

Announcement of Business Results For the 3Q and Nine Months Ended December 31, 2017

February 9, 2018

Toray Industries, Inc.

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I. Consolidated Business Results for the 3Q and Nine Months Ended December 31, 2017

Summary of Consolidated Business Results for the 3Q and Nine Months Ended Dec. 31, 2017

Billion yen

	FY Mar/17 3Q (Oct.-Dec.)	FY Mar/18 3Q (Oct.-Dec.)	Changes	FY Mar/17 Nine Months (Apr.-Dec.)	FY Mar/18 Nine Months (Apr.-Dec.)	Changes
Net Sales	535.2	600.6	+65.5 (+12.2%)	1,492.2	1,648.8	+156.7 (+10.5%)
Cost of Sales	427.6	480.0	+52.4 (+12.3%)	1,171.3	1,305.1	+133.7 (+11.4%)
Gross Profit	107.6	120.6	+13.1 (+12.1%)	320.8	343.8	+23.0 (+7.2%)
(Gross Profit to Net Sales)	20.1%	20.1%	- 0.0 points	21.5%	20.9%	- 0.7 points
Operating Income	37.9	45.3	+7.4 (+19.4%)	114.2	123.4	+9.2 (+8.0%)
(Operating Income to Net Sales)	7.1%	7.5%	+0.5 points	7.7%	7.5%	- 0.2 points
Non-operating Income and Expenses, net	1.5	▲ 0.5	- 2.0	1.3	▲ 1.8	- 3.1
Ordinary Income	39.4	44.8	+5.4 (+13.7%)	115.5	121.6	+6.1 (+5.3%)
Special Credits and Charges, net	▲ 2.6	▲ 5.7	- 3.0	▲ 3.9	▲ 9.6	- 5.7
Income before Income Taxes	36.8	39.1	+2.4 (+6.5%)	111.6	111.9	+0.4 (+0.3%)
Net Income Attributable to Owners of Parent	23.5	30.1	+6.6 (+28.3%)	76.9	77.6	+0.8 (+1.0%)

		(FY Mar/17 3Q)	→	(FY Mar/18 3Q)	(FY Mar/17 Nine Months)	→	(FY Mar/18 Nine Months)
Exchange Rate <Yen/US\$>	Average	109.3	→	113.0	106.6	→	111.7
	End of the Term	116.5	→	113.0			
<Yen/Euro>	Average	117.8	→	133.0	118.0	→	128.5
	End of the Term	122.7	→	134.9			

Non-operating Income and Expenses

Billion yen

	FY Mar/17 3Q (Oct.-Dec)	FY Mar/18 3Q (Oct.-Dec.)	Changes	FY Mar/17 Nine Months (Apr.-Dec.)	FY Mar/18 Nine Months (Apr.-Dec.)	Changes
Non-operating Income	6.2	4.9	-1.3	15.7	15.9	+0.1
Interest and Dividend Income	1.5	2.0	+0.5	4.1	4.7	+0.6
Equity in Earnings of Affiliates	2.5	1.8	-0.7	6.8	7.2	+0.5
Others	2.2	1.1	-1.1	4.9	3.9	-0.9
Non-operating Expenses	▲ 4.7	▲ 5.4	-0.7	▲ 14.4	▲ 17.6	-3.2
Interest Expenses	▲ 1.3	▲ 1.2	+0.0	▲ 3.6	▲ 3.8	-0.2
Costs related to Start-up of New Facilities	▲ 0.9	▲ 1.7	-0.8	▲ 2.0	▲ 4.7	-2.7
Costs related to Idle Facilities	▲ 1.0	▲ 0.9	+0.1	▲ 3.1	▲ 3.6	-0.5
Others	▲ 1.5	▲ 1.6	-0.1	▲ 5.7	▲ 5.5	+0.2
Non-operating Income and Expenses, net	1.5	▲ 0.5	-2.0	1.3	▲ 1.8	-3.1
Interest and Dividend Income, Interest Expenses, net	0.3	0.8	+0.5	0.5	0.9	+0.3

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

Special Credits and Charges

Billion yen

	FY Mar/17 3Q (Oct.-Dec)	FY Mar/18 3Q (Oct.-Dec.)	Changes	FY Mar/17 Nine Months (Apr.-Dec.)	FY Mar/18 Nine Months (Apr.-Dec.)	Changes
Special Credits	0.3	2.7	+2.4	1.5	3.4	+1.9
Gain on Sales of Property, Plant and Equipment	0.1	0.5	+0.4	1.0	0.7	-0.3
Gain on Sales of Investment Securities	0.2	2.2	+2.0	0.5	2.7	+2.2
Others	-	-	-	0.0	-	-0.0
Special Charges	▲ 2.9	▲ 8.4	-5.4	▲ 5.4	▲ 13.0	-7.6
Loss on Sales and Disposal of Property, Plant and Equipment	▲ 2.1	▲ 1.9	+0.2	▲ 4.1	▲ 3.9	+0.2
Loss on Impairment of Fixed Assets	▲ 0.3	▲ 2.8	-2.5	▲ 0.4	▲ 3.4	-3.1
Loss on Liquidation and Devaluation of Subsidiaries and Affiliated Companies	-	▲ 3.7	-3.7	-	▲ 3.7	-3.7
Environmental Expenses	-	-	-	-	▲ 1.7	-1.7
Others	▲ 0.6	▲ 0.0	+0.5	▲ 0.9	▲ 0.3	+0.6
Special Credits and Charges, net	▲ 2.6	▲ 5.7	-3.0	▲ 3.9	▲ 9.6	-5.7

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

Assets, Liabilities, Net Assets

Billion yen

	End of Mar/17	End of Dec/17	Changes
Total Assets	2,396.8	2,658.4	+261.6
Current Assets	1,066.7	1,179.9	+113.2
Tangible Assets	881.4	943.7	+62.2
Intangible Assets	77.3	72.8	-4.5
Investment and Other Assets	371.3	462.1	+90.8

	End of Mar/17	End of Dec/17	Changes
Total Liabilities	1,296.6	1,451.0	+154.4
Current Liabilities	670.0	712.7	+42.7
Other Liabilities	626.6	738.3	+111.7
Total Net Assets	1,100.2	1,207.4	+107.2

Owner's Equity	1,021.3	1,123.6	+102.3
Equity Ratio	42.6%	42.3%	-0.3 points

Interest-bearing Debts	716.4	847.5	+131.1
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D/E Ratio	0.70	0.75	+0.05
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Capital Expenditures, Depreciation, R&D Expenses

Billion yen

	FY Mar/17 Nine Months (Apr.-Dec.)	FY Mar/18 Nine Months (Apr.-Dec.)	Changes
Capital Expenditures*	98.6	107.6	+9.0
Toray	19.3	26.0	+6.6
Consolidated Subsidiaries	79.3	81.7	+2.4
Depreciation*	66.5	71.4	+4.9
Toray	21.1	23.6	+2.4
Consolidated Subsidiaries	45.4	47.9	+2.5
R&D Expenses	42.7	46.7	+4.0
Toray	30.6	35.1	+4.5
Consolidated Subsidiaries	12.1	11.6	-0.5

* Total of tangible assets and intangible assets (excluding goodwill)

Major Capital Expenditure Projects :

- Toray Advanced Materials Korea Inc. : High-functional polypropylene spunbond production facilities
- Toray Battery Separator Film Korea Limited : Polyethylene film SETELA™ production facilities
- Zoltek Companies, Inc. : Large tow carbon fiber “ZOLTEK™” production facilities
- Toray Composite Materials America, Inc. : Carbon fiber TORAYCA™ prepreg integrated production facilities

Net Sales and Operating Income by Segment

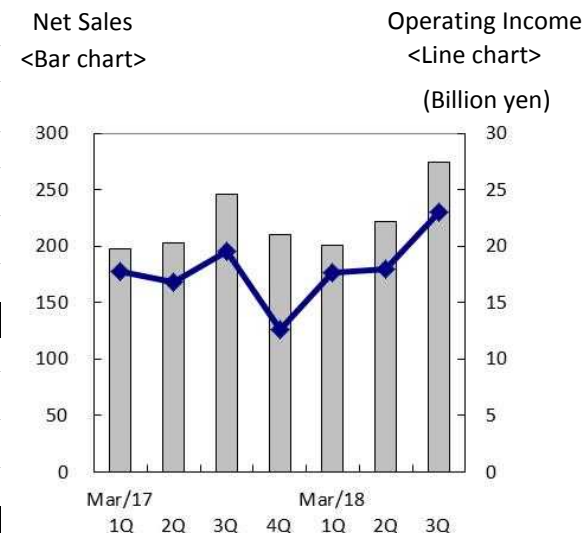
Billion yen

	Net Sales			Operating Income		
	FY Mar/17 3Q (Oct.-Dec)	FY Mar/18 3Q (Oct.-Dec.)	Changes	FY Mar/17 3Q (Oct.-Dec)	FY Mar/18 3Q (Oct.-Dec.)	Changes
Fibers & Textiles	245.8	274.8	+29.0 (+11.8%)	19.5	23.0	+3.5 (+18.0%)
Performance Chemicals	181.5	209.0	+27.5 (+15.2%)	16.8	20.0	+3.2 (+19.2%)
Carbon Fiber Composite Materials	37.8	43.4	+5.6 (+14.7%)	4.6	4.6	+0.0 (+1.1%)
Environment & Engineering	53.1	55.7	+2.6 (+4.9%)	2.2	2.5	+0.3 (+13.0%)
Life Science	12.9	13.6	+0.7 (+5.1%)	▲ 0.3	0.6	+0.8 (-)
Others	4.0	4.2	+0.2 (+3.9%)	0.7	0.8	+0.2 (+25.2%)
Total	535.2	600.6	+65.5 (+12.2%)	43.5	51.6	+8.1 (+18.5%)
Adjustment				▲ 5.6	▲ 6.3	-0.7
Consolidated	535.2	600.6	+65.5 (+12.2%)	37.9	45.3	+7.4 (+19.4%)

	Net Sales			Operating Income		
	FY Mar/17 Nine Months (Apr.-Dec.)	FY Mar/18 Nine Months (Apr.-Dec.)	Changes	FY Mar/17 Nine Months (Apr.-Dec.)	FY Mar/18 Nine Months (Apr.-Dec.)	Changes
Fibers & Textiles	646.0	697.6	+51.6 (+8.0%)	54.1	58.6	+4.4 (+8.2%)
Performance Chemicals	527.7	599.7	+72.0 (+13.6%)	46.4	55.7	+9.3 (+20.0%)
Carbon Fiber Composite Materials	118.4	128.2	+9.8 (+8.3%)	20.6	15.1	-5.5 (-26.9%)
Environment & Engineering	149.5	170.9	+21.4 (+14.3%)	7.5	9.4	+1.9 (+24.8%)
Life Science	38.1	39.8	+1.7 (+4.3%)	0.5	1.9	+1.5 (+304.4%)
Others	12.4	12.7	+0.2 (+1.9%)	1.2	1.7	+0.5 (+45.0%)
Total	1,492.2	1,648.8	+156.7 (+10.5%)	130.3	142.4	+12.1 (+9.3%)
Adjustment				▲ 16.1	▲ 19.0	-2.9
Consolidated	1,492.2	1,648.8	+156.7 (+10.5%)	114.2	123.4	+9.2 (+8.0%)

Business Results by Segment (Fibers & Textiles)

		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		Billion yen							
		FY Mar/17	FY Mar/18	Changes		FY Mar/17	FY Mar/18	Changes	
Net Sales	Toray	46.1	50.0	+3.9	(+8.5%)	135.9	145.8	+9.9	(+7.3%)
	Japanese Subsidiaries	141.3	152.5	+11.2	(+7.9%)	337.5	347.8	+10.3	(+3.0%)
	Overseas Subsidiaries	131.8	156.9	+25.1	(+19.1%)	378.4	436.3	+57.9	(+15.3%)
	Adjustment	▲ 73.4	▲ 84.7	-11.3		▲ 205.8	▲ 232.3	-26.5	
	Total	245.8	274.8	+29.0	(+11.8%)	646.0	697.6	+51.6	(+8.0%)
	Operating Income	Toray	4.7	4.5	-0.2	(-3.6%)	15.3	15.5	+0.2
Japanese Subsidiaries	4.2	4.6	+0.4	(+9.9%)	9.3	10.0	+0.7	(+7.2%)	
Overseas Subsidiaries	10.2	12.1	+1.9	(+18.1%)	31.0	35.0	+4.0	(+13.0%)	
Adjustment	0.3	1.8	+1.4		▲ 1.5	▲ 1.9	-0.5		
Total	19.5	23.0	+3.5	(+18.0%)	54.1	58.6	+4.4	(+8.2%)	



3Q (Oct.-Dec.)

In Japan, demand for some industrial applications such as automobiles was strong. In apparel applications, demand for materials for the autumn/winter garments remained strong due to the cold winter. Toray Group not only continued to strive to expand sales in both apparel applications and industrial applications, but also worked to expand the business format that integrates fibers to textiles to final products while focusing on strengthening cost competitiveness. Overseas, although business performance of some subsidiaries in Southeast Asia and Republic of Korea was sluggish, business as a whole was generally strong led by materials for automotive applications and hygiene products.

Nine Months (Apr.-Dec.)

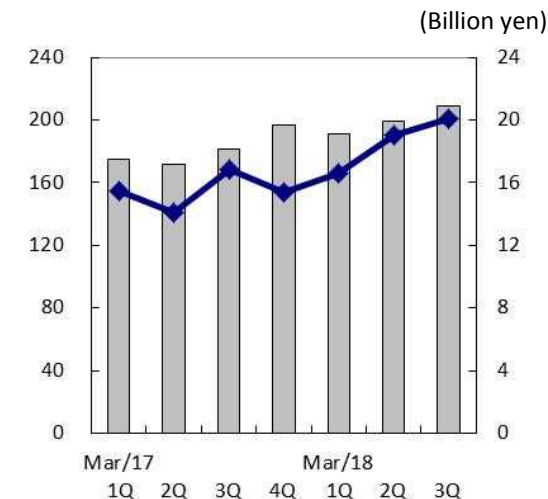
In Japan, demand for some industrial applications such as automobiles was strong and apparel applications saw gradual improvement in store sales of final products. Against this background, Toray Group not only strived to expand sales in both apparel and industrial applications, but also worked to expand the business format that integrates fibers to textiles to final products while focusing on strengthening cost competitiveness. Overseas, business performance of some subsidiaries in Southeast Asia and Republic of Korea remained slow. On the other hand, materials for automotive applications and hygiene products remained strong in general and expanded the integrated business format for apparel applications.

Business Results by Segment (Performance Chemicals)

		Billion yen							
		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/17	FY Mar/18	Changes		FY Mar/17	FY Mar/18	Changes	
Net Sales	Toray	53.5	64.0	+10.5	(+19.6%)	155.9	183.8	+27.8	(+17.8%)
	Japanese Subsidiaries	111.4	119.5	+8.1	(+7.3%)	325.2	340.5	+15.4	(+4.7%)
	Overseas Subsidiaries	110.3	134.8	+24.5	(+22.2%)	315.3	394.0	+78.7	(+24.9%)
	Adjustment	▲ 93.8	▲ 109.3	-15.6		▲ 268.7	▲ 318.6	-49.9	
	Total	181.5	209.0	+27.5	(+15.2%)	527.7	599.7	+72.0	(+13.6%)
Operating Income	Toray	5.2	6.5	+1.3	(+25.2%)	12.5	17.9	+5.3	(+42.7%)
	Japanese Subsidiaries	4.5	4.0	-0.5	(-10.5%)	12.2	10.7	-1.4	(-11.8%)
	Overseas Subsidiaries	8.1	10.4	+2.3	(+28.4%)	24.2	29.5	+5.4	(+22.2%)
	Adjustment	▲ 1.0	▲ 0.9	+0.1		▲ 2.4	▲ 2.4	+0.0	
	Total	16.8	20.0	+3.2	(+19.2%)	46.4	55.7	+9.3	(+20.0%)

Net Sales
<Bar chart>

Operating Income
<Line chart>



3Q (Oct.-Dec.)

In the resin business, shipment for automotive applications was strong in general, mainly in Japan. Besides automotive applications, Toray Group also promoted sales expansion of ABS and PPS resins. In the film business, shipment of battery separator films for lithium-ion secondary batteries increased reflecting demand growth. Films for electronic parts which are used for applications such as smartphones continued to be favorable. In the electronic & information materials business, shipment of OLED panel-related materials and high-functional electric circuit materials expanded.

Nine Months (Apr.-Dec.)

In the resin business, shipment for automotive applications was strong in general, mainly in Japan. Besides automotive applications, Toray Group also promoted sales expansion of ABS and PPS resins. In the film business, shipment of battery separator films for lithium-ion secondary batteries increased reflecting demand growth, while films for electronic parts which are used for applications such as smartphones continued to be favorable. In the electronic & information materials business, demand for OLED panels increased and shipment of related materials expanded.

Breakdown of Performance Chemicals Segment

Billion yen

	FY Mar/17 3Q (Oct.-Dec.)		FY Mar/18 3Q (Oct.-Dec.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Resins, Chemicals	78.0	28%	91.3	29%	+17%
Films	72.6	26%	85.0	27%	+17%
Electronic & Information Materials	15.1	6%	17.5	5%	+16%
Trading	109.5	40%	124.6	39%	+14%
Adjustment	▲ 93.8	-	▲ 109.3	-	-
Total	181.5		209.0		

	FY Mar/17 Nine Months (Apr.-Dec.)		FY Mar/18 Nine Months (Apr.-Dec.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Resins, Chemicals	222.0	28%	265.4	29%	+20%
Films	215.5	27%	245.2	27%	+14%
Electronic & Information Materials	44.3	6%	48.8	5%	+10%
Trading	314.5	39%	358.9	39%	+14%
Adjustment	▲ 268.7	-	▲ 318.6	-	-
Total	527.7		599.7		

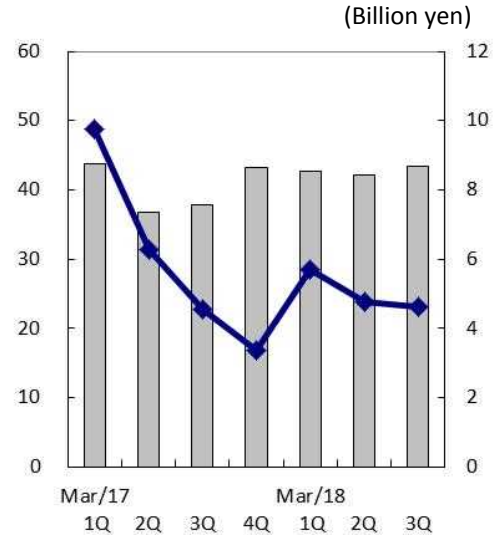
Business Results by Segment (Carbon Fiber Composite Materials)

		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/17	FY Mar/18	Changes		FY Mar/17	FY Mar/18	Changes	
Net Sales	Toray	21.5	24.0	+2.5	(+11.6%)	74.1	70.4	-3.7	(-5.0%)
	Japanese Subsidiaries	13.8	17.3	+3.5	(+25.6%)	48.7	51.0	+2.3	(+4.6%)
	Overseas Subsidiaries	33.2	37.0	+3.8	(+11.3%)	102.1	103.2	+1.1	(+1.0%)
	Adjustment	▲ 30.7	▲ 34.9	-4.2		▲ 106.6	▲ 96.3	+10.2	
	Total	37.8	43.4	+5.6	(+14.7%)	118.4	128.2	+9.8	(+8.3%)
Operating Income	Toray	2.1	2.4	+0.3	(+13.7%)	9.6	7.2	-2.4	(-25.0%)
	Japanese Subsidiaries	0.3	0.4	+0.1	(+42.3%)	0.9	1.2	+0.3	(+27.4%)
	Overseas Subsidiaries	3.3	3.0	-0.3	(-8.7%)	12.5	8.6	-3.9	(-31.1%)
	Adjustment	▲ 1.1	▲ 1.1	-0.1		▲ 2.4	▲ 1.9	+0.5	
	Total	4.6	4.6	+0.0	(+1.1%)	20.6	15.1	-5.5	(-26.9%)

Billion yen

Net Sales
<Bar chart>

Operating Income
<Line chart>



3Q (Oct.-Dec.)

In aerospace applications, while the build-rate of large-scale aircraft decreased, final demand for small and medium sized aircraft remained strong, and shipment showed signs of recovery as the inventory adjustment in the supply chain was completed. In the industrial applications, demand showed a recovery trend in the environment and energy-related field led by regular tow products for compressed natural gas tank applications in the US. Sales of composites for PC chassis and electrode substrates of fuel cell stacks remained strong. The segment was affected by increases in raw material prices as well as intensifying competition.

Nine Months (Apr.-Dec.)

With the final demand for the aircraft remaining strong in the aerospace application, shipments showed signs of recovery as the inventory adjustment in the supply chain was completed. In the industrial applications, demand showed a recovery trend primarily in the environment and energy-related field led by compressed natural gas tank applications and wind turbine blade applications. The segment was affected by increases in raw material prices as well as intensifying competition.

Breakdown of Carbon Fiber Composite Materials Segment

Billion yen

	FY Mar/17 3Q (Oct.-Dec.)		FY Mar/18 3Q (Oct.-Dec.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aerospace	17.3	46%	20.3	47%	+17%
Sports	3.5	9%	4.3	10%	+22%
Industrial	17.1	45%	18.8	43%	+10%
Total of Carbon Fiber Composite Materials	37.8		43.4		+15%

	FY Mar/17 Nine Months (Apr.-Dec.)		FY Mar/18 Nine Months (Apr.-Dec.)		
	Net Sales	Ratio	Net Sales	Ratio	Changes
Aerospace	54.6	46%	60.3	47%	+10%
Sports	10.2	9%	11.7	9%	+15%
Industrial	53.6	45%	56.2	44%	+5%
Total of Carbon Fiber Composite Materials	118.4		128.2		+8%

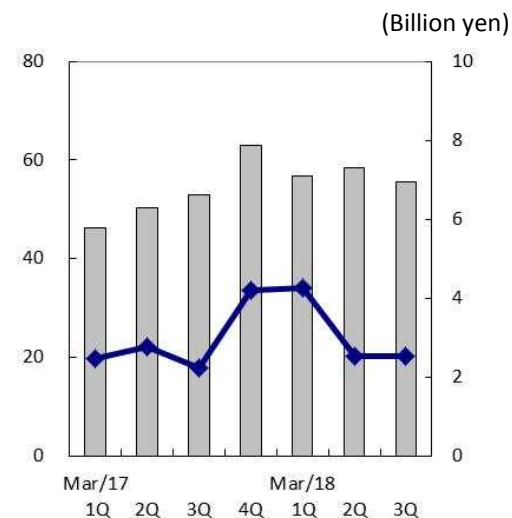
Business Results by Segment (Environment & Engineering)

Billion yen

		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/17	FY Mar/18	Changes		FY Mar/17	FY Mar/18	Changes	
Net Sales	Toray	4.5	5.8	+1.3	(+28.5%)	14.7	16.3	+1.6	(+11.1%)
	Japanese Subsidiaries	68.4	67.7	-0.8	(-1.1%)	183.8	204.0	+20.1	(+11.0%)
	Overseas Subsidiaries	6.8	8.4	+1.6	(+22.9%)	19.7	23.7	+4.0	(+20.3%)
	Adjustment	▲ 26.7	▲ 26.2	+0.5		▲ 68.7	▲ 73.1	-4.4	
	Total	53.1	55.7	+2.6	(+4.9%)	149.5	170.9	+21.4	(+14.3%)
Operating Income	Toray	▲ 0.1	0.0	+0.1	(-)	▲ 0.1	0.3	+0.4	(-)
	Japanese Subsidiaries	1.6	1.8	+0.2	(+11.0%)	5.7	6.7	+1.0	(+17.4%)
	Overseas Subsidiaries	0.5	0.7	+0.3	(+53.3%)	2.1	2.3	+0.3	(+12.7%)
	Adjustment	0.2	▲ 0.0	-0.3		▲ 0.2	0.1	+0.2	
	Total	2.2	2.5	+0.3	(+13.0%)	7.5	9.4	+1.9	(+24.8%)

Net Sales
<Bar chart>

Operating Income
<Line chart>



3Q (Oct.-Dec.)

In the water treatment business, demand for reverse osmosis membranes and other products in general grew strongly in Japan and abroad. In terms of domestic subsidiaries in the segment, a construction-related subsidiary performed strongly.

Nine Months (Apr.-Dec.)

In the water treatment business, demand for reverse osmosis membranes and other products in general grew strongly in Japan and abroad. In terms of domestic subsidiaries in the segment, industrial machinery and electronics-related equipment performed strongly at an engineering subsidiary.

Business Results by Segment (Life Science)

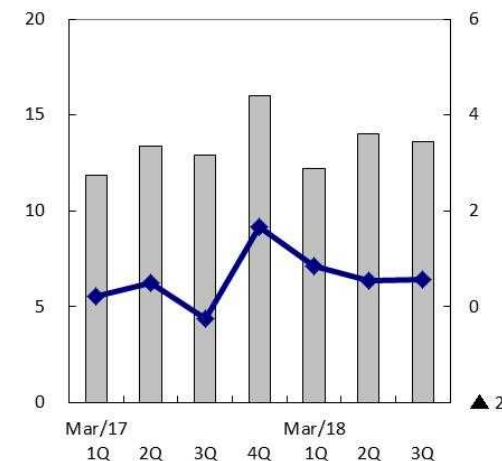
		3Q (Oct.-Dec.)				Nine Months (Apr.-Dec.)			
		FY Mar/17	FY Mar/18	Changes		FY Mar/17	FY Mar/18	Changes	
Net Sales	Toray	6.5	7.4	+0.9	(+13.4%)	21.5	20.4	-1.1	(-5.0%)
	Japanese Subsidiaries	10.2	10.3	+0.1	(+0.9%)	30.2	30.2	-0.0	(-0.0%)
	Overseas Subsidiaries	3.0	2.9	-0.2	(-5.6%)	9.1	8.8	-0.3	(-3.4%)
	Adjustment	▲ 6.9	▲ 7.0	-0.1		▲ 22.7	▲ 19.6	+3.0	
	Total	12.9	13.6	+0.7	(+5.1%)	38.1	39.8	+1.7	(+4.3%)
Operating Income	Toray	▲ 0.4	0.2	+0.6	(-)	0.2	▲ 0.2	-0.3	(-)
	Japanese Subsidiaries	0.2	0.3	+0.1	(+66.1%)	▲ 0.1	0.8	+0.9	(-)
	Overseas Subsidiaries	▲ 0.1	▲ 0.2	-0.2	(-)	▲ 0.0	▲ 0.2	-0.2	(-)
	Adjustment	0.0	0.3	+0.2		0.4	1.5	+1.1	
	Total	▲ 0.3	0.6	+0.8	(-)	0.5	1.9	+1.5	(+304.4%)

Billion yen

Net Sales
<Bar chart>

Operating Income
<Line chart>

(Billion yen)



3Q (Oct.-Dec.)

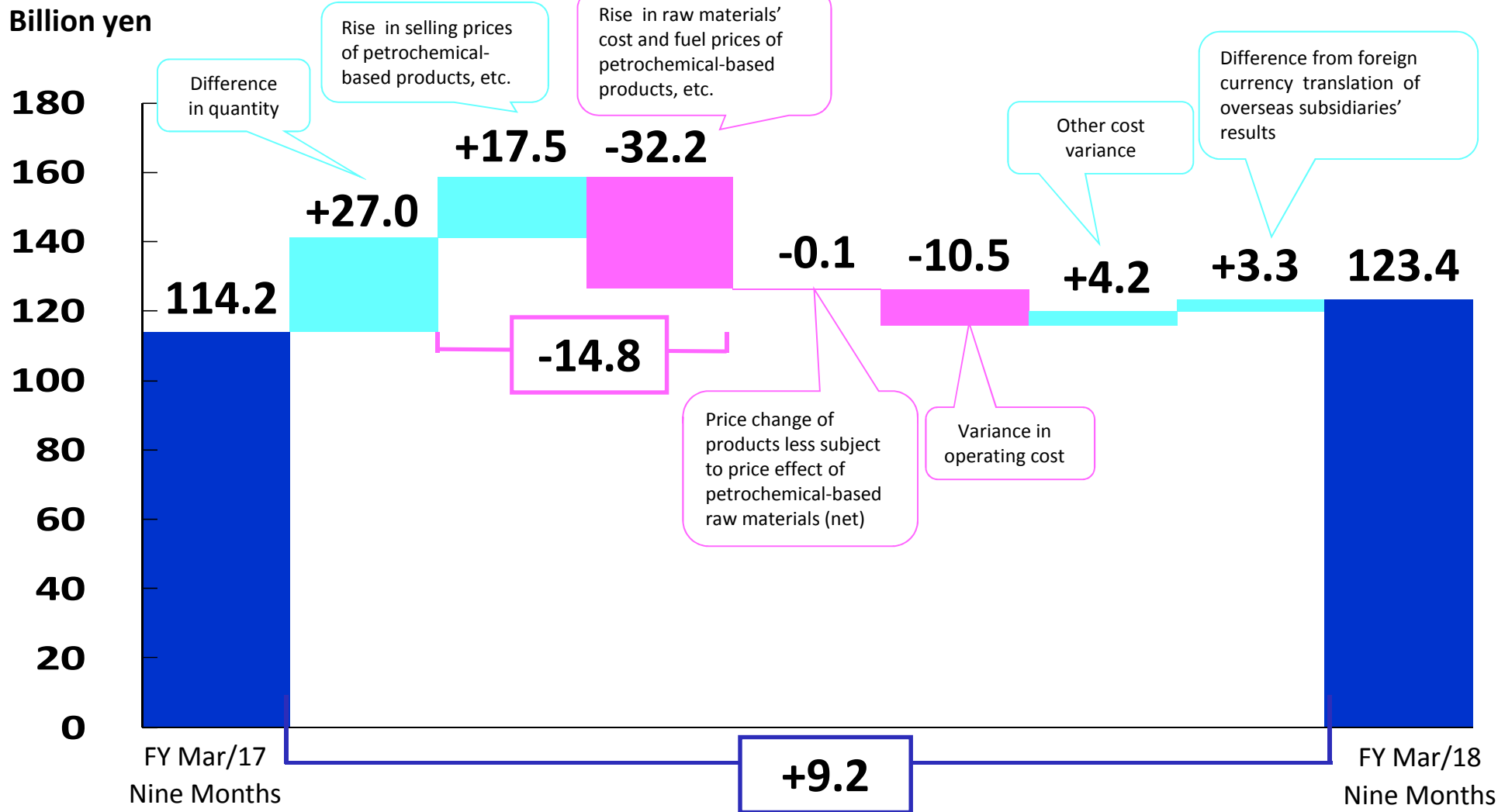
In the pharmaceutical business, shipment of pruritus treatment REMITCH™* expanded due to the impact of the introduction of a new dosage form and approval of new indications. On the other hand, shipment of natural-type interferon beta preparation FERON™ and orally active prostacyclin derivative DORNER™ remained sluggish due to the impact of alternative medicines and generic drugs. In the medical devices business, shipment of dialyzers grew strongly.

Nine Months (Apr.-Dec.)

In the pharmaceutical business, shipment of pruritus treatment REMITCH™* expanded due to the impact of the introduction of a new dosage form and approval of new indications. On the other hand, shipment of natural-type interferon beta preparation FERON™ and orally active prostacyclin derivative DORNER™ remained sluggish due to the impact of alternative medicines and generic drugs. In the medical devices business, shipment of dialyzers grew strongly.

* REMITCH™ is a registered trademark of Torii Pharmaceutical Co., Ltd.

Income Variance Factor Analysis (Nine Months)



“Petrochemical-based products, etc.” are the total of Fibers & Textiles, Performance Chemicals and Carbon Fiber Composite Materials Segments

Results of Major Subsidiaries and Regions (Nine Months)

Billion yen

		Net Sales			Operating Income		
		FY Mar/17 Nine Months (Apr.-Dec.)	FY Mar/18 Nine Months (Apr.-Dec.)	Changes	FY Mar/17 Nine Months (Apr.-Dec.)	FY Mar/18 Nine Months (Apr.-Dec.)	Changes
Toray International Inc.		432.9	453.7	+20.8	8.4	10.1	+1.7
Toray Engineering Co., Ltd.		74.9	79.0	+4.1	4.2	5.1	+0.9
Toray Construction Co., Ltd.		30.1	36.8	+6.7	0.6	0.7	+0.2
Toray Advanced Film Co., Ltd.		31.3	32.4	+1.1	1.6	2.5	+0.9
Subsidiaries in Southeast Asia	Fibers & Textiles	85.7	102.0	+16.3	5.7	7.2	+1.5
	Performance Chemicals	60.0	81.6	+21.6	5.8	8.7	+2.9
	Others	-	0.1	+0.1	-	0.0	+0.0
	Total	145.7	183.7	+38.1	11.5	15.8	+4.3
Subsidiaries in China	Fibers & Textiles	187.9	215.7	+27.8	17.2	19.8	+2.6
	Performance Chemicals	63.6	76.4	+12.9	3.9	2.2	-1.7
	Others	18.7	23.2	+4.5	0.5	0.7	+0.2
	Total	270.1	315.3	+45.2	21.6	22.6	+1.1
Subsidiaries in Korea	Fibers & Textiles	66.4	73.6	+7.2	3.4	2.5	-0.9
	Performance Chemicals	75.2	103.3	+28.1	9.0	13.9	+5.0
	Others	11.9	13.5	+1.6	1.9	1.5	-0.4
	Total	153.5	190.4	+36.9	14.3	18.0	+3.6

II. Consolidated Business Forecast for the Fiscal Year Ending March 2018

Forecast Summary for the Fiscal Year Ending March 2018

		FY Mar/17 Actual	FY Mar/18 Forecast	Changes	
Net Sales	1st Half	957.0	1,048.2	+91.2	(+9.5%)
	2nd Half	1,069.5	1,171.8	+102.3	(+9.6%)
	Total	2,026.5	2,220.0	+193.5	(+9.6%)
Operating Income	1st Half	76.3	78.1	+1.8	(+2.3%)
	2nd Half	70.6	86.9	+16.3	(+23.1%)
	Total	146.9	165.0	+18.1	(+12.3%)
Ordinary Income	1st Half	76.1	76.8	+0.7	(+0.9%)
	2nd Half	67.7	85.2	+17.6	(+26.0%)
	Total	143.7	162.0	+18.3	(+12.7%)
Net Income Attributable to Owners of Parent	1st Half	53.4	47.5	-5.9	(-11.0%)
	2nd Half	46.0	52.5	+6.5	(+14.0%)
	Total	99.4	100.0	+0.6	(+0.6%)

Billion yen

Net Income per Share	1st Half	33.40 yen	29.71 yen
	2nd Half	28.77 yen	32.81 yen
	Total	62.17 yen	62.52 yen
Dividend per Share	1st Half	7.00 yen	7.00 yen
	2nd Half	7.00 yen	7.00 yen
	Total	14.00 yen	14.00 yen

Assumed exchange rate : 110 yen / US\$ (from January)

Forecast by Segment

Billion yen

		FY Mar/17 Actual			FY Mar/18 Forecast			Changes			Difference from Previous Forecast*
		1st Half	2nd Half	Total	1st Half	2nd Half	Total	1st Half	2nd Half	Total	Total
Net Sales	Fibers & Textiles	400.2	456.0	856.1	422.8	487.2	910.0	+22.6	+31.3	+53.9	-15.0
	Performance Chemicals	346.2	378.4	724.6	390.7	419.3	810.0	+44.5	+40.9	+85.4	+10.0
	Carbon Fiber Composite Materials	80.6	81.1	161.6	84.8	95.2	180.0	+4.3	+14.1	+18.4	—
	Environment & Engineering	96.4	116.1	212.5	115.2	124.8	240.0	+18.8	+8.7	+27.5	+5.0
	Life Science	25.2	28.9	54.2	26.2	33.8	60.0	+1.0	+4.9	+5.9	—
	Others	8.4	9.0	17.4	8.5	11.5	20.0	+0.1	+2.5	+2.6	—
	Consolidated	957.0	1,069.5	2,026.5	1,048.2	1,171.8	2,220.0	+91.2	+102.3	+193.5	—
Operating Income	Fibers & Textiles	34.6	32.2	66.8	35.5	39.5	75.0	+0.9	+7.3	+8.2	—
	Performance Chemicals	29.6	32.2	61.8	35.7	39.3	75.0	+6.1	+7.1	+13.2	+1.0
	Carbon Fiber Composite Materials	16.0	7.9	24.0	10.5	11.5	22.0	-5.6	+3.6	-2.0	-2.0
	Environment & Engineering	5.3	6.5	11.7	6.8	8.2	15.0	+1.6	+1.7	+3.3	+1.0
	Life Science	0.7	1.4	2.1	1.4	1.6	3.0	+0.7	+0.2	+0.9	—
	Others	0.5	2.1	2.6	0.9	1.6	2.5	+0.4	-0.5	-0.1	—
	Adjustment	▲ 10.5	▲ 11.7	▲ 22.1	▲ 12.7	▲ 14.8	▲ 27.5	-2.2	-3.1	-5.4	—
Consolidated	76.3	70.6	146.9	78.1	86.9	165.0	+1.8	+16.3	+18.1	—	

*Difference from Previous Forecast : the difference from the forecast announced on November 10, 2017.

Descriptions of predicted business results, projections, and business plans for the Fiscal Year Ending March 2018 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.