tax Effect Accounting

Details of recognition of deferred tax assets and liabilities by principal causes

(Millions of yen)

Deferred tax assets:	
Reserve for employees' retirement benefits	¥ 21,871
Investment securities in subsidiaries and affiliated companies	¥ 12,970
Loss carry forward	¥ 12,369
Reserve for employees' bonuses	¥ 2,615
Other	¥ 12,269
Gross deferred tax assets	¥ 62,094
Valuation allowance	¥(17,271)
Total deferred tax assets	¥ 44,823
Deferred tax liabilities:	
Unrealized gains on securities	¥(34,344)
Prepaid pension cost	¥(6,973)
Reserve for write-down of fixed assets for tax purposes	¥(5,073)
Other	¥(176)
Total deferred tax liabilities	¥(46,566)
Net deferred tax liabilities	¥(1,743)

Transactions with Related Parties

Type	Name of company, etc.	Ownership percentage of voting rights, etc.	Relationship with related parties	Details of transaction	Transaction amount (Millions of yen)	Account	Balance as of the end of the fiscal year (Millions of yen)
Subsidiary	Toray International, Inc.	Direct 100%	Business transactions, members of the Board or corporate auditors serving concurrently	Sales of goods, etc. (Note 1)	177,192	Accounts receivable - trade	42,645
				Purchases of goods, etc. (Note 1)	99,821	Accounts payable - trade	9,788
Subsidiary	Toray Carbon Fibers America, Inc.	Indirect 100%	Guarantee liability, members of the Board or corporate auditors serving concurrently	Guarantee liability (Note 2)	17,725	—	—
Subsidiary	Toray Carbon Fibers Europe S. A.	Direct 100%	Guarantee liability, members of the Board or corporate auditors serving concurrently	Guarantee liability (Note 2)	16,942	—	—
Subsidiary	Toray Engineering Co., Ltd.	Direct 99.99%	Deposit of surplus funds received, members of the Board or corporate auditors serving concurrently	Deposit of surplus funds received (Note 3)	—	Deposits received	23,668

The transaction amounts in the table referred to above do not include consumption taxes, but the balances as of the end of the fiscal year include consumption taxes.

Conditions of transactions and policy for determining conditions of transactions:

Note 1: Conditions of transactions for sales, purchases of goods, etc. are determined by the same methods used to determine the general terms and conditions of business, based on considerations of market value and other factors.

Note 2: The Company has guaranteed the loans of Toray Carbon Fibers America, Inc. and Toray Carbon Fibers Europe S. A.

Note 3: The interest rates for the deposits of surplus funds received from Toray Engineering Co., Ltd. are determined based on considerations of the market interest rates.

Per Share Information

1. Net assets per share: ¥329.98
2. Net income per share: ¥26.02